

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Sundry Print Report 20

Well Name: KEG SHELL FEDERAL Well Location: T26S / R28E / SEC 35 / County or Parish/State:

COM LOT 3/

Well Number: 702H Type of Well: OIL WELL Allottee or Tribe Name:

Lease Number: NMNM106909 Unit or CA Name: Unit or CA Number:

US Well Number: 3001548212 Well Status: Approved Application for Operator: COG OPERATING

Permit to Drill LLC

## **Notice of Intent**

**Sundry ID: 2751358** 

Type of Submission: Notice of Intent

Type of Action: APD Change

Date Sundry Submitted: 09/14/2023 Time Sundry Submitted: 01:40

Date proposed operation will begin: 09/14/2023

**Procedure Description:** COG Operating requests a change to our approved APD for this well to reflect a change in casing and cement design. The proposed changes reflect upsizing the surface and intermediate open hole sections to 17-1/2", 12-1/4" and adding a 2nd intermediate section which will be a 7-5/8" liner. The production section will remain unchanged from the approved APD. Cement blends and volumes have been adjusted to reflect the changes in wellbore design for the surface and intermediate sections. Keg Shell Federal Com 702H: Drill 17-1/2" hole to 750'. Run and cement 13-3/8" 54.5# J-55 BTC casing 310 sacks of 13.5 ppg lead (1.75 ft^3/sack yield and 9.0 gal/sack mix water) 250 sacks of 14.8 ppg tail (1.35 ft^3/sack yield and 6.34 gal/sack mix water) Drill 12-1/4" hole to 2,500'. Run and cement 9-5/8" 40.0# L80-IC BTC casing 490 sacks of 12.8 ppg lead (1.75 ft^3/sack yield and 9.21 gal/sack mix water) 190 sacks of 14.8 ppg tail (1.35 ft^3/sack yield and 6.60 gal/sack mix water) Drill 8-3/4" hole to 8,840'. Run and cement 7-5/8" 29.7# P110-ICY W513 casing liner from 2,300' to 8,840' 285 sacks of 10.5 ppg lead (3.3 ft^3/sack yield and 22.00 gal/sack mix water) 90 sacks of 14.8 ppg tail (1.35 ft^3/sack yield and 6.6 gal/sack mix water) Drill 6-3/4" hole to TD of 21,847'. Run and cement 5-1/2" 23# P110-CY TXP-BTC from 0'-8,640' and 5-1/2" 23# P110-CY W441 from 8,640'-21,847' (crossover 250' inside intermediate casing for cement bond tie in) 542 sacks of 11.0 ppg lead (1.48 ft^3/sack yield and 10.7 gal/sack mix water)

# **NOI Attachments**

# **Procedure Description**

Keg\_Shell\_Fed\_Com\_702H\_Sundry\_Drill\_Plan\_9\_14\_23\_20230914134018.pdf

Page 1 of 2

eived by OCD: 11/21/2023 12:11:51 PM Well Name: KEG SHELL FEDERAL

COM

Well Location: T26S / R28E / SEC 35 /

County or Parish/State:

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**Allottee or Tribe Name:** 

Page 2 of

Lease Number: NMNM106909

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LOT 3/

**Unit or CA Number:** 

**US Well Number: 3001548212** 

Well Status: Approved Application for Permit to Drill

**Operator: COG OPERATING** 

LLC

# **Conditions of Approval**

# **Additional**

KEG\_SHELL\_FED\_COM\_701H\_\_704H\_COA\_20231117091309.pdf

# **Operator**

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

**Operator Electronic Signature: STAN WAGNER** Signed on: SEP 14, 2023 01:40 PM

Name: COG OPERATING LLC

Title: Regulatory Advisor

Street Address: 600 WEST ILLINOIS AVE

City: MIDLAND State: TX

Phone: (432) 253-9685

Email address: STAN.S.WAGNER@CONOCOPHILLIPS.COM

#### **Field**

**Representative Name:** 

**Street Address:** 

City:

State:

Zip:

Phone:

**Email address:** 

# **BLM Point of Contact**

**BLM POC Name: CHRISTOPHER WALLS BLM POC Title:** Petroleum Engineer

**BLM POC Phone:** 5752342234 BLM POC Email Address: cwalls@blm.gov

**Disposition:** Approved Disposition Date: 11/17/2023

Signature: Chris Walls

Page 2 of 2

Form 3160-5 (June 2019)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FURM APPROVED	
OMB No. 1004-0137	
Expires: October 31, 202	21

5.	Lease	Serial	No

SUNDRY NOTICES AND REPORTS OF Do not use this form for proposals to drill of abandoned well. Use Form 3160-3 (APD) for	6. If Indian, Allottee or Tribe Name						
SUBMIT IN TRIPLICATE - Other instructions on	page 2			7. If Unit of CA/Agreement, Name and/or No.			
1. Type of Well							
Oil Well Gas Well Other				8. Well Name and No.			
2. Name of Operator				9. API Well No.			
3a. Address 3b. Phone	No. (includ	e area code)		10. Field and Pool or E	xplora	atory Area	
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)				11. Country or Parish, S	State		
12. CHECK THE APPROPRIATE BOX(ES) TO	INDICATI	E NATURE OF	NOTIO	CE, REPORT OR OTH	ER D	ATA	
TYPE OF SUBMISSION		ТҮРЕ О	F ACT	TION			
Acidize I	Deepen		Produ	action (Start/Resume)		Water Shut-Off	
Notice of Intent   $\square$	Hydraulic Fi	racturing	:	ımation		Well Integrity	
Coging Pensir	New Constri	~ =		mplete		Other	
Subsequent Report	Plug and Ab		:	orarily Abandon			
	Plug Back			r Disposal			
3. Describe Proposed or Completed Operation: Clearly state all pertinent deta the proposal is to deepen directionally or recomplete horizontally, give substitute Bond under which the work will be perfonned or provide the Bond No. completion of the involved operations. If the operation results in a multiple completed. Final Abandonment Notices must be filed only after all requirer is ready for final inspection.) 4. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)	surface loca on file with completion nents, inclu-	tions and measu BLM/BIA. Rec or recompletion	red and quired a n in a r	d true vertical depths of subsequent reports must new interval, a Form 310	f all pe t be fil 60-4 n	ertinent markers and zones. Attach led within 30 days following nust be filed once testing has been	
	Title						
Signature	Date						
THE SPACE FOR F	EDERAL	OR STATE	OF	ICE USE			
Approved by							
		T:41 -		75	-4-		
	+	Title		D	ate		
Conditions of approval, if any, are attached. Approval of this notice does not watertify that the applicant holds legal or equitable title to those rights in the subjective would entitle the applicant to conduct operations thereon.		Office					
Fitle 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime finy false, fictitious or fraudulent statements or representations as to any matter			d willf	fully to make to any dep	artme	ent or agency of the United States	

(Instructions on page 2)

#### **GENERAL INSTRUCTIONS**

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

#### SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

#### **NOTICES**

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c)and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

(Form 3160-5, page 2)

#### **Additional Information**

#### **Additional Remarks**

190 sacks of 14.8 ppg tail (1.35 ft^3/sack yield and 6.60 gal/sack mix water)

Drill 8-3/4 hole to 8,840. Run and cement 7-5/8 29.7# P110-ICY W513 casing liner from 2,300 to 8,840 285 sacks of 10.5 ppg lead (3.3 ft^3/sack yield and 22.00 gal/sack mix water) 90 sacks of 14.8 ppg tail (1.35 ft^3/sack yield and 6.6 gal/sack mix water)

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#### **Location of Well**

0. SHL: LOT 3 / 360 FSL / 1344 FEL / TWSP: 26S / RANGE: 28E / SECTION: 35 / LAT: 32.001023 / LONG: -104.053677 ( TVD: 0 feet, MD: 0 feet ) PPP: SWSE / 1 FSL / 1344 FEL / TWSP: 26S / RANGE: 28E / SECTION: 23 / LAT: 32.020778 / LONG: -104.054288 ( TVD: 0 feet, MD: 0 feet ) PPP: SWSE / 1 FSL / 1344 FEL / TWSP: 26S / RANGE: 28E / SECTION: 26 / LAT: 32.006348 / LONG: -104.053677 ( TVD: 0 feet, MD: 0 feet ) PPP: LOT 3 / 330 FSL / 1344 FEL / TWSP: 26S / RANGE: 28E / SECTION: 35 / LAT: 32.0094 / LONG: -104.053677 ( TVD: 0 feet, MD: 0 feet ) BHL: NWNE / 200 FNL / 1410 FEL / TWSP: 26S / RANGE: 28E / SECTION: 23 / LAT: 32.034766 / LONG: -104.053987 ( TVD: 0 feet, MD: 0 feet )

# PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	COG
LEASE NO.:	NMNM106909
LOCATION:	Section 35, T.26 S, R.28 E., NMPM
COUNTY:	Eddy County, New Mexico
WELL NAME & NO.:	KEG Shell Fed Com 701H
SURFACE HOLE FOOTAGE:	360'/S & 1314'/E
BOTTOM HOLE FOOTAGE:	200'/N & 550'/E
WELL NAME & NO.:	KEG Shell Fed Com 702H
SURFACE HOLE FOOTAGE:	360'/S & 1344'/E
<b>BOTTOM HOLE FOOTAGE:</b>	200'/N & 1410'/E

WELL NAME & NO.: KEG Shell Fed Com 703H
SURFACE HOLE FOOTAGE: 360'/S & 1374'/E
BOTTOM HOLE FOOTAGE: 200'/N & 2275'/E

WELL NAME & NO.: KEG Shell Fed Com 704H
SURFACE HOLE FOOTAGE: 460'/S & 1400'/W
BOTTOM HOLE FOOTAGE: 200'/N & 2275'/W

Changes approved through engineering via Sundries 2751358,2751977, 2751359 on 11-17-2023\_. Any previous COAs not addressed within the updated COAs still apply.

COA

$H_2S$	C Yes	No		
Potash / WIPP	None	Secretary	C R-111-P	□ WIPP
Cave / Karst	C Low	• Medium	High	Critical
Wellhead	Conventional	<ul><li>Multibowl</li></ul>	Both	O Diverter
Cementing	☐ Primary Squeeze	☐ Cont. Squeeze	☐ EchoMeter	□ DV Tool
Special Req	☐ Break Testing	☐ Water Disposal	<b>▼</b> COM	□ Unit
Variance	▼ Flex Hose	☐ Casing Clearance	☐ Pilot Hole	☐ Capitan Reef
Variance	☐ Four-String	☐ Offline Cementing	☐ Fluid-Filled	☐ Open Annulus
		Batch APD / Sundry		

#### A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area must meet all requirements from 43 CFR 3176, which includes equipment and

personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

#### B. CASING

- 1. The **10-3/4** inch surface casing shall be set at approximately **400** feet (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
  - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
  - Cement to surface. If cement does not circulate see B.1.a, c-d above.

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

- ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- 3. The minimum required fill of cement behind the **7-5/8** inch intermediate liner is:
  - Cement should tie-back at least **100 feet** into previous casing string.

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

- 4. The minimum required fill of cement behind the 5-1/2 inch production casing is:
  - Cement should tie-back **200 feet** into the previous casing. Operator shall provide method of verification.

#### C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).

- 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the casing shoe shall be **5000** (**5M**) psi
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
  - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
  - c. Manufacturer representative shall install the test plug for the initial BOP test.
  - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
  - e. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172 must be followed.

# D. SPECIAL REQUIREMENT (S)

#### **Communitization Agreement**

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in 43 CFR 3171 and 3172.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

# **GENERAL REQUIREMENTS**

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

- Eddy County
   Email or call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, BLM\_NM\_CFO\_DrillingNotifications@BLM.GOV (575) 361-2822
- ✓ Lea CountyCall the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 689-5981
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
  - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
  - b. When the operator proposes to set surface casing with Spudder Rig
    - Notify the BLM when moving in and removing the Spudder Rig.
    - Notify the BLM when moving in the 2<sup>nd</sup> Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
    - BOP/BOPE test to be conducted per **43 CFR part 3170 Subpart 3172** as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

#### A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or

- if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.
- B. PRESSURE CONTROL
- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in 43 CFR part 3170 Subpart 3172 and API STD 53 Sec. 5.3.

- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
  - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
  - c. Manufacturer representative shall install the test plug for the initial BOP test
  - d. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR part 3170 Subpart 3172 must be followed.
  - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
  - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been

- done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to **43 CFR part 3170 Subpart 3172** with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per 43 CFR part 3170 Subpart 3172.

#### C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

# D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

ZS 11/17/2023

# 1. Geologic Formations

TVD of target	9,606' EOL	Pilot hole depth	NA
MD at TD:	21,847'	Deepest expected fresh water:	120'

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface	Water	
Rustler	478	Water	
Top of Salt	847	Salt	
Base of Salt	2460	Salt	
Lamar	2661	Salt Water	
Bell Canyon	2706	Salt Water	
Cherry Canyon	3499	Oil/Gas	
Brushy Canyon	4789	Oil/Gas	
Bone Spring	6343	Oil/Gas	
Bone Spring 1st Sand	7248	Oil/Gas	
Bone Spring 2nd Sand	7863	Oil/Gas	
Bone Spring 3rd Carb	8320	Oil/Gas	
Bone Spring 3rd Sand	9088	Oil/Gas	
Wolfcamp	9437	Oil/Gas	
Wolfcamp A Shale	9500	Target Oil/Gas	

# 2. Casing Program

	Casing Interval			Weight			SF		SF	SF
Hole Size	From	То	Csg. Size	(lbs)	Grade	Conn.	Collapse	SF Burst	Body	Joint
17.50"	0	750	13.38"	54.5	J55	BTC	3.29	2.60	20.87	22.24
12.250"	0	2500	9.625"	40	L80-IC	BTC	2.98	1.83	9.16	9.47
8.75"	2300	8840	7.625"	29.7	P110-ICY	W513	1.60	2.10	4.07	2.44
6.75"	0	8640	5.5"	23	P110-CY	BTC	2.59	3.06	3.67	3.67
6.75"	8640	21,847	5.5"	23	P110-CY	W441	2.33	2.75	3.30	3.00
				BLM	Minimum Sa	fety Factor	1.125	1	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet

Intermediate casing will be kept at least 1/3 full while running casing.to mitigate collapse. Surface burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface and All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

The 5 1/2" W441 casing will be run back 200' into the intermediate casing to ensure the coupling OD clearance is greater than .422" for the cement bond tie in.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Υ
Does casing meet API specifications? If no, attach casing specification sheet.	Υ
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Υ
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Υ
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary?	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back	14
500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

# 3. Cementing Program

Casing	# Sks	Wt. lb/	Yld ft3/ sack	H₂0 gal/sk	500# Comp. Strength (hours)	Slurry Description
Surf.	310	13.5	1.75	9	12	Lead: Class C + 4% Gel + 1% CaCl2
Suri.	250	14.8	1.34	6.34	8	Tail: Class C + 2% CaCl2
Int. #1	490	12.8	1.75	9.21	12	Lead: Class C + 4% Gel + 1% CaCl2
IIIL. # I	190	14.8	1.35	6.6	8	Tail: Class C + 2% CaCl2
Inter. #2	285	10.5	3.3	22	24	Tuned light
IIILEI. #Z	90	14.8	1.35	6.6	8	Tail: Class H
Prod	542	11	1.48	10.7	72	Lead: 50:50:10 H Blend
FIOU	988	13.2	1.34	5.7	19	Tail: 50:50:2 Class H Blend

Volumes Subject to Observed Hole Conditions and/or Fluid Caliper Results Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

Casing String	TOC	% Excess
Surface	0'	50%
1 <sup>st</sup> Intermediate	0'	50%
2 <sup>nd</sup> Intermediate	2200'	20%
Production	8,590'	20% OH in Lateral (KOP to EOL)

## 4. Pressure Control Equipment

A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре		x	Tested to:								
			Ann	ular	Χ	2500psi								
		5M	Blind	Ram	Х									
12-1/4"	13-5/8"		Pipe Ram		Χ	5000psi								
										Doub	Doubl	e Ram	Х	Socopsi
			Other*											
			5M A	nnular	Χ	5000psi								
			Blind	Ram	Χ									
6-3/4"	13-5/8"	10M	Pipe Ram		Χ	10000pgi								
			Doubl	e Ram	Χ	10000psi								
			Other*											

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

	Formation integrity test will be performed per Onshore Order #2.
Y	On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
Y	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.
	N Are anchors required by manufacturer?
Y	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.

# 5. Mud Program

Depth		Туре	Weight	Viscosity	Water Loss	
From	То	Type	(ppg)	Viscosity	Water Loss	
0	Surf. Shoe	FW Gel	8.6 - 8.8	28-34	N/C	
Surf csg	9-5/8" Int shoe	Brine	9 - 10	28-34	N/C	
9-5/8" Int shoe	7-5/8" Int shoe	Brine	9 - 10	28-34	N/C	
7-5/8" Int shoe	Lateral TD	OBM	9.6 - 12.5	35-45	<20	

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid?	PVT/Pason/Visual Monitoring
What will be used to monitor the loss or gain of fluid?	r v i/rason/visuai ivioriiloriilg
<u> </u>	ÿ

# 6. Logging and Testing Procedures

Logging, Coring and Testing.	
Y	Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
Υ	No Logs are planned based on well control or offset log information.
N	Drill stem test? If yes, explain.
N	Coring? If yes, explain.

Additional logs planned		Interval
N	Resistivity	Pilot Hole TD to ICP
N	Density	Pilot Hole TD to ICP
Y	CBL	Production casing (If cement not circulated to surface)
Υ	Mud log	Intermediate shoe to TD
N	PEX	

# 7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	6245 psi at 9606' TVD
Abnormal Temperature	NO 155 Deg. F.

No abnormal pressure or temperature conditions are anticipated. Sufficient mud materials to maintain mud properties and weight increase requirements will be kept on location at all times.

Sufficient supplies of Paper/LCM for periodic sweeps to control seepage and losses will be maintained on location.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

N	H2S is present
Y	H2S Plan attached

#### 8. Other Facets of Operation

Υ	Is it a walking operation?
Y	Is casing pre-set?

х	H2S Plan.
х	BOP & Choke Schematics.
X	Directional Plan

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

# State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Action 287702

#### **CONDITIONS**

Operator:	OGRID:
COG OPERATING LLC	229137
600 W Illinois Ave	Action Number:
Midland, TX 79701	287702
	Action Type:
	[C-103] NOI Change of Plans (C-103A)

#### CONDITIONS

Created	d By	Condition	Condition Date
ward.	rikala.	Performed work without OCD approval.	7/7/2025