

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COG Artesia

FORM APPROVED
OMB NO 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No
NMNM93205

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No

8. Well Name and No
ICE DANCER 30 FEDERAL 2H9. API Well No.
30-015-39473-00-X110. Field and Pool, or Exploratory
UNDESIGNATED11. County or Parish, and State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

COG OPERATING LLC

Contact: MAYTE REYES

3a. Address

550 WEST TEXAS AVENUE SUITE 100
MIDLAND, TX 79701

3b. Phone No. (include area code)

Ph: 575.748.6940

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 30 T23S R30E SWSE Lot O 475FSL 1890FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Surface Disturbance

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

COG Operating LLC respectfully requests approval to construct a 330' x 330' ft. fresh water frac pond located at Sec30-T23S-R30E.

The frac pond will serve water for the Ice Dancer 30 Federal Com #2H and other future wells permitted on adjacent leases.

RECEIVED

JAN 05 2012

NMOCD ARTESIA

Accepted for record
NMOCDJAN 12-22-11
TCS 1/20/2012

14. Thereby certify that the foregoing is true and correct.

Electronic Submission #123729 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 11/23/2011 (12KMS0409SE)

Name (Printed/Typed) MAYTE REYES

Title REGULATORY ANALYST

Signature

(Electronic Submission)

Date 11/21/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By



Title

FIELD MANAGER

Date

1/3/12

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

CARLSBAD FIELD OFFICE

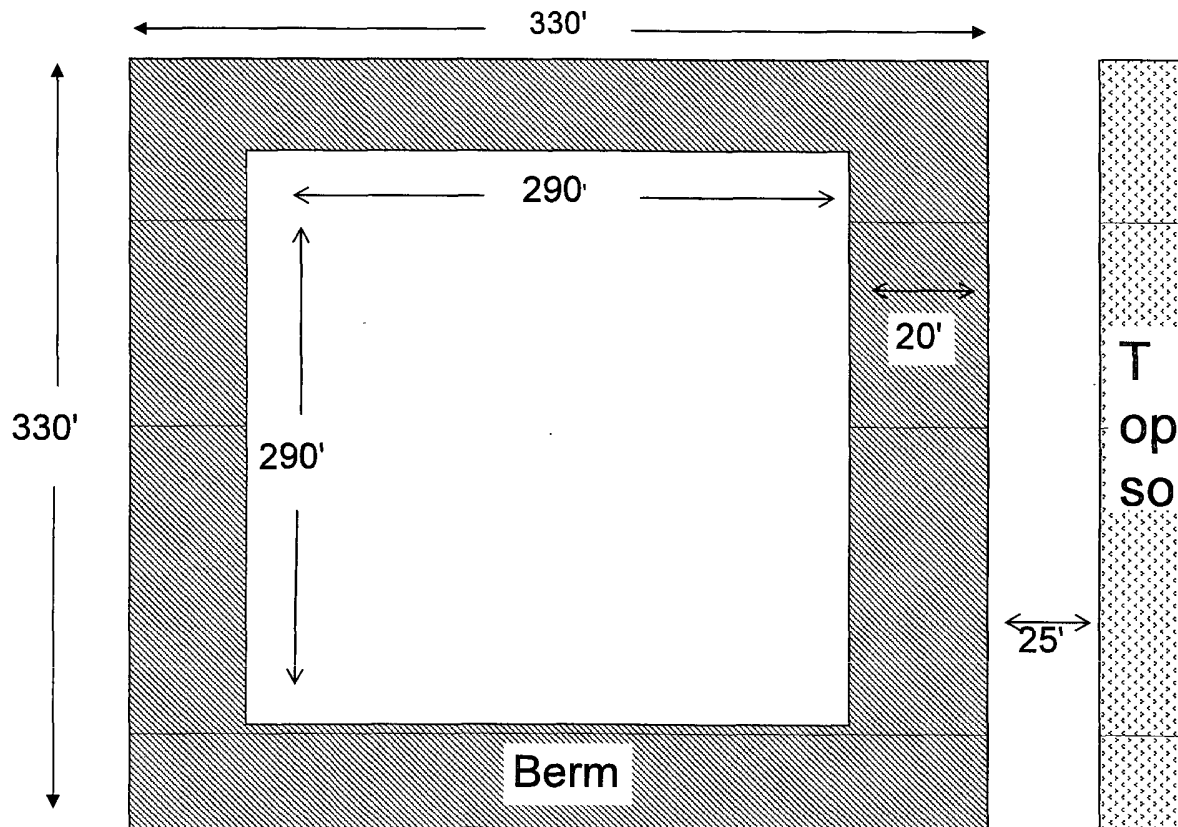
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** REVISED**



COG Operating LLC
2208 West Main
Artesia, NM 88210

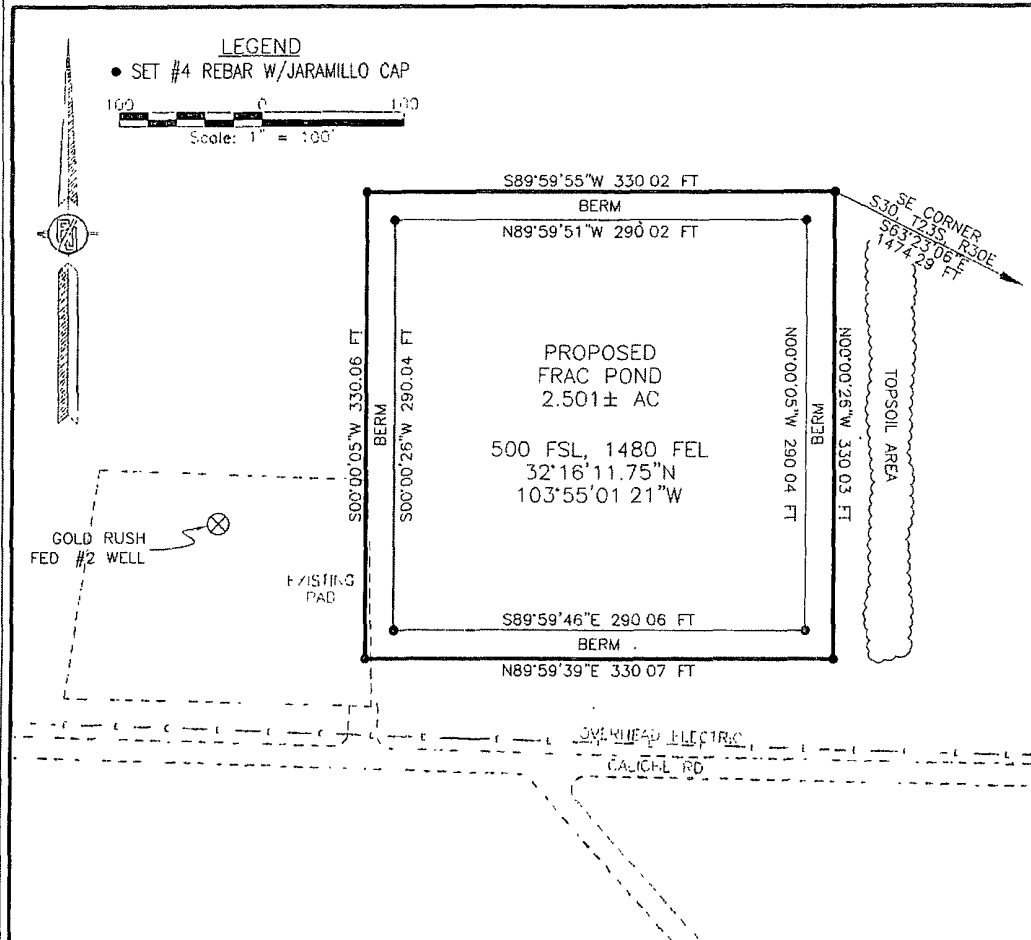
Ice Dancer Frac Pond



Pond depth: 14-15 feet

COG OPERATING, LLC
ICE DANCER FRAC POND
 IN THE W/2 SE/4 SE/4, E/2 SW/4 SE/4 OF
 SECTION 30, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

NOVEMBER 14, 2011



DESCRIPTION

A CERTAIN PIECE OR PARCEL OF LAND AND REAL ESTATE LYING IN THE W/2 SE/4 SE/4, E/2 SW/4 SE/4 OF SECTION 30, TOWNSHIP 23 SOUTH, RANGE 30 EAST N.M.P.M., EDDY COUNTY, NEW MEXICO.

BEGINNING AT THE NORTHEAST CORNER OF THE PARCEL, WHENCE THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M. BEARS S63°23'06\"E, A DISTANCE OF 1474.29 FEET;
 THENCE S89°59'55\"W A DISTANCE OF 330.02 FEET TO THE NORTHWEST CORNER OF THE PARCEL;
 THENCE S00°00'05\"W A DISTANCE OF 330.06 FEET TO THE SOUTHWEST CORNER OF THE PARCEL;
 THENCE N89°59'39\"E A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE PARCEL;
 THENCE N00°00'26\"W A DISTANCE OF 330.03 FEET TO THE NORTHEAST CORNER OF THE PARCEL, THE POINT OF BEGINNING, CONTAINING 2.501 ACRES MORE OR LESS.

SURVEYOR CERTIFICATE

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD, NEW MEXICO, THIS 12 DAY OF NOVEMBER 2011.

GENERAL NOTES

- 1.) THE INTENT OF THIS SURVEY IS TO ACQUIRE A BUSINESS LEASE FOR THE PURPOSE OF BUILDING A FRAC. POND
- 2.) BASIS OF BEARING IS NEW MEXICO STATE PLANE EAST ZONE (FEET) MODIFIED TO SURFACE COORDINATES

SURVEY NO 655 1-3

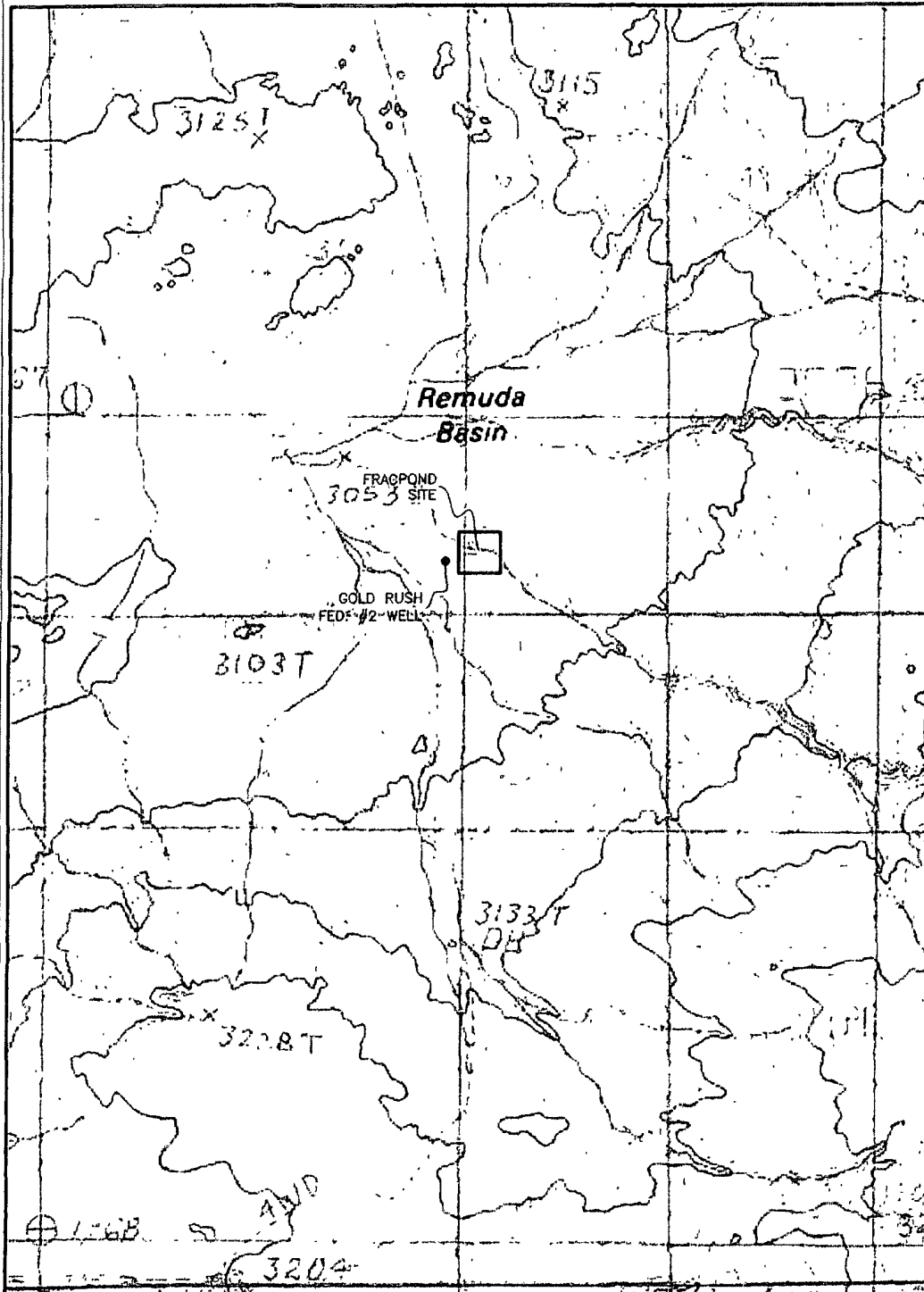
MADRON SURVEYING, INC. CARLSBAD, NEW MEXICO

FILMON F. JARAMILLO, PLS. 12797
 301 SOUTH GULF
 (575) 234-2341
 MADRON SURVEYING, INC.
 30 SOUTH GULF
 CARLSBAD, NEW MEXICO 88220
 Phone (575) 234-2341

COG OPERATING, LLC
ICE DANCER FRAC POND
IN THE W/2 SE/4 SE/4, E/2 SW/4 SE/4 OF
SECTION 30, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M
EDDY COUNTY, STATE OF NEW MEXICO

NOVEMBER 14, 2011

QUAD MAP



SURVEY NO. 655 3-23

MADRON SURVEYING, INC. (575) 234-3243 CARLSBAD, NEW MEXICO

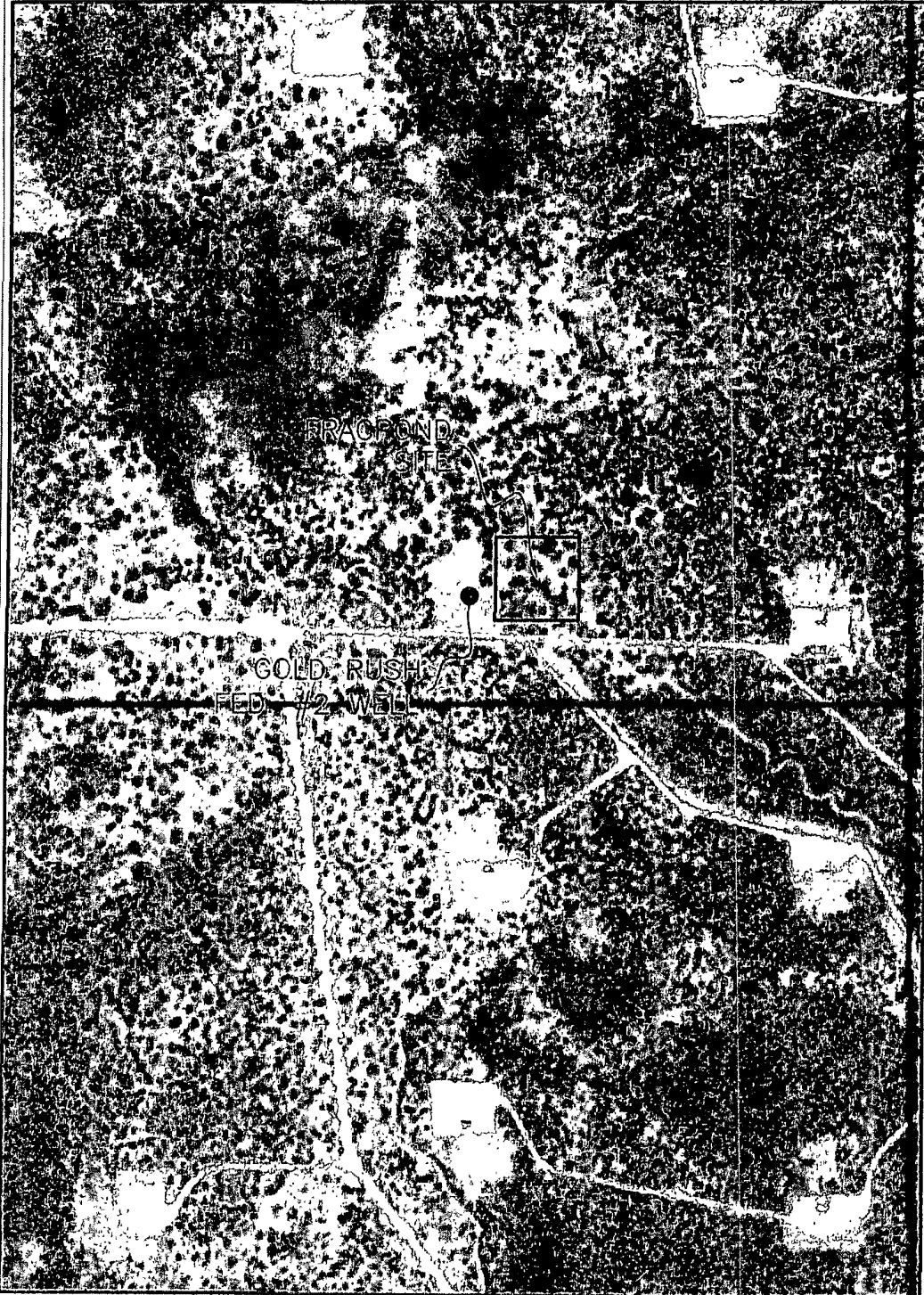
655 40
RVE

COG OPERATING, LLC
ICE DANCER FRAC POND

IN THE W/2 SE/4 SE/4, E/2 SW/4 SE/4 OF
SECTION 30, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M
EDDY COUNTY, STATE OF NEW MEXICO

NOVEMBER 14, 2011

AERIAL PHOTO



SURVEY NO. 655 2-3

MADRON SURVEYING, INC. 201 SOUTH CANAL (175) 234-1141 CARLSBAD, NEW MEXICO

BLM LEASE NUMBER: NM-93205
COMPANY NAME: **COG Operating LLC**
ASSOCIATED WELL NO. & NAME: **Ice Dancer 30 Federal 2H**

FRAC POND CONDITIONS OF APPROVAL

A copy of the APD, Right-of-Way Request, or Sundry Notice and attachments, including stipulations, survey plat and diagram, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all conditions of approval.

Holder agrees to comply with the following conditions of approval to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this permit.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.
3. Required Standard Conditions of Approval:
 - Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.
 - The frac pond will only be authorized to contain freshwater and testing of water quality is required. Additives are not allowed without consent of the authorized officer.
 - If at any time the water in the frac pond becomes polluted with salts or other contaminants, use of the frac pond will cease and desist, and all liquids will be removed from the frac pond and disposed of properly.
 - Confine all construction and maintenance activity to the authorized area.
 - Temporary pipelines flowing from the frac pond to the target well will be laid along existing roadways unless an exception has been granted by the authorized officer.
 - Mineral materials extracted during construction of the frac pond will be stored on-location and/or used for constructing the frac pond.
 - The frac pond will be lined.

- The operator shall stockpile topsoil approximately 25 feet outside the bermed perimeter of the pond in a low profile manner, reasonably protected from wind and water erosion
- Topsoil shall not be used for constructing the frac pond. The topsoil will be used for final reclamation purposes only.
- The frac pond shall be fenced on all sides.
- Frac pond boundary fences will be marked by using highly visible and/or reflective markers
- Inner walls of the frac pond will have a minimum of a 3:1 slope ratio in order to minimize the entrapment of fauna
- Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.
- The plastic lining will be removed prior to final abandonment
- Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing wells.
- Within 3 months of completion of frac operations on associated wells, all earthwork and final reclamation must be completed. This includes reclaiming and/or removal of:

Any roads approved for use with the pond

Surface water lines

Tanks, pumps, fencing etc.

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

Requirements for Operations and Final Reclamation:

4. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault.

5. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The

holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

6. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

7. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

8. After all disturbed areas have been satisfactorily contoured and prepared for seeding the location needs to be revegetated with the seed mixture provided. Seeding may need to be repeated until revegetation is successful. Operators shall contact Jim Amos, Supervisor, Environmental Protection – (575)234-5909, **prior** to beginning surface reclamation operations.

9. Seeding is required: Use the following seed mix.

<input type="checkbox"/> seed mixture 1	<input type="checkbox"/> seed mixture 3
<input type="checkbox"/> seed mixture 2	<input checked="" type="checkbox"/> seed mixture 4 gypsum
<input type="checkbox"/> LPC mixture	<input type="checkbox"/> Aplomado Falcon mix

10. The topsoil to be stripped is approximately 4 inches in depth.

11. Special Stipulations:

No Blasting:

No blasting will be utilized for pond construction. The pond will be constructed and leveled by adding the necessary fill and caliche.

Construction:

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

Fencing:

The boundary of the approved disturbance area will be fenced **PRIOR** to construction. No disturbance will be allowed outside of this fenced boundary.

12. Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

EA File #: EA-11-337