

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONSERVATION
ARTESIA DISTRICT
JUL 21 2015

RECEIVED

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. NMLC028793A
2. Name of Operator COG OPERATING LLC Contact: KANICIA CASTILLO E-Mail: kcastillo@concho.com	6. If Indian, Allottee or Tribe Name
3a. Address ONE CONCHO CENTER 600 W ILLINOIS AVENUE MIDLAND, TX 79701	7. If Unit or CA/Agreement, Name and/or No. NMMN88525X
3b. Phone No. (include area code) Ph: 432-685-4332	8. Well Name and No. BURCH KEELY UNIT 363
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T17S R30E NWSW 1750FSL 1070FWL	9. API Well No. 30-015-32992-00-S1
	10. Field and Pool, or Exploratory BURCH KEELY-GLORIETA-UPPER YE
	11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleate 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 recompletion 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.)

**SEE AT THE BOTTOM
CONDITIONS OF APPROVAL**

COG Operating LLC respectfully request to recomplete this well to the San Andres.

We are going to frac the existing Paddock interval with a 250,000# sand frac and set a CBP at 4200'. We will temporarily abandon the Paddock formation to obtain San Andres only production. The goal will be to one day comingle the zones. We plan to have our bottom perfs from 3700' - 3900'. Ideally, we like to have as much rathole below our bottom perfs as possible to give our bottomhole assembly room and prevent tubing from getting stuck with sand. In addition to having desired rathole space, this gives COG the option to re-enter the Paddock at later time.

Rod Pull/Prep Procedure
? MIRU-WSU, NU BOP

Glarieta top @ 4142'

4174' (minimum of 2' above top most perf)

Accepted for record
MMCOO 7/21/2015

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #308849 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Carlsbad
Committed to AFMSS for processing by JENNIFER SANCHEZ on 07/13/2015 (15JAS0420SE)

Name (Printed/Typed) KANICIA CASTILLO	Title PREPARER
Signature (Electronic Submission)	Date 07/10/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	Title	Date
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	

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.

Additional data for EC transaction #308849 that would not fit on the form

32. Additional remarks, continued

- ? Unseat Pump and POOH with rod
- ? PU Packer and pressure test CSG to 4200 psi.
- ? NU Frac Valve.

Paddock Frac Procedure

- ? RU wireline, shoot new holes in 4224? ? 4557? interval where original pay was missed.
- ? Test lines, begin acid breakdown.
- ? Acidize w/ 2500 gallons of acid and 80 bio balls.
- ? Frac Paddock formation with 210,000# of 16/30 sand and 40,000# 16/30 RC sand.
- ? RU Wireline
- ? Set CBP @ 4200?
- ? We will temporarily abandon the Paddock formation and gather SA production information for the BLM to satisfy commingle permits.

San Andres Frac Procedure (Stage 2)

- ? RIH w/ perforating guns and perforate San Andres Zone from 3600? to 3900' w/ 3 spf, 60? phasing, 54 holes.
- ? Acidize w/ 1500 gals of 15% HCl.
- ? Frac zone w/ 181,250 # of sand.
- ? Record ISIP and FG, Get 5, 10, 15 min SIP
- ? Rig up Wireline
- ? RIH w/ WL and set Composite Plug @ 3550?
- ? Perforate San Andres Zone from 3260' - 3520' w/ 3 spf, 60? phasing, 54 holes.
- ? Acidize w/ 1500 gals of 15% HCl.
- ? Frac zone w/ 181,250 # of sand.
- ? Record ISIP and FG, Get 5, 10, 15 min SIP
- ? Rig up Wireline
- ? RIH w/ WL and set Composite Plug @ 3200?
- ? Perforate San Andres Zone from 2810' - 3010' w/ 3 spf, 60? phasing, 54 holes.
- ? Acidize w/ 1500 gals of 15% HCl.
- ? Frac zone w/ 181,250 # of sand.
- ? Record ISIP and FG, Get 5, 10, 15 min SIP
- ? RIH with Production tbg. and drill Composite plugs @ 3200? and 3550?
- ? Clean out fill to new PBTD @ 4200?
- ? POOH bailer and tbg
- ? RIH with production tubing and locate intake at 3900?.
- ? Set TAC @ 3150?
- ? RIH w/ rods and pump.
- ? RDMO rig.

NM OIL CONSERVATION
ARTESTA DISTRICT

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COG Operating, LLC

Lease & Well

3001532992

Spud date 3-27-05

Completion date 4-25-05

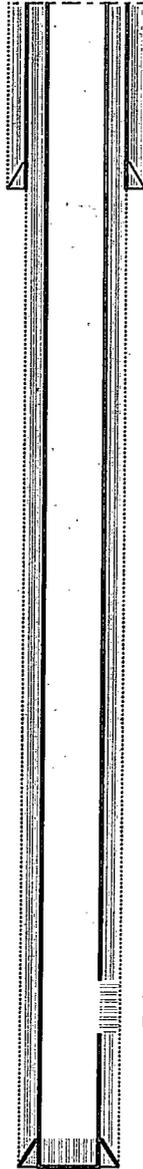
Elevation - GL = 3618'

KB = 3630'

Burch Keely Unit 363

Sec 19 T17S R30E, 1750 FSL & 1070 FWL

EDDY CO., NM



12 1/4" hole

08 5/8" J55 24# @ 329' Cmt w/300 sx. Circ 80 sx

DV tool @ 3275'

4224- 4557' 20 holes acidized w/2,000 gal 15% NEFE
Hot acid job - 35,000 gals 20% HCl

Cmt 1st Stage: 325 sx Super H, circ 75 sx

Cmt 2nd Stage: 400 sx HL, 500 sx Super H, circ 175 sx

05 1/2" 17# J-55 csg @ 4,743 7 7/8" hole

PBTD @ 4719'

Proposed

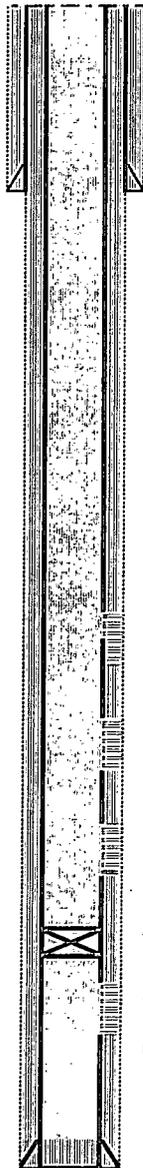
COG Operating, LLC

Lease & Well #

3001532992
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Burch Keely Unit 363

Sec 19 T17S R30E, 1750 FSL & 1070 FWL
EDDY CO., NM



12 1/4" hole
08 5/8" J55 24# @ 329' Cmt w/300 sx. Circ 80 sx

2810' - 3010', 3rd Estimated San Andres Set of Perfs
Will shoot 54 holes, 3 SPF, acidize, and frac w/ 181,250# of sand.

DV tool @ 3275'

3260' - 3520', 2nd Estimated San Andres Set of Perfs
Will shoot 54 holes, 3 SPF, acidize, and frac w/ 181,250# of sand.

3600' - 3900', 1st Estimated San Andres Set of Perfs
Will shoot 54 holes, 3 SPF, acidize, and frac w/ 181,250# of sand.

CBP @ 4200' to temporarily abandon PDK for SA production data.

4224- 4557' 40 holes acidized w/2,000 gal 15% NEFE
Hot acid job - 35,000 gals 20% HCl
Post Paddock frac will be stimulated w/ 250,000# of 16/30 sand

PBTD @ 4719'

Cmt 1st Stage: 325 sx Super H, circ 75 sx
Cmt 2nd Stage: 400 sx HL, 500 sx Super H, circ 175 sx
05 1/2" 17# J-55 csg @ 4,743 7 7/8" hole

Burch Keely Unit 363
30-015-32992
COG Operating, LLC.
July 13, 2015
Conditions of Approval

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Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by October 13, 2015.

1. Operator shall set a CBP at 4,174'.
2. Operator must submit a sundry to the BLM and State for approval to commingle.

Note: If the operator does not commingle the zones, the operator must submit a sundry to properly abandon the Glorieta formation.

3. **Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.**
4. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
5. Surface disturbance beyond the originally approved pad must have prior approval.
6. Closed loop system required.
7. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over 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.
8. Operator to have H2S monitoring equipment on location.
9. A minimum of a **2000 (2M) BOP** to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

10. **Subsequent sundry required detailing work done and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.**

11. **See attached for general requirements.**

JAM 071315

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

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Permanent Abandonment of Production Zone Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety (90)** days from this approval.

If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class "C"**, for up to 7,500 feet of depth or **Neat Class "H"**, for deeper than 7,500 feet plugs.

6. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date work was completed.**

7. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.