

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
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 page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC067849
2. Name of Operator COG Operating LLC		6. If Indian, Allottee or Tribe Name
3a. Address 550 W. Texas Ave, Suite 100 Midland, TX 79701		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) 432-685-4332		8. Well Name and No. Hondo Federal Gas Com. #001
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) J-27-17S-27E, 1650FSL, 2310FEL		9. API Well No. 30-015-20937
		10. Field and Pool, or Exploratory Area LOGAN DRAW; WOLFCAMP (GAS) RED LAKE; GLORIETA-YESO, NORTHEAST RED LAKE; QUEEN-GRAYBURG-SA
		11. County or Parish, 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 type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 recomplete 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 recompletion in a new interval, a Form 3160-3 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.)

1. Set 5 1/2 CIBP @ 1850' 1625
2. Circulate hole w/ MLF
3. Spot 25 sx cement @ 1850-1650' 1625-1625. TAG
4. Perf & Squeeze 90 sx @ 400-surface.
5. Cut off wellhead & weld on dry hole marker.

NM OIL CONSERVATION
ARTESIA DISTRICT

OCT 19 2016

RECEIVED

Accepted for record
NMOCD
A.L.B.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Name (Printed/Typed) Abigail Montgomery	Title Agent
Signature <i>Abigail Montgomery</i>	Date 10-4-16
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by <i>Chris Walls</i>	Title Eng
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 CFU
	Date 10/7/16

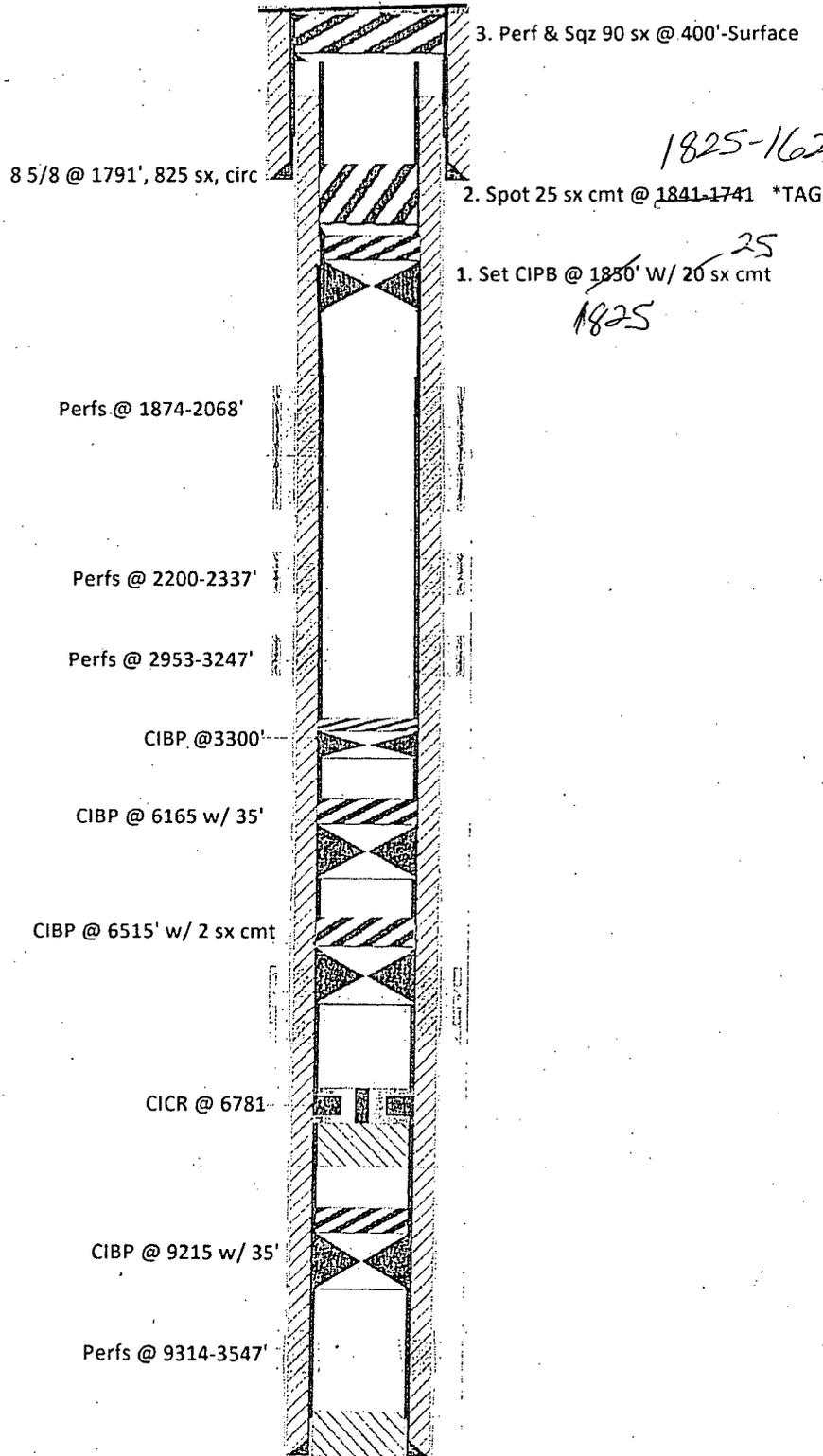
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

PROPOSED WELLBORE SCHEMATIC

WELL: HONDO FEDERAL GAS COM 1 (3 RIVERS)
FIELD: LOGAN DRAW
COUNTY / STATE: EDDY / NEW MEXICO
LOCATION: 2,310.0 FEL & 1,650.0 FSL OF THE SVY, SEC 27, A-
ELEVATION: 3,481.00 GR 3,492.00 RKB

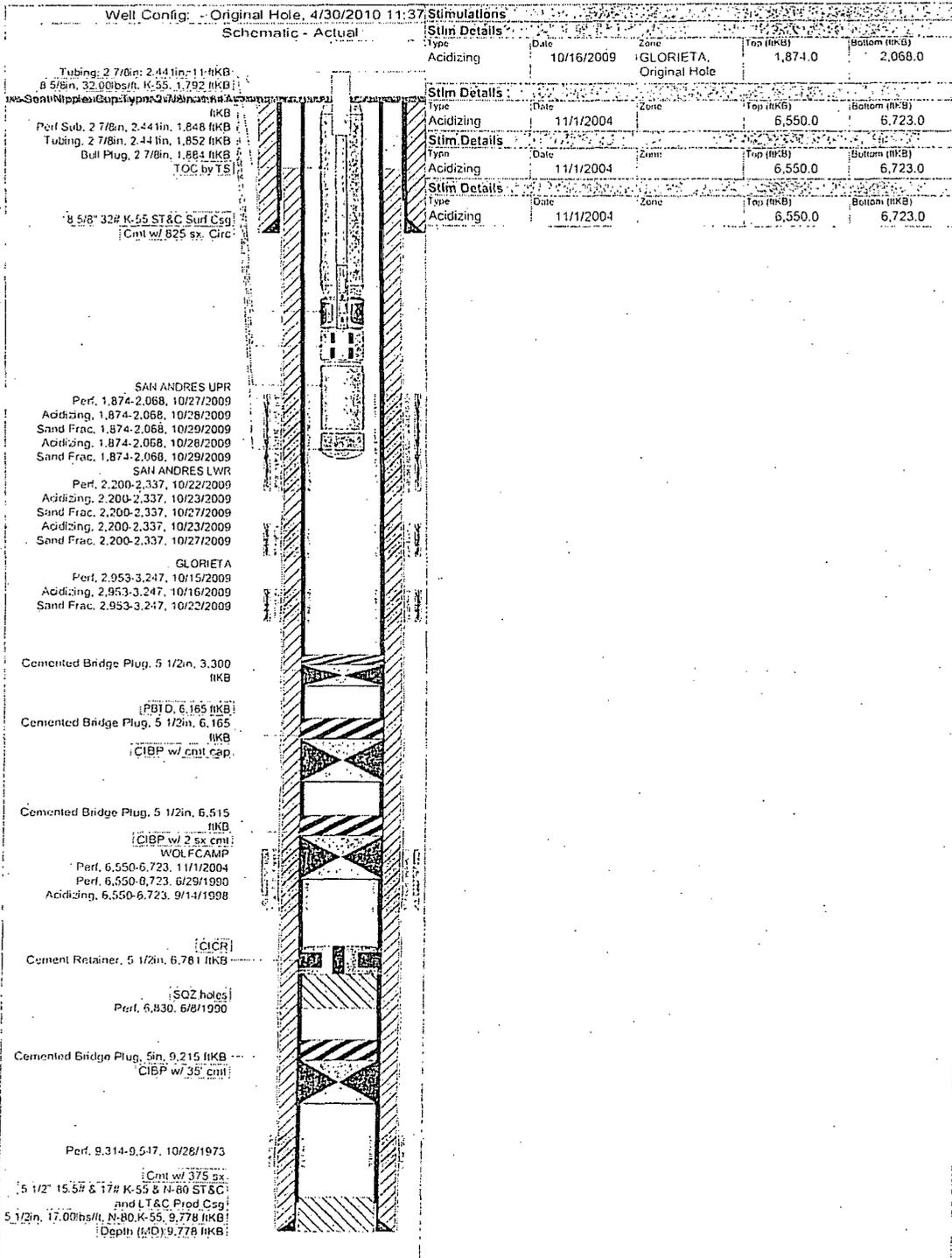
PN: 890458 Chesapeake
API: 3001520937
SPUD DATE: 9/5/1973
RIG RELEASE:
FIRST SALES:



CURRENT WELLBORE SCHEMATIC

WELL: HONDO FEDERAL GAS COM 1 (3 RIVERS)
 FIELD: LOGAN DRAW
 COUNTY / STATE: EDDY / NEW MEXICO
 LOCATION: 2,310.0 FEL & 1,650.0 FSL OF THE SVY, SEC 27, A-
 ELEVATION: 3,481.00 GR 3,492.00 RKB

PN: 890458 Chesapeake
 API: 3001520937
 SPUD DATE: 9/5/1973
 RIG RELEASE:
 FIRST SALES:



Well History

Date	Event
7/17/2004	Acidz Wolfcamp w/ 4,000 gal 15% NEFe w/additives, Set plug @ 6,505'. Found hole in csg btwn 6,255-318'. Pmp in @ 2.5 BPM, 1500#, on vac. Rel pkr, dump sd on plug. POOH w/pkr & tbg. RIH w/cmt ret, set @ 6,220'. Test annulus to 500#, OK. mix 100 sx Hallad 332 @ 14.8 ppg, 24 bbls slurry, 1500#, mix 50 sx w/1% CaCl, 11 bbls @ 2 BPM, displ w/23 bbl. Rev out w/50 BW, 1800#, SD. Tag cmt @ 6,200'. DO to 6,257'. DO cmt ret. cont to 6,318'. circ clean over CIBP @ 6,505'. Wash 20' sand off CIBP. RIH, retrieve BP, POOH.
10/1/2004	Latch onto RBP, POOH w/211 jts tbg, retrieving head & RBP. RIH w/cmt ret & 207 jts tbg @ 6,498', leave hanging. Load csg w/30 bbl FW. On vac, set CR @ 6498'. Load & test tbg to 3000# w/4 bbl wtr, OK. Press backside to 500# w/17 BW. Est rate @ 5 BPM & 168 PSI. Pmp 100 sx Cl C neat w/17 BW. Est rate @ 5 BPM & 168 psi. Pmp 100 sx Cl C neat w/1% CaCl slow to 1.5 bpm. MAX P=1968#. Get off CR & circ w/35 BW. POOH w/91 jts tbg.

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

Permanent Abandonment of Federal Wells
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 the approval date of this Notice of Intent to Abandon.

If you are unable to plug 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. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; 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. Based on depth, a tag of the cement may be deemed necessary.**

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. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.**

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging 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 well was plugged.**

8. 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.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.