

OCD-ARTESIA

AUG 27 2007

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires: March 31, 2007

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
☒ Oil Well ☐ Gas Well ☐ Other2 Name of Operator
COG Operating LLC3a. Address
550 W. Texas Ave., Suite 1300 Midland, TX 797013b. Phone No (include area code)
432-685-4332

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

2310 FSL & 990 FWL
Sec.10, T17S, R30E, Unit L5. Lease Serial No
NM-074935

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Electra Federal #119. API Well No.
30-015-3542710. Field and Pool, or Exploratory Area
Loco Hills; Glorieta Yeso11. County or Parish, State
Eddy, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Other Completion
	<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 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 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.)

07/14/2007 Perforate @ 5523'-5834, 60 holes, 2 SPF.
07/16/2007 Acidize w/ 2390 gal Acid.
07/17/2007 Frac w/ 81,093 gals gel, 90,360 16/30 white sand.
07/18/2007 Perforate @ 5097-5410, 42 holes, 2 SPF.
07/19/2007 Acidize w/1980 glas Acid.
07/20/2007 Frac w/89,797 gals gel, 8000# LiteProp, 89,840# 16/30 white sand.
07/23/2007 RIH w/189 jts. 2 7/8" tbg., SN @ 5865. RIH w/ 2 1/2"x2x24RHC pump. Hang well on.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

ACCEPTED FOR RECORD

AUG 22 2007

LES BABYAK
PETROLEUM ENGINEER

(505)234-5947

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kanicia Carrillo

Title Regulatory Analyst

Signature

Date

08/10/2007

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 USC 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)

CONDITIONS OF APPROVAL - DRILLING

Well Name & No. 11-Electra Federal
Operator's Name: COG Operating LLC
Location: 2310FSL, 0990FWL, Section 10, T-17-S, R-30-E
Lease: NM-074935

I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 - for wells in Eddy County, in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: 13-3/8 inch 8-5/8 inch 5-1/2 inch

C. BOP tests

2. A Hydrogen Sulfide (H₂S) Drilling Plan should be activated prior to drilling into the Grayburg Formation. A copy of the plan shall be posted at the drilling site. **H₂S has been reported in sections 12 and 15 from the Grayburg Jackson pool measuring 500-1800 ppm.**

3. 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.

4. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15-day time frame.

5. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

6. A Communitization Agreement covering the acreage dedicated to this well must be filed for approval with the BLM. The effective date of the agreement shall be prior to any sales.

7. Gamma-Ray/Neutron logs shall be run from the base of the Salado Formation to the surface; cable speed not to exceed 30 feet per minute.

II. CASING:

1. The 13-3/8 inch surface casing shall be set at approximately 425 feet or 25 feet into the Rustler Anhydrite or in the case that salt occurs at a shallower depth above the top of the salt, below usable water and cement circulated to the surface. If the salt is penetrated, the operator is required to set surface casing at least 25 feet above the salt. The surface casing shoe shall be set in the anhydrite to ensure adequate sealing. If cement does not circulate to the surface, the operator may then use ready-mix cement to fill the remaining annulus. The operator is required to use an excess of 100% cement volume to fill the annulus.

Possible loss of circulation in the Grayburg and San Andres formations.

Possible water flows in the Salado and Artesia Groups.

2. The minimum required fill of cement behind the 8-5/8 inch salt protection casing is circulate cement to the surface. Casing to be set below the salt. Geo report indicates base of salt in surrounding wells may be as deep as 1220 feet.

3. The minimum required fill of cement behind the 5-1/2 inch production casing is cement shall circulate to surface.