JUN 05 2013

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1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico <u>NMOCD ARTESIA</u> Energy, Minerals & Natural Resources Department <u>ARTESIA</u> OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Form C-102 Revised August 1, 2011 mit one copy to appropriate District Office

DAMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APl Number	Pool Code	Pool Name				
30-015-33472	96718	Loco Hills;Glorieta-Yeso				
Property Code	Proper	ty Name	Well Number			
302510	JENKINS E	3 FEDERAL	15H			
OGRID No.	Operat	or Name	Elevation			
229137	COG OPER	ATING, LLC	3639'			

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	20	1 7-S	30-Е		1500	NORTH	2310	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No. H	Section 20	Township 17-S	Range 30-E	Lot Idn	Feet from the 1650	North/South line NORTH	Feet from the 330	East/West line EAST	County EDDY
Dedicated Acres	Joint or	Infill C	onsolidation C	ode Ord	er No.				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



JUN 05 2013

NMOCD ARTESIA

1. Estimated Tops of Important Geologic Markers Glorieta - 4200'

Paddock - 4250' Blinebry - 4800'

2. Estimated Depths of Anticipated Fresh Water, 130'.

This deepening originates in the Yeso and will finish in the Yeso. The entire Yeso group is an oil and gas bearing interval.

3. Casing Program

Hole Size	Interval	OD Casing	Weight	Grade**	Jt./Condition	Burst/collapse/tension
4-3/4″	4919'–7767'	4"	11.6#	L-80	ULTFJ/New	3.98/4.09/3.21 (L80)

4. Cement Program

4" Liner: 50 Sacks Solucem H, 15.oppg, 2.6 yield, 15% excess.

NOTE: COG OPERATING LLC REQUESTS A VARIANCE TO THE LINER TOP FLUID ENTRY OR PRESSURE TEST BECAUSE THE NEW LATERAL WILL BE COMPLETED IN THE SAME ZONE AS THE CURRENT PERFS AND THE ENTIRE INTERVAL IS RECOGNIZED BY THE OCD AS ONE INTERVAL (YESO). AS PER ONSHORE ORDER NO. 2 SECT III: REQUIREMENTS, PART B. CASING AND CEMENTING REQUIREMENTS, SUBPART b. "NO TEST SHALL BE REQUIRED FOR LINERS THAT DO NOT INCORPORATE OR NEED A SEAL MECHANISM." COG BELIEVES WE MEET THE CRITERIA TO NOT BE REQUIRED TESTING THE LINER TOP BECAUSE THERE IS NO NEED FOR A SEAL MECHANISM.

NOTE: COG OPERATING LLC REQUESTS A VARIANCE TO THE 200' MINIMUM TIE BACK TO THE PRODUCTION CASING BECAUSE THE BOTTOM LATERAL IS PRODUCTIVE FROM THE YESO BELOW THIS PROPOSED LATERAL, COG DESIRES TO NOT COVER THAT OR MAKE IT INACCESSIBLE WITH A LINER OVERLAP.

5. Minimum Specifications for Pressure Control

The BOP equipment will be a 2000 psi double ram type hydraulically operated preventer. This equipment will be nippled up to a 7-1/16'' 3K flange. The pipe rams are located above blind rams. The BOP is tested to 2000 psi prior to drilling new formation. Access to the annulus will be through the valves on the 7-1/16'' casing head.

6. Types and Characteristics of the Proposed Mud System

This well will drilled below the 5-1/2" casing to TD with FW/CBW drilling mud.

7. Auxillary Well Control and Monitoring Equipment

A. A full opening drill pipe-stabbing valve with proper drill pipe connections will be on the rig floor at all times.

8. Logging, Testing, and Coring Program

- A. The electric logging program will consist of MWD GR, which will be run from TD to 5-1/2" production casing TD.
- B. No drill stem tests.

- C. No conventional coring anticipated.
- D. Further testing procedures will be determined after the 4" casing has been run to TD, based on drill shows and log evaluation.

9. Abnormal Conditions, Pressure, Temperatures, and Potential Hazards

No abnormal pressures or temperatures are anticipated. The estimated bottomhole temperature at TD is 98 degrees and the estimated maximum bottomhole pressure is 1800 psig. The drilling starts in the Yeso and ends in the Yeso. The section of Yeso being drilled has very low permeability (less than 1 md).

10. Anticipated Starting Date and Duration of Operations

There will be no road or location work required as this is an existing well location. Once commenced, drilling operations should be finished in approximately 20 days. If the well is productive, an additional 30-90 days will be required for completion and testing before a decision is made to remove the whipstock and RBP separating the laterals, to commingle the production from the two laterals.

11. Centralizer Program

Centralizers will not be run or required due to the lack of cement and the centralizing nature of the external casing packers.

12. Summary Drilling and Completion Program

Prep Work

- 1) Test anchors, replace as required. One-call and set anchors for Horizontal rig. MIRU WSU.
- 2) Release pkr and TOOH w/ pkr and tbg (tally). LD
- 3) Move/tally 2 7/8" 6.55# L80 workstring.
- 4) PU 4 3/4" bit, casing scraper and WS
- 5) TIH to PBTD
- 6) TOOH standing back WS. LD bit and casing scraper
- 7) PU CICR and RIH to +/- 4,210'
- 8) Pump through retainer
- 9) Set retainer and sting out of
- 10) Ensure well will circulate
- 11) Sting back into retainer, load back side and pressure to 500 psi; monitor during squeeze.
- 12) Pump 300 sxs Class C w/ 3% CaCL2 + 5# gilsonite followed by 300 sx Class C neat
- 13) After squeeze is obtained, sting out of retainer and reverse out tubing
- 14) Sting out of retainer TOOH
- 15) WOC at least 12 hrs
- 16) PU 4 3/4" roller cone and (6) 3 1/2" DC
- 17) DO squeeze cement. Drill out floats and cement to 4914' (5' from end of casing at 4919'). C&C clean.
- 18) TOOH. LD bit and DC.
- 19) Run CCL/Gamma Ray/Gyro
- 20) RDMO

At this time, pumping unit, POC, chemical tanks, flowline/inj line (flushed to battery) will need to be moved out of the way. Any caliche work needed will also be done at this time.

Drilling

- MIRU Key #115 workover rig & horizontal package. NU hydraulic 6" 5M double BOP w/2-7/8" pipe rams on top & blind rams on bottom. Wellhead has 6" 600 series Larkin connection, needs R45/R46 combination ring gasket and adaptor flange. Move in and rig up pumps, power swivel, frac tanks, generators, pipe racks, and other equipment. Use outside tester to test BOP; use rig pump to test casing to 500 psi for 30 minutes, close blind rams in BOP and test BOP above rams to 1000/200 psi for 30 minutes and document on report.
- 2) PBTD is @ 4,914'. PU & TIH w/4-3/4" bit on rental 2-7/8" 10.4# E or S135 drill pipe (2-7/8" AOH) tag PBTD. TOH. (Note: Strap drill pipe carefully and check measurements with wireline setting depth, ADJUST DRILL PIPE MEASUREMENT TO MATCH PBTD DEPTH, REPORT TD AS PBTD DEPTH.) Verify that the fisherman, directional driller, driller, Pason, geolograph, Gyro operator, production engineer and wellsite drilling supervisor are all using the same depth reference corrected to PBTD and wireline tag depth.
- PU 4-3/4" tri-cone bit, downhole motor, muleshoe (UBHO sub), (2) monel drill collars (Install MWD probe inside NMDC and obtain offset), XO flow sub, & muleshoe sub f/gyro on workstring. Surface test motor and MWD. TIH to btm filling pipe as necessary.
- 4) PU swivel and establish circulation (130 gpm). RU Gyro. Time drill away from casing using continuous readout gyro for checking well path and tool face. Magnetic interference may occur, particularly while motor is in the casing. If necessary, use gyro single shots for drilling away from casing. Once MWD readouts can function without magnetic influence from casing, RD Gyro & drill remaining curve at 164 GPM to EOC (<u>+</u>5,443' MD 5,260' TVD) using MWD.
- 5) Build curve at 17.85°/100' BUR to planned inclination of 90.0° and azimuth (after gyro correction) of 93.07°. Survey as needed to ensure curve is built according to plan. Sweep hole with high viscosity polymer pills (if needed) for good hole cleaning. Sweep hole at least once per day.
- 6) At EOC, TOH. PU & TIH w/4-3/4" <u>PDC</u> bit, downhole motor, muleshoe (UBHO sub), (2) monel drill collars (Install MWD probe inside NMDC and obtain offset) & XO flow sub on workstring. TIH very carefully with bit through the casing to prevent bit damage. Ream curve as necessary to remove any severe "kinks" or doglegs.
- 7) Drill the lateral section with the angle hold motor in the oriented and rotary mode as necessary. At TD, circ hole clean. TOH, LD DP and tools.
- 8) Rack/Tally 7,800' 4" 11.6# L-80 ULTFJ

- 9) RIH w/ 4" casing and float equipment
- 10) Pump gel sweeps & circulate 2x casing capacity
- 11) DV tool setting depth +/- 4819'
- 12) Cement w/ 20 bbls FW spacer, Lead: (50 sxs) Solucem H 15.0 ppg / 2.6 yld
- 13) Displace w/ 89 bbls FW
- 14) After landing plug, check floats, drop DV bomb, wait 20 min, open DV tool, circulate cement off DV tool with fresh water, shut down/check for flow up annulus, drop closing plug, displace to DV tool and close DV tool, shut in annulus.
- 15) RD drilling rig
- 16) MIRU WSU
- 17) Unload and tally 7,850' of 2 3/8" PH6 WS
- 18) RIH to DO DV tool
- 19) DO DV tool w/ 3.25" tri-cone bit w/ gauge protection and (6) DC
- 20) Work through DV tool multiple times
- 21) TOOH and LD bit and DC
- 22) PU 3.25" stringmill and RIH to dress DV tool. Work through at least 12 times
- 23) TOOH. LD stringmill
- 24) PU 3.25" junk bit and RIH to PBTD to ensure casing is clear
- 25) Spot 500 gal 15% HCL at toe
- 26) TOOH, LD 3.25" junk bit
- 27) PU slimhole guns
- 28) TIH to perf first stage per design, pressure casing to 4000#
- 29) Perf 1st stage, Open toe w/ 3000 gal 15% HCL
- 30) TOOH LD WS and guns
- 31) ND BOPE, NU WH frac valve
- 32) RDMO WSU

Completion

- 1) RU frac valve. Frac as per Completion Engineer's design. Treat via plug and perf.
- 2) Rig down frac company.
- 3) After frac, rig up PU for cleanout
- 4) RDMO
- 5) Flow well back until fluid recovery reduces to 10 barrel/hour
- 6) Rig up Pulling unit.
- 7) NU BOPE.
- 8) Free point 4" and back off at DV tool
- 9) Run production equipment & place on pump
- 10) Report test results.

COG Operating LLC

BOPE and Choke Schematic





Adjustable Choke



Adjustable Choke (or Positive)

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NOTES REGARDING THE BLOWOUT PREVENTERS Master Drilling Plan Eddy County, New Merico

- 1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum I.D. equal to preventer bore.
- 2. Wear ring to be properly installed in head.
- 3. Blow out preventer and all fittings must be in good condition, 2000 psi WP minimum.
- 4. All fittings to be flanged
- Safety valve must be available on rig floor at all times with proper connections, valve to be full 2000 psi WP minimum.
- 6. All choke and fill lines to be securely anchored especially ends of choke lines
- Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through
- 8. Kelly cock on Kelly.
- 9. Extension wrenches and hands wheels to be properly installed.
- 10. Blow out preventer control to be located as close to driller's position as feasible.
- 11 Blow out preventer closing equipment to include minimum 40-gallon accumulator, two independent sources of pump power on each closing unit installation all API specifications.

MCONCHO	PROPOSED WELL SKETCI	4					
API: 30-015-37288 SPUD: 5/05/2005 RR: RIG:	Jenkins B #15 Eddy County, NM	Sec 20, T-17S, R-30E SHL: 1500' FNL & 2310' FWL BHL: 1650' FNL & 330' FEL GL: 3,639' KB: 3655'	HOLE SIZE	(6dd) MM	BHST (°F)		المنبي
GB/SA: 3046 - 3270.5, 72 holes Acid 2500 gal 15%, frac 100,580 gal lg, 99,380# sd Squeezed perfs wf 1,634 sxs 3379 - 3573.5 62 holes Acid 2000 gal 15%, frac 51,202 gal lg, 99,000 # sd **Squeezed off above perfs with 500 sx. 3958- 3968, 10 holes Acid 1500 gal 15%, frac 53,676 gal lg, 35,250 # sd **Squeezed off with 200 sx Paddock 4272 - 4685.5, 100 holes Acidized w/2,500 gal 15% HCL Trt w/32,000 gal 20% HCL, 54,000 gal LG, 5,000 gal 15% HCL Acidized w/2,500 gal 15% HCL when converted to injector. **Reacidized w/2,500 gal 15% HCL **Reacidized **Squeeze w/ 300 sxs lead and 300 sxs tail	Surface Casing @ 421' 13 3/8" 48# J-55 STC Circulated 75 sx cement. Intermediate Casing @ 1,055' 8 5/8" 24# J-55 STC Circ 75 sxs to pit. Production Casing @ 4919' 5 1/2" 15.5# J-55 STC Did not circulate						
·	DV tool set atleast at +/- 4799' <u>Productio</u> 4" 11.6# L Cement to	n Liner @ 7,740' 80 ULTFJ Liner DV tool			odate ate:	d by S	



Precision Directional Services, Inc Planning Report

Company: Field: Site: Well: Wellpath:	COG OPEF Permian NN Jenkins B F #15H Horizontal	RATING LLC //E'27 rederal 15H				Date: 05/29/ Co-ordinate(NI Vertical (TVD) Section (VS) Re Plan:	2013 E) Reference Reference: eference:	Time: 15 3639'GL- Well (0.0 Plan #5	5:54:55 5H, Grid N ⊦est.12'KB 0N,0.00E,	Page: orth 3651.0 93.06Azi)	1
Field:	Permian N	ME'27								· ·	
Map System Geo Datum Sys Datum:	n: US State : NAD27 (C Mean Sea	Plane Coordir Clarke 1866) Level	nate System 1	927		Map Zone: Coordinate Geomagnet	System: ic Model:	New Me Well Ce IGRF20	exico, East entre)10	ern Zone	
Site:	Jenkins B Section 20	Federal 15H D; T17S-R30E	E; Unit F								
Site Position From: Position Un Ground Ley	Map certainty: vel:	0.00 3639.00	Northi Easting) ft) ft	ng: 663 g: 604	303.30 f 020.10 f	t Latitude: t Longitude: North Refe Grid Conve	3 10 rence: ergence:	2 49 22 3 59 40	2.980 N).993 W Grid 0.18 deg		
Well:	#15H					Slot Name:				· ·	
Well Positio Position Un	on: +N +H certainty:	V/-S 0.00 C/-W 0.00 0.00) ft Northi) ft Easting) ft	ng: 663 g: 604	303.30 f 020.10 f	t Latitude: t Longitude:	3 10	2 49 22 3 59 40	2.980 N).993 W		
Wellpath:	Horizontal					Drilled Fro	m:	Surface)		·
Current Da Magnetic D Field Streng Vertical Sec	tum: 36 bata: gth: ction: Dej	39'GL+est.12 06/10/2013 48763 p th From (TV ft	2'KB 3 7 nT D)	Height 3 +N/-S ft	651.00 f	Tie-on Dep t Above Syst Declination Mag Dip A +E/-W ft	th: em Datum: :: ngle:	Mean S 6 Directio deg	0.00 ft ea Level 7.60 deg 50.62 deg on		
		0.00		0.00		0.00	·	93.06			
Plan: Principal:	Plan #5 No					Date Comp Version: Tied-to:	osed:	05/29/2 1 From S	013 urface		
Plan Sectior	n Informatio	n								·	
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+ E/-W ft	V DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target	
0.00	0.00	93.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
4939.00 5443.23	90.00	93.07 93.07	4939.00 5260.00	-17.19	320.54	17.85	0.00 17.85	0.00	0.00 93.07		
7767.02	90.00	93.07	5260.00	-141.60	2641.00	0.00	0.00	0.00	0.00	PBHL	
Survey											·····
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W	v vs ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment	
4919.00	0.00	93.07	4919.00	0.00	0.00	0.00	0.00	0.00	0.00	5 1/2"	
4939.00	0.00	93.07 93.07	4939.00	0.00	0.00) U.UU) 0.19	0.00 17 85	0.00 17.85	0.00 0.00		
4975.00	6.43	93.07	4974.92	-0.11	2.01	2.02	17.85	17.85	0.00		
5000.00	10.89	93.07	4999.63	-0.31	5.77	5.78	17.85	17.85	0.00		
5025.00	15.35	93.07	5023.97	-0.61	11.44	11.45	17.85	17.85	0.00		
5050.00	19.81	93.07	5047.80	-1.02	18.97	19.00	17.85	17.85	0.00		
5100.00	24.21	93.07	5093 33	-1.52	20.34	+ 20.30 30.54	17.00	17.85	0.00		
5125.00	33.20	93.07	5114.77	-2.81	52.32	2 52.40	17.85	17.85	0.00		
5150.00	37.66	93.07	5135.13	-3.58	66.79	66.89	17.85	17.85	0.00		
5175.00	42.12	93.07	5154.31	-4.44	82.80	82.92	17.85	17.85	0.00		
5200.00	46.59	93.07	5172.18	-5.37	100.25	5 100.39	17.85	17.85	0.00		
5225.00	51.05	93.07	5188.64	-6.38	119.03	B 119.20	17.85	17.85	0.00		
5250.00	00.01	93.07	5203.58	-7.45	139.03	5 139.23	17.85	17.85	0.00		
5275.00 5300.00	59.97 64.44	93.07 93.07	5216.92 5228.57	-8.59 -9.77	160.14 182.22	160.37 2 182.48	17.85 17.85	17.85 17.85	0.00 0.00		

Precision Directional Services, Inc Planning Report

Company: Field: Site: Well: Wellpath:	COG OPE Permian N Jenkins B #15H Horizontal	RATING LLC ME'27 Federal 15H			Date Co-c Vert Sect Plan	:: 05/29/201)rdinate(NE) F :ical (TVD) Ref ion (VS) Refer 1;	3 Reference: ference: ence:	Time: 15 Well: #15 3639'GL- Well (0.0 Plan #5	5:54:55 5H, Grid Nor +est.12'KB 3 0N,0.00E,9(th }651.0 3.06Azi)	Pa	ige:	2
Survey				•			_					-	
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft c	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/(Comm	ent	
5325.00	68.90	93.07	5238.47	-11.00	205.13	205.43	17.85	17.85	0.00			_	
5350.00 5375.00	73.36 77.82	93.07 93.07	5246.56 5252.78	-12.26 -13.56	228.75 252.92	229.08 253.29	17.85 17.85	17.85 17.85	0.00 0.00				
5400.00	82.28 86 75	93.07 93.07	5257.09 5259 48	-14.88 -16 21	277.51	277.90	17.85 17.85	17.85 17.85	0.00				
5443.23	90.00	93.07	5260.00	-17.19	320.54	321.00	17.85	17.85	0.00				
5500.00	90.00	93.07	5260.00	-20.23	377.23	377.77	0.00	0.00	0.00				
5600.00	90.00	93.07	5260.00	-25.58	477.09	477.77	0.00	0.00	0.00				
5700.00	90.00	93.07	5260.00	-30.93	576.95	577.77	0.00	0.00	0.00				
5800.00	90.00	93.07	5260.00	-36.29	676.80	677.77	0.00	0.00	0.00				
5900.00	90.00	93.07	5260.00	-41.64 -47.00	776.60 976.52	///.// 977 77	0.00	0.00	0.00				
6100.00	90.00	93.07	5260.00	-52.35	976.37	977.77	0.00	0.00	0.00				
6200.00	90.00	93.07	5260.00	-57.70	1076.23	1077.77	0.00	0.00	0.00				
6300.00	90.00	93.07	5260.00	-63.06	1176.09	1177.77	0.00	0.00	0.00				
6400.00	90.00	93.07	5260.00	-68.41	1275.94	1277.77	0.00	0.00	0.00				
6600.00	90.00 90.00	93.07 93.07	5260.00 5260.00	-73.76 -79.12	1375.80 1475.65	13/7.77 1477.77	0.00	0.00	0.00				
6700.00	90.00	93.07	5260.00	-84.47	1575.51	1577.77	0.00	0.00	0.00				
6800.00	90.00	93.07	5260.00	-89.83	1675.37	1677.77	0.00	0.00	0.00				
6900.00	90.00	93.07	5260.00	-95.18	1775.22	1777.77	0.00	0.00	0.00				
7100.00	90.00	93.07	5260.00	-105.89	1974.94	1977.77	0.00	0.00	0.00				
7200.00	90.00	93.07	5260.00	-111.24	2074.79	2077.77	0.00	0.00	0.00				
7300.00	90.00	93.07	5260.00	-116.60	2174.65	2177.77	0.00	0.00	0.00				
7400.00	90.00	93.07	5260.00	-121.95	2274.51	2277.77	0.00	0.00	0.00				
7600.00	90.00	93.07	5260.00 5260.00	-127.30	2374.30	2377.77	0.00	0.00	0.00				
7700.00	90.00	93.07	5260.00	-138.01	2574.08	2577.77	0.00	0.00	0.00				
7767.02	90.00	93.07	5260.00	-141.60	2641.00	2644.79	0.00	0.00	0.00	PBHL			
Targets													
Name		Description Dip. !	TVD Dir. ft	+N/-S ft	+E/-W ft	Map Northing ft	Ma g Easti ft	ip <- ing D	Latitude eg Min Se	:> .c	<) Deg	Longitud Min Se	e> c
Surfac	e		0.00	0.00	0.00	663303.3	30 60402	0.10 3	12 49 22.91	30 N	103	59 40.99)З W
TRF8 -Cire	cle (Radius:	: 90)	0.00	-173.00	661.50	663130.3	80 60468	1.60 3	32 49 21.24	47 N	103 3	59 33.24	7 W
PBHL			5260.00	-141.60	2641.00	663161.7	′0 60666	1.10 3	32 49 21.49	94 N	103 <i>!</i>	59 10.04	19 W
Casing Poi	nts							<u> </u>					
MD ft	TVD ft	Diameter in	Hole Size in	Nar	me								
4919.00	4919.00	5.500	7.875	5 1/2"						<u> </u>			