

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD 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.

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. NMMN94593 |
| 2. Name of Operator COG OPERATING LLC | | 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. |
| 3b. Phone No. (include area code) Ph: 432-685-4332 | | 8. Well Name and No. FIR FEDERAL 1 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T17S R27E Mer NMP 1770FSL 990FWL | | 9. API Well No. 30-015-32069 |
| | | 10. Field and Pool, or Exploratory LOGAN DRAW |
| | | 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 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 3160-4 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.)

Recomplete to the Yeso:

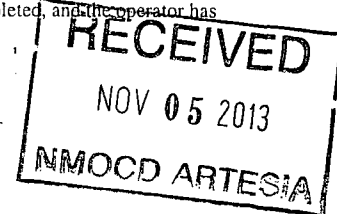
Recompletion Procedure

1. MIRU pulling unit.
2. POOH w/ current tubing, NU frac valve, and test casing to 5000 psi high and 2500 psi low.
3. Rig up wireline w/ pack-off.
4. RIH w/ perforating guns and perforate Yeso from 4250? - 4500? w/ 1 spf, 26 holes.
5. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand. Set plug at 3900?.
6. RIH w/ perforating guns and perforate Yeso from 3965? - 4190?.
7. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand. Set plug at 3620?.

Provide C102

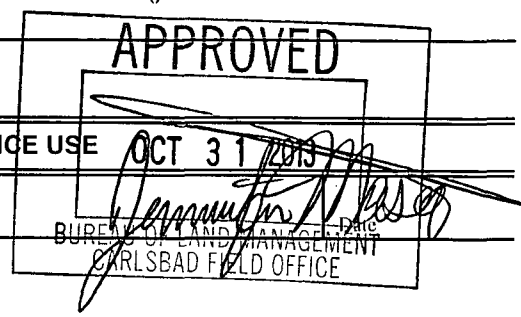
Accepted for record
NMOCD 10/5/13

SUBJECT TO LIKE
APPROVAL BY STATE



SEE ATTACHED FOR
CONDITIONS OF APPROVAL

| | |
|--|-----------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #219299 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by JOHNNY DICKERSON on 09/13/2013 () | |
| Name (Printed/Typed) KANICIA CASTILLO | Title PREPARER |
| Signature (Electronic Submission) | Date 09/06/2013 |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | |
| Approved By _____ | Title _____ |
| 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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #219299 that would not fit on the form

32. Additional remarks, continued

8. RIH w/ perforating guns and perforate Yeso from 3680? - 3905?.
9. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand. Set plug at 3180?.
10. RIH w/ perforating guns and perforate Yeso from 3230? - 3480?.
11. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 129,300 # of sand.
12. RIH and drill out plugs at 3180?, 3620?, and 3900?.
13. RIH w/ production tubing and locate intake at 4180?.
14. RIH w/ rods and pump.
15. RDMO rig.

Please see attachment.

Fir Federal #1 Recompletion Proposal
API #30-015-32069

Well History

Spudded: 12/3/2001
Completed Wolfcamp: 2/5/2002
Recompleted Upper Wolfcamp: 5/19/12
Hang on w/ rod pump: 6/20/12
Pulled for HIT, L/D T-66, RIH w/ 2" rod pump: 11/28/12
Pulled for Rod Part, RIH w/ 2" rod pump: 1/17/13
Pulled for larger lift, had drag in casing, RIH w/ ESP: 4/30/13
Copper Wire Stolen: 7/17/13

Well Data

Perfs:
Upper Wolfcamp 6318' - 6550'
Middle Wolfcamp 6902' - 6912'
Lower Wolfcamp 7040' - 7046'
PBDT 7186'
Unit: 640-365-144 Previously running @ 8.3 SPM
Fluid Level: 5711' GFAP
Well Test: 2 oil, 966 water, 12 gas (7/4/13)
Deviated: No

Current ESP Detail

198 JTS 2-7/8" J-55 TBG
Pump
Intake
Protector
Motor
Sensor

ESP Pull Procedure

1. MIRU pulling unit, NU BOP.
2. CIBP set at 6250'.
3. Wireline truck dumped 35' of Class C cement on top of CIBP.
4. Tagged cement plug to verify depth at 6215'.
5. Pulled up 4' to circulate hole clean with fresh water, and displace w/ 2% KCL and 1% packer corrosion inhibitor.
6. Pulled out of hole laying down all 2-7/8" TBG.
7. Left 1 joint hanging in the wellhead and packed off wellbore.

Proposed Recompletion Procedure

1. MIRU pulling unit.
2. POOH w/ current tubing, NU frac valve, and test casing to 5000 psi high and 2500 psi low.
3. Rig up wireline w/ pack-off.

4. RIH w/ perforating guns and perforate Yeso from 4250' - 4500' w/ 1 spf, 26 holes.
5. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand. Set plug at 3900'.
6. RIH w/ perforating guns and perforate Yeso from 3965' - 4190'.
7. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand. Set plug at 3620'.
8. RIH w/ perforating guns and perforate Yeso from 3680' - 3905'.
9. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand. Set plug at 3180'.
10. RIH w/ perforating guns and perforate Yeso from 3230' - 3480'.
11. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 129,300 # of sand.
12. RIH and drill out plugs at 3180', 3620', and 3900'.
13. RIH w/ production tubing and locate intake at 4180'.
14. RIH w/ rods and pump.
15. RDMO rig.

| Location: | |
|--------------|--|
| OGRID: | 13837 |
| Section: | Sec. 25, T17S, R27E, 1770' FSL, 990' FWL |
| Pool Code: | 96960 |
| St Lease No: | NM-94593 |
| County: | Eddy County, NM |
| Unit: | Weatherford 640-365-144 |
| Elev: | 3606 RKB |
| Completed: | 2/24/2002 |
| KB Calc: | 12 |
| Logs: | Neutron, Density, Spectra Gamma Ray |

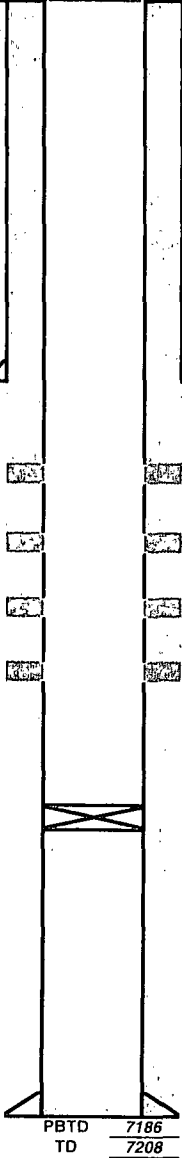
| Well ID Info: | |
|---------------|--------------|
| API No: | 30-015-32069 |
| Spud Date: | 12/3/2001 |

| | |
|-----------------|---------------------------|
| Inter Csg: | 8-5/8" ST&C, 24#, 8RD STC |
| Set @ | 415' |
| Cement w/ circ. | 425 sxs Class C 2% CaCl |
| | 87 sxs |

| Current | | | |
|-------------------------------|-----------------|---------|-------|
| Tubing Detail (top to bottom) | | | |
| Joints | Description | Footage | Depth |
| | KB | 12 | 12 |
| 1 | 2-7/8" J-55 TBG | 32.5 | 44.50 |
| | | | |
| | | | |
| | | | |

| Rod Detail (top to bottom) | | | |
|----------------------------|-------------|---------|-------|
| Weatherford 640-365-144 | | | |
| Pumping Unit | Description | Footage | Depth |
| Rods | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Updated: C Elliott 10/1/2013



Proposed Yeso Perfs 3230'-3480' 1 SPF 26 holes

Proposed Yeso Perfs 3680'-3905' 1 SPF 26 holes

Proposed Yeso Perfs 3965'-4190' 1 SPF 26 holes

Proposed Yeso Perfs 4250'-4500' 1SPF 26 holes

DV Tool 5989 with csg. Pkr
Marker Jt. 6608

CIBP @6250'

Upper Wolfcamp 6318-6550', 26 shots , 1spf, Frac'd (6/11/2012)

Mid Wolfcamp 6902-6912', 4 spf, Acidized (5/19/2012)

Lower Wolfcamp 7040-7046', 4 spf Acidized (5/19/2012)

| | |
|-----------------|--|
| Prod Csg: | 5 1/2" 17# J-55 163jts |
| Set @ | LT&C @7199' |
| Cement w/ circ. | 340sks 50/50 Poz 2%gel,5#salt 5/10%FL25, |
| | 120 sxs |

**Fir Federal 1
30-015-32069
COG Operating LLC
October 31, 2013
Conditions of Approval**

Work to be completed by January 31, 2014.

- 1. Operator shall tag CIBP at 6,250' and place a minimum of 25 sx Class C Cement on top of the CIBP. Tag cement at 5,939'.**
- 2. Operator shall place a minimum of 25 sx Class C Cement from 5,292'-5,040' to seal the top of the Abo 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 formation. Operator to include new well plat and well bore schematic of current well condition when work is complete.

11. See attached for general requirements.

JAM 103113

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

General Requirements for Plug Backs

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.

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.

Before pumping 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. **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.