

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

5. Lease Serial No.
NMNM97113

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
NMNM117406

8. Well Name and No.
HOT SEAT FEDERAL FED-COM 2

9. API Well No.
30-015-35776-00-S1

10. Field and Pool, or Exploratory
CHOSA DRAW

11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
COG OPERATING LLC
Contact: BRIAN MAIORINO
E-Mail: bmaiorino@concho.com

3a. Address
ONE CONCHO CENTER 600 W ILLINOIS AVENUE
MIDLAND, TX 79701
3b. Phone No. (include area code)
Ph: 432-221-0467

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 35 T24S R25E NENE 990FNL 660FEL

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.)

COG Operating LLC respectfully request to abandon the Bone Spring and recomplete the Hot Seat Federal Com #2 in the Brushy Canyon *B.S. to Delaware*

1. MIRU WSU, frac tanks, BOP, etc. Install 7-1/16" 3k minimum WP double ram hydraulic BOP with blind rams and 2-7/8" pipe rams. BOP trailer will have accumulator bottles and powered pump for two ways to hydraulically open and close BOPs. Install hand wheels so BOPs can be manually operated. Plumb casing to a frac tank or gas buster tank.

Note: The intervals being tested are sub-normally pressured and will require a frac job and artificial lift in order to produce, therefore a full choke manifold will not be needed. However, a choke manifold will be installed if well conditions dictate.

NM OIL CONSERVATION
ARTESIA DISTRICT
JUN 20 2014

RECEIVED
**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Accepted for record
NMOCD-105
6-23-14

Submit C102

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

Electronic Submission #246392 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Carlsbad Office
Committed to AFMSS for processing by CATHY QUEEN on 05/28/2014. (14CQ0065SE)

Name (Printed/Typed) BRIAN MAIORINO

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 05/20/2014

APPROVED
JUN 12 2014
[Signature]

THIS SPACE FOR FEDERAL OR STATE OFFICE USE
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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 #246392 that would not fit on the form

32. Additional remarks, continued

2. RIH open ended and spot 25 sx Class H neat (15.6 ppg, 1.18 cfps, 5.2 gwps) on top of CIBP at 7895? that is set above 3rd Bone Spring Sand perfs 7930-8030?. The CIBP has already been tagged with tubing during a previous workover.

Self Cont
3. RIH with cement retainer, set retainer at 5900? and pump 175 sx Class ^CH neat to cover Bone Spring zones from 6005-6756?. This volume of cement is 185% of that required to fill the casing from 5900? to 6756?. Flush cement to retainer.

4. Sting out of retainer and spot 25 sx Class ^CH neat on top of retainer. This should put the TOC inside the casing at approx. 5675? (226? long plug).

5. RU lubricator and perf the Delaware Sand 1 at 5035?, 5036?, 5037?, 5038?, 5039?, 5111?, 5112?, 5113?, 5114?, 5115?, 5167?, 5168?, 5169?, 5170?, 5171? (15 shots).

6. Acidize with 1600 gals. NE Fe 7.5% HCl acid. Swab test.

7. If decision made to frac, frac down casing with 75,000 lbs. 20/40 sand. Test well.

8. RU lubricator and perf the Delaware Sand 2 at 4744-4752? (16 shots).

9. Acidize with 500 gals. NE Fe 7.5% HCl acid. Swab test.

10. If decision made to frac, frac with 15,000 lbs. 20/40 sand. Test well.

11. RU lubricator and perf the Delaware Sand 3 at 4314-4318? (10 shots).

12. Acidize with 500 gals. NE Fe 7.5% HCl acid. Swab test.

13. If decision made to frac, frac with 5,000 lbs. 20/40 sand. Test well.

Well: Hot Seat Fed. Com. 2

Zen: 17' A6L

Location: 990' FNL, 660' FEL
A-35-245-25E

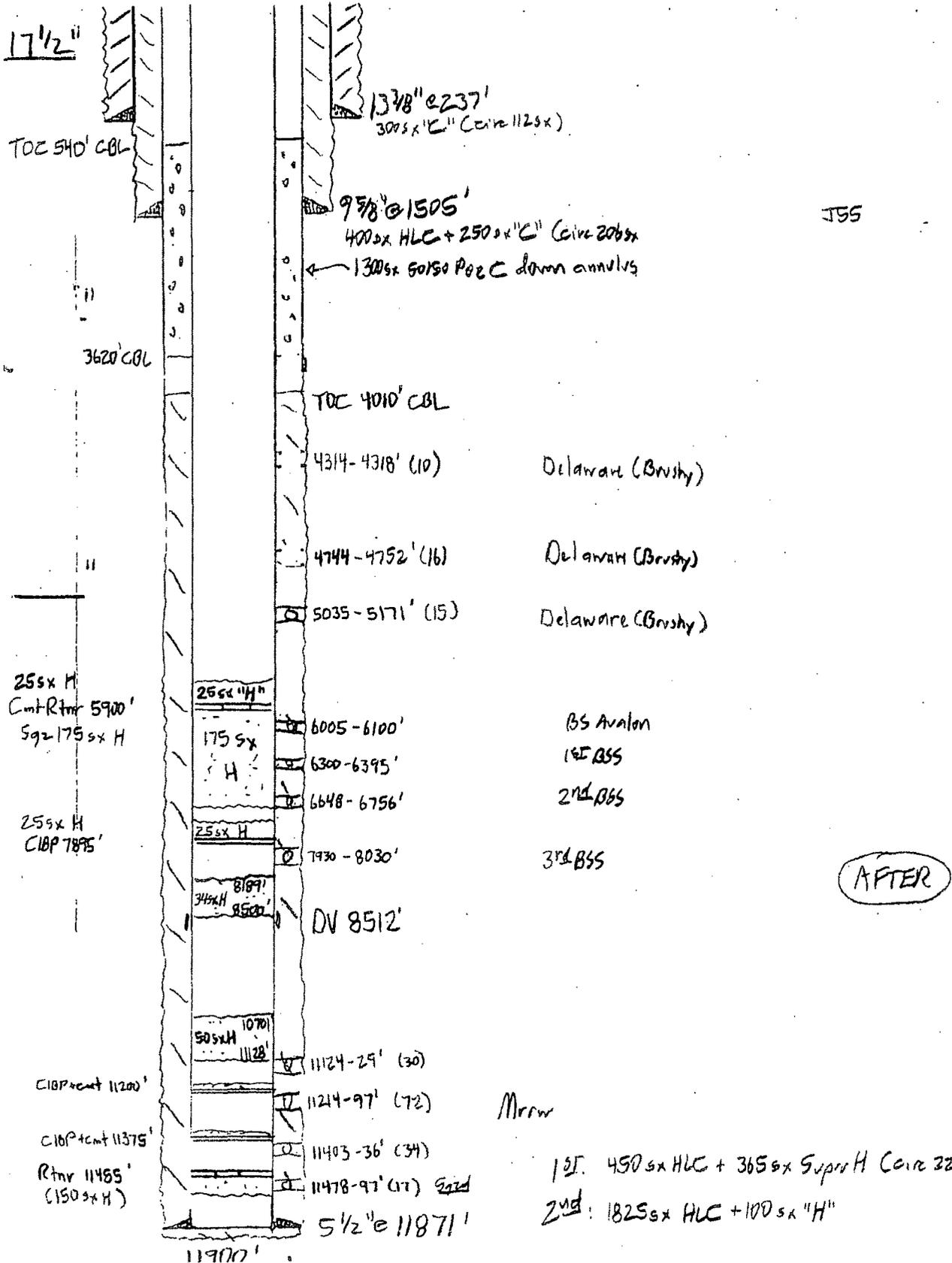
KB: 3611'

GL: 3594'

Eddy NM
38-019-35776

Casing program:

2.1
150

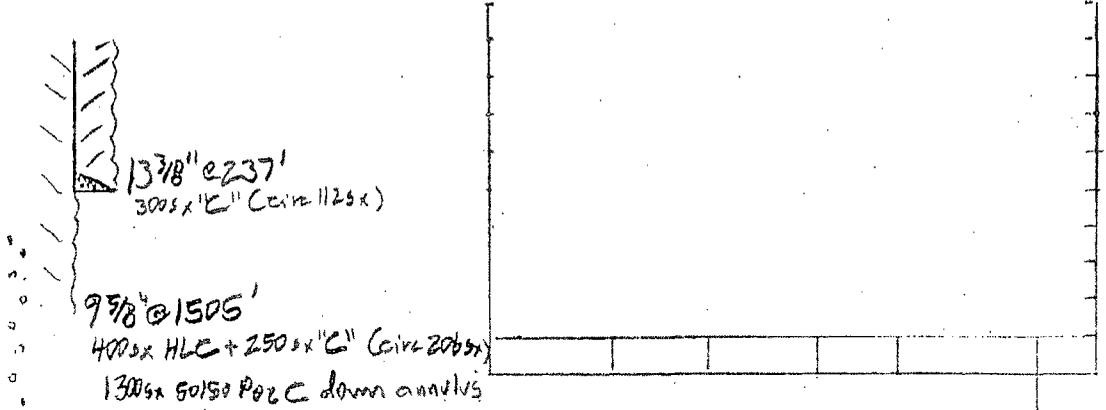


AFTER

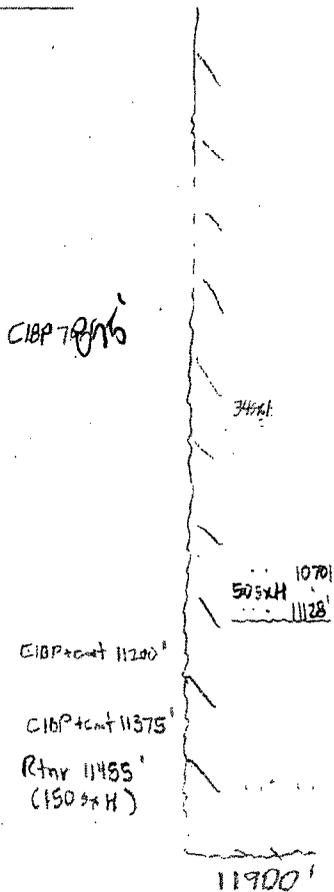
1st: 450 5/8 inch HLC + 365 5/8 inch Super H (Circ 224 5/8 inch)
2nd: 1825 5/8 inch HLC + 100 5/8 inch "H"

Well: Hot Seat Fed. Com. 2

Location: 990' FNL, 660' FEL
A-35-24S-25E
Eddy NM
30-015-35776



TOC 4010' CBL



11124-29' (30)
11214-97' (72)
11403-36' (34)
11478-97' (17) 2nd
5 1/2" @ 11871'

Misc

1st: 4505 x HLC + 3655 x Supv H (Circ 2245 x)
2nd: 18255 x HLC + 1005 x "H"

BEFORE

BS Avalon
1st BSS
2nd BSS
3rd BSS

Tops: Bell Canyon 1424'
Cherry Canyon 2424'
Brushy Canyon 4078'
Bone Spring 5228'

**Hot Seat Federal Com 2
30-015-32371
COG Operating, LLC.
June 12, 2014
Conditions of Approval**

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

Work to be completed by September 12, 2014.

1. **Step 1-2 approved as written.**
2. **Step 3-4: Set retainer at 5,000' to cover Bone Spring formation.**
3. **Step 5-13 approved as written.**

Note: 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.

4. **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.**
5. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
6. Surface disturbance beyond the originally approved pad must have prior approval.
7. Closed loop system required.
8. 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.
9. Operator to have H2S monitoring equipment on location.

10. A minimum of a **3000 (3M)** 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 (3M 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.
11. **Subsequent sundry required detailing work done, C-102, and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.**
12. **See attached for general requirements.**

JAM 061214

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.