

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Operator Copy

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 type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM97113
2. Name of Operator COG OPERATING LLC		6. If Indian, Allottee or Tribe Name
Contact: BRIAN MAIORINO E-Mail: bmaiorino@concho.com		7. If Unit or CA/Agreement, Name and/or No. NMNM117406
3a. Address ONE CONCHO CENTER 600 W ILLINOIS AVENUE MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 432-221-0467	8. Well Name and No. HOT SEAT FEDERAL, FED-COM 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 35 T24S R25E NENE 990FNL 660FEL		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

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 recompleate 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 recompleation 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 recompleate the Hot Seat Federal Com #2 in the Brushy Canyon

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.

Accepted for record
NMOCD-tes
11-2-14

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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 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
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.	Date
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.	

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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.

See
cor 3. RIH with cement retainer, set retainer at 5900? and pump 175 sx Class H 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 H 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.

NM OIL CONSERVATION

ARTESIA DISTRICT

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

NOV 12 2014

RECEIVED

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-35776	² Pool Code 96382	³ Well Name WHITE CITY, DELANUERO
⁴ Property Code 36716	⁵ Property Name Hot Seat Federal Com	⁶ Well Number 2
⁷ OGRID No. 229137	⁸ Operator Name COG Operating LLC	⁹ Elevation 3594' Gr

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	24S	25E		990	North	660	East	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

¹⁶	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Signature: <u>Brian Maiorino</u> Date: <u>11/10/2014</u>	
	Printed Name: <u>Brian Maiorino</u> E-mail Address: <u>bmaiorino@concho.com</u>	
	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>	
	Date of Survey: _____ Signature and Seal of Professional Surveyor: _____ Please refer to original plat Certificate Number: _____	

Well: Hot Seat Fed. Com. 2

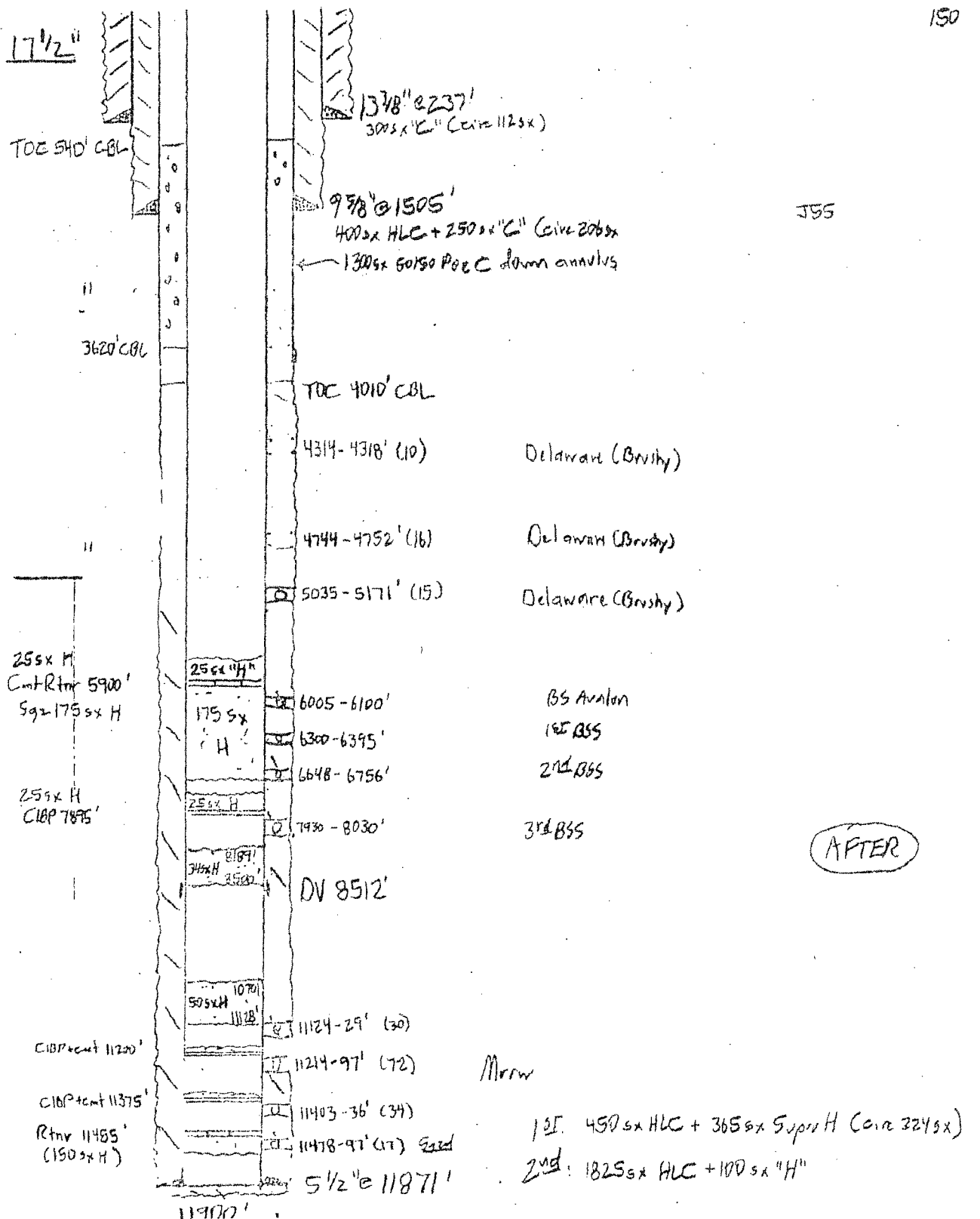
Location: 990' FNL, 660' FEL
A-35-245-25E
Eddy NM
38-015-35776

Zone: 17' AGL
KB: 3611'
GL: 3594'

Casing program:

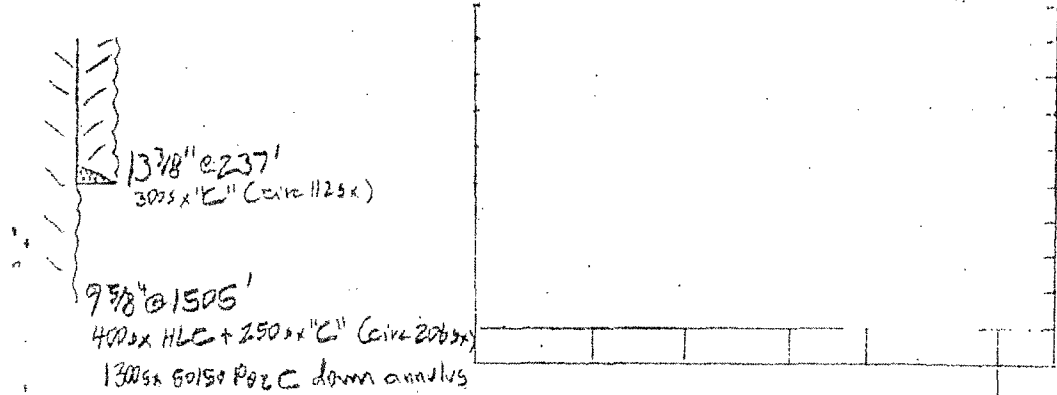
2 G 2 1

150



Well: Hot Seat Fed. Com. 2

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



TOC 4010' CBL

CIBP 70' 11250'

34x1

505xH 10701
11128'

CIBP cont 11250'

CIBP cont 11375'

Rtnr 11455'
(1505xH)

11700'

11124-29' (30)

11214-97' (72)

11403-36' (34)

11478-97' (17) ~~322~~

$5\frac{1}{2}" @ 11871'$

Mrrw

BS Avalon

1st BSS

2nd BSS

3rd BSS

BEFORE

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

1st: 4505x HLC + 3655x 5vpr H (Circ 2245x)

2nd: 18255x HLC + 1005x "H"

**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.

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