Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| | FORM APPROVED |
|---------------|-----------------------|
| Operator Copy | OMB NO. 1004-013 |
| Oberaror cobt | Expires: July 31, 201 |

| SUBMIT IN TRIPLICATE - Other Instructions on reverse eide. 7. If Unit or CA/Agretment, Name andre No. NMMM1174G6 1. Type of Well 1. Swell Near and Nyell Science (1) Other 1. Swell Near and Nyell Near and Nyell Near All Nyell | 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. | | | | | or Triba Nama |
|---|--|--|--|--|-------------------------------------|----------------------|
| August South Converted | | | | | | or Thoc Wallie |
| Gil Well Gas Well Gother Contact BRIAN MAJORINO SAPTIVER NO. SAPTI | SUBMIT IN TRIPLICATE - Other instructions on reverse side. | | | | | |
| 2. Name of Operators OGG OPERATING LC B-datal brandshore de concentration OGG OPERATING LC B-datal brandshore de concentration ONE CONCHO CENTER 600 W ILLINOIS AVENUE MIDLAND, TX 79701 In. Albers ONE CONCHO CENTER 600 W ILLINOIS AVENUE MIDLAND, TX 79701 Location of Twil (Foolege Sec. T. R., M., or Survey Description) Sec 35 T24S R25E NENE B90FNL 660FEL 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Alter Casing Fracture Treat Casing Repair New Construction Plug and Abandonment Notice Charge Plans Plug and Abandon Plug Back Water Disposal Descripte Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate distration the Bond under which the work will be performed or provide the Bond No. on file with BLMRIAL. Replication and the starting of the complete or the starting of the proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate distration these or completed. Final Abandonment Notice Descripte Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate distration the starting of the involved operations. If the operation results in antiglic completion or recompletion in series value, a form all the proposed proposed operations. If the operation results in antiglic completion or recompletion is neitherly as the size of the proposed operations. If the operation results in antiglic completion or recompleted in series value and approximate date of the six of the proposed operation. If the proposed operation is the six of the proposed operation is proposed operation. If the proposed operation is proposed operation. If the proposed operation is proposed operation is proposed operation. If the proposed operation is proposed operation is proposed operation. If | I. Type of Well ☐ Oil Well 🔀 Gas Well ☐ Oth | ner | | | | |
| ONE CONCHO CENTER 600 WILLINOIS AVENUE Ph: 432-221-0467 | 2. Name of Operator | Contact: | | | | 00-S1 |
| Location of Well Feetage, Sec. T. R., M. or Survey Description) 11. County or Farish, and State | |) W ILLINOIS AVENUE | | de) | 10. Field and Pool, o CHOSA DRAV | r Exploratory V |
| 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Subsequent Report Casing Repair Plus and Abandonment Notice Chape Plans Plus and Abandon Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. Attack the Bond under which the work will be performed or provide the Bond No. on file with BLMRIAL. Required subsequent reports shall be filled within 30 days Attack the Bond under which the work will be performed or provide the Bond No. on file with BLMRIAL. Required subsequent reports shall be filled within 30 days Attack the Bond under which the work will be performed or provide the Bond No. on file with BLMRIAL. Required subsequent reports shall be filled within 30 days Attack the Bond under which the work will be performed or provide the Bond No. on file with BLMRIAL. Required subsequent reports shall be filled within 30 days testing has been completed. Final administration of the state of the | | ., R., M., or Survey Description | 1) | | 11. County or Parish | , and State |
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| Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off | 12. CHECK APPI | ROPRIATE BOX(ES) TO | O INDICATE NATURE OI | F NOTICE, RE | PORT, OR OTHE | ER DATA |
| Subsequent Report | TYPE OF SUBMISSION | | ТҮРЕ | OF ACTION | | |
| Subsequent Report | 82 Notice of Intent | ☐ Acidize | ☐ Deepen | ☐ Producti | on (Start/Resume) | ☐ Water Shut-Off |
| Final Abandonment Notice | | ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclama | tion | ■ Well Integrity |
| Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting that of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplet horizontarios 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/GIA. 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 the involved operations. If the operation results in a multiple completion or recompletion, have been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that this 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 1. MIRU WSU, frac tanks, BOP, etc. Install 7-1/167 3k minimum WP double ram hydraulic BOP with blind rams and 2-7/87 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 agree ATTACHED FOR artificial lift in order to produce, therefore a full choke manifold will not be needed. However, and the foregoing is true and correct. Electronic Submission #245392 verified by the BLM Well-information System V December 1 for the partisbad A 1 for th | ☐ Subsequent Report | ☐ Casing Repair | ■ New Construction | Recomp | lete | . 🗖 Other 🛝 |
| 3. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration 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 BLMBIA. Required subsequent reports shall be filed vitinis 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3164-5 shall be filed once starting has been capitally provide the Bond No. on file with BLMBIA. Required subsequent reports shall be filed once starting and recompletion for a new interval, a Form 3164-5 shall be filed once starting that the site ready for final inspection.) ACCEDIECT OF FEDERAL OR #22 in the Brushy Canyon 1. MIRIU 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 bottless 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 lested are sub-normally pressured and will require a frac job active. Electronic Submission #246392 vertified by the BLM Well-information System VER APPROVA at difficial lift in order to produce, therefore a full choke manifold will not be needed. However, CONDITIONS OF APPROVA at Committed to AFMSS for processing by CATHY OUEEND of \$2520/2014 THIS SPACE FOR FEDERAL OR STATE OFFICE USE LIMIT AND APPROVA A COMMITTION STATE OFFICE USE LIMIT AND APPROVA A Committed to AFMSS for processing by CATHY OUEEND of \$2520/2014 THIS SPACE FOR FEDERAL OR STATE OFFICE USE LIMIT AND APPROVA A Committed to approved. If any, are attached. Approval of this notice does not warrant or fifty that the applicant holds legal or | ☐ Final Abandonment Notice | □ Change Plans | ☐ Plug and Abandon | □ Tempora | rily Abandon | |
| If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all perintent markers and zones, Attach the Boad 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 or 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 the straing has 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 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 hard wheels so BOPs can be manually operated. Plumb casing to a frac tank or gas buster tank. Note: The intervals being lested are sub-normally pressured and will require a frac job addice. However, a frac produce, therefore a full choke manifold will not be needed. However, a condition of the installed if well conditions dictate. 4. I hereby certify that the foregoing is true and correct. **Electronic Submission #246332 verified by the BLM Welt-intermation System** **COG OPERATING L.C.** sent to the Carlsbad A.F.** **Title** AUTHORIZED REPRESENTATIVE** **Title** AUTHORIZED REPRESENTATIVE** **Deproved By** **Title** AUTHORIZED REPRESENTATIVE** **Deproved By** **Title** AUTHOR | , | ☐ Convert to Injection | ☐ Plug Back | Water D | isposal | |
| 4. I hereby certify that the foregoing is true and correct. Electronic Submission #246392 verified by the BLM Well-information System For COG OPERATING L.C., sent to the Carlsbad Committed to AFMSS for processing by CATHY QUEEN on 05/28/2014. (14CQD065SE) Name(Printed/Typed) BRIAN MAIORINO Title AUTHORIZED REPRESENTATIVE Signature (Electronic Submission) Date 05/20/2014 THIS SPACE FOR FEDERAL OR STATE OFFICE MSE LAND AND CALLS AND CAL | blind rams and 2-7/8? pipe ran | ns. BOP trailer will have | accumulator bottles and por | wered pump fo be manually | r ' |) FOR OF APPROVA |
| Electronic Submission #246392 verified by the BLM Well'information System For COG OPERATING L. C., 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 OSE AND AND CALLS Approved By Inditions of approval, if any, are attached. Approval of this notice does not warrant or tify that the applicant holds legal or equitable title to those rights in the subject lease ich would entitle the applicant to conduct operations thereon. Office Tele Volume Information System AUTHORIZED REPRESENTATIVE Date Title Date Office LARL DEPUT OF THE OFFICE OFFICE OSE AND AND CALLS Date Office Title Date Office | · | | | | | , |
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| THIS SPACE FOR FEDERAL OR STATE OF ICAL AND AND CALL AND Date Inditions of approval, if any, are attached. Approval of this notice does not warrant or tify that the applicant holds legal or equitable title to those rights in the subject lease ich would entitle the applicant to conduct operations thereon. Office 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 tates any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. | Name(Printed/Typed) BRIAN MA | IORINO | Title AUTH | ORIZED REP | RESENTATIVE | |
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| nditions of approval, if any, are attached. Approval of this notice does not warrant or tify that the applicant holds legal or equitable title to those rights in the subject lease ich would entitle the applicant to conduct operations thereon. Office 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 tates any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. | | THIS SPACE FO | R FEDERAL OR STATE | OFFICE OS | E LAND/ANG | ZNT |
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| tates any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. | tify that the applicant holds legal or equi | itable title to those rights in the | subject lease | | | |
| | le 18 U.S.C. Section 1001 and Title 43 U tates any false, fictitious or fraudulent st | J.S.C. Section 1212, make it a latements or representations as | crime for any person knowingly ar to any matter within its jurisdiction | nd willfully to mak n. | e to any department or | agency of the United |
| ** 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.



- 3. RIH with cement retainer, set retainer at 5900? and pump 175 sx Class in 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 & 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 2 2014

Revised August 1, 2011

OIL CONSERVATION DIVISION

Submit one copy to appropriate RECEIVED District Office

1220 South St. Francis Dr. Santa Fe, NM 87505

☐ AMENDED REPORT

Form C-102

| WELL LOCATION AND ACREAGE DEDICATION PLAT | WELL | LOCATION | AND ACR | EAGE D | EDICAT | ION PLAT |
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| 30-015- | API Number -35776 | r , | | PoolSod | 2 U | VHITE CI | 74: DOC | AMSA | 20 | | • |
| ⁴ Property (| Code | | 7 | | 5 Property 1 | Vame | 11) | | | Vell Number | |
| 36716 | | | | | Hot Seat Fed | eral Com | | 1 | 2 | - | |
| 7 OGRID 1 | No. | | | | ⁸ Operator I | Name | | | , | ⁹ Elevation | |
| 229137 | | | • | | COG Operat | ing LLC | | İ | 3 | 594' Gr | |
| | | | | | ¹⁰ Surface I | _ocation | , | | • | | |
| UL or lot.no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/ | West line | | County |
| Α | 35 | 248 | 25E | | 990 | North | 660 | East | | Eddy | |
| | | , | и Во | ttom Ho | le Location If | Different Fron | n 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 | Joint o | r Infill 14 (| Consolidation | Code 15 O | rder No. | | | | • | | |
| 40 | | | | | | 3 | | | | | |

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

| | | 1 | • |
|----|--|------|---|
| 16 | | 990' | 17 OPERATOR CERTIFICATION 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. 11/10/2014 Signature Date |
| | | | Brian Maiorino Printed Name bmaiorino@concho.com E-mail Address |
| | | | "SURVEYOR CERTIFICATION 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. |
| | | | Date of Survey Signature and Seal of Professional Surveyor: Please refer to original plat Certificate Number |

| Well: | Hot | Seat Fedi (| | en: 17'A6L |
|--|--------|---|---|---|
| Location | A | FNL, 660'FEL 35-245-25 UJU NM -015-35776 | <u> </u> | KB: 36111 GL: 35941 rugram: |
| 17/2" TOE 540 CBL | 0 9 | 978 61505 400 x HLC+ | 37! Ceire 1123x) 1 2503x"C" (cive 2069x Poe C down annulys | 180) |
| | | 4314-4318' (10) 4744-4752'(16) 5035-5171' (15) | Delaware (Brushy) Delaware (Brushy) | |
| 255x H C-HRIM 5900' Sg21755x H 255x H CLOP 7895' | 755X H | 6005 - 6100' 5 6300 - 6395' 1 6648 - 6756' 10 7430 - 8030' DV 8512' | BS Avalon 18 E BSS 2nd BSS 3rd BSS | AFTER |
| CIBP+ent 11220' CIBP+ent 11375' Rtnv 11485' (150 2x H') | | 10111124-29' (30) 111124-29' (30) 111124-97' (72) 111403-36' (34) 111418-97' (17) 522 | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 365 sx Supro H (cin 2245x) +100 sx "H" |

| | lot Seat Fed. | | | |
|-----------------|----------------------------------|------------------------------------|--|---------------------------------------|
| Well: H | | Sor. L | | |
| Location | 190'FNL, 660'FEL A-35-245:-25 | E | | |
| - Anniamentos | 50-015- 35776 | | | |
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| CIBPACAT 11200" | 1124-29' (30) | Mrow | | Brushy Chyn 4078' Bone Spring 5228' |
| C188+cn+11375'} | 11403-36' (34) | | • | |
| (15034H) | 11978-97'(17) 5114 | 105. 450 5 x Hl 2nd: 1825 5 x H | C + 365 5 x 5 ypyr F | 1 (cin 3243x) |
| 11900 | 51/2"e 11871' | De Company | | · |

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.

<u>Note:</u> 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 $90^{\rm th}$ day provide this office, prior to the $90^{\rm th}$ 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. <u>Notification:</u> 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. <u>Blowout Preventers</u>: 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. <u>Mud Requirement:</u> 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. <u>Cement Requirement</u>: 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. <u>Subsequent Plug back Reporting:</u> 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. <u>Show date work was completed.</u>
- 7. <u>Trash:</u> 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.

- 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 <u>ninety (90)</u> 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. <u>Notification:</u> 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. <u>Blowout Preventers</u>: 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. <u>Mud Requirement:</u> 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. <u>Cement Requirement</u>: 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. <u>Subsequent Plug back Reporting:</u> 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. <u>Show date work was completed.</u>
- 7. <u>Trash:</u> 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.