

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.**5 Lease Serial No.
LC-028775B

6. If Indian, Allottee or Tribe Name

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

NM 71024X dm8. Well Name and No.
RJ Unit #1499. API Well No.
30-015-3498810. Field and Pool, or Exploratory Area
Grayburg Jackson 7Rvs-Q-G-SA

11 County or Parish, State

Eddy1 Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
COG Operating LLC3a. Address
550 W. Texas Ave., Suite 1300 Midland, TX 797013b. Phone No. (include area code)
432-685-4395

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)

**1980' FNL & 2553' FWL
Sec.27, T17S, R29E, Unit F****JUN 27 2007****OCD-ARTESIA**

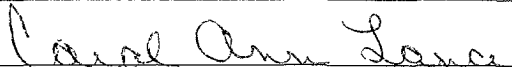
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Request APD
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Extension
	☐ Convert to Injection	☐ Plug Back	☐ 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 recompleat 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 recompleat 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 requests a one year extension of this APD scheduled to expire 07-23-07**SEE ATTACHED FOR
CONDITIONS OF APPROVAL****APPROVED FOR 24 MONTH PERIOD
ENDING 7-23-09**14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Carol Ann Lance**Title **Regulatory Analyst**

Signature



Date

05/23/2007**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

/s/ James Stovall

Title

FIELD MANAGER

Date

JUN 22 2007

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

CARLSBAD FIELD OFFICE

Title 18 USC Section 1001 and Title 43 USC 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.

(Instructions on page 2)

CONDITIONS OF APPROVAL - DRILLING

Operator's Name: COG Operating LLC
Well Name & No. 149-RJ Unit
Location: 1980' FNL, 2553' FWL, Sec. 27, T-17-S, R-29-E, Eddy County, NM
Lease: LC-028775B

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I. DRILLING OPERATIONS REQUIREMENTS:

- A. The Bureau of Land Management (BLM) is to be notified a minimum of 4 hours in advance for a representative to witness:
1. Spudding well
 2. Setting and/or Cementing of all casing strings
 3. BOPE tests
- Eddy County call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822
- B. Although Hydrogen Sulfide has not been reported in this section, it has been reported in the township to the east in Sections 17, 20, and 21 measuring 1600-10000 ppm in the gas stream and 20-4000 ppm in STVs. A Hydrogen Sulfide drilling operation plan has been attached to the APD.
- C. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

II. CASING:

- A. The 13-3/8 inch surface casing shall be set a minimum of 25 feet into the Rustler Anhydrite and above the salt at approximately 250 feet and cemented to the surface.
1. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 2. Wait on cement (WOC) time for a primary cement job will be a minimum of **18 hours for a water basin** or 500 pounds compression strength, whichever is greater. (This is to include the lead cement)
 3. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compression strength, whichever is greater.
 4. If cement falls back, remedial action will be done prior to drilling out that string.

Possible lost circulation in the Grayburg and San Andres formations.
Possible water flows in the Salado and Artesia groups.

- B. The minimum required fill of cement behind the 8-5/8 inch intermediate casing is **cement shall circulate to surface**. If cement does not circulate see A.1 thru 4.
- C. The minimum required fill of cement behind the 5-1/2 inch production casing is **cement shall circulate to surface**. If cement does not circulate see A.1 thru 4.
- D. If hardband drill pipe is rotated inside casing; returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool I joints of the drill pipe will be installed prior to continuing drilling operations.

III. PRESSURE CONTROL:

- A. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Section 17.
- B. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M) PSI**.
- C. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 8-5/8" intermediate casing shoe shall be **2000 (2M) PSI**.
- D. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - 1. The tests shall be done by an independent service company.
 - 2. The results of the test shall be reported to the appropriate BLM office.
 - 3. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - 4. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.
 - 5. A variance to test the surface casing and BOP/BOPE to the reduced pressure of 1500 psi with a 3rd party tester is approved.

Engineer on call phone (after hours): 505-706-2779

WWI 062107