Form 3160-5 (April 2004)

3a Address

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

#### SUNDRY NOTICES AND REPORTS ON WELLS

OCD-ARTESIA					
	UNITED STATES DEPARTMENT OF THE	S INTERIOR		FORM APPROVED OM B No 1004-0137 Expires. March 31, 2007	
BUREAU OF LAND MANAGEMENT				5. Lease Serial No	
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.				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.	
Type of Well Oil Well □ □	Gas Well Cother			8. Well Name and No.	
Name of Operator COG Operating LLC				9. API Well No.	
a Address 550 W. Texas Ave., Suite 1300 Midland, TX 79701		3b. Phone No (include area code) 432-685-4340		30-015-35429  10 Field and Pool, or Exploratory Area	
Location of Well (Footage, Sec.,	1441 2 2 2000		LOCO HILLS; Glorietta Yeso		
1750 FNL & 2310 FWL		JAN 23 2008		11 County or Parish, State	
SEC. 10, T17S, R30E, UNIT F		OCD-ART	ESIA	EDDY, NM	
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair	Fracture Treat New Construction	Production (State Reclamation Recomplete	Well Integrity  ✓ Other APD extension	
Final Abandonment Notice	Change Plans Convert to Injection		Temporarily Ab Water Disposal	andon	
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 requests permission for an extension to this APD scheduled to expire 2-9-08.**  APPROVED FOR 34 MONTH PERIOD ENDING 41-17-16					
4. I hereby certify that the fore	going is true and correct				
Name <i>(Printed/Typed)</i> <b>Phyllis A. Edwar</b>	Title Regulate	Title Regulatory Analyst			
Signature /	Date Date	Date 11/14/2007			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE					

I hereby certify that the foregoing is true and correct Name (Printed/Typed) Phyllis A. Edwards Title Regula Signature THIS SPACE FOR FEDERAL OR STA /s/ James Stovall 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.

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.

# PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: COG Operating LLC

LEASE NO.: NM0467931

WELL NAME & NO.: | Electra Federal #14

SURFACE HOLE FOOTAGE: | 1750' FNL & 2310' FWL

LOCATION: Section 10, T17S., R30E., NMPM

COUNTY: | Eddy County, New Mexico

## I. DRILLING

## A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOP/BOPE tests

## **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

- 1. Although Hydrogen Sulfide has not been reported in this section, it is always a possible hazard. It has been reported in the Sections 12 and 15 from the Grayburg Jackson Pool in a range from 500 to 1800 ppm in the gas stream. If Hydrogen Sulfide is encountered, please report measured amounts to the BLM.
- 2. 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.

#### B. CASING

1. 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 425 feet or in the case that salt occurs at a shallower depth above the top of the salt, below usable water and cemented to the surface. If the salt is penetrated the operator is required to set surface casing at least 25 feet above the salt.

Possible lost circulation in the Grayburg and San Andres Formations. Possible water flows in the Salado and Artesia Groups.

- a. 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.
- b. Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement).
- c. Please provide WOC times to inspector for cement slurries.
- d. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- e. If cement falls back, remedial action will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the <u>8 5/8 inch</u> intermediate casing is: <u>Casing to be set below the salt. Geo report indicated base of salt in surrounding</u> wells may be as deep as 1220 feet.
  - Cement to surface. If cement does not circulate see B.1.a-d above.
  - a. Please provide WOC times to inspector for cement slurries.
- 3. The minimum required fill of cement behind the 5 1/2 inch production casing is:
  - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
  - a. Please provide WOC times to inspector for cement slurries.

4. 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 joints of the drill pipe will be installed prior to continuing drilling operations.

### C. PRESSURE CONTROL

- 1. 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 Sec. 17.
- 2. 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.

BOP/BOPE when nippled up on the 13 3/8 inch casing will be tested to 1500 psi by an independent service company. BOP/BOPE when nippled up on 8 5/8 inch casing will be tested to 2000 psi by an independent service company

- 3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - a. The tests shall be done by an independent service company.
  - b. The results of the test shall be reported to the appropriate BLM office.
  - c. 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.
  - d. 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.

## D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

Engineer on call phone (after hours only): Carlsbad: (575) 706-2779

JDW/1/17/2008

11/11/00