

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.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

FEB 06 2008

2. Name of Operator
COG Operating LLC

OCD-ARTESIA

3a. Address
550 W. Texas Ave., Suite 1300 Midland, TX 79701

3b. Phone No. (include area code)
432-685-4372

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
990' FSL & 1650' FWL
SEC. 21, T17S, R30E, UNIT N

5. Lease Serial No.

CL-029342a

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No

WOOLLEY FEDERAL #11

9. API Well No.

30-015-35440

10. Field and Pool, or Exploratory Area
Maljamar Paddock

11. County or Parish, State

EDDY, 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 type="checkbox"/> Recomplete	<input checked="" 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	

Request to ext APD

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 an extension for this APD scheduled to expire 3-6-08.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED FOR 24 MONTH PERIOD
ENDING 3-6-10

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Phyllis A. Edwards

Title Regulatory Analyst

Signature

Date

01/09/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /s/ Don Peterson

FIELD MANAGER

FEB - 4 2008

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 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

(Instructions on page 2)

PECOS DISTRICT

CONDITIONS OF APPROVAL

OPERATOR'S NAME:	COG Operating LLC
LEASE NO.:	NMLC029342A
WELL NAME & NO.:	Woolley Federal #11
SURFACE HOLE FOOTAGE:	990' FSL & 1650' FWL
LOCATION:	Section 21, 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. A Hydrogen Sulfide (H₂S) Drilling Plan should be activated 500 feet prior to drilling into the **Grayburg** formation.

H₂S has been reported in this section measuring 1900 ppm in gas streams from a well completed in the Seven Rivers and Grayburg Jackson. It has also been reported in Sec. 17, T17S, R30E measuring 1600 ppm in gas streams and 1500 ppm in STVs from the Queen, Grayburg Jackson and San Andres, and in Sec. 20, T17S, R30E measuring 10,000 ppm in the Gas streams and 4000 ppm in STVs from the Grayburg Jackson and Morrow.

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.
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

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 the salt occurs at a shallower depth above top of the salt**, below usable water and cemented to the surface.

Possible loss of 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 **8 5/8 inch** intermediate casing is:
☒ Cement to surface. If cement does not circulate see B.1.a-e above.
 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.
 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. 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.
 - e. A variance to test the BOP/BOPE to the reduced pressure of **1500 psi** by an independent service company, after setting the **13 3/8 inch** casing is approved. The BOP and BOPE when nipped up on the **8 5/8 inch** intermediate casing will be tested to **2000 psi**.

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/1/31/2008

MMH 1/31/08