

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		NOV - 5 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) 432-685-4332	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  1800 FNL & 1980 FEL      BHL: 1800 FNL & 330 FWL Section 30, T16S, R28E, UL G      Section 30, T16S, R28E, UL E		
5. Lease Serial No. SHL-NM-104675, BHL- NM-103872		
6. If Indian, Allottee or Tribe Name		
7. If Unit or CA/Agreement, Name and/or No.		
8. Well Name and No. Donner 30 Federal #3		
9. API Well No. 30-015-35807		
10. Field and Pool, or Exploratory Area Dog Canyon, Abo		
11. County or Parish, 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 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	

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 recompletable 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 recompletable 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 respectfully requests permission:

To change Production Hole Drilling Summary to exclude Pilot hole.

For a variance to the COA for fresh water on Intermediate hole to cut Brine.

For a variance to test Surface stack, manifold and all valves in "one single" test with rig pump to 1000 psi.

To change Logging program to consist of GR- Neutron Density LWD while drilling curve and Lateral.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

ACCEPTED FOR RECORD

Attached is a revised Form 3160-3 Drill Plan with changes reflected in shaded areas.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Phyllis A. Edwards		Title Regulatory Analyst	Gerry Guye, Deputy Field Inspector NMOCD-District II ARTESIA
Signature 	Date 10/28/2008	APPROVED	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			
Approved by 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 Office	Date OCT 29 2008  WESLEY W. INGRAM PETROLEUM ENGINEER

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)

**REVISED 10/27/2008**

<u>Hole size</u>	<u>Interval</u>	<u>OD of Casing</u>	<u>Weight</u>	<u>Cond.</u>	<u>Collar</u>	<u>Grade</u>
17-1/2"	0' - +/-500'	13-3/8"	48#	New	STC	H40
Collapse sf - 2.98, Burst sf – 2.33, Tension sf – 13.42						
12 1/4"	0' - 1800'	9-5/8"	40#	New	STC	J-55
Collapse sf - 2. 86, Burst sf – 1.42, Tension sf – 7.22						
8-3/4"	0' – +/-6000' MD	7"	26#	New	LTC	P-110
Collapse sf - 2. 18, Burst sf – 1.53, Tension sf – 4.37						
6-1/8"	6000' – +/- 9500' MD	4-1/2"	11.6#	New	BTC	P-110
Collapse sf – 2.47, Burst sf – 1.64, Tension sf – 4.48						

**ATTACHMENT TO FORM 3160-3**  
**COG Operating**  
**Donner "30" Federal #3**  
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**7. Cement Program:**

13 3/8" Surf Csg Set at +/- 500', Circ to Surf with +/- 500 sx Class "C" w/ 2% CaCl<sub>2</sub>, 1.35 yd.

9 5/8" Intrmd Csg Set at +/- 1800'. Circ to Surf with +/- 600 sx 35/65 Poz "C", 2.05 yd. & 200 sx Class "C" w/ 2% CaCl<sub>2</sub>, 1.35 yd.

7" Production Casing set at +/- 6000' MD, Cement with +/- 500 sx. 50/50/10 "C", 2.45 yd & +/- 200 sx Class "H", 1.18 yd., Est. TOC @ 200' minimum tie back into intermediate casing.

4 1/2" Production Liner set from +/- 5900' to +/-9500' MD, 6520' TVD, Liner run with +/- 5 isolation Packers and Sliding sleeves in un-cemented Lateral.

**8. Pressure Control Equipment:**

After setting 13 3/8" casing and installing 3000 psi casing head, NU 13 5/8" 3000 psi annular BOP. Test annular BOP, casing and manifold in one test with clear fluid to 1000 psi w/ rig pump.

After setting 9 5/8" casing and installing 3000 psi casing spool, NU 3000 psi double ram BOP and 3000 psi annular BOP. Test double ram BOP and manifold to 3000# with clear fluid and annular to 1500 psi using an independent tester, this equipment will be used continuously until TD is reached. Blind rams will be operationally checked on each trip out of hole. Pipe rams will be operationally checked each 24 hour period. These checks will be noted on daily tour sheets. Other accessories to the BOP equipment include a Kelly cock and floor safety valves, choke lines and choke manifold with 3000 psi WP rating.

**9. Proposed Mud Circulating System**

Interval	Mud Wt.	Visc.	FL	Type Mud System
0' - 500'	8.5	28	NC	Fresh water native mud w/ paper for seepage and sweeps. Lime for PH.
500' - 1800'	9.1	30	NC	Cut brine mud, lime for PH and paper for seepage and sweeps.
1800' - 6520'	9.1	29	NC	Drill section with fresh water/cut brine circulating the reserve utilizing periodic sweeps of paper as needed for seepage control and solids removal.
6520' - 9500'	9.5	36	10	Drill horizontal section with XCD polymer / cut brine / starch.

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the well site at all times.

**10. Production Hole Drilling Summary:**

Drill 8-3/4" hole to Basal Abo to +/- 6000' and set 7" production casing. Drill 6-1/8" hole and kick off at +/- 6150', building curve over +/- 350' to horizontal at 6520' TVD. Drill horizontal section in a Westerly direction for +/-3000' lateral to TD at +/-9500' MD. Run 4-1/2" production liner in Open hole lateral and set isolation packers and liner top packer @ +/- 5900' MD.

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**11. Auxiliary Well Control and Monitoring Equipment**

- A. Kelly cock will be kept in the drill string at all times.
- B. A full opening drill pipe-stabbing valve with proper drill pipe connections will be on the rig floor at all times.

**12. Logging, Testing and Coring Program:**

- A. The logging program will consist of GR- Neutron Density LWD while drilling curve and Lateral.
- B. Drill Stem test is not anticipated.
- C. No conventional coring is anticipated.
- D. Further testing procedures will be determined after the 4 ½" production liner packers have been installed at TD based on drill shows and log evaluation.

**13. Abnormal Conditions, Pressures, Temperatures and Potential Hazards:**

No abnormal pressures or temperatures are anticipated. The estimated bottom hole at TD is 110 degrees and estimated maximum bottom hole pressure is 2825 psig. Low levels of Hydrogen sulfide have been monitored in producing wells in the area, so H2S may be present while drilling of the well. An H2S plan is attached to the Drilling Program. No major loss of circulation zones has been reported in offsetting wells.

**14. Anticipated Starting Date**

Drilling operations will commence approximately on October 1, 2008 with drilling and completion operations lasting approximately 90 days.

**Donner 30 Federal #3  
30-015-35807  
COG Operating LLC  
October 29, 2008  
Conditions of Approval**

- 1. Approved to eliminate pilot hole.**
- 2. Approved for cut brine mud for intermediate hole.**
- 3. In order to meet BLM requirements, the BOP/BOPE test cannot be properly done in one step. Not approved.**
- 4. Change in logging program approved.**

**WWI 102908**