UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OM B No 1004-0137 Expires, March 31, 2007

F	BUREAU OF LAND MAN	AGEMENT	טטנ יטו		Expires. March 51, 2007		
SUNDRY	5. Lease Serial No NMLC028775B						
Do not use the abandoned we	6. If Indian, Allottee or Tribe Name						
SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No						
1 Type of Well ✓ Oil Well □ □	Gas Well 🗆 📄 Other						
2 2 2	8. Well Name and No. R J Unit #150						
- COG Opera	9. API Well No. 30-015-35159						
Ba Address 550 W. Texas Ave., Suite 1300	3b. Phone No. (include area code) 432-685-4340						
Location of Well (Footage, Sec.,			10. Field and Pool, or Exploratory Area Grayburg Jackson SR Q G SA				
	11. County or Parish, State						
1980' FNL & 1425' FEL Sec.27, T17S, R29E, Unit G					M		
12. CHECK AI	PPROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE, I	LEPORT, OR	OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION						
Attach the Bond under which the following completion of the invitesting has been completed. Find determined that the site is ready COG respectfully requests Change intermediate hole Change production csg to	ctionally or recomplete horizontal ne work will be performed or proventions. If the operations and Abandonment Notices shall be	lly, give subsurface location ride the Bond No. on file wan results in a multiple comple filed only after all requirements owing changes to the driesight to 24# or 32#.	s and measured and trith BLM/BIA. Requietion or recompletion nents, including reclarations.	bandon I any proposed wo ue vertical depth red subsequent re in a new interval	s of all pertinent markers and zones. eports shall be filed within 30 days l, a Form 3160-4 shall be filed once		
SEE ATTACHEI CONDITIONS C							
14. Thereby certify that the fore Name (Printed/Typed)	going is true and correct						
· -	Phyllis A. Edwards		egulatory Analyst				

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 BLM-CARLSBAD FIELD OFFICE Office 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.

Date

Petroleum

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

06/17/2009

Date JUL 0 1 2009

Signature

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: | COG Operating LLC

LEASE NO.: | NMLC028775B

WELL NAME & NO.: RJ Unit #150

SURFACE HOLE FOOTAGE: | 1980' FNL & 1425' FEL

LOCATION: | Section 27, T. 17 S., R 29 E., 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. 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. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations 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.
- 3. Rustler and Salt formation to be listed on Completion Report.

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

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 for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

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

- 1. The 13-3/8 inch surface casing shall be set at approximately 300 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. Fresh water mud to be used to setting depth.
 - 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 is to include the lead cement slurry.
 - c. 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.
 - d. If cement falls back, remedial action will be done prior to drilling out that string.
- 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, c-d above.
 Casing to be set in the Tansill formation.
- 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. Flare line to meet Onshore Order 2 requirements.
- 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. Effective November 1, 2008, no variances will be granted on reduced pressure tests on the surface casing and BOP/BOPE. Onshore Order 2 requirements will be in effect.

D. DRILL STEM TEST

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

MAK 062209

Flyille Edwards

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Sublect:

Wesley_Ingram@bl.migov FV.C B C Fesseral 28 Drill Plan Change Request S

JARIOUS

5-17-09

35159

Dear Wesley,

These APD's were permitted before charges were made to the drill plans.

Each sundry specifically asks for these changes to be reviewed.

The requested changes are highlighted below.

Hole Size	Interval	OD Casing	Weight	Grade	Jt., Condition	burst/collapse/tension
17 ½"	0-365	13 3/8"	48#	H-40	ST&C/New	6.03/2.578/10.32
11"or12 ¼"	0-856	8 5/8"	24or32#	J-55	ST&C/New	1.85/1.241/4.78
7 7/8"	0-T.D.	5 1/2"	17#	J-55orL-80	LT&C/New	1.59/1.463/2.05

As always, thanks so much for your time.

Phyllis Edwards

Regulatory Analyst



COG Operating LLC

Fasken Tower II

550 W: Texas Avenue, Suite 1300

Midland; TX 79701

432-685-4340

432-685-4396 F

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