

**OCD-HOBBS**  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**HOBBS OCD**

FORM APPROVED  
OMB No 1004-0137  
Expires July 31, 2010

**FEB 29 2012**

**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.*

5 Lease Serial No  
NMNM107392

6 If Indian, Allottee, or Tribe Name

7 If Unit or CA Agreement Name and/or No

8 Well Name and No  
Cap Federal #1

9 API Well No  
30-025-36469

10 Field and Pool or Exploratory Area  
Lusk; Bone Spring, South

11 County or Parish, State  
Lea Co., NM

**SUBMIT IN TRIPLICATE - Other Instructions on page 2.**

1 Type of Well  
 Oil Well     Gas Well     Other

2 Name of Operator  
COG Operating LLC

3a Address  
2208 W. Main Street  
Artesia, NM: 88210

3b Phone No (include area code)  
(575) 748-6940

4 Location of Well (Footage, Sec, T, R, M, or Survey Description)  
660 FNL 2100 FWL, Sec. 6-T20S-R32E, Lot 3

**12. CHECK APPROPRIATE BOX(S) 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"/> Altering 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 checked="" type="checkbox"/> Recomplete	<input 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 recomplate horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No on file with the 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 recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

COG Operating LLC proposes to recomplate this well to the Bone Spring as follows:

- 1) MIRU PU, ND WH, NU BOP & test
- 2) Release pkr & TOH
- 3) Set CIBP @ 11800'. Cap w/35' cmt (Current perfs 11855-11859')
- 4) Perf Bone Spring 9988-10000' w/2 spf, 120 deg phasing
- 5) TIH w/treating pkr on 2 7/8" tbg
- 6) Acdz perfs w/1000 gal 15% NEFE HCl
- 7) Swab or flow test perfs
- 8) Install rod pumping equipment if necessary

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

OCD requires form C-102 before producing from the Bone Spring formation.

14 I hereby certify that the foregoing is true and correct

Name (Printed/ Typed) **Stormi Davis** Title **Regulatory Analyst**

Signature *Stormi Davis* Date **2/8/12**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date **FEB 24 2012**

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 *KOG*

**WESLEY W. INGRAM**  
PERSONNEL 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 any statement or representation of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

**MAR 22 2012**

CURRENT

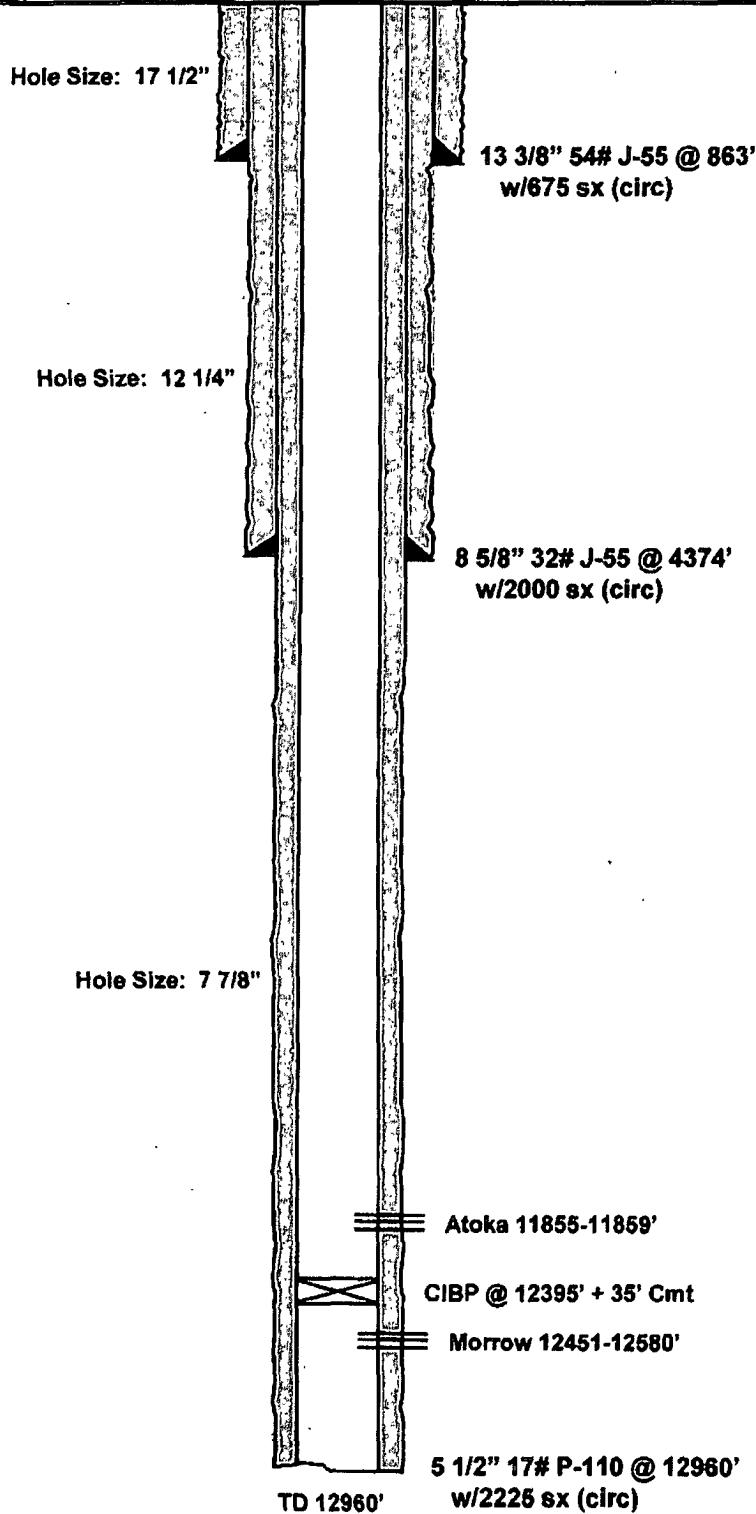
**Cap Federal #1**  
**Lusk; Atoka, Southeast**  
**API: 30-025-36469**

**Lea County, NM**  
**Section 6 T20S R32E**  
**660' FNL & 2100' FWL**

**KB: 3531'**  
**GL: 3514'**

Rustler	840'
Yates	2774'
Seven Rivers	3064'
Reef	3170'
Delaware	4388'
Bone Spring	7329'
Wolfcamp	10699'
Strawn	11358'
Atoka	11813'
Morrow	12413'

*Clastics*

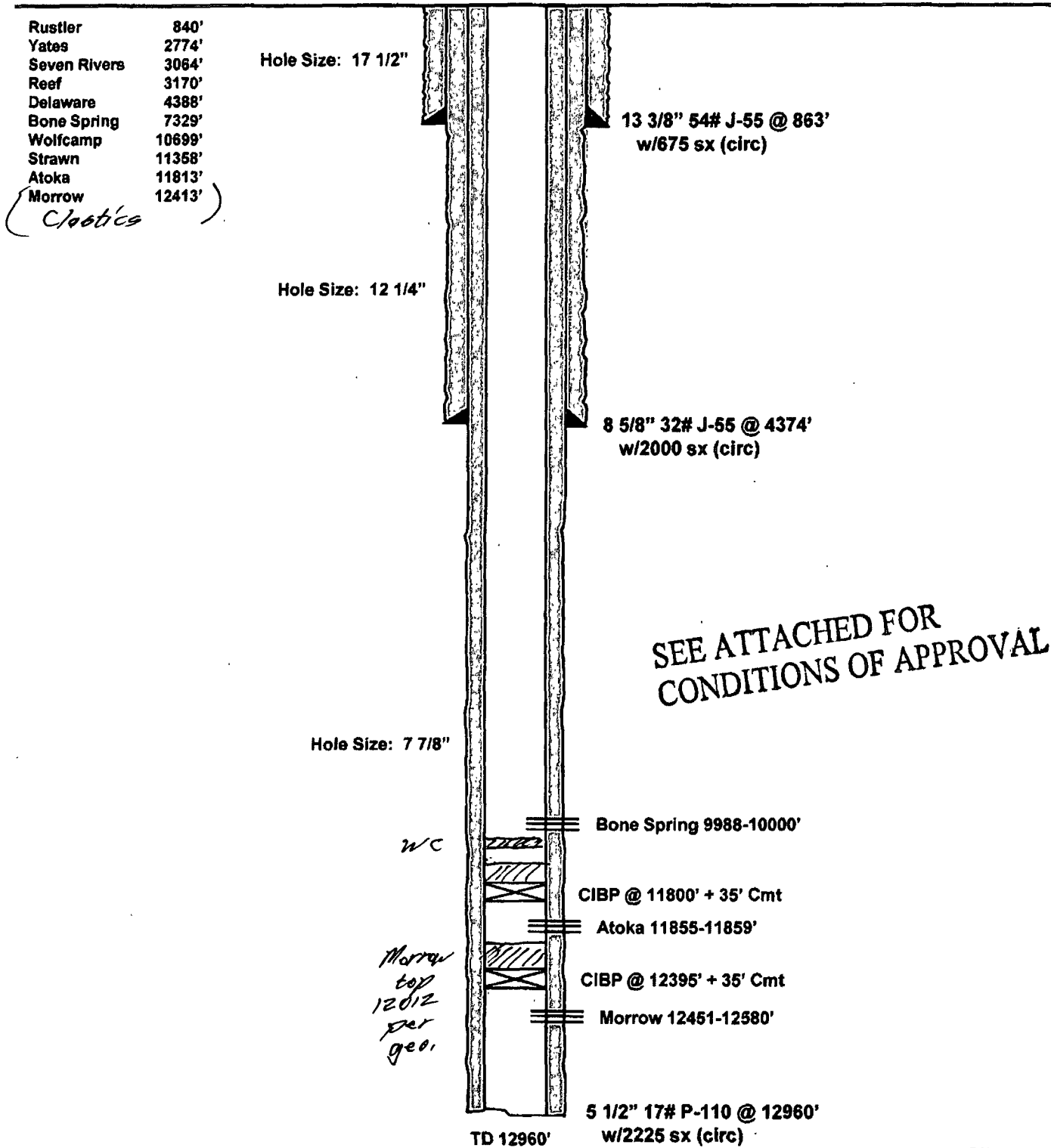


PROPOSED

**Cap Federal #1**  
**Lusk; Bone Spring, South**  
**API: 30-025-36469**

**Lea County, NM**  
**Section 6 T20S R32E**  
**660' FNL & 2100' FWL**

**KB: 3531'**  
**GL: 3514'**



**Cap Federal 1  
30-025-36469  
COG Operating LLC  
February 24, 2012  
Conditions of Approval**

Notify BLM at 575-393-3612 a minimum of 24 hours prior to commencing work.

Work to be completed by June 30, 2012.

1. Surface disturbance beyond the originally approved pad must have prior approval.
2. Closed loop system required.
3. Operator to have H2S monitoring equipment on location.
4. A minimum of a 3000 (3M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
5. Operator shall set plug over top of Morrow formation, which is shown as 12,012' in the geological report. Plug shall be 240' in length and a minimum of 25 sacks of Class H cement. Plug to be set from approximately 12,120 to 11,880'. Tag not required.
6. CIBP at 11,800' okay. Since Class H will be required for this plug, operator shall tag the cement to verify 35' cap on CIBP. Operator has the option of pumping a minimum 25 sack Class H plug. If 25 sack plug is placed, no tag is required.
7. Operator shall set a plug over the top of the Wolfcamp at 10,699'. Plug shall be 210' in length and a minimum of 25 sacks of Class H cement. Plug to be placed from 10,800' to 10,590'. Tag not required.
8. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
9. Subsequent sundry required detailing work done and completion report for new zone. Operator to include well bore schematic of current well condition when work is complete.

WWI 022412