

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**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<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | 8. Well Name and No.<br>HOLDER CB FED 6            |
| 2. Name of Operator<br>COG OPERATING LLC<br>Contact: KANICIA CASTILLO<br>E-Mail: kcastillo@conchoresources.com                   | 9. API Well No.<br>30-015-31891-00-S1              |
| 3a. Address<br>ONE CONCHO CENTER 600 W ILLINOIS AVENUE<br>MIDLAND, TX 79701  | 10. Field and Pool, or Exploratory<br>LOCO HILLS   |
| 3b. Phone No. (include area code)<br>Ph: 432-685-4332  | 11. County or Parish, and State<br>EDDY COUNTY, NM |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 17 T17S R30E SWNW 2310FNL 990FWL                   |  |

**RECEIVED**  
JUN 14 2013  
NMOCD ARTESIA

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 checked="" 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 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 recompleate 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 recompleation 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 to deepen and recompleate this well to the Yeso.

Full Procedure is attached.

Deepening Procedure

1. MIRU rig.
2. LD production equipment
3. Sqz Paddock w/ +/- 600sx of Class C neat.
4. Sqz San Andres with +/- 1200 sx of Class C cmt.
5. Drill out squeeze. Test squeeze to 500 psi for 20 minutes using chart recorder.

**SUBJECT TO LIKE  
APPROVAL BY STATE**

Accepted for record

NMOCD *105*  
6/14/2013

*Always include current + proposed well bore diagrams*

|  |                 |
|--|-----------------|
| 14. I hereby certify that the foregoing is true and correct.<br><b>Electronic Submission #208846 verified by the BLM Well Information System<br/>For COG OPERATING LLC, sent to the Carlsbad<br/>Committed to AFMSS for processing by JOHNNY DICKERSON on 05/31/2013 (13JLD0902SE)</b> |                 |
| Name (Printed/Typed) KANICIA CASTILLO  | Title PREPARER  |
| Signature (Electronic Submission)  | Date 05/29/2013 |
| <b>THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>  |                 |
| Approved By _____  | Title _____     |
| 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 _____    |

**APPROVED**  
JUN 11 2013  
*[Signature]*  
BUREAU OF LAND MANAGEMENT  
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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

Accepted for record  
NMOCD

## **Additional data for EC transaction #208846 that would not fit on the form**

### **32. Additional remarks, continued**

6. PU 4-3/4" bit and drill 4-3/4" from 4837' to 5900'.
7. POOH w/ bit and drillstring.
8. RIH w/ logs and log from TD to 4500'.
9. RIH w/ 4", 11.3# casing. See next attachment for general centralizer program.
10. Cement casing from TD to 4738' w/ 125 sxs Class C cmt. Drop plug and open DV tool. Circ cmt off DV tool. Drop plug to close DV tool.
11. PU workstring and RIH and drill out DV tool. POOH and LD workstring.
12. RDMO rig.

### Completion Procedure

1. MIRU rig.
2. RIH w/ perforating guns and perforate Yeso from 5420'-5620' with 26 holes @ 1 spf.
3. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand. Set plug at 5370'.
4. RIH w/ perforating guns and perforate Yeso from 5120'-5320'.
5. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand. Set plug at 5070'.
6. RIH w/ perforating guns and perforate Yeso from 4820 - 5020'.
7. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand.
8. RIH and drill out plugs at 5070' and 5370'.
9. RIH and cut or back off 4" casing at 4738'. POOH w/ 4" casing. Leave 4" liner from 4738' to 5900' (TD).
10. RIH w/ tbg and locate end of tbg at 4700'.
11. RIH w/ rods and pump.
12. RDMO rig.

## Holder CB Federal #6 Deepening Program

### 1. Estimated Tops of Important Geologic Markers

Yeso Group +/- 4275'

### 2. Estimated Depths of Anticipated Fresh Water, Oil, and Gas

Yeso Group +/- 4275'

This deepening originates in the Yeso and will finish at the base of the Yeso. The entire Yeso group is an oil and gas bearing interval.

### 3. Casing Program

| Hole Size | Interval      | OD Casing | Weight | Grade**       | Jt./Condition | Burst/collapse/tension                        |
|-----------|---------------|-----------|--------|---------------|---------------|---|
| 4-3/4"    | 4837' - 5900' | 4"        | 11.3#  | L-80 or P-110 | ULT-FJ/New    | 3.98/4.09/3.21 (L80)<br>5.47/5.23/4.25 (P110) |

\*\* Due to casing shortages, either L-80 or P-110 will be run. The exact grade is unknown at time of requesting permit.

**NOTE: COG OPERATING LLC REQUESTS A VARIANCE TO THE 0.422" STAND OFF RULE BETWEEN CASING AND WELLBORE.**

### 4. Cement Program

4" Liner: Class C, 125 sxs, yield 1.37. 100' minimum tie back to production casing.

**NOTE: COG OPERATING LLC REQUESTS A VARIANCE TO THE LINER TOP FLUID ENTRY OR PRESSURE TEST BECAUSE THE DEEPENED WELL WILL BE COMPLETED IN THE SAME ZONE AS THE CURRENT PERFS AND THE ENTIRE INTERVAL IS RECOGNIZED BY THE OCD AS ONE INTERVAL (YESO). AS PER ONSHORE ORDER NO. 2 SECT III: REQUIREMENTS, PART B. CASING AND CEMENTING REQUIREMENTS, SUBPART b. "NO TEST SHALL BE REQUIRED FOR LINERS THAT DO NOT INCORPORATE OR NEED A SEAL MECHANISM." COG BELIEVES WE MEET THE CRITERIA TO NOT BE REQUIRED TESTING THE LINER TOP BECAUSE THERE IS NO NEED FOR A SEAL MECHANISM.**

**NOTE: COG OPERATING LLC REQUESTS A VARIANCE TO THE 200' MINIMUM TIE BACK TO THE PRODUCTION CASING BECAUSE THE LOWEST PERFORATION IS AT 4635'. THE 100' WILL ALLOW US TO NOT COVER EXISTING PERFORATIONS.**

### 5. Minimum Specifications for Pressure Control

The BOP equipment will be a 3000 psi double ram type manually operated preventer. This equipment will be nipple up to a 7-1/16" 3K flange. The pipe rams are located above blind rams. There is no choke or kill manifold. The BOP is tested to 500 psi prior to drilling new formation. Access to the annulus will be through the valves on the 5-1/2" casing head.

### 6. Types and Characteristics of the Proposed Mud System

This well will drilled from end of the existing 5-1/2" casing to TD with 2% KCl.

### 7. Auxillary Well Control and Monitoring Equipment

- A. A full opening drill pipe-stabbing valve with proper drill pipe connections will be on the rig floor at all times.

#### **8. Logging, Testing, and Coring Program**

- A. The electric logging program will consist of GR-Dual Laterolog, Spectral Density, Dual Spaced Neutron, CSNG Log and will be run from TD to 5-1/2" production casing shoe.
- B. No drill stem tests.
- C. No conventional coring anticipated.
- D. Further testing procedures will be determined after the 4" liner has been cemented at TD, based on drill shows and log evaluation.

#### **9. Abnormal Conditions, Pressure, Temperatures, and Potential Hazards**

No abnormal pressures or temperatures are anticipated. The estimated bottomhole temperature at TD is 110 degrees and the estimated maximum bottomhole pressure is 2300 psig. The drilling starts in the Yeso and ends in the Yeso. The section of Yeso being drilled has very low permeability (less than 1 md).

#### **10. Anticipated Starting Date and Duration of Operations**

There will be no road or location work required as this is an existing well location. Once commenced, drilling operations should be finished in approximately 14 days. If the well is productive, an additional 30 days will be required for completion and testing before a decision is made.

#### **11. Centralizer Program**

Fixed blade stabilizer subs will be utilized in the casing string to insure adequate isolation and seal throughout the wellbore. These stabilizer subs are positive fixed blade type. These subs will actually be screwed into the casing string. A diagram of the fixed blade stabilizer sub is located at the end of this program.

The standard location of the stabilizers will be the following:

##### Shoe Location

Guide shoe, 1 jt casing, float collar, stabilizer sub.

##### Perf Interval Location – between perf intervals

Above the first set of perforations, the Lower Blinbry, we will set 1 stabilizer sub.

##### Top of Liner Location

We will set on stabilizer sub 1 jt under the DV-tool.

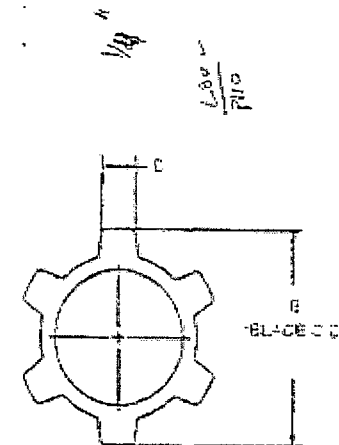
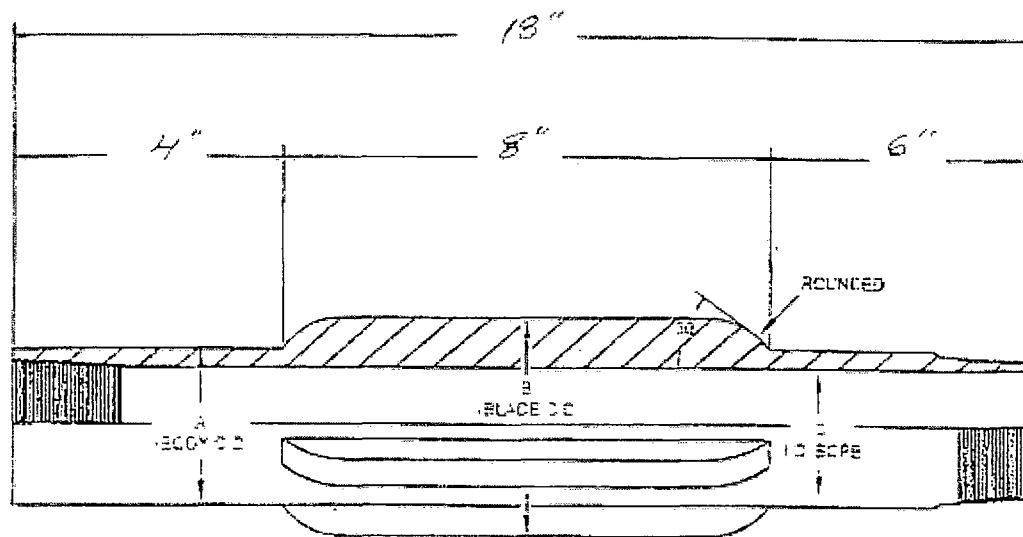
## 12. Summary Drilling and Completion Program

### Deepening Procedure

1. MIRU rig.
2. LD production equipment
3. Sqz Paddock w/ +/- 600sx of Class C neat.
4. Sqz San Andres with +/- 1200 sx of Class C cmt.
5. Drill out squeeze. Test squeeze to 500 psi for 20 minutes using chart recorder.
6. PU 4-3/4" bit and drill 4-3/4" from 4837' to 5900'.
7. POOH w/ bit and drillstring.
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| SIZE             | A     | B     | C      | D    | E | F | G | DRIFT  |
|------------------|-------|-------|--------|------|---|---|---|--------|
| 4" x 4 3/4 11.6" | 4.050 | 4.750 | 3.347" | 3/4" |   |   |   | 3-303" |

|  |                        |
|--|------------------------|
|  RAY OIL TOOL CO.<br>STAND OFF 3" |                        |
| CENTRALIZED INTERCASING  |                        |
| CLIENT   | Concho Res             |
| WELL NAME & NO   |                        |
| CASING   | 4" R145 11.6"          |
| MATERIAL   | 4 3/4 x 3/4 x 18" Q105 |
| PREPARED BY  |                        |

# COG OPERATING, LLC

Lease & Well #

Holder CB Federal #6

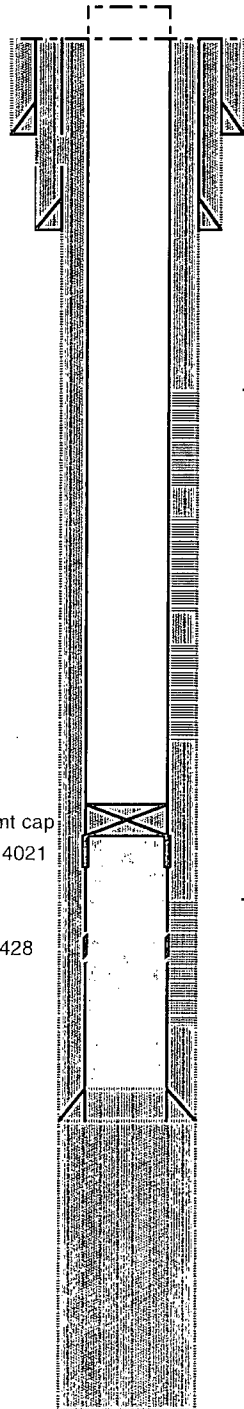
Eddy County, NM

Sec 17 T17S R30E 2310 FNL & 990 FWL

Spud - 9/7/2001

Elevation - 3654

KB -



## GB/SA

2830 - 2842, 40 holes 6/10/2005

Acid 2500 gal

Frac 28,776 gal LG, 10,120# sd

2974 - 3192, 30 holes 6/6/2005

Acid 2500 gal

Frac 94,437 gal LG, 98,531 # sd

3310 - 3540, 66 holes 6/2/2005

Acid 1500 gal

Frac 88,150 gal LG, 98,500 # sd

## Paddock

4236 - 4635, 1 spf, 95 holes. 10/26/2001

Acidized w/2,500 gal 15% NEFE

Acidized w/32,000 gal heated 20% HCL +

54,000 gal heated 40# gel

**5 1/2" 17.0 # J-55 LT&C csg @ 4848'.**

1st stage: 240 sx 50/50 poz, circulated 54 sx.

2nd stage: 825 sx, circulated 59 sx.

7-7/8" hole drilled to 6,211"

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rin Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|   |   |  |
|---|---|--|
| <sup>1</sup> API Number<br>30-015-31891 | <sup>2</sup> Pool Code<br>96718                 | <sup>3</sup> Pool Name<br>Loco Hills;Glorieta-Yeso |
| <sup>4</sup> Property Code<br>302504    | <sup>5</sup> Property Name<br>Holder CB Federal | <sup>6</sup> Well Number<br>6                      |
| <sup>7</sup> OGRID No.<br>229137        | <sup>8</sup> Operator Name<br>COG Operating LLC | <sup>9</sup> Elevation<br>3654                     |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| E             | 17      | 17S      | 30E   |         | 2310          | North            | 990           | West           | Eddy   |

<sup>11</sup> Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

|                                     |                               |                                  |                         |
|-------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>40 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |
|-------------------------------------|-------------------------------|----------------------------------|-------------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

|  |  |
|--|--|
| <p>Diagram showing well location with dimensions 2310' and 990'.</p> | <p><sup>17</sup> <b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <u>Kanicia Castillo</u> Date: <u>5/29/13</u></p> <p>Printed Name: <u>Kanicia Castillo</u></p> <p>E-mail Address: <u>kcastillo@concho.com</u></p> |
|  | <p><sup>18</sup> <b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p>  |
|  | <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>  |
|  | <p>Certificate Number</p>  |



## Conditions of Approval

COG Operating LLC

Holder CB Fed 6

API 30-015-31891

June 11, 2013

1. Work to be complete within 180 days.
2. Surface disturbance beyond the existing pad requires prior approval.
3. Closed loop system to be used.
4. H2S monitoring equipment should be onsite for personnel protection from surrounding oil operations. Operator should not encounter H2S while deepening.
5. BOP to be tested to **2000 psi** based on BHP expected.
6. Variance for stand-off of less than 0.422" is approved due to NMOCD classifying the formations in this area as the Yeso group.
7. Variance approved for a minimum tie back of 100'. When plugged, cement plug will be required across this tie back and across squeezed perforations.
8. Variance for not testing seal also approved based on NMOCD classification of formations in this area as the Yeso group.
9. If cement does not circulate to DV tool, the appropriate BLM office is to be notified.
10. Test casing as per Onshore Order 2.III.B.1.h.
11. Subsequent sundry detailing work and current well test data are to be submitted when work is complete.

**JAM 061113**