Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No. NMNM92180

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-	TCT I'.	A 11	 OF 21	* 1

abandoned we	6. If Indian, Allo	ottee or Tribe Name		
SUBMIT IN TRI	PLICATE - Other instruc	ctions on reverse side.	7. If Unit or CA	/Agreement, Name and/or No.
Type of Well Gas Well □ Oth	ner ,		8. Well Name an GOLD RUSH	id No. H 29 FEDERAL 2
Name of Operator COG OPERATING LLC	Contact: E-Mail: bmaiorino@	BRIAN MAIORINO @concho.com	9. API Well No. 30-015-340	
3a. Address ONE CONCHO CENTER 600 MIDLAND, TX 79701) W ILLINOIS AVENUE	3b. Phone No. (include area code) Ph: 432-221-0467	10. Field and Po NASH DRA	ool, or Exploratory AW
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)	11. County or Pa	arish, and State
Sec 29 T23S R30E NWSW 20	045FSL 405FWL		EDDY COL	JNTY, NM
12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE NATURE OF N	NOTICE, REPORT, OR OT	THER DATA
TYPE OF SUBMISSION		TYPE OF	ACTION	•
Notice of Intent ☐ Subsequent Report ☐ Final Abandonment Notice	☐ Acidize ☐ Alter Casing ☐ Casing Repair ☐ Change Plans ☐ Convert to Injection	☐ Deepen ☐ Fracture Treat ☐ New Construction ☐ Plug and Abandon ☐ Plug Back	☐ Production (Start/Resum ☐ Reclamation ☑ Recomplete ☐ Temporarily Abandon ☐ Water Disposal	Water Shut-Off Well Integrity Other
13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Attach the site is ready for fit COG Operating LLC respectful Bell Canyon in the Gold Rush MIRU Kill well if necessary, pull rods Remove wellhead & install BC Pull tubing and visually inspect Make a bit a scraper run Set a CIBP @ 7150? TIH with tubing open ended Spot Class C cement mixed at Circulate well clean & TOH	ally or recomplete horizontally, it will be performed or provide operations. If the operation-recondoment Notices shall be filed in all inspection.)	give subsurface locations and measure the Bond No. on file with BLM/BIA sults in a multiple completion or record only after all requirements, including the Brushy Copyen and records	red and true vertical depths of all Required subsequent reports shimpletion in a new interval, a Forring reclamation, have been complete to the property of the second sec	pertinent markers and zones. all be filed within 30 days m 3160-4 shall be filed once eted, and the operator has
Set a CIBP @ 7150? 7122 TIH with tubing open ended Spot Class C cement mixed a Circulate well clean & TOH	t 16.4# gal from 7 <u>150</u> -710	00255X minimum Sec (AA	Tag. CONDITION	40

14. I hereby certify that the for	egoing is true and correct. Electronic Submission #235084 verific For COG OPERATING L Committed to AFMSS for processing by CHRIS	LC, sen	t to the Carlsbad			
Name(Printed/Typed) BF	RIAN MAIORINO	Title	AUTHORIZED	REPRESENTATIVE		
Signature (El	ectronic Submission)	Date	02/10/2014	APPRO'	VED_	
	THIS SPACE FOR FEDER	AL OR	STATE OFFI	E USE	born A	
Approved By		Title		MAY	TARK	AV
	re attached. Approval of this notice does not warrant or gal or equitable title to those rights in the subject lease to conduct operations thereon.	Office	;	BULLAU OF LAW N CARLSBAY FIEL	IANAGEMENT D 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.

Additional data for EC transaction #235084 that would not fit on the form

32. Additional remarks, continued

Set CIBP @ 4500?
Pressure test-casing to 5000 psi
Perforate Delaware @ 4233, 4 spf (30 holes) 120 degree phasing, utilizing Schlumberger open hole log dated 5/13/05
TIH w/tbg and packer, set packer @ 4170?
Acidize zone w/1500 gal 15% HCI 2-4 BPM
Swab test to determine if frac justified
Pull tubing and packer
Frac well
Shut-in well for 24 hours
Flow well back until dead.
TIH with tubing & artificial lift equipment.
Place well on test

^{*}All operations will be done utilizing a closed loop system

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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 Rio 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

30-015-34081

*Property Code

1 API Number

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	WELL LOCATION AND ACREAGE DEDICATION PLAT							
² Posl Co	de	³ Pool Name						
47545	Nash Dra	aw: Delaware						
	⁶ Well Number							
			,					

Gold Rush 29 Federal 7 OGRID No. Operator Name Elevation 229137 COG Operating LLC Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line East/West line County Feet from the 29 2045 705 Eddy South West " Rottom Hole Location If Different From

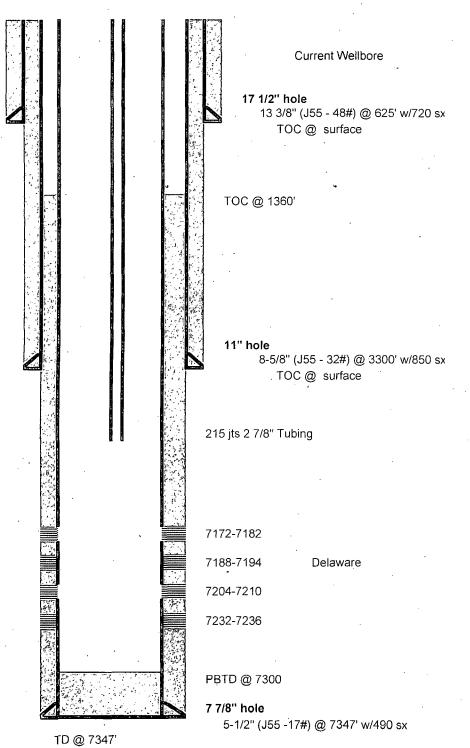
*			DOL	mi imore	Location II I	THEIGHT LIOH	Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
]						<u>_</u>	`	
12 Dedicated Acres	s 13 Joint of	rinfill 14 C	onsolidation C	ode 15 Orde	er No.				
40								<u>.</u>	

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.

In the second se				
16				"OPERATOR CERTIFICATION
				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- 1 2/10/14
			,	Signature Date
				Brian Maiorino
		·		Printed Name
		•		hmaiorino@concho com
				bmaiorino@concho.com
				"SURVEYOR CERTIFICATION
				I hereby certify that the well location shown on this
705'				plat was plotted from field notes of actual surveys
 >0				
1				made by me or under my supervision, and that the
			~	same is true and correct to the best of my belief.
				Please see original plat
				Date of Survey
,			· ,	Signature and Seal of Professional Surveyor.
2045'		•		•
				·
			-	
				Certificate Number

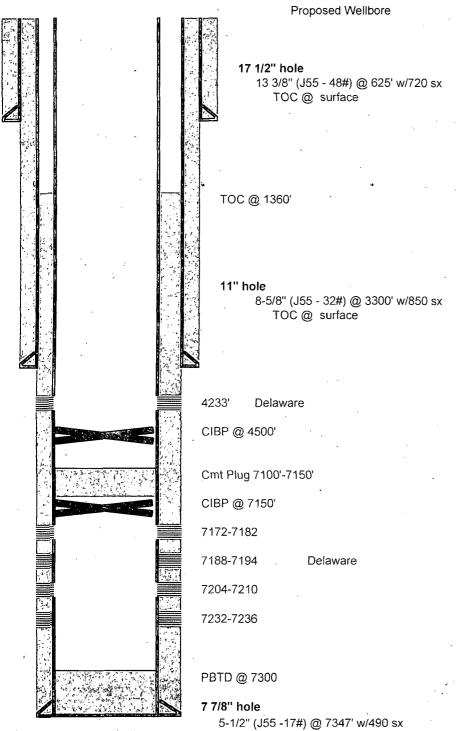
Author:	Maiorino		
Well Name	Gold Rush 29 Fed	Well No.	#2
Field	Nash Draw	API#:	30-015-34081
County	Eddy	Prop #:	
State	New Mexico	Zone:	Brushy Canyon
Date	1/28/2014		
GL	3104'		
KB	3121'		

Description	0	.D.	Grade	Weight	Depth	Cmt Sx	тос
Surface Csg	13	3/8	J55	48	625	720	Surface
Inter Csg	8	5/8	J55	32	3,300	850	Surface
Prod Csg	5	1/2	J55	17	7,347	490	1360



Author:	Maiorino		
Well Name	Gold Rush 29 Fed	Well No.	#2
Field	Nash Draw	API#:	30-015-34081
County	Eddy	Prop#:	
State	New Mexico	Zone:	Bell Canyon
Date	1/28/2014		
GL	3104'	•	
KB	3121'		

Description	O.D.	Grade	Weight	Depth	Cmt Sx	тос
Surface Csg	13 3/8	J55	48	625	720	Surface
Inter Csg	8 5/8	J55	32	3,300	850	Surface
Prod Csg	5 1/2	J55	_17	7,347	490	1360



TD @ 7347'

Gold Rush 29 Federal 2 30-015-34081 COG Operating, LLC. May 05, 2014 Conditions of Approval

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by August 05, 2014.

- 1. Operator shall set a CIBP at 7,122' and place 25 sx Class C cement on top. Tag required at a minimum of 6,950'.
- 2. CIBP at 4,500' is okay.
- 3. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.
- 4. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
- 5. Surface disturbance beyond the originally approved pad must have prior approval.
 - 6. Closed loop system required.
 - 7. 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.
- 8. Operator to have H2S monitoring equipment on location.
- 9. A minimum of a **2000** (**2M**) 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 (2M 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.

- 10. Subsequent sundry required detailing work done and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.
- 11. See attached for general requirements.

JAM 050514

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

General Requirements for Plug Backs

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety** (90) days from this approval.

If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. Before pumping cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat** Class "C", for up to 7,500 feet of depth or **Neat** Class "H", for deeper than 7,500 feet plugs.

- 6. <u>Subsequent Plug back Reporting:</u> Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. <u>Show date work was completed.</u>
- 7. <u>Trash</u>: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.