Form 3160-5 (August 2007)

UNITED STATES

OCD	Artesia	

FORM APPROVED

Type of Well Gas Well Other S. Well Name and No. MCINTYRE DK FED 8		B SUNDRY Do not use th	EPARTMENT OF THE IT UREAU OF LAND MANA NOTICES AND REPO is form for proposals to II. Use form 3160-3 (API	AGEMENT ORTS ON WELLS o drill or to re-enter an	•			<u>-</u>
Second Generation Generat	_	SUBMIT IN TRI	PLICATE - Other instruc	ctions on reverse side.		7. If Unit or CA/Ag	greement, Name and/or	No:
30-015-27472-00-S1	1							-; ;
ONE CONCHO CENTER 600 W ILLINOIS AVENUE Ph: 432-685-4332 LOCO HILLS MIDLAND, TX 79701 4. Location of Well (Footage, Sec., T., R. M., or Survey Description) Sec 17 T17S R30E SESW 330FSL 1650FWL 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize Production (Start/Resume) Water Shut-Off Casing Repair New Construction Reclamation Well Integrity Casing Repair New Construction Recommendation Plug and Abandon Temporarily Abandon Convert to Injection Plug Back 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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLMBIA. Required subsequent reports 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 Operating LLC respectfully requests to recomplete this well to the San Andres as follows: MCINTYRE DK FEDERAL #8 We are going to set a CIBP at 4167? (50? above the YESO perfs) w/ 40? of CMT on top of the plug to have our PBTD @ 4127?. We plan to have our bottom perfs from 3957*-4070. Ideally, we like to have 200?-300? of rathole bellow our bottom perfs to give our bottom hole assembly room and prevent tubing from getting stuck with sand. In addition to having desired rathole space, this gives COG FEGuipment Pull Procedure 7 MIRU WSU, NU BOP 2 Uses to use and POOH with rod.	. 2	Name of Operator COG OPERATING LLC	Contact: E-Mail: kcastillo@c	KANICIA CASTILLO	, -		2-00-S1	
Sec 17 T17S R30E SESW 330FSL 1650FWL EDDY COUNTY, NM	3 :	ONE CONCHO CENTER 600) W ILLINOIS AVENUE		ode)	10. Field and Pool, LOCO HILLS	or Exploratory	
TYPE OF SUBMISSION Acidize	4	· · · · · · · · · · · · · · · · · · ·	•	i)				
Notice of Intent Acidize		12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE NATURE C	F NOTICE, R	EPORT, OR OTH	ER DATA	
Alter Casing		TYPE OF SUBMISSION		ТҮРЕ	OFACTION	71.19		
If the proposal is to deepen directionally or recomplete 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 recompletion in a new interval, a Form 316-04 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 Operating LLC respectfully requests to recomplete this well to the San Andres as follows: MCINTYRE DK FEDERAL #8 We are going to set a CIBP at 4167? (50? above the YESO perfs) w/ 40? of CMT on top of the plug to have our PBTD @ 4127? We plan to have our bottom perfs from 3957'-4070'. Ideally, we like to have 200?-300? of rathole below our bottom perfs to give our bottom hole assembly room and prevent tubing from getting stuck with sand. In addition to having desired rathole space, this gives COG Equipment Pull Procedure MIRU WSU, NU BOP		☐ Subsequent Report	☐ Alter Casing ☐ Casing Repair ☐ Change Plans	☐ Fracture Treat ☐ New Construction ☐ Plug and Abandon	☐ Reclan ☑ Recom ☐ Tempo	nation plete orarily Abandon	- ☐ Well Integrity	
MCINTYRE DK FEDERAL #8 We are going to set a CIBP at 4167? (50? above the YESO perfs) w/ 40? of CMT on top of the plug to have our PBTD @ 4127? We plan to have our bottom perfs from 3957'-4070'. Ideally, we like to have 200?-300? of rathole below our bottom perfs to give our bottom hole assembly room and prevent tubing from getting stuck with sand. In addition to having desired rathole space, this gives COG the option to re-enter the Glorietta/Yeso formation at later time. Equipment Pull Procedure MIRU WSU, NU BOP I linest nump and POOH with rod ARTESIA DISTRICT JAN 2 2 20 3 RECEIVED RECEIVED CONDITIONS OF APPROVAL	13	If the proposal is to deepen directional Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab determined that the site is ready for fi	ally or recomplete horizontally, and the will be performed or provide to operations. If the operation respondenment Notices shall be file in all inspection.)	give subsurface locations and me the Bond No. on file with BLM/ sults in a multiple completion or led only after all requirements, inc	easured and true v BIA. Required su recompletion in a cluding reclamation	ertical depths of all per absequent reports shall lenew interval, a Form 3 on, have been completed	tinent markers and zone be filed within 30 days 160-4 shall be filed once d, and the operator has	es:
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? MIRU WSU, NU BOP ? Unset pump and POOH with rod Accepted for record CUNDITIONS OF APPROVAL		We are going to set a CIBP at have our PBTD @ 4127?. We 200?-300? of rathole below ou tubing from getting stuck with a the option to re-enter the Glorical stuck.	plan to have our bottom p ir bottom perfs to give our sand. In addition to having	perfs from 3957'-4070'. Ide r bottom hole assembly roong desired rathole space, there it time.	ally, we like to om and preven his gives COG SEE AT	rached Fo	RECEIVED OR	
		? MIRU WSU, NU BOP	rod	CAMPO IOI IOCOIC	CONDIT	TONS OF A	IPPROVAL	

14. I hereby certify that the foregoing is true and correct. Electronic Submission #288216 verifie For COG OPERATING LE Committed to AFMSS for processing by JEN	LC, sent to the Carlsbad
Name(Printed/Typed) KANICIA CASTILLO	Title PREPARER
Signature (Electronic Submission)	Date 01/15/2015 APPROVED
THIS SPACE FOR FEDERA	L OR STATE OFFICE USE
Approved By	Title //JAN 1 6 2015 Date
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 BUREAU OF LAND MANAGEMENT
Title 18 H C.C. Section 1001 and Title 42 H C.C. Section 1212, make it a grima for any ne	recon because also and will be a first to the second secon

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 #288216 that would not fit on the form

32. Additional remarks, continued

- ? Tag for fill with tubing and POOH and bail if needed
- ? PU scraper and scrape down to 4167? ? POOH with tubing LD
- ? RU Wireline
- ? Set CIBP @ 4167?

- ? Wireline truck dump 40? Class C cement of top of CIBP
 ? Tag cement plug to verify depth of 4127?
 ? Pull up 4? to circulate hole clean with fresh water, and displace w/ 2% KCL and 1% packer corrosion inhibitor.
- ? Test Casing to 4,200 psi and report back to engineering if the pressure holds.
- ? Secure wellbore ? RDMO WSU

- Tentative Recompletion Procedure ? NU frac valve, and test casing to 4200 psi
- ? RIH w/ perforating guns and perforate San Andres Zone from 3957'-4070', w/ 3 spf, 60? phasing, 54 holes.

- ? Acidize w/ 1500 gals of 15% HCl. ? Frac zone w/ 181,250 # of sand. ? Record ISIP and FG, Get 5, 10, 15 min SIP

- ? Hecord ISIP and FG, Get 5, 10, 15 min SIP
 ? Rig up Wireline
 ? RIH w/ WL and set Composite Plug @ 3881?
 ? Perforate San Andres Zone from 3651'-3821', w/,3 spf, 60? phasing, 54 holes.
 ? Acidize w/ 1500 gals of 15% HCI.
 ? Frac zone w/ 181,250 # of sand.
 ? Record ISIP and FG, Get 5, 10, 15 min SIP
 ? MIRU WSU
 ? Rig up Wireline
 ? RIH w/ WI, and set Composite Plug @ 3275?

- ? RIH w/ WL and set Composite Plug @ 3275? ? Perforate San Andres Zone from 3035-3205', w/ 3 spf, 60? phasing, 54 holes.

- ? Retrotate 3att Andres 20th from 3033-3203, w/ 3 spt, 60? phasting, 34 fidles.
 ? Acidize w/ 1500 gals of 15% HCl.
 ? Frac zone w/ 181,250 # of sand.
 ? Record ISIP and FG, Get 5, 10, 15 min SIP
 ? RIH with Production tbg and tag for fill w/ bailer at knocked Composite plugs @ 3275? and 3881?
 ? Clean out fill to new PBTD @ 4127?
- ? RIH with production tubing and locate intake at 4050?. ? Set TAC @ 3000?
- ? RIH w/ rods and pump.
- ? RDMO rig.
- Please see attachments.

MCINTYRE DK FEDERAL #8

We are going to set a CIBP at 4167' (50' above the YESO perfs) w/ 40' of CMT on top of the plug to have our PBTD @ 4127'. We plan to have our bottom perfs from 3957'-4070'. Ideally, we like to have 200'-300' of rathole below our bottom perfs to give our bottom hole assembly room and prevent tubing from getting stuck with sand. In addition to having desired rathole space, this gives COG the option to reenter the Glorietta/Yeso formation at later time.

Equipment Pull Procedure

- MIRU WSU, NU BOP
- Unset pump and POOH with rod
- Tag for fill with tubing and POOH and bail if needed
- PU scraper and scrape down to 4167'
- POOH with tubing LD
- RU Wireline
- Set CIBP @ 4167'
- Wireline truck dump 40' Class C cement of top of CIBP
- Tag cement plug to verify depth of 4127'
- Pull up 4' to circulate hole clean with fresh water, and displace w/ 2% KCL and 1% packer corrosion inhibitor.
- Test Casing to 4,200 psi and report back to engineering if the pressure holds.
- Secure wellbore
- RDMO WSU

Tentative Recompletion Procedure

- NU frac valve, and test casing to 4200 psi
- Rig up wireline.
- RIH w/ perforating guns and perforate San Andres Zone from 3957'-4070', w/ 3 spf, 60° phasing, 54 holes.
- Acidize w/ 1500 gals of 15% HCl.
- Frac zone w/ 181,250 # of sand.
- Record ISIP and FG, Get 5, 10, 15 min SIP
- Rig up Wireline
- RIH w/ WL and set Composite Plug @ 3881'
- Perforate San Andres Zone from 3651'-3821', w/ 3 spf, 60° phasing, 54 holes.
- Acidize w/ 1500 gals of 15% HCl.
- Frac zone w/ 181,250 # of sand.
- Record ISIP and FG, Get 5, 10, 15 min SIP
- MIRU WSU
- Rig up Wireline
- RIH w/ WL and set Composite Plug @ 3275'
- Perforate San Andres Zone from 3035'-3205', w/ 3 spf, 60° phasing, 54 holes.
- Acidize w/ 1500 gals of 15% HCl.
- Frac zone w/ 181,250 # of sand.
- Record ISIP and FG, Get 5, 10, 15 min SIP
- RIH with Production tbg and tag for fill w/ bailer at knocked Composite plugs @ 3275' and 3881'
- Clean out fill to new PBTD @ 4127's

- RIH with production tubing and locate intake at 4050.

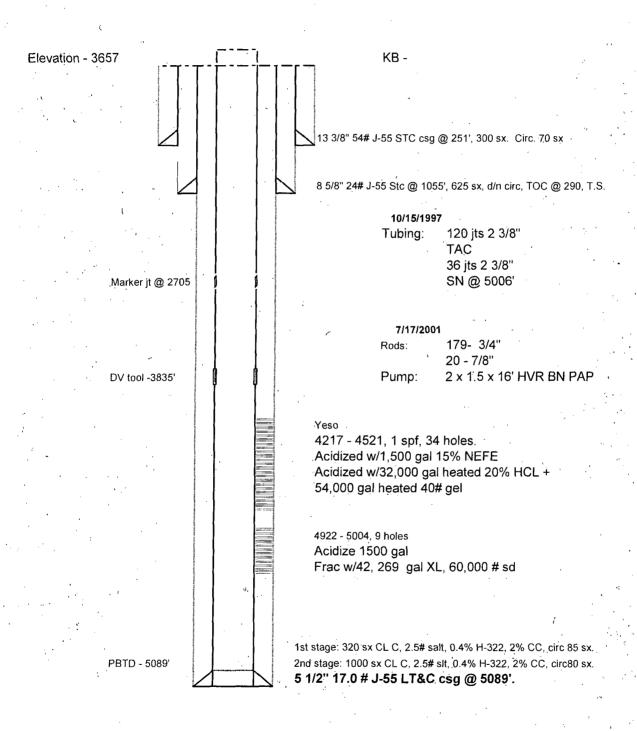
 Set TAC @ 3000

 RIH w/ rods and pump.

 RDMO rig.

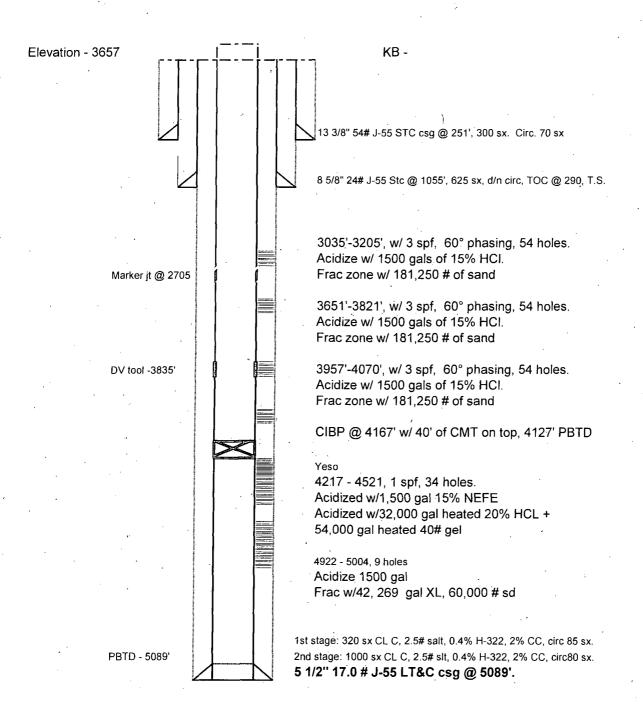
COG Operating LLC

Lease & Well # McIntyre DK Federal #8



COG Operating LLC

<u>Lease & Well #</u> McIntyre DK Federal #8



District.1
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

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
′ **	LOCATION	AND ACIDAGE	DEDICATION LEAT

30-015	API Numbe 5 - 2747			² Pool Code 28509		Gray	³ Pool Na burg Jac	me kson;SR-Q	-G-SA
⁴ Property (3 0 2 5				⁵ Property Name McIntyre DK Federal					Well Number 8
'ogrid 22913									⁹ Elevation 3649.5
" Surface Location									
UL or lot no.	Section 17	Township 17S	Range 30E	Lot Idn	Feet from the	North/South line South	Feet from the	East/West line West	Eddy
" 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	e County
Dedicated Acres	s 13 Joint o	r Infill 14 Co	nsolidation C	ode 15 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:

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
	j			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
1				interest, or to a voluntary pooling agreement or a compulsory pooling
				order heretofore entered by the division.
				1/15/15
				Signature Date
				Kanicia Castillo
Ì				Printed Name
	,	,		kcastillo@concho.com
	•			E-mail Address
		4 3**		S man / Notices
				"CLIDVEYOR CERTIFICATION
				"SURVEYOR CERTIFICATION
				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.
			, i	
		,		
				Date of Survey
		·	.*	Signature and Seal of Professional Surveyor:
			·	
·		`.	,	
1,0501				
1650'		·		
				Certificate Number
. 1	330'			Conneae junioer
	كالألا الكامسا بدر بمستعدد بدر السيسد وب			

Mcintyre DK Fed 8 30-015-27472 COG Operating, LLC. January 16, 2015 Conditions of Approval

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

Work to be completed by April 16, 2015.

1. Operator shall set a CIBP at 4,167' and place 40' Class C cement on top. Tag required.

Note: At a later date, the Glorieta formation and the DV tool must be abandoned properly.

- 2. 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.
- 3. Submit formation tops on a subsequent report as they are not in the file.
- 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 011615

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 <u>ninety (90)</u> 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.