Form 3160-5 (August 2007)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesla

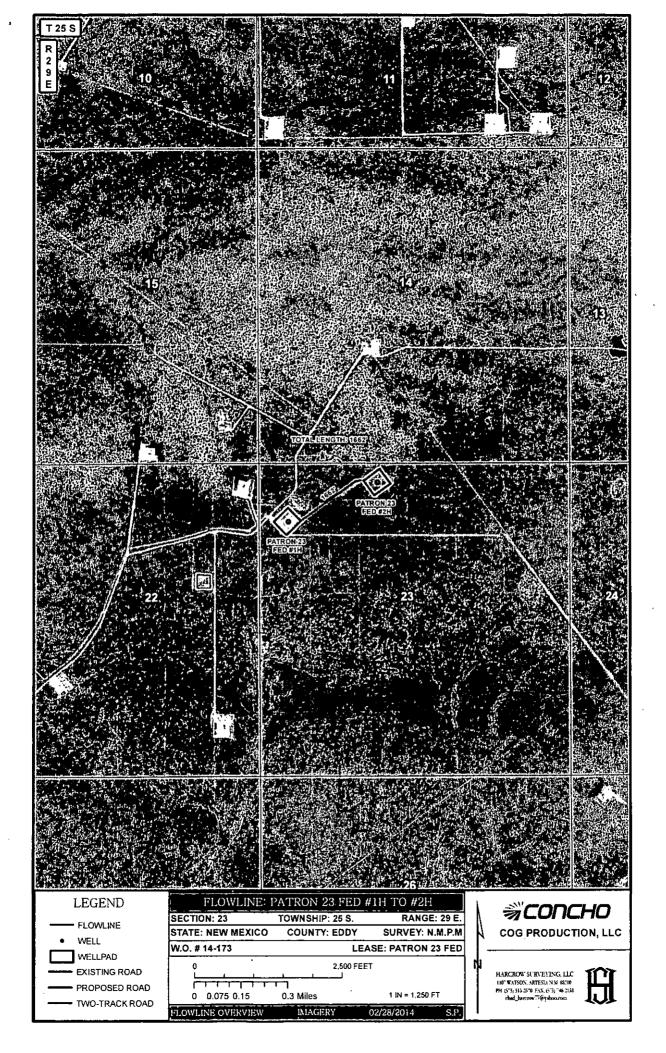
FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

		Expires: July 31, 201
5.		Serial No.
	NMN	IM120895

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

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIJ	7. If Unit or CA	VAgreement, Name and/or No.				
1. Type of Well Gas Well Oth	ner		8. Well Name a PATRON 2	nd No. 3 FEDERAL 2H		
Name of Operator     COG PRODUCTION LLC	Contact: E-Mail: msanders@	MONTI SANDERS ⊋concho.com		9. API Well No. 30-015-42449		
3a. Address 2208 WEST MAIN STREET ARTESIA, NM 88210	3b. Phone No. (include area cod Ph: 575-748-6972	e) 10. Field and P WILLOW I	10. Field and Pool, or Exploratory WILLOW LAKE; BONE SPRING			
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description	)	11. County or F	Parish, and State		
Sec 23 T25S R29E Mer NMP			EDDY CO	UNTY, NM		
12. CHECK APPR	ROPRIATE BOX(ES) TO	) INDICATE NATURE OF	NOTICE, REPORT, OR O	THER DATA		
TYPE OF SUBMISSION		ТҮРЕ	OF ACTION			
Nation of Intent	☐ Acidize	□ Deepen	☐ Production (Start/Resur	ne) Water Shut-Off		
. Notice of Intent	☐ Alter Casing	■ Fracture Treat	☐ Reclamation	Well Integrity		
☐ Subsequent Report	□ Casing Repair	■ New Construction	☐ Recomplete	Other		
☐ Final Abandonment Notice	Change Plans	Plug and Abandon	Temporarily Abandon	Right of Way		
1	☐ Convert to Injection	Plug Back	■ Water Disposal			
If the proposal is to deepen directional Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fi	operations. If the operation responded in the operation of the operation of the operation responds to the operation responds to the operation of the operation of the operation responds to the operation of the o	sults in a multiple completion or re-	completion in a new interval, a For	rm 3160-4 shall be filed once		
Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab	operations. If the operation responded ment Notices shall be filed in all inspection.)  sing a second 3" steel surpatron 23 Federal #1H in a traffel to the existing flowli	sults in a multiple completion or read only after all requirements, including a subject of the s	completion in a new interval, a Folding reclamation, have been compaged line from the dy County, New APD.  NM OIL CON	rm 3160-4 shall be filed once pleted, and the operator has  SERVATION  DISTRICT		
Attach the Bond under which the worfollowing completion of the involved testing has been completed. Final Abdetermined that the site is ready for ficogrammined	operations. If the operation responded ment Notices shall be file in all inspection.)  sing a second 3" steel surpatron 23 Federal #1H in trailel to the existing flowling (each) and 30' view.	sults in a multiple completion or read only after all requirements, including a 3" poly of Section 23, T25S-R29E, Edne that was approved in the wide.	completion in a new interval, a Fording reclamation, have been compass line from the dy County, New APD.  NM OIL CON	rm 3160-4 shall be filed once oleted, and the operator has		
Attach the Bond under which the worfollowing completion of the involved testing has been completed. Final Abdetermined that the site is ready for ficogrammined	operations. If the operation responded ment Notices shall be file in all inspection.)  sing a second 3" steel surpatron 23 Federal #1H in trailel to the existing flowling (each) and 30' view.	sults in a multiple completion or read only after all requirements, including a subject of the s	completion in a new interval, a Fording reclamation, have been compass line from the dy County, New APD.  NM OIL CON	rm 3160-4 shall be filed once oleted, and the operator has  NSERVATION DISTRICT 5 2015		
Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit COG Production LLC is proportion 23 Federal #2H to the Mexico. These line will run pa	operations. If the operation respond on ment Notices shall be file inal inspection.)  sing a second 3" steel surpatron 23 Federal #1H in a rallel to the existing flowling flowling flowling (each) and 30' vertice and correct.  Electronic Submission #6 For COG PF	race flowline and a 3" poly of Section 23, T25S-R29E, Edne that was approved in the vide.  304763 verified by the BLM WAGODUCTION ILC, sent to the	completion in a new interval, a Fording reclamation, have been compass line from the dy County, New APD.  NM OIL CON ARTESIA  OCT 0  RECI	rm 3160-4 shall be filed once oleted, and the operator has  NSERVATION DISTRICT 5 2015		
Attach the Bond under which the worfollowing completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit COG Production LLC is proportation 23 Federal #2H to the Mexico. These line will run pa	operations. If the operation respandonment Notices shall be file inal inspection.)  sing a second 3" steel surpatron 23 Federal #1H in trailel to the existing flowling flowli	race flowline and a 3" poly of Section 23, T25S-R29E, Edne that was approved in the vide.  304763 verified by the BLM WRODUCTION ILC, sent to the processing by LINDA DENNI	completion in a new interval, a Fording reclamation, have been compass line from the dy County, New APD.  NM OIL CON ARTESIA  OCT 0  RECI	rm 3160-4 shall be filed once oleted, and the operator has  NSERVATION  DISTRICT  5 2015		
Attach the Bond under which the worf following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit COG Production LLC is propose Patron 23 Federal #2H to the Mexico. These line will run patron the lines are approximately 16	operations. If the operation respandonment Notices shall be file inal inspection.)  sing a second 3" steel surpatron 23 Federal #1H in trailel to the existing flowling flowli	race flowline and a 3" poly of Section 23, T25S-R29E, Edne that was approved in the vide.  304763 verified by the BLM WRODUCTION ILC, sent to the processing by LINDA DENNI	completion in a new interval, a Fording reclamation, have been compass line from the dy County, New APD.  NM OIL CON ARTESIA  OCT 0  RECI	rm 3160-4 shall be filed once oleted, and the operator has  NSERVATION  DISTRICT  5 2015		
Attach the Bond under which the worfollowing completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit COG Production LLC is proportation 23 Federal #2H to the Mexico. These line will run parthe lines are approximately 16	operations. If the operation respandonment Notices shall be file inal inspection.)  sing a second 3" steel surpatron 23 Federal #1H in a trailel to the existing flowling flowling flowling (each) and 30' vertice and correct.  Electronic Submission #  For COG PF  Committed to AFMSS for ANDERS	race flowline and a 3" poly of Section 23, T25S-R29E, Edne that was approved in the vide.  304763 verified by the BLM WRODUCTION ILC, sent to the processing by LINDA DENNI	completion in a new interval, a Fording reclamation, have been compass line from the dy County, New APD.  NM OIL CON ARTESIA  OCT 0  RECI  ell Information System Carlsbad STON on 08/19/2015 ()  IITTING TECH	rm 3160-4 shall be filed once oleted, and the operator has  NSERVATION  DISTRICT  5 2015		
Attach the Bond under which the worfollowing completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit COG Production LLC is proportation 23 Federal #2H to the Mexico. These line will run part The lines are approximately 16	operations. If the operation responded ment Notices shall be file in all inspection.)  sing a second 3" steel surpatron 23 Federal #1H in a trailel to the existing flowling flowling flowling (each) and 30' vertice and correct.  Electronic Submission #1 For COG PF Committed to AFMSS for ANDERS  Submission)	race flowline and a 3" poly of Section 23, T25S-R29E, Edne that was approved in the vide.  304763 verified by the BLM Was approcessing by LINDA DENNI Title. PERM	completion in a new interval, a Fording reclamation, have been compass line from the dy County, New APD.  NM OIL CON ARTESIA  OCT O  RECI	rm 3160-4 shall be filed once oleted, and the operator has  NSERVATION DISTRICT 5 2015		
Attach the Bond under which the worfollowing completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit COG Production LLC is proportation 23 Federal #2H to the Mexico. These line will run part The lines are approximately 16	operations. If the operation respandonment Notices shall be file inal inspection.)  sing a second 3" steel surpatron 23 Federal #1H in a trailel to the existing flowling flow	sults in a multiple completion or read only after all requirements, including a section 23, T25S-R29E, Edine that was approved in the vide.  304763 verified by the BLM Was approved in the processing by LINDA DENNI Title. PERM Date 06/12/	completion in a new interval, a Fording reclamation, have been compass line from the dy County, New APD.  NM OIL CON ARTESIA  OCT O  RECI	rm 3160-4 shall be filed once oleted, and the operator has  NSERVATION  DISTRICT  5 2015		





Young, Richard <ryoung@blm.gov>

# Patron 23 Federal 2H - Sundry (WIS # 304763)

Young, Richard <ryoung@blm.gov>
To: Monti Sanders <MSanders@concho.com>

Mon, Sep 21, 2015 at 8:31 AM

Hi Monti,

The route you show in the original Sundry shows the proposed pipeline routes to cross the two-track diagonally. What I'm looking for is to route the line along the existing two-track that, admittedly is a little difficult to distinguish on an aerial map. Feel free to give me a call at 575-234-5943 if you're not seeing what I'm attempting to describe.

Thanks, Chad

On Mon, Sep 21, 2015 at 8:08 AM, Monti Sanders < MSanders@concho.com> wrote:

Hi Chad.

I think I've added the new map to the Sundry Notice, could you could check and see if it's there. I don't send many Sundry's so I'm not sure if what I did worked. Hope this takes care of everything.

Thanks for all your help,

Monti

Monti Sanders

Permitting Technician

COG OPERATING LLC

2208 W Main St

Artesia, New Mexico 88210-3720

575-748-6972



**From:** Young, Richard [mailto:ryoung@blm.gov] **Sent:** Friday, September 18, 2015 1:49 PM

**To:** Monti Sanders **Cc:** Rand French

Subject: Re: [External] Fwd: Patron 23 Federal 2H - Sundry (WIS # 304763)

Hi Monti,

The EA for this well states that there is a flow line that is currently planned to be installed within an existing two-track connecting the two well pads. The ROW # for this is 24619. We can use this existing two track to install the two new surface lines without obtaining a new ROW and re-routing. Can you show this as the proposed location within the sundry on a diagram similar to the one you just provided?

Thanks,

Chad

On Thu, Sep 17, 2015 at 2:33 PM, Monti Sanders < MSanders@concho.com > wrote:

Hi Chad,

I don't believe there is a road between the #1H and #2H, since this route gets out of Section 23 into Section 14 I would need to file for a Right of Way and need to cancel my Sundry Notice, would you agree??

Thanks.

Monti

Monti Sanders

Permitting Technician

COG OPERATING LLC

2208 W Main St

Artesia, New Mexico 88210-3720

575-748-6972



**From:** Young, Richard [mailto:ryoung@blm.gov] **Sent:** Thursday, September 17, 2015 2:12 PM

To: Monti Sanders; Rand French

Subject: Re: [External] Fwd: Patron 23 Federal 2H - Sundry (WIS # 304763)

Hello Monti,

I see the roadway between the 2H and the 3H pads but did not see a roadway between the 2H and 1H pads proposed in the 2H APD, or in this diagram.

Chad

On Thu, Sep 17, 2015 at 1:48 PM, Monti Sanders < MSanders@concho.com> wrote:

Good morning Mr. Young,

Attached is the map of the access road from the Patron 23 Federal #2H to the #1H, this is the approved route for the flowline in the Surface Use Agreement in the APD, I saw the map of the flowline going across country (also in the APD) and thought that was the approved route, sorry for the confusion. There will not be a tank battery on the Patron #2H so the flowline will carry production to the battery on the Patron #1H, the other line is a gas line to carry gas back to the Patron #2H for artificial lift. Line pressure will be less than 125 psi for both lines.

Hopefully this answers all of your questions, if you have any others please let me know.

Thank you and have a great day,

Monti

Monti Sanders

Permitting Technician

COG OPERATING LLC

2208 W Main St

Artesia, New Mexico 88210-3720

575-748-6972



From: Mayte Reyes

Sent: Thursday, September 17, 2015 10:19 AM

To: Monti Sanders

Subject: FW: [External] Fwd: Patron 23 Federal 2H - Sundry (WIS # 304763)

, FYI

**From:** Young, Richard [mailto:ryoung@blm.gov] **Sent:** Wednesday, September 16, 2015 5:53 PM

To: Mayte Reyes

**Subject:** [External] Fwd: Patron 23 Federal 2H - Sundry (WIS # 304763)

Hello Mayte,

Regarding the referenced Sundry, can you please provide me with a diagram showing existing access roads for the other Patron 23 wells in the area? All proposed lines must follow existing disturbance (roadway or access road).

Additional comments for the Sundry:

- Please indicate the type of fluid within the proposed 3" steel surface line
- Please provide the anticipated fluid pressure for each proposed pipeline.

Thanks,

Chad Young

CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

# PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:
LEASE NO.:
NMNM-120895
WELL NAME & NO.:
SURFACE HOLE FOOTAGE:
BOTTOM HOLE FOOTAGE
LOCATION:
COUNTY:
COUNTY:
OOG Production LLC
NMNM-120895
Patron 23 Federal 2H
0322' FNL & 2085' FWL
0330' FSL & 1980' FWL
Section 23, T. 25 S., R 29 E., NMPM
Eddy County, New Mexico

## TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

General Provisions
Permit Expiration
Archaeology, Paleontology, and Historical Sites
Noxious Weeds
Special Requirements
Pipeline Placement
☐ Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
Road Section Diagram
☑ Drilling
Cement Requirements
Medium Cave/Karst
Logging Requirements
Waste Material and Fluids
Production (Post Drilling)
Well Structures & Facilities
Pipelines
Interim Reclamation
Final Abandonment & Reclamation

## I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

#### II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

## III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

#### IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

# V. SPECIAL REQUIREMENT(S)

## Pipeline Placement:

The surface pipeline must be installed no farther than 10 feet off the two-track road/pipeline righ-of-way for most of the route when the new pipeline follows the existing buried pipeline easement.

#### VI. CONSTRUCTION

#### A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

#### B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

#### C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

#### D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

#### E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

#### F. EXCLOSURE FENCING (CELLARS & PITS)

#### **Exclosure Fencing**

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

#### G. ON LEASE ACCESS ROADS

#### Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

#### Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

#### Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

#### Ditching

Ditching shall be required on both sides of the road.

#### **Turnouts**

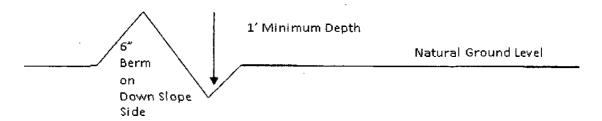
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

#### **Drainage**

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

#### Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

#### Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: 
$$\frac{400'}{4\%}$$
 + 100' = 200' lead-off ditch interval

#### Cattleguards

An appropriately sized cattleguard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattleguards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguards that are in place and are utilized during lease operations.

#### Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

#### **Public Access**

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

## **Construction Steps**

- 1. Salvage topsoil
- 3. Redistribute topsoil 2. Construct road 4. Revegetate slopes
- center line of roadway tumout 10' shouldertransition 100 full turnout width Intervisible turnouts shall be constructed on all single lane roads on all blind curves with additional tunouts as needed to keep spacing below 1000 feet. **Typical Turnout Plan** σοwη natural ground FRANCISTA PARTIE PROPERTY PARTIES **Level Ground Section** road type crown earth surface .03 - .05 ft/ft aggregate surface .02 - .04 ft/ft .02 - .03 ft/ft paved surface Depth measured from the bottom of the ditch Side Hill Section center center line

Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

travel surface 🛥

**Typical Inslope Section** 

travel surface --

(slope 2 - 4%) **Typical Outsloped Section** 

#### VII. DRILLING

## A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

## **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

- 1. Operator has stated that Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. Operator has also stated that if H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area will meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, 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. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.
- 4. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

#### B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.).

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

Wait on cement (WOC) time prior to drilling out 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. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. IF OPERATOR DOES NOT HAVE THE WELL SPECIFIC CEMENT DETAILS ONSITE PRIOR TO PUMPING THE CEMENT FOR EACH CASING STRING, THE WOC WILL BE 30 HOURS. 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.

#### Medium Cave/Karst

Possibility of water flows in the Canyon, Ellenburger, and Precambrian. Possibility of lost circulation in the Ellenburger.

- 1. The 13-3/8 inch surface casing shall be set at approximately 725 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt.
  - 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 surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - 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 cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
  - Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

- 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.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 2000 (2M) psi.
  - a. For surface casing only: If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.
- 3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 9-5/8 intermediate casing shoe shall be 3000 (3M) psi.

Form 316(NM OIL CONSER) (August 2007) ARTESIA DISTR	NOITAV						
Form 316(NM OIL CONSERVATESIA DISTR	UNITED STATES		-	FORM APPROVED OMB No. 1004-0137			
OCT O STA	M&TMENT OF THE INT EAU OF LAND MANAC	TERIOR SEMENT	-	Ex	pires: July 31, 2010		
				5. Lease Serial No.	BHL: NMNM100561		
	POTICES AND REPORT Form for proposals to a		,	6. If Indian, Allottee or	Tribe Name		
	Use Form 3160-3 (APE						
SUBMIT	T IN TRIPLICATE – Other ins	tructions on page 2.	-	7. If Unit of CA/Agreement, Name and/or No.			
☑ Oil Well ☐ Gas W	Vell Other		İ	8. Well Name and No. Strawberry 7 Fed Com 11H			
<ol><li>Name of Operator Devon Energy Production Con</li></ol>	npany, L.P.			9. API Well No. 30-015-42490			
3a. Address		Phone No. (include area coe	de)	10. Field and Pool or Exploratory Area			
333 West Sheridan, Oklah		405-228-4248		Hackberry; Bone			
4. Location of Well (Footage, Sec., T., 900' FNL & 125' FEL Unit A,	R.M., or Survey Description) Sec 7, T195, R31E			11. Country or Parish,	State		
970' FNL & 305' FWL Lot 1.	Sec 7, T19S, R31E	PP: 840' FNL & 35' FI		Eddy, NM	1,000		
12. CHEC	CK THE APPROPRIATE BOX(I	ES) TO INDICATE NATURI	E OF NOTIC	E, REPORT OR OTHE	ER DATA		
TYPE OF SUBMISSION		TY	PE OF ACTI	ON.			
Notice of Intent	Acidize	Deepen	=	etion (Start/Resume)	Water Shut-Off		
	Alter Casing  Casing Repair	Fracture Treat  New Construction		lamation Well Integrity  Other Completion Report			
Subsequent Report	Change Plans	Plug and Abandon	=	nptete orarily Abandon	(Aller completion report		
Final Abandonment Notice	Convert to Injection	Plug Back		· Disposal			
13. Describe Proposed or Completed Of the proposal is to deepen directions. Attach the Bond under which the violowing completion of the involvesting has been completed. Final determined that the site is ready for 6/29/15-8/14/15: MIRU WL & 7970'-12377', total 608 holes. ND frac, MIRU PU, NU BOP, Described for the proposed of the	ally or recomplete horizontally, good will be performed or provided operations. If the operation in Abandonment Notices must be fir final inspection.)  PT. TIH & ran GR logs, four Frac'd 7970'-12377' in 16 s	give subsurface locations and le the Bond No, on file with B esults in a multiple completio filed only after all requirement and TOC @ surf'. TIH w/postages. Frac totals 24,192	measured and ELM/BIA. Re- n or recomples, including r wmp through	d true vertical depths of equired subsequent repo etion in a new interval, reclamation, have been gh frac plug and gui HCI Acid, 6,597,000	f all pertinent markers and zones, orts must be filed within 30 days a Form 3160-4 must be filed once completed and the operator has ons. Perf Bone Spring, 127 20/40 Ottawa Sand.		
14. I hereby certify that the foregoing is to Name (Printed Typed)							
Megan Moravec	Titte Regula	Title Regulatory Compliance Analyst					
Signature Megan Wo	Date 10/2/2						
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							

Approved by Date 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

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.