

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM108025
2. Name of Operator COG OPERATING LLC		6. If Indian, Allottee or Tribe Name
3a. Address ONE CONCHO CENTER 600 W ILLINOIS AVENUE MIDLAND, TX 79701		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 432-221-0467		8. Well Name and No. DRY LAND SHINER FEDERAL 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T21S R25E Lot 1 940FNL 660FEL		9. API Well No. 30-015-32815-00-S1
		10. Field and Pool, or Exploratory WC-015 G-01 S212503A
		11. County or Parish, and State EDDY COUNTY, NM

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 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 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 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 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 Operating LLC respectfully request to recomplete the Dry Land Shiner Federal #1 in the Lower Bone Spring.

MIRU WSU, pull rods and pump
NU BOP
Unseat TAC and TOO H w/tbg
Knock down CIBP to 7580'
Set cmt retainer @ 6850'
cmt current perfs @ 6950'-7050' w/75 sx cmt
Set cmt retainer @ 5120'
cmt current perfs @ 5220'-5755' w/250 sx cmt
WOC

NM OIL CONSERVATION
ARTESIA DISTRICT

DEC 14 2015

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL RECEIVED**Accepted for record
DS NMOC 12/15/15

14. I hereby certify that the foregoing is true and correct. Electronic Submission #304427 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by CATHY QUEEN on 06/10/2015 (15CQ0245SE)	
Name (Printed/Typed) BRIAN MAIORINO	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 06/09/2015

THIS SPACE FOR FEDERAL OR STATE OFFICIAL USE

Approved By _____	Title	APPROVED Kenneth Rennick	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	DEC 10 2015 PETROLEUM 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 falsify or to make any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #304427 that would not fit on the form

32. Additional remarks, continued

Drill out both retainers: CIBP, and cmt to ~~7986'~~
Perf lower Bone Spring w/15 shots, 1 spf, 7403'-7526'
set pkr @ 7303', load backside and monitor during frac
Frac lower Bone Spring 7403'-7526'
Flow well back
Kill well, tag sand and wash out
RIH w/2-7/8" tbg
RIH w/pump and rods

7726, SEE COA STEP 4

All operations will be conducted using a closed loop system

Please see attached current and proposed well bore diagrams.

2105 11 030

2105 11 030

**Dry Land Shiner Federal 1
30-015-32815
COG Operating LLC
Sec.03, T21S, R25E
Conditions of Approval**

Notify BLM at 575-361-2822 (Eddy County) a minimum of 24 hours prior to commencing work. Some procedures are to be witnessed, which for this case shall be the tagging of certain Cement Plugs. If there is no response, leave a voice mail with the API#, workover purpose and a call back phone number.

Work to be completed by within ninety (90) days from the approval date.

Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15. Exceptions to these restrictions may be granted by BLM's Mr. Johnny Chopp <jchopp@blm.gov or 575-234-2227>.

- 1. 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.**
- 2. Operator to have H2S monitoring equipment on location.**
- 3. Operator is approved to cement perforations as proposed.**
- 4. Operator is approved to drill cement out, but only shall drill to 7726 feet. This will leave 200 feet of clearance between perforations and top of the cement.**
- 5. Due to top of Wolfcamp formation being reported at 7706 feet. For any future plugging, a cement plug must cover this formation top. This plug shall be tagged at, or above, 7525 feet with a minimum of 25 sacks of Class H Cement.**

6. Operator must conduct a Casing Integrity Test (CIT) before perforating and fracturing. Test should be run for 30 minutes. **Submit results to BLM via the subsequent sundry:** The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails. Document the pressure test on a one hour full rotation calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed tested. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
7. Operator is approved to perforate and to fracture the Lower Bone Springs as proposed.
8. Surface disturbance beyond the originally approved pad must have prior approval.
9. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
10. Closed loop system required.
11. 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.
12. **Subsequent sundry required detailing work done, a C-102 form, and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.**
13. **See attached for General Plugback Guidelines.**

KGR 12092015

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Permanent Abandonment of Federal Wells
Conditions of Approval (LPC Habitat)**

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 the approval date of this Notice of Intent to Abandon.

If you are unable to plug 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. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** 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. **Mud Requirement:** 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. **Cement Requirement:** 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. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing 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. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.** Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging 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. **Show date well was plugged.**

8. Trash: 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.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.

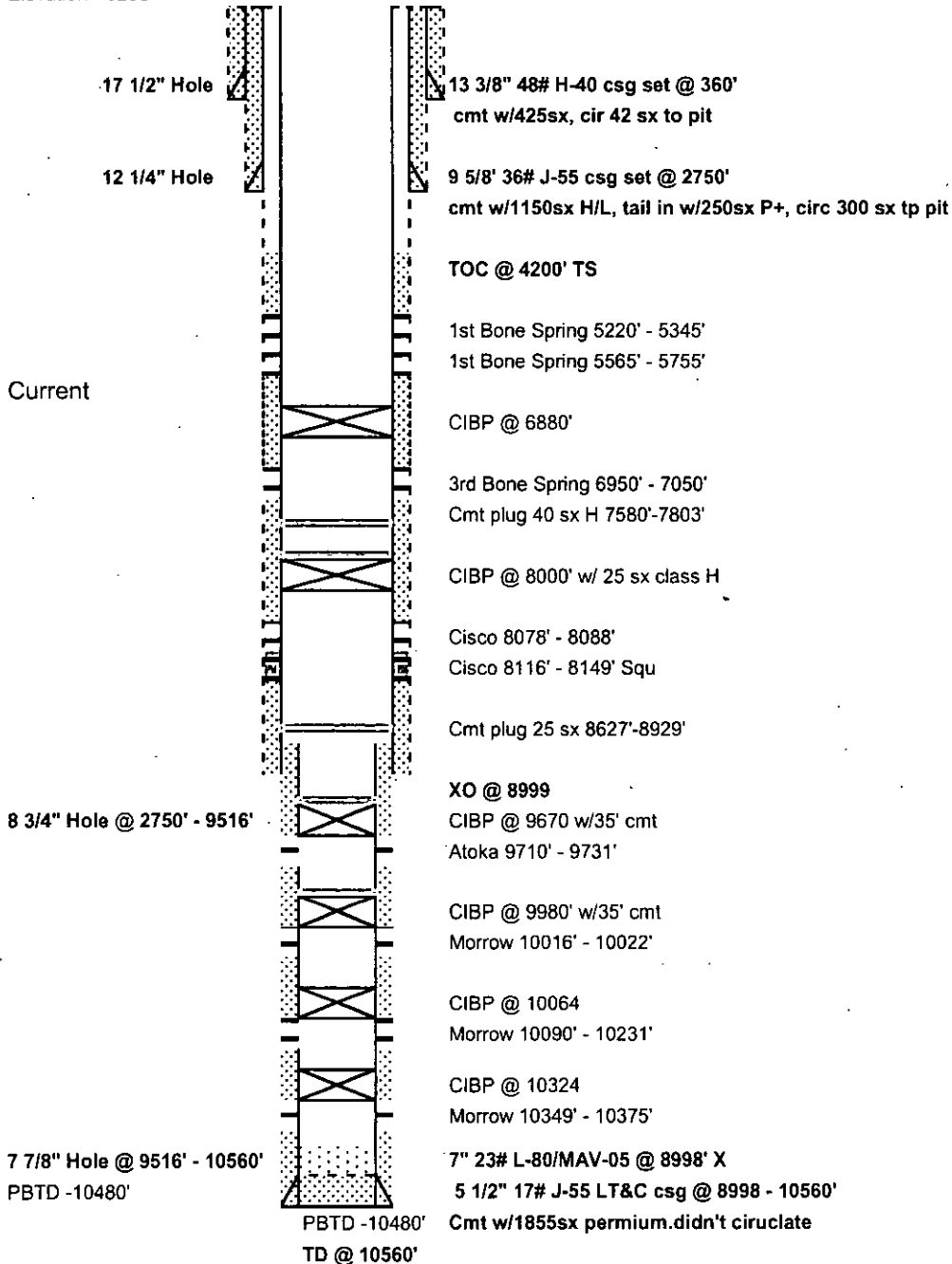
9.. Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken: From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted

COG Operating LLC

Lease & Well # Dry Land Shiner Federal #1
 30-015-32815 940 FNL 660 FEL, SEC. 3-T21S-R25E, UNIT A
 SPRINGS; UPPER PENN
 SPUD-1/25/2004 EDDY COUNTY, NM

Elevation - 3298'

KB - 3315'

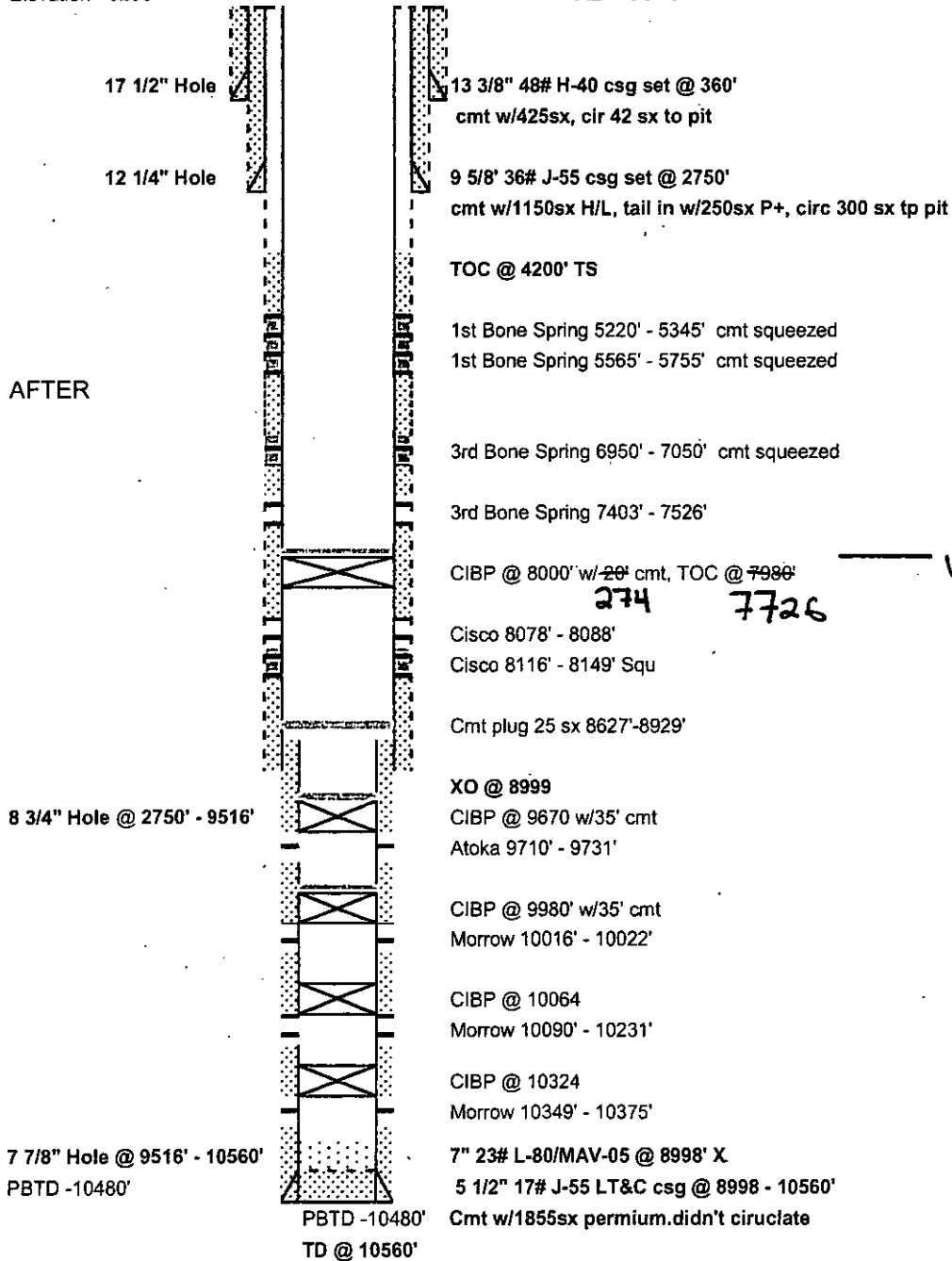


COG Operating LLC

Lease & Well # Dry Land Shiner Federal #1
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 SPRINGS; UPPER PENN
 SPUD-1/25/2004 EDDY COUNTY, NM

Elevation - 3298'

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Wolfcamp 7706