

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
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.

NMOC28793A

Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.		7. If Unit or CA/Agreement, Name and/or No. NMNM88525X
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. BURCH KEELY UNIT 937H	
2. Name of Operator COG OPERATING LLC	Contact: ROBYN RUSSELL E-Mail: russell@concho.com	9. API Well No. 30-015-42759-00-X1
3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 432-685-4885	10. Field and Pool, or Exploratory BURCH KEELY-GLORIETA-UPPER YE
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T17S R29E SWSW 330FSL 200FWL 32.828081 N Lat, 104.035693 W Lon	11. County or Parish, and State EDDY COUNTY, NM	

NM OIL CONSERVATION
ARTESIA DISTRICT
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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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original APD
	<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 recompleat 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 recompleat 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 requests to update the production casing program to meet current practices and allow larger pumping equipment to be installed for improved corrosion resistance.

The production casing program changes are as follows:
8-3/4" hole, Interval MD-860'-4429', OD Casing-7" 0'-4429', 29#, L80, New, LTC, 1.24brst/2.94clps/7.00ten.
8-3/4" hole, Interval MD-4429'-5256', OD Casing-5-1/2" 4429'-5256', 17#, L80, New, LTC, 1.33brst/2.97clps/5.79ten.
7-7/8" hole, Interval MD-5256'-10270', OD Casing-5-1/2" 5256'-10270', 17#, L80, New, LTC, 1.33brst/2.97clps/5.79ten.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #338314 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 05/06/2016 (16PP1091SE)	
Name (Printed/Typed) ROBYN RUSSELL	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 05/04/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By (BLM Approver Not Specified) <u>Mustafa Hague</u>	Title PETROLEUM ENGINEER	Date 06/02/2016
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 Carlsbad

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

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6/17/16

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**PECOS DISTRICT
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	COG Operating, LLC
LEASE NO.:	NMNM-88525X
WELL NAME & NO.:	Burch Keely Unit 937H
SURFACE HOLE FOOTAGE:	0330' FSL & 0200' FWL
BOTTOM HOLE FOOTAGE:	0330' FSL & 0465' FWL Sec. 18, T. 17 S., R 30 E.
LOCATION:	Section 24, T. 17 S., R 29 E., NMPM
COUNTY:	Eddy County, New Mexico

A. CASING

All previous COAs still apply except the following:

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. 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.

Possibility of water flows in the Artesia Group, Salado, and Queen.

Possibility of lost circulation in the Artesia Group, Rustler, Grayburg, and San Andres.

1. The minimum required fill of cement behind the 7 X 5-1/2 inch production casing is:

Option #1 (Single Stage):

- Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

Option #2:

Operator has proposed DV tool at depth of 4429', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.

a. First stage to DV tool:

- Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.

b. Second stage above DV tool:

- Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.