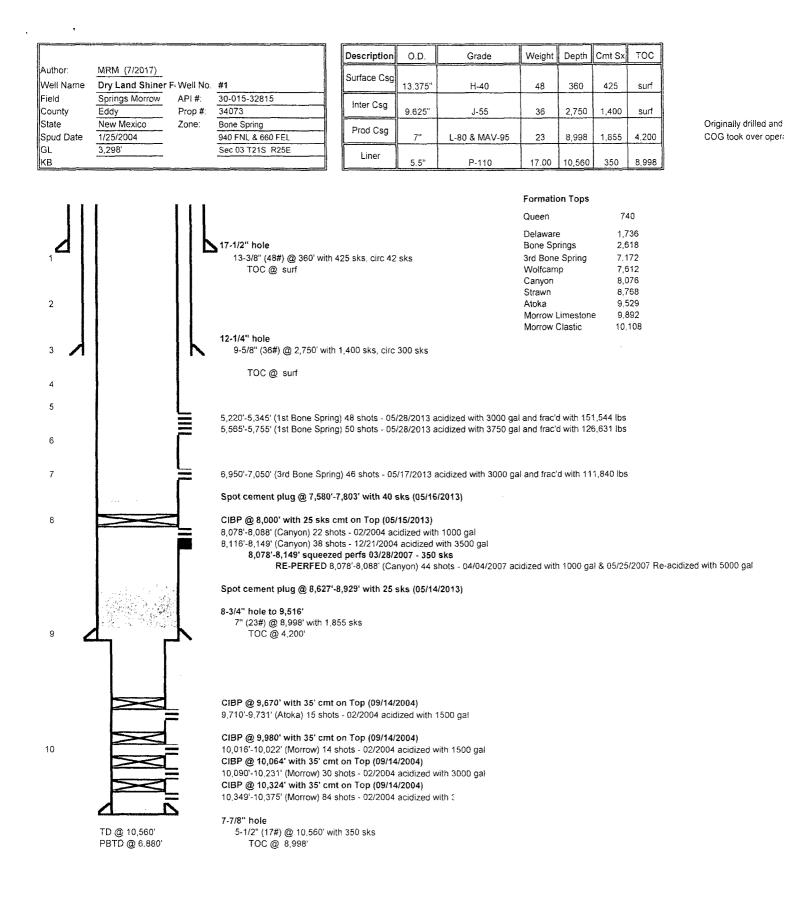
Form: 3160-5 (June 2015) DI	UNITED STATES		FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018						
B SUNDRY Do not use th	5. Lease Serial No. NMNM108025								
abandoned we	6. If Indian, Allottee or Tribe Name								
SUBMIT IN	7. If Unit or CA/Agree	ment, Name and/or No.							
1. Type of Well □ Oil Well 🛛 Gas Well □ Ot	8. Well Name and No. DRY LAND SHINE	ER FEDERAL 1							
2. Name of Operator COG OPERATING, LLC	9. API Well No. 30-015-32815								
3a. Address 600 W. ILLINOIS MIDLAND, TX 79701	10. Field and Pool or E WC-015 G-01 S								
4. Location of Well (Footage 394)	11. County or Parish, State								
Sec 3 T21S R25E 1940FNL ( 32.519920 N Lat, 104.376564		EDDY CO COUNTY, NM							
12. CHECK THE A	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE O	F NOTICE	, REPORT, OR OTH	IER DATA			
TYPE OF SUBMISSION			TYPE OF	F ACTION					
X Notice of Intent	C Acidize	🗖 Deep	ben	🗖 Produc	tion (Start/Resume)	□ Water Shut-Off			
—	□ Alter Casing	🗖 Hyd	raulic Fracturing	🗖 Reclan	nation	Well Integrity			
Subsequent Report	Casing Repair	_	Construction	🗖 Recom	•	Other			
Final Abandonment Notice	Change Plans	_			porarily Abandon				
	Convert to Injection	🗖 Plug	Back	U Water	Disposal				
<ul> <li>following completion of the involve testing has been completed. Final A determined that the site is ready for</li> <li>1. Tag cmt plug @ 7580-7803</li> <li>2. Set 7" CIBP @ 5170'. Spoil</li> <li>3. P &amp; Sqz 45 sx cement @ 2</li> <li>4. P &amp; Sqz 45 sx cement @ 2</li> <li>5. P &amp; Sqz 45 sx cement @ 4</li> <li>6. P &amp; Sqz 45 sx cement @ 4</li> <li>7. P &amp; Sqz 45 sx cement @ 4</li> <li>8. Cut off wellhead, verify cm</li> </ul>	bandonment Notices must be fi final inspection. 3'. Circulate hole w/ MLF. 25 sx cement 5170-5070 5500-3400. Tag <b>/30</b> 800-2700. Tag (9 5/8" Sh <del>220 1720,</del> Tag (Delaware 10-310. Tag (13 3/8" Sho 00-0.	) plug. noe) /30' e) /30' be)	requirements, includ ρ(	ing reclamati	on, have been completed a	and the operator has			
			N PROCEDURE CHED		SEE ATTACH	ied d g r 8 d d a paragay			
<ol> <li>I hereby certify that the foregoing in the second se</li></ol>	Electronic Submission #	DPERATING, L	.C, sent to the Ca	arisbad NNEY on 0	-	n record			
	· · · · ·				VCCEDNINO	B.			
Signature (Electronic	Submission)		Date 08/08/2						
	THIS SPACE F	OR FEDERA	L OR STATE		ISE				
Approved By	a. amos		Title 🖌	PET	-	<b>9-29-1</b> Date			
Conditions of approval, if any, are attach certify that the applicant holds legal or eq which would enable the applicant to cond	uitable title to those rights in th	s not warrant or le subject lease	Office 6	FO					
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a statements or representations a	a crime for any pe s to any matter wi	rson knowingly and thin its jurisdiction.	willfully to n	hake to any department or	agency of the United			
(Instructions on page 2) <b>** OPERA</b>	TOR-SUBMITTED ** C	PERATOR-	SUBMITTED *	* OPERA	TOR-SUBMITTED	**			

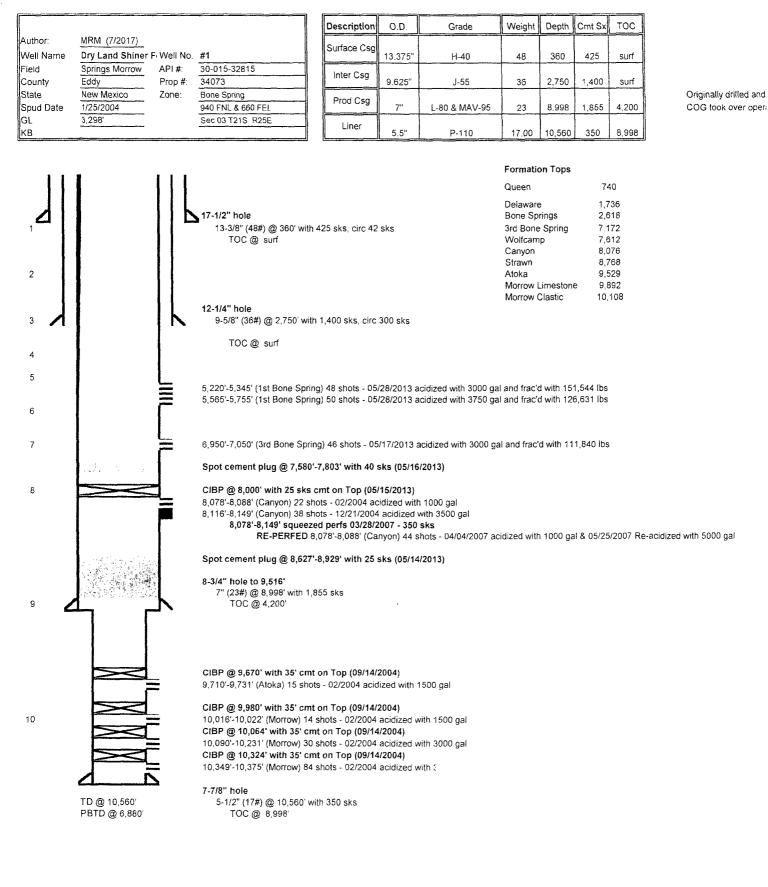
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<u></u>			·····	Description	0.D.	Grade	Weight	Donth	Cmt Sx	тос	
Author:	MRM (7/2017)					Giade	Vieigin	Depar			
Well Name	Dry Land Shiner			Surface Csg	13.375"	H-40	48	360	425	surf	
Field County	Springs Morrow Eddy	AP1 #: Prop #:	30-015-32815 34073	Inter Csg	9.625"	J-55	36	2,750	1,400	surf	
State	New Mexico	Zone:	Bone Spring	Prod Csg			-		1		Originally drilled and
Spud Date GL	1/25/2004 3,298'		940 FNL & 660 FEL Sec 03 T21S R25E		7"	L-80 & MAV-95	23	8,998	1,855	4,200	COG took over oper
КВ				Liner	5.5"	P-110	17.00	10,560	350	8,998	
15			7 D 0 C 45	100				on Tops			
-	1	-1	7. P & Sqz 45 sx cen	nent @ 100	-0.		Queen			40	
			17-1/2" hole 13-3/8" (48#) @ 360' with	425 sks, circ 4:	2 sks		Delawar Bone Sp	orings	2,	736 618	
7	<u> </u>	┶┥┝	TOC @ surf				3rd Bone Wolfcan	e Spring np		172 612	
1			■ 6. P & Sqz 45 sx cer	nent @ 410	-310 Ts	ag (13 3/8" Shoe)	Canyon		8,	076	
Г		Π	0. x & oqt 10 sx eet	nent @ 110	510, 10	ng (15 5/6 - 5//6C)	Strawn Atoka			768 529	
P-		┻╼┩	5. P & Sqz 45 sx ceme	nt @ 1820-	1720. Ta	ng (Delaware)		Limestor		892	
2		T	12-1/4" hole	0			Morrow			,108	
			9-5/8'' (36#) @ 2,750' with TOC @ surf	1,400 SKS, CIR	: 300 SKS						
		Ц	4. P & Sqz 45 sx ceme	nt @ 2800 ·	<b>77</b> 00 T/	og (0 5/8" Shoo)		170		1	
3	· r · · · · · · · · · · · · · · · · · ·		4. r & Sq2 45 \$x ceme	int @ 2000	2/00.18			130	· 1	149	
			3. P & Saz 45 sx ceme	nt @ 3500-	3400. Ta	ng Space	<b>`</b>	130	ף 'ף	(m)	
4		-				•				•	
5			2. Set 7" CIBP @ 517	-							
			5,220'-5,345' (1st Bone Sprin 5,565'-5,755' (1st Bone Sprin								
6		1									
7		L	6,950'-7,050' (3rd Bone Sprin	a) 46 shots 0	5/17/2013	acidized with 2000 col	and fracid	with 111	840 lbs		
1			. Tag cmt plug @ 7580-			-	anu nacu	with FT.	,040 105		
	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -		Spot cement plug @ 7,580'-								
8	$\geq$		CIBP @ 8,000' with 25 sks o		.,						
		Ē	8,078'-8,088' (Canyon) 22 sha 8,116'-8,149' (Canyon) 38 sha								
			8,078'-8,149' squeeze	d perfs 03/28/	2007 - 350		zed with 1	000 nal /	8 05/25/2	2007 Re-2	acidized with 5000 gal
	the second second						200 1111	eee gui	00/20/1		alazzo man obot gar
		Ę.	Spot cement plug @ 8,627'-	0,323 WILH 23	585 (05/1	4/2013)					
		š.	8-3/4" hole to 9,516' 7" (23#) @ 8,998' with 1,8	55 sks							
9	1 <sub>1</sub> -	N	TOC @ 4,200'								
			CIBP @ 9,670' with 35' cmt	on Top (09/14	/2004)						
			9,710'-9,731' (Atoka) 15 shot:			1500 gal					
	$\ge$		CIBP @ 9,980' with 35' cmt	• •	,						
10			10,016'-10,022' (Morrow) 14 : CIBP @ 10,064' with 35' cm			with 1500 gal					
			10,090 <sup>-</sup> -10,231' (Morrow) 30 s CIBP @ 10,324' with 35' cm			with 3000 gal					
			10,349'-10.375' (Morrow) 84 s	• •	,	with					
		2	7-7/8" hole								
	TD @ 10.560' PBTD @ 6.880'		5-1/2" (17#) @ 10,560' wit	th 350 sks							
	PBTD @ 6,880'		TOC @ 8,998'								

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	ι.									
[			Description	0.D.	Grade	Weight	Depth	Cmt Sx	тос	
Author:	MRM (7/2017)			j						
Well Nar		II No#1	Surface Csg	13.375"	H-40	48	360	425	surf	
Field	Springs Morrow API	#: 10-015-32815	Inter Csg							
County	The second s	p #: 4073	Inter Csg	9.625"	J-55	36	2,750	1,400	surf	
State	New Mexico Zor		Prod Csg							Originally drilled and
Spud Da	ate <u>1/25/2004</u> 3,298'	40 FNL & 660 FEL		7"	L-80 & MAV-95	23	8,998	1,855	4,200	COG took over oper
GL KB	3,290	lec 03 T21S R25E	Liner	5.5"	P-110	17.00	10,560	350	8,998	
			J <u>L</u>	<u></u>				1		
							-			
1	II		100			Formatio	on tops			
		7. P & Sqz 45 sx c	ement @ 100	-0.		Queen		7	40	
1		17-1/2" hole				Delawar			736	
		13-3/8" (48#) @ 360' wi TOC @ surf	ith 425 sks, circ 4	2 sks		Bone Sp 3rd Bone			518 172	
						Wolfcam			512	
1		6. P & Sqz 45 sx c	amont @ 410	310 T	ng (13 3/8" Shoo)	Canyon		8,	076	
		0.1 00 542 45 53 0	ement @ 410	-510.13	ag (15 5/6 510c)	Strawn			768	
						Atoka		9,:	529	
		v. P & Sqz 45 sx cen	nent @ 1820-	1720. Ti	ag (Delaware)	Morrow			892	
2		l <b>2-1/4'' hole</b> 9-5/8'' (36#) @ 2,750' w	uith 1 400 ske cirr	- 300 ekc		Morrow	Clastic	10	108	
		TOC @ surf	11111,400 Sits, City	C 000 5K5						
3		4. P & Sqz 45 sx cen	nent @ 2800-	2700. Ta	ag (9 5/8'' Shoe)					
4		3. P & Saz 45 sx cen	nent @ 3500-	3400. T	ag					
4										
5		1. Set 7" CIBP @ 51	170'. Spot 25	sx ceme	nt 5170-5070.					
		1220'-5,345' (1st Bone Sp								
6	=	,565'-5,755' (1st Bone Sp	oring) 50 shots - 0	5/28/2013	acidized with 3750 gal	and frac'd v	with 126,	631 lbs		
9										
7		5,950′-7,050' (3rd Bone Sr	aring) 46 choig (	5/17/0010	politized with 2000 cel	and fracid	with 111	940 lbs		
7	- I - Ē	1. Tag cmt plug @ 758			-	anu nacu	WIGS ITS	,040 105		
	1	Spot cement plug @ 7,58								
8		GIBP @ 8,000' with 25 sk 3,078'-8,088' (Canyon) 22								
		8,116'-8,149' (Canyon) 38			••					
		8,078'-8,149' squee	ezed perfs 03/28	/2007 - 35	Osks					
		RE-PERFED	) 8,078'-8,088' (C	апуоп) 44	shots - 04/04/2007 acid	ized with 1	000 gal	& 05/25/2	2007 Re-a	acidized with 5000 gal
		Spot cement plug @ 8,62	27'-8,929' with 25	5 sks (05/1	4/2013)					
		8-3/4" hole to 9,516'								
		7" (23#) @ 8,998' with	1,855 sks							
9		TOC @ 4,200'								
		CIBP @ 9,670' with 35' ci	mt on Top (09/14	1/2004)						
		9,710'-9,731' (Atoka) 15 sl	hots - 02/2004 ac	idized with	1500 gal					
		CIBP @ 9,980' with 35' c	mt on Top (09/14	1/2004)						
10		10,016'-10,022' (Morrow) '			with 1500 gal					
		CIBP @ 10,064' with 35'		,	-					
		10,090'-10,231' (Morrow) :			with 3000 gal					
		CIBP @ 10,324' with 35' 10,349'-10,375' (Morrow) 8		,	with					
	<u>4</u> Š	ale la relata (monow) (								
		7-7/8" hole	with 250 at -							
	TD @ 10,560' PBTD @ 6,880'	5-1/2" (17#) @ 10,560' TOC @ 8,998'	with 350 sks							
	, 2, 2 (0,000									

## 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

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 the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> 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. <u>Notification</u>: 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. <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. 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. <u>Dry Hole Marker</u>: 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 10<sup>th</sup> day, the BLM is to be contacted with justification to receive an extension for completing the cut off.

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. <u>Subsequent Plugging Reporting</u>: 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. <u>Show date well was plugged</u>.

8. <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.

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



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 E. Greene St. Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To: 1310

## **Reclamation Objectives and Procedures**

**Reclamation Objective:** Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its predisturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, redistribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

- The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
- 2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months.
- 3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
- 4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation

equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

- 5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
- 7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Petroleum Engineering Tech 575-234-5909, 575-361-2648 (Cell)

Arthur Arias Environmental Protection Specialist 575-234-6230

Henryetta Price Environmental Protection Specialist 575-234-5951

Shelly Tucker Environmental Protection Specialist 575-234-5979

Trishia Bad Bear, Hobbs Field Station Natural Resource Specialist 575-393-3612