

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNM OIL CONSERVATION
ARTESIA DISTRICTFORM 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.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|---|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM120895 |
| 2. Name of Operator COG PRODUCTION LLC Contact: MAYTE X REYES E-Mail: mreyes1@concho.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 2208 W MAIN STREET ARTESIA, NM 88210 | 3b. Phone No. (include area code) Ph: 575-748-6945 | 7. If Unit or CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 23 T25S R29E SESW 190FSL 1650FWL 32.108565.N Lat, 103.957874 W Lon | | 8. Well Name and No. EL JIMADOR FEDERAL 3H |
| | | 9. API Well No. 30-015-42125-00-X1 |
| | | 10. Field and Pool, or Exploratory WILDCAT |
| | | 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 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 Production LLC, respectfully requests approval for the following drilling changes to the original approved APD.

- * We will drill the vertical/curve/lateral from intermediate at 3240' to 11,567' MD / 6980' TVD with 7-7/8" hole size as originally planned.
- * We want to cement the production string with a 2 Stage Cement Job instead of a one stage job as originally planned.
- * We will set the DV Tool at 4040' and an External Casing Packer (ECP) at 6020'.
- 1st Stage
- * Lead: 450 sx of Econocem H (11.9 ppg - 2.51 cf/sk)
- * Tail: 1225 sx of Versacem H (14.4 ppg - 1.25 cf/sk)

Accepted for record
7-20-14
NMOC
SEE ATTACHED FOR
CONDITIONS OF APPROVAL
APPROVED
JUL 17 2014
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

| | |
|---|--------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #253438 verified by the BLM Well Information System For COG PRODUCTION LLC, sent to the Carlsbad Committed to AFMSS for processing by ED FERNANDEZ on 07/17/2014 (14EF0076SE) | |
| Name (Printed/Typed) MAYTE X REYES | Title REGULATORY ANALYST |
| Signature (Electronic Submission) | Date 07/17/2014 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------|-----------------|
| Approved By EDWARD FERNANDEZ | Title PETROLEUM ENGINEER | Date 07/17/2014 |
| 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 **

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Additional data for EC transaction #253438 that would not fit on the form

32. Additional remarks, continued

2nd State - DV Tool Set at 4040'

* Lead: 450 sx of Econocem C (11.9 - 2.51 cf/sk)

* Tail: 250 sx C Neat (14.8 ppg/1.34 cf/sk)

CONDITIONS OF APPROVAL

Sundry 07/17/2014

| | |
|-----------------------|-------------------------------------|
| OPERATOR'S NAME: | COG Operating LLC |
| LEASE NO.: | NMNM-120895 |
| WELL NAME & NO.: | El Jimador Federal 3H |
| SURFACE HOLE FOOTAGE: | 0190' FSL & 1650' FWL |
| BOTTOM HOLE FOOTAGE: | 0330' FNL & 1750' FWL |
| LOCATION: | Section 23, T. 25 S., R 29 E., NMPM |
| COUNTY: | Eddy County, New Mexico |

Original COS still applies with the following changes:

Operator has proposed DV tool at depth of 4040' Operator is to submit sundry if DV tool depth varies by more than 100' from approved depth. Operator has also proposed a ECP at 6020'. As per discussion with operator they are also recommending that a CBL be run with the completion rig. Please submit an electronic copy of the CBL on the 5-1/2" production casing to the BLM.

1. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - 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 to DV tool:
 - ☒ Cement to circulate to surface. If cement does not circulate to the surface, the appropriate BLM office shall be notified. Operator shall provide method to verify top of cement.

EGF 071714