

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

**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 page 2.**

|  |   |   |
|--|---|---|
| 1. Type of Well<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other   |   | 5. Lease Serial No.<br>NMNM120908   |
| 2. Name of Operator<br>COG Production LLC  |   | 6. If Indian, Allottee, or Tribe Name   |
| 3a. Address<br>2208 W. Main Street<br>Artesia, NM 88210  | 3b. Phone No. (include area code)<br>575-748-6940 | 7. If Unit or CA. Agreement Name and/or No.                                   |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>190' FNL & 1750' FWL Unit Letter C (NENW) Sec 30-24S-32E |   | 8. Well Name and No.<br>Windward Federal #2H                                  |
| Lat.<br>Long.  |   | 9. API Well No.<br>30-025-41408   |
|  |   | 10. Field and Pool, or Exploratory Area<br>WC 025 G-06 S253206M ; Bone Spring |
|  |   | 11. County or Parish, State<br>Lea County                      NM             |

12. CHECK APPROPRIATE BOX(S) 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"/> Altering 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<br><u>Well Pad Change</u> |
|  | <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 recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the 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 recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

COG Production LLC respectfully requests approval to built an off pad tank battery to service the Windward Federal #2H, 3H, 4H and 5H wells. We belive this is necessary to drill the Windward Federal wells and King Tut Federal wells and planed Delaware wells and keep our surface impact minimum.

See attached plat.

**HOBBS OCD**

**APR 28 2014**

**RECEIVED**

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.

|                                      |                              |
|--------------------------------------|------------------------------|
| Name (Printed/ Typed)<br>Mayte Reyes | Title:<br>Regulatory Analyst |
| Signature: <i>Mayte Reyes</i>        | Date:<br>3/18/14             |

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

|  |                   |                             |
|--|-------------------|-----------------------------|
| Approved by:<br><b>STEPHEN J. CAFFEY</b> | Title:<br>Office: | Date:<br><b>APR 24 2014</b> |
|--|-------------------|-----------------------------|

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 any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

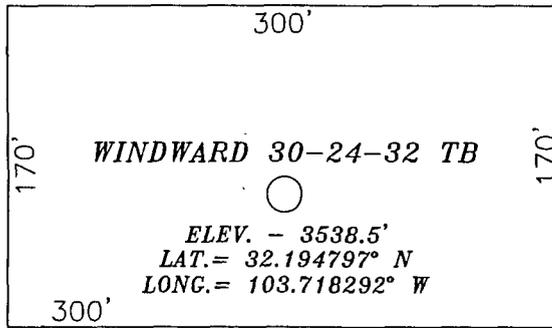
**APR 29 2014**

SECTION 30, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.,  
LEA COUNTY NEW MEXICO



SECTION 19  
SECTION 30

NW COR.  
TANK BATTERY  
Y=435231.0 N  
X=690106.9 E



SW COR.  
TANK BATTERY  
Y=435061.0 N  
X=690107.0 E

NE COR.  
TANK BATTERY  
Y=435231.1 N  
X=690406.9 E

PROPOSED WELL  
KING TUT  
FED #2H

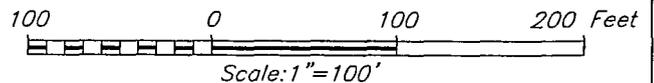


SE COR.  
TANK BATTERY  
Y=435061.0 N  
X=690407.0 E

10 FT. CALICHE RD.

WINWARD FED #2H WELLPAD

KING TUT FED #2H PROP. WELLPAD



HARCROW SURVEYING, LLC  
1107 WATSON, ARTESIA, N.M. 88210  
PH: (575) 513-2570 FAX: (575) 746-2158  
chad\_harcrow77@yahoo.com



**COG PRODUCTION, LLC**

WINWARD 30-24-32 TB  
SECTION 30, TOWNSHIP 24 SOUTH,  
RANGE 32 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO

SURVEY DATE: 03/03/2014

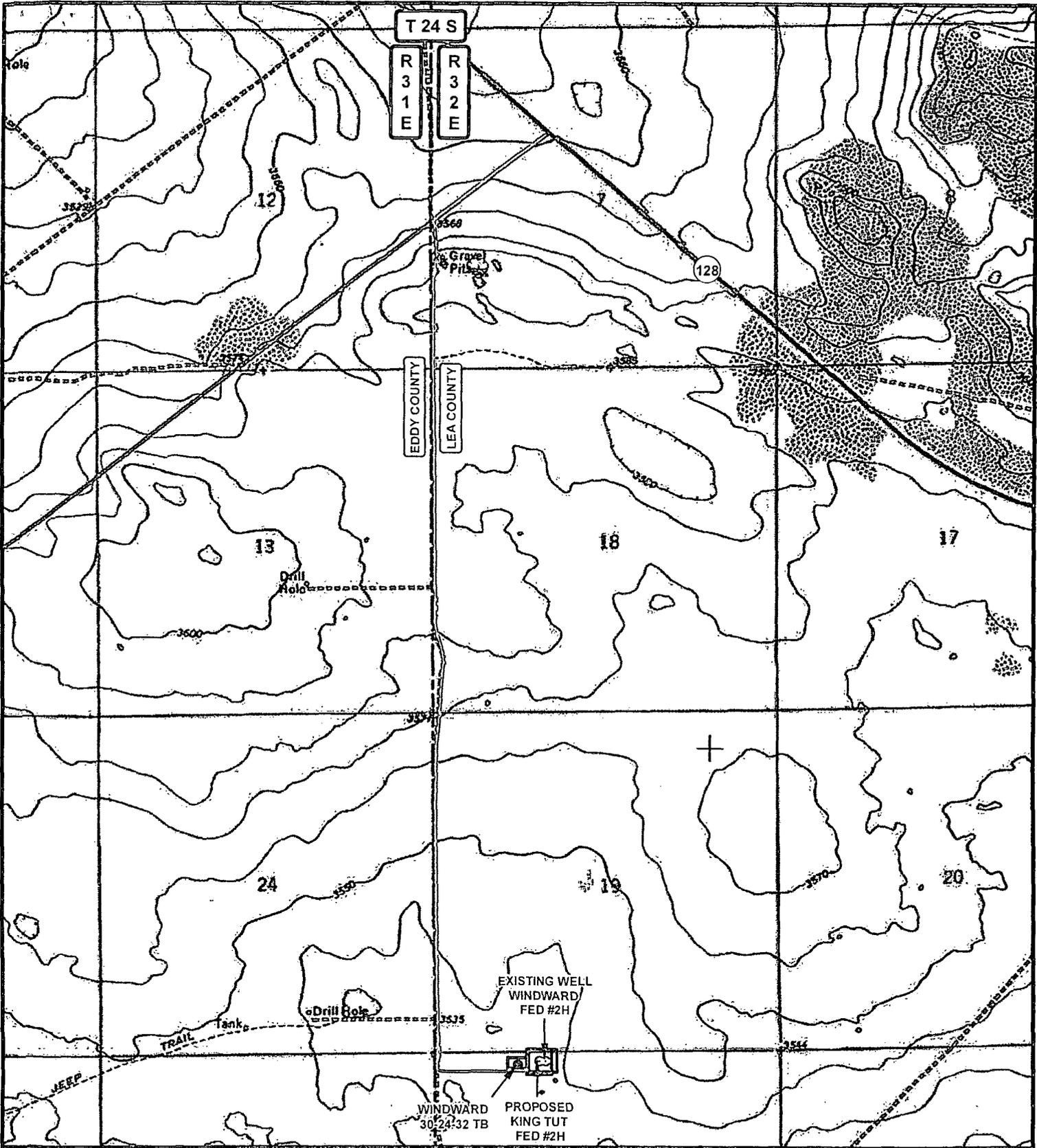
PAGE: 1 OF 1

DRAFTING DATE: 03/06/2014

APPROVED BY: CH

DRAWN BY: SP

FILE: 14-134

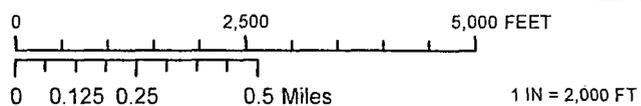


**LEGEND**

- TANK BATTERY
- WELL
- ▭ TANK BATTERY PAD
- ▭ WELLPAD
- EXISTING ROAD

**WINDWARD 30-24-32 TB**

SEC: 30    TWP: 24 S.    RGE: 32 E.    ELEVATION: 3538.5'  
 STATE: NEW MEXICO    COUNTY: LEA    SURVEY: N.M.P.M  
 W.O. # 14-134    LEASE: WINDWARD FED



LOCATION MAP    TOPO    03/06/2014    S.P.

**CONCHO**  
 COG PRODUCTION, LLC

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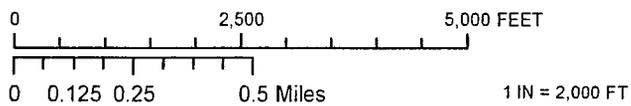


**LEGEND**

- TANK BATTERY
- WELL
- ▭ TANK BATTERY PAD
- ▭ WELLPAD
- EXISTING ROAD

**WINDWARD 30-24-32 TB**

SEC: 30 TWP: 24 S. RGE: 32 E. ELEVATION: 3538.5'  
 STATE: NEW MEXICO COUNTY: LEA SURVEY: N.M.P.M  
 W.O. # 14-134 LEASE: WINDWARD FED



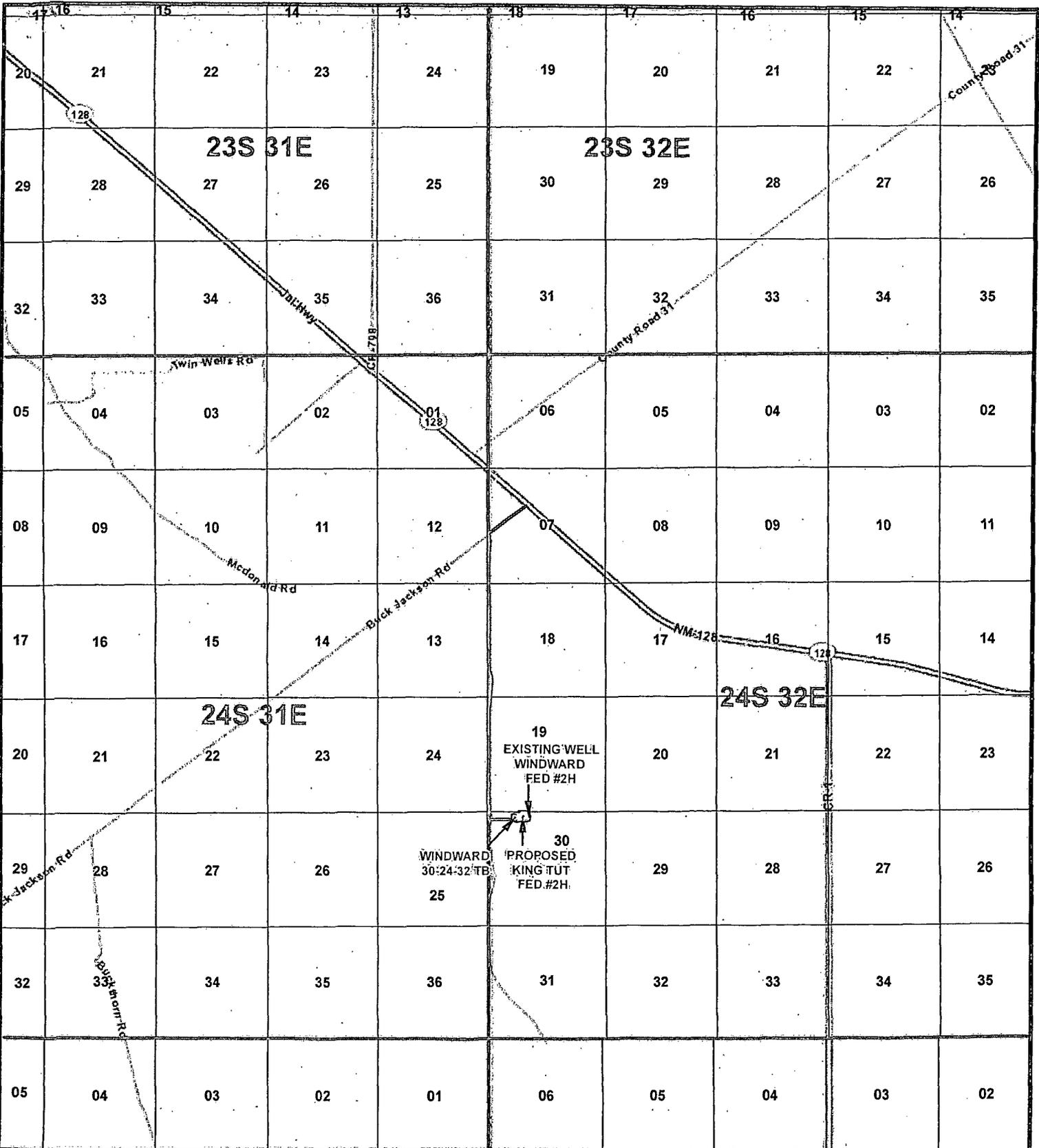
LOCATION MAP IMAGERY 03/06/2014 S.P.



COG PRODUCTION, LLC

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 PH: (575) 313-2570 FAX: (575) 746-2158  
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**LEGEND**

- TANK BATTERY
- WELL
- ▭ TANK BATTERY PAD
- ▭ WELLPAD
- EXISTING ROAD

**WINDWARD 30-24-32 TB**

|                   |            |                     |                    |
|-------------------|------------|---------------------|--------------------|
| SEC: 30           | TWP: 24 S. | RGE: 32 E.          | ELEVATION: 3538.5' |
| STATE: NEW MEXICO |            | COUNTY: LEA         | SURVEY: N.M.P.M    |
| W.O. # 14-134     |            | LEASE: WINDWARD FED |                    |

0 2,500 5,000 7,500 10,000 12,500 15,000 FEET

0 0.4 0.8 1.6 Miles

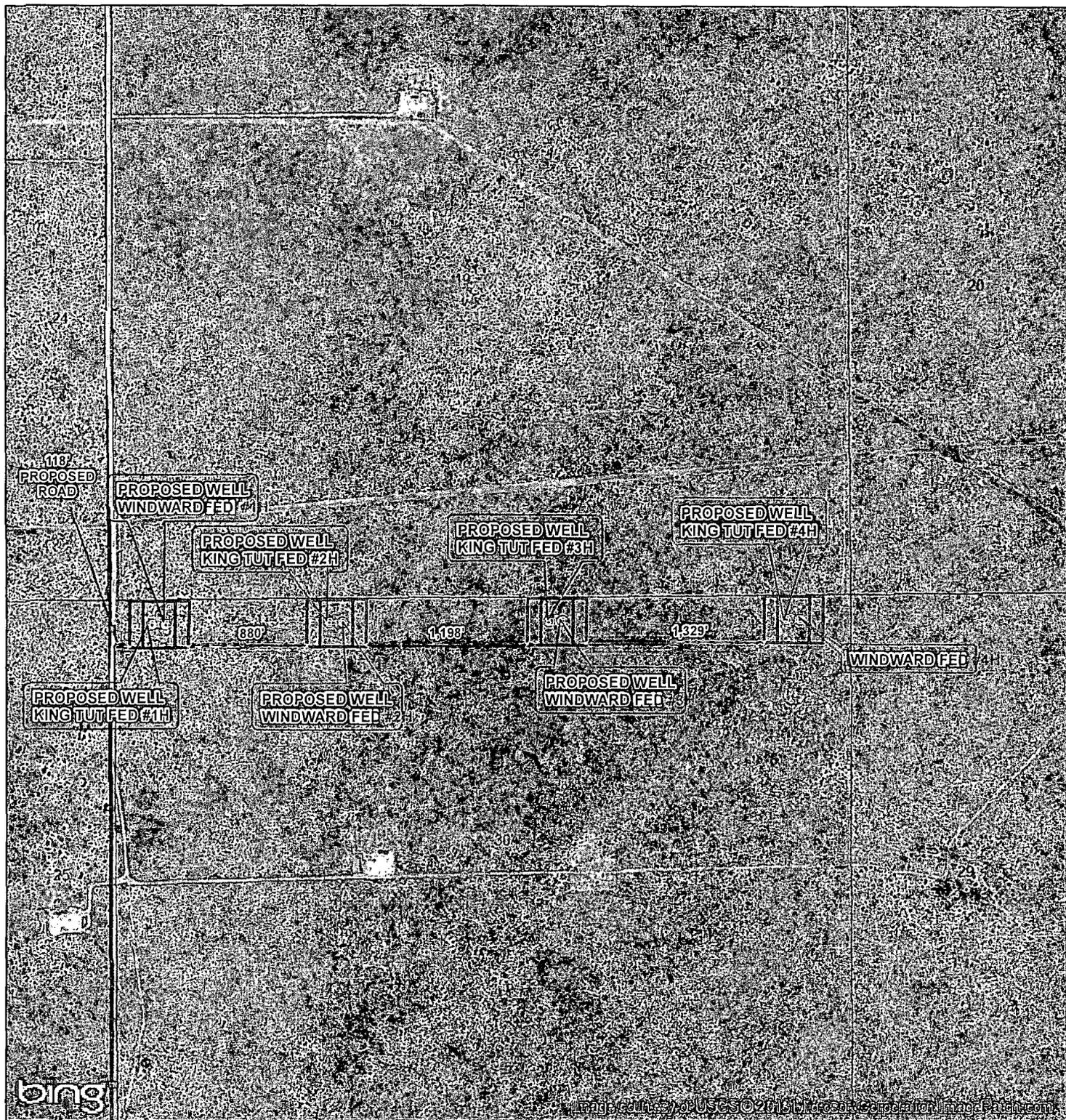
1 IN = 6,000 FT

VICINITY MAP 03/06/2014

**CONCHO**  
COG PRODUCTION, LLC

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107 WATSON, ARTESIA N.M. 88210  
PH: (575) 513-2570 FAX: (575) 746-2158  
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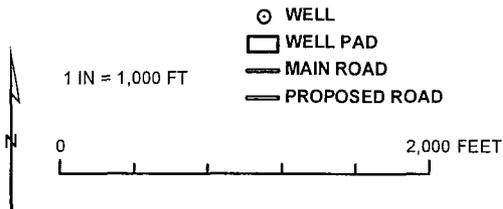
# ACCESS ROAD MAP



SEC. 30, TWP. 24S, RGE. 32E  
 SURVEY: N.M.P.M  
 COUNTY: LEA STATE: NEW MEXICO  
 DESCRIPTION: WINDWARD #4H

OPERATOR: COG PRODUCTION LLC  
 LEASE: WINDWARD

W.O. # 13-438



HARCROW SURVEYING, LLC  
 1107 WATSON, ARTESIA N.M. 86210  
 PH: (575) 513-2570 FAX: (575) 746-2158  
 chad\_harcrow77@yahoo.com



MAP DATE: 7/12/2013

**BLM Lease Number:** NMNM120908

**Company Reference:** COG Production, LLC

**Well Name & Number:** Windward Federal #2H

STANDARD STIPULATIONS FOR OIL AND GAS RELATED SITES (Production Facility)

A copy of the Sundry Notice and attachments, including stipulations and map, will be on location during construction. BLM personnel may request to view a copy of your permit during construction to ensure compliance with all stipulations.

The holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer, BLM.

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant and for all response costs, penalties, damages, claims, and other costs arising from the provisions of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Chap. 82, Section 6901 et. seq., from the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. Chap. 109, Section 9601 et. seq., and from other applicable environmental statutes.
2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et. seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized by this grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et. seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et. seq.) on the right-of-way (unless the release or threatened release is wholly unrelated to the right-of-way holder's activity on the right-of-way). This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
4. If, during any phase of the construction, operation, maintenance, or termination of the site or related pipeline(s), any oil or other pollutant should be discharged from site facilities, the pipeline(s) or from containers or vehicles impacting Federal lands, the control and total removal, disposal, and cleanup of such oil or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such

discharge on or affecting Federal lands, or to repair all damages to Federal lands resulting therefrom, the Authorized Officer may take such measures as deemed necessary to control and cleanup the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any liability or responsibility.

5. Sites shall be maintained in an orderly, sanitary condition at all times. Waste materials, both liquid and solid, shall be disposed of promptly at an appropriate, authorized waste disposal facility in accordance with all applicable State and Federal laws. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, petroleum products, brines, chemicals, oil drums, ashes, and equipment.

6. In those areas where erosion control structures are required to stabilize soil conditions, the holder shall install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound management practices. Any earth work will require prior approval by the Authorized Officer.

7. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color from BLM's "Standard Environmental Color Chart". The color selected for this project is **Shale Green**. A color chart can be picked up from the BLM Carlsbad Field Office.

8. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder 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 will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

9. A sales contract for removal of mineral material (caliche, sand, gravel, fill dirt) from an authorized pit, site, or on location must be obtained from the BLM prior to commencing construction. There are several options available for purchasing mineral material: contact the BLM office (575-234-5972).

10. 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.

11. Once the site is no longer in service or use, the site must undergo final abandonment. At final abandonment, the site and access roads must undergo "final" reclamation so that the character and productivity of the land are restored. Earthwork for final reclamation must be completed within

six (6) months of the abandonment of the site. All pads and facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact. After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM environmental protection specialist prior to surface abandonment operations for site specific objectives (575-234-5972).

12. The holder shall stockpile an adequate amount of topsoil where blading occurs. The topsoil to be stripped is approximately   6   inches in depth. The topsoil will be segregated from other spoil piles. The topsoil will be used for final reclamation.

13. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

- |  |  |
|--|--|
| <input type="checkbox"/> seed mixture 1            | <input type="checkbox"/> seed mixture 3          |
| <input checked="" type="checkbox"/> seed mixture 2 | <input type="checkbox"/> seed mixture 4          |
| <input type="checkbox"/> seed mixture 2/LPC        | <input type="checkbox"/> Aplomado Falcon Mixture |

14. **Containment Structures:** The containment structure shall be constructed to hold the capacity of the entire contents of the largest tank, plus 24 hour production, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

15. Special Stipulations:

**LPC: Conditions of Approval**

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1 through June 15 annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

Upon abandonment, a low profile abandoned well marker will be installed to prevent raptor perching.

The proponent of the proposed action is a Participating Cooperator in the Candidate Conservation Agreement (CCA) for the lesser prairie-chicken (*Tympanuchus pallidicinctus*) and dunes sagebrush lizard (*Sceloporus arenicolus*).

The goal of the Bureau of Land Management (BLM), U.S. Fish and Wildlife Service (USFWS), Center of Excellence for Hazardous Materials Management (CEHMM) and the Participating Cooperator is to reduce and/or eliminate threats to the LPC and/or SDL. By agreeing to conduct the conservation measures described by the CCA, and contribute funding or providing in-kind services for conservation.

The Certificate of Participation (CP) associate with the CCA is voluntary between CEHMM, BLM, USFWS and the Participating Cooperator. Through the CP, the Participating Cooperator voluntarily commits to implement or fund specific conservation actions that will reduce and/or eliminate threats to the SDL and /or the LPC. Funds contributed as part of the CP will be used to implement conservation measures and associated activities. The funds will be directed to the highest priority projects to restore or reclaim habitat at the sole discretion of BLM and USFWS.

The following Conservation Measures are to be accomplished in addition to those described in the CCA and Pecos District Special Status Species Resource Management Plan Amendment (RMPA):

1. To the extent determined by the BLM representative at the Plan of Development stage, all infrastructures supporting the development of a well (including roads, power lines, and pipelines) will be constructed within the same corridor.
2. On enrolled parcels that contain inactive wells, roads and/or facilities that are not reclaimed to current standards, the Participating Cooperator shall remediate and reclaim their facilities within three years of executing this CP, unless the Cooperator can demonstrate they will put the facilities back to beneficial use for the enrolled parcel(s). If an extension is requested by the Cooperator, they shall submit a detailed plan (including dates) and receive BLM approval prior to the three year deadline. All remediation and reclamation shall be performed in accordance with BLM requirements and be approved in advance by the Authorized Officer.
3. Utilize alternative techniques to minimize new surface disturbance when required and as determined by the BLM representative at the Plan of Development stage.
4. Install fence markings along fences owned, controlled, or constructed by the Participating Cooperator that cross through occupied habitat within two miles of an active LPC lek.
5. Bury new powerlines that are within two (2) miles of LPC lek sites active at least once within the past 5 years (measured from the lek). The avoidance distance is subject to change based on new information received from peer reviewed science.

6. Bury new powerlines that are within one (1) mile of historic LPC lek sites where at least one LPC has been observed within the past three years (measured from the historic lek). The avoidance distance is subject to change based on new information received from peer reviewed science.
  
7. Management recommendations may be developed based on new information received from peer reviewed science to mitigate impacts from H<sub>2</sub>S and/or the accumulation of sulfates in the soil related to production of gas containing H<sub>2</sub>S on the SDL and LPC. Such management recommendations will be applied by the Participating Cooperator as Conservation Measures under this CI/CP in suitable and occupied SDL/LPC habitat where peer-reviewed science has shown that H<sub>2</sub>S levels threaten the LPC/SDL.