

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

5. Well Serial No. **008**
Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No.
2. Name of Operator COG OPERATING LLC Contact: MAYTE X REYES E-Mail: mreyes1@concho.com		8. Well Name and No. MONTERA FEDERAL 23H
3a. Address ONE CONCHO CENTER 600 W ILLINOIS AVENUE MIDLAND, TX 79701-4287	3b. Phone No. (include area code) Ph: 575-748-6945	9. API Well No. 30.025-43974
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T25S R35E SESW 190FSL 1650FWL 32.138161 N Lat, 103.358604 W Lon		10. Field and Pool or Exploratory Area WOLFCAMP
		11. County or Parish, State LEA COUNTY, NM

HOBBS OCD
DEC 04 2017
RECEIVED

12. CHECK THE 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"/> Hydraulic Fracturing	<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 Change to Original APD
	<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 recompletable 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 approval to add an ECP/DV Tool to the intermediate string, and to adjust the setting depth for that string on the original approved APD.

Will drill 9 7/8" intermediate hole down to 11,700ft and set 7 5/8" 29.7# P110 BTC intermediate pipe. Will cement back to surface. Cement job will be done as a two stage cement job. DV/ECP will be set into Lamar at 5240ft.

Calculated to surface with 60% excess DV Tool set at 5,240ft
1st Stage:
Lead: 600 sx (11 ppg : 2.81 cuft/sx)
Tail: 300 sx (16.4 ppg : 1.1 cuft/sx)
2nd Stage:

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

**Electronic Submission #395760 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Hobbs
Committed to AFMSS for processing by MUSTAFA HAQUE on 11/29/2017 (18MH0024SE)**

Name (Printed/Typed) MAYTE X REYES	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 11/21/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>MUSTAFA HAQUE</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>11/28/2017</u>
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 <u>Hobbs</u>

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.

(Instructions on page 2) **** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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Additional data for EC transaction #395760 that would not fit on the form

32. Additional remarks, continued

Lead: 700 sx (11 ppg : 2.81 cuft/sx)
Tail: 150 (14.8 ppg : 1.35 cuft/sx)

**PECOS DISTRICT
DRILLING OPERATIONS
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	COG Operating LLC
LEASE NO.:	NM101608
WELL NAME & NO.:	Montera Federal – 23H
SURFACE HOLE FOOTAGE:	190'/FSL & 1650'/FWL
BOTTOM HOLE FOOTAGE:	2440'/FSL & 1980'/FWL
LOCATION:	Sec. 10, T. 25 S, R. 35 E
COUNTY:	Lea County

Potash	<input checked="" type="radio"/> None	<input type="radio"/> Secretary	<input type="radio"/> R-111-P
Cave/Karst Potential	<input type="radio"/> Low	<input type="radio"/> Medium	<input checked="" type="radio"/> High
Variance	<input type="radio"/> None	<input checked="" type="radio"/> Flex Hose	<input type="radio"/> Other
Wellhead	<input checked="" type="radio"/> Conventional	<input type="radio"/> Multibowl	
Other	<input type="checkbox"/> 4 String Area	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP

All previous COAs still apply except for the following:

A. CASING

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.). The initial wellhead installed on the well will remain on the well with spools used as needed.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least **8 hours**. WOC time will be recorded in the driller's log. 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.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

1. The minimum required fill of cement behind the 7 5/8 inch intermediate casing is:

Option 1:

- Cement to surface. If cement does not circulate see B.1.a, c-d above.

Option 2:

Operator has proposed DV tool at depth of 5240', 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. If an ECP is used, it is to be set a minimum of 50' below the shoe to provide cement across the shoe. If it cannot be set below the shoe, a CBL shall be run to verify cement coverage.

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 to surface. If cement does not circulate to the surface:
 - a. The appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - c. If cement falls back, remedial cementing will be done prior to drilling out that string.

MHH 11282017