	OCD-HOBBS									
	UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT					FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018				
SUNDRY	NOTICES AND REPO	RTS ON WE	ILLS	23-OC	D Lease Serial No. NMNM24489					
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals					6. If Indian, Allottee or Tribe Name					
SUBMIT IN	TRIPLICATE - Other inst	tructions on	nage 2	EIVED	7. If Unit	or CA/Agreement, N	Name and/or No.			
 Type of Well ☑ Oil Well ☑ Gas Well ☑ Oth 		ame and No. CA FEDERAL 4 🚩								
2. Name of Operator COG OPERATING, LLC - Contact: ABIGAIL MONTGOMERY E-Mail: Abbym@bcmandassociates.com						ell No. 5-36352				
3a. Address 600 W. ILLINOIS MIDLAND, TX 79701		3b. Phone No Ph: 432-58	(include area code) 0-7161	2	10. Field and Pool or Exploratory Area TONTO;YATES-SEVEN RIVER					
4. Location of Well <i>(Footage, Sec., T</i>		x	11. County or Parish, State							
Sec 13 T19S R33E 1650FSL 32.657451 N Lat, 103.614585				LEA CO COUNTY, NM						
12. CHECK THE A	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE O	F NOTICE,	REPORT	, OR OTHER D	ATA			
TYPE OF SUBMISSION	TYPE OF ACTION									
☑ Notice of Intent	□ Acidize	Dee		Product			Pun			
Subsequent Report	Alter Casing		□ Hydraulic Fracturing		ation	D&A ND				
	Casing Repair	_	Construction	Recomp Tempor		P&A R				
 Final Abandonment Notice Change Plans Convert to Inject 					Disposa					
determined that the site is ready for f 1. Tag CIBP w/ 10 sx @ 3780 2. Set 5 1/2 " CIBP @ 3620'. 3620-3300'. 3. Spot 25 sx cmt @ 1600-15 4. Spot 25 sx cmt @ 100'-Sur 5. Cut off well head, verify cm SEE ATTACHE CONDITIONS OF A	Circulate hole w/ mud lad 00'. WOC & Tag Follo face. It to surface, weld on Dry DFOR	W COA Hole Marker.	procedur	et 55 sx cm	APPROVED SUBJECT TO LIKE APPROVAL BY STATE					
14. I hereby certify that the foregoing i	s true and correct	VV I	NESS							
14. Thereby certify that the foregoing f	Electronic Submission # For COG	OPERATING,	LC, sent to the	Hobbs						
For COG OPERATING, LLC, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 08/09/2017 () Name (Printed/Typed) ABIGAIL MONTGOMERY Title AGENT										
Signature (Electronic	Submission)	Date 07/24/2017								
A	THIS SPACE F	OR FEDER	L OR STATE	OFFICE U	ISE					
Approved By faul Acvant 01/30/18 Title TPET Date 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. Date BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE										
Title 18 U.S.C. Section 1001 and Title 4 States any false, fictitious or fraudulent					hake to any c	lepartment or agency	of the United			
(Instructions on page 2)	TOR-SUBMITTED ** (TOR-SUI	3MITTED **				
			CORD 0							
	5		02/06	17018		/				

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				Description	O.D.	Grade	Weight	Depth	Cmt Sx	тос	
Author: Well Name		Well No.		Surface Csg	8.625"	J-55	24	1,550	775	surf	
Field County	Tonto Lea	API #: Prop #:	30-025-36352 300142	Inter Csg	N/A	N/A	N/A	N/A	N/A	N/A	Originally drilled
State Spud Date	New Mexico 7/13/2004	Zone:	Seven Rivers 1650 FSL & 1980 FWL	Prod Csg	5.5"	J-55	15.5	4,000	770	surf	Three Rivers toc COG took over (
GL KB	3697' 12'		Sec 13 T19S R33E	Liner	N/A	N/A	N/A	N/A	N/A	N/A	
			2 414" bolo					For	mation T	ione	
1			12 1/4" hole 8-5/8" (24#) @ 1,550' w/ 775 sks, circ 121 sks TOC @ surf				Formation Tops Rustler 1556 Tansill 3139 Yates 3355 7 Rivers 3667				
2	7 7/8" hole 5-1/2" (15.5#) @ 4,000' w/ 770 sks, circ 84 sks TOC @ surf										
3		2	7/8" tbg, EOT @ 3,719' with	2-1/2" x 1-1/2"	x 16' RHE	BC pump					
	3670'-3747' (Seven Rivers) 2spf (31' net) - 5/3/2011 acidized with 2500 gal and frac'd with 69,668 lbs CIBP @ 3,780' w/ 10' cmt on top 3794'-3814' (Seven Rivers) 4spf - 7/30/2004 acidized with 2000 gal and frac'd with 79,000 lbs										
4		5									
	TD @ 4,000' PBTD @ 3,77	0'									
5	32.6570	1516	×								

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Conditions of Approval

COG Operating, LLC LA Rica - 04, API 3002536352 T19S-R33E, Sec 13, 1650FSL & 1980FEL January 30, 2018 FEB 0.6 2018 RECEIVL

- 1. Within 90 days of these conditions of approval for the processed Electronic Submission #382337 notice of intent begin wellbore operations or request an extension.
- 2. Operator is required to have the BLM approved NOI procedure with applicable conditions of approval on location during this workover operation.
- 3. Conditions of Approval reflect a procedure based on available documentation for this wellbore. The BLM workover witness and NOI approver may adjust operations so as not to hinder achievable abandonment requirements.
- 4. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15.
- 5. Subject to like approval by the New Mexico Oil Conservation Division.
- 6. <u>Notify 575-393-3612 Lea Co as work begins.</u> If there is no response leave a voice mail with the API#, workover purpose, and a call back phone number.
- 7. Surface disturbance beyond the existing pad must have prior approval.
- 8. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
- 9. Functional H_2S monitoring equipment shall be on location.
- 10. Blow Out Prevention Equipment 2000 (2M) to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels or automatic locking devices) equipment installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) employed when needed for reasonable well control requirements.
- 11. Created operation waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during any other crew-intensive operations.
- 12. The BLM PET is to run tbg tally and agree to cement volumes and placement. Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.
- 13. Cementing procedure is subject to the next four numbered paragraphs.
- 14. Mix cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft to the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 ½" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.

- 15. Below 7500ft Class "H" and above 7500ft Class "C" neat cement plugs(s) will be necessary. Isolation plugs of Class "C" neat cement to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and Class "H" neat cement to be mixed 16.4#/gal, 1.06ft³/sx, 4.3gal/sx water.
- 16. A minimum WOC time of 4 hours(C) & 8 hours(H) is recommended for plugs that require a tag or pressure test.
- 17. Minimum requirement for mud placed between plugs is 25 sacks of saltwater gel per 100 barrels in 9 lb/gal brine.
- 18. Pressure test the casing to 500psig after a CIBP is set just above the top perf 3670'.
- 19. Set a min 55sx balanced "C" cmt plug on the CIBP set above top perf 3670'. WOC, and tag the plug with tbg at 3140' or above covering the Seven Rivers and Yates formation tops and Base of Salt.
- 20. Perforate at 2120', open the 8 5/8" csg vent and establish circulation. Sqz a min 30sx "C" cmt plug across the Top of Salt. Close the tbg valve behind displacement volume and hold the slurry in place. WOC, and tag the plug with tbg at 2000' or above.
- 21. Perforate at 1610', open the 8 5/8" csg vent and establish circulation. Sqz a min 30sx "C" cmt plug across the 8 5/8" shoe. Close the tbg valve behind displacement volume and hold the slurry in place. WOC, and tag the plug with tbg at 1490' or above.
- 22. Perf at 60' or below. Establish circulation through the 5 1/2" x 8 5/8" annulus. Fill with (±20sx) balanced "C" cmt plug and verify the 5 1/2" x 8 5/8" annulus and 8 5/8" csg from 60' cemented to surface.
- 23. File **subsequent sundry** Form 3160-**5** within 30 days of workover procedures. Include (dated daily) descriptions of the well work, i.e. procedure descriptions and setting depths of each plug in the subsequent sundry.

Lesser Prairie Chicken Habitat Area Dry Hole Markers

Stamp or engrave (3/8" letters) information for the plugged well on 8"x 8" aluminum plate of 1/8", 12 gauge, or .080 sign material similar to this example:

Ajax Operating Company Tailspin – 22 1980FNL & 660FWL - Sec 16 - T22S-R31E Lease LC029567 API 3001534567 Plugged July 17, 2017

- 1. Center a 3 to 4 foot pipe at a right angles on a 8"x8"x 1/8" or 3/16" steel plate and weld the pipe to the plate.
- 2. Cement the pipe vertically inside the abandoned surface casing. Leave the steel plate about 2" above and horizontal to ground level.
- 3. Fix the well information plate to the steel plate with ¼ inch bolts and locking nuts or self-tapping fine threaded screws (one in each corner).
- 4. On the BLM Form 3160-5 subsequent report of abandonment state that a ground level dry hole marker installed as required by BLM and NMOCD Order No. R-12965.

Reclamation Objectives and Procedures

In Reply Refer To: 1310

Reclamation Objective: 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 pre-disturbance 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, re-distribute the native soils, provide erosion control as needed, rip and seed as needed. This will apply to well pads, facilities, and access roads. Barricade all access road(s) at the starting point. If reserve pits have not been adequately reclaimed due to salts or other contaminants, propose a plan for BLM approval to provide restoration of the pit area.

- 1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations should have included 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 locations and/or access roads not having an approved plan, or an inadequate plan for surface reclamation the operator must submit a proposal describing the procedures for reclamation. The appropriate time for submittal would be when filing the Notice of Intent, or with the Subsequent Sundry Report of Abandonment on Form 3160-5. The final reclamation goal is to be completed within 6 months of wellbore abandonment.
- 3. With 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 may 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.
- 4. Upon reclamation conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a BLM specialist to inspect the location to verify work was completed as per approved plans.
- 5. The BLM approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been tentatively reestablished. If the objectives have not been met BLM will be notify the operator of the required corrective actions.
- 6. It is the responsibility of the operator to monitor these locations and/or access roads until such time the full 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 full 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 a BLM specialist will again 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 for 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 Environmental Protection Specialist 575-234-5909, 575-361-2648 (Cell)

Trishia Bad Bear Natural Resource Specialist 575-393-3612, 575-390-2258 (Cell)

Jesse Bassett Natural Resource Specialist 575-234-5913, 575-499-5114 (Cell)

Paul Murphy Natural Resource Specialist 757-234-5975, 575-885-9264 (Cell)

Henryetta Price Environmental Protection Specialist 575-234-5951, 575-706-2780 (Cell) Robertson, Jeffery Natural Resource Specialist 575-234-2230, 575-706-1920 (Cell)

Vance Wolf Natural Resource Specialist 575-234-5979

Brooke Wilson Natural Resource Specialist 575-234-6237

Arthur Arias Environmental Protection Specialist 575-234-6230, 575-499-3378 (Cell)

Shelly Tucker Environmental Protection Specialist 575-234-5905, 575-361-0084 (Cell)