

OCD Hobbs HOBBS OCD

JUN 08 2018

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

| | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------|-----------------|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 6. If Indian, Allottee or Tribe Name | |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 7. If Unit or CA Agreement, Name and No. | |
| 2. Name of Operator COG PRODUCTION LLC (217955) | | 8. Lease Name and Well No. (714193) EIDER FEDERAL 401H | |
| 3a. Address 2208 West Main Street Artesia NM 88210 | | 9. API Well No. 30-025-44892 | |
| 3b. Phone No. (include area code) (575)748-6940 | | 10. Field and Pool, or Exploratory (98085) WILDCAT / BONE SPRING Lower | |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SESE / 620 FSL / 345 FEL / LAT 32.168551 / LONG -103.638036 At proposed prod. zone NESE / 2410 FSL / 330 FEL / LAT 32.187992 / LONG -103.637955 | | 11. Sec., T. R. M. or Blk. and Survey or Area SEC 35 / T24S / R32E / NMP | |
| 14. Distance in miles and direction from nearest town or post office* 22 miles | | 12. County or Parish LEA | 13. State NM |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 315 feet | 16. No. of acres in lease 1840 | 17. Spacing Unit dedicated to this well 240 | |
| 18. Distance from proposed location* to nearest well, drilling, completed, 431 feet applied for, on this lease, ft. | 19. Proposed Depth 10877 feet / 18340 feet | 20. BLM/BIA Bond No. on file FED: NMB000860 | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3551 feet | 22. Approximate date work will start* 02/01/2017 | 23. Estimated duration 30 days | |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

| | | |
|----------------------------------------------------|---------------------------------------------------------|--------------------|
| 25. Signature (Electronic Submission) | Name (Printed/Typed) Mayte Reyes / Ph: (575)748-6945 | Date 10/17/2017 |
| Title Regulatory Analyst | | |
| Approved by (Signature) (Electronic Submission) | Name (Printed/Typed) Cody Layton / Ph: (575)234-5959 | Date 05/22/2018 |
| Title Supervisor Multiple Resources | | |

Application approval 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.
Conditions of approval, if any, are attached.

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.

(Continued on page 2)

*(Instructions on page 2)

Rec OCP 06/08/18

APPROVED WITH CONDITIONS
Approval Date: 05/22/2018

KZ
06/12/18

Double sided

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN-HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

1. SHL: SESE / 620 FSL / 345 FEL / TWSP: 24S / RANGE: 32E / SECTION: 35 / LAT: 32.168551 / LONG: -103.638036 (TVD: 0 feet, MD: 0 feet)
PPP: SESE / 620 FSL / 345 FEL / TWSP: 24S / RANGE: 32E / SECTION: 35 / LAT: 32.167754 / LONG: -103.637989 (TVD: 4400 feet, MD: 4400 feet)
BHL: NESE / 2410 FSL / 330 FEL / TWSP: 24S / RANGE: 32E / SECTION: 26 / LAT: 32.187992 / LONG: -103.637955 (TVD: 10877 feet, MD: 18340 feet)

BLM Point of Contact

Name: Sipra Dahal

Title: Legal Instruments Examiner

Phone: 5752345983

Email: sdahal@blm.gov

CONFIDENTIAL

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

CONFIDENTIAL



APD ID: 10400023483

Submission Date: 10/17/2017

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Well Type: OIL WELL

Well Work Type: Drill



[Show Final Text](#)

Section 1 - General

APD ID: 10400023483

Tie to previous NOS?

Submission Date: 10/17/2017

BLM Office: CARLSBAD

User: Mayte Reyes

Title: Regulatory Analyst

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM120907

Lease Acres: 1840

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO

APD Operator: COG PRODUCTION LLC

Operator letter of designation:

Operator Info

Operator Organization Name: COG PRODUCTION LLC

Operator Address: 2208 West Main Street

Zip: 88210

Operator PO Box:

Operator City: Artesia

State: NM

Operator Phone: (575)748-6940

Operator Internet Address: mreyes1@concho.com

Section 2 - Well Information

Well in Master Development Plan? NO

Mater Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: EIDER FEDERAL

Well Number: 401H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: WILDCAT

Pool Name: BONE SPRING

Is the proposed well in an area containing other mineral resources? USEABLE WATER

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

| | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | TVD |
|-------------------|----------|--------------|---------|--------------|------|-------|---------|-------------------|---------------|---------------------|--------|-------------------|-------------------|------------|----------------|---------------|-----------|-----------|
| EXIT Leg #1 | 231 0 | FSL | 330 | FEL | 24S | 32E | 26 | Aliquot NESE | 32.18771 7 | - 103.6379 56 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 120907 | - 732 6 | 182 40 | 108 77 |
| BHL Leg #1 | 241 0 | FSL | 330 | FEL | 24S | 32E | 26 | Aliquot NESE | 32.18799 2 | - 103.6379 55 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 120907 | - 732 6 | 183 40 | 108 77 |



APD ID: 10400023483

Submission Date: 10/17/2017

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Well Type: OIL WELL

Well Work Type: Drill



[Show Final Text](#)

Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies | Mineral Resources | Producing Formation |
|--------------|--------------------|-----------|---------------------|----------------|-------------|-------------------|---------------------|
| 1 | QUATERNARY | 3552 | 0 | 0 | | NONE | No |
| 2 | RUSTLER | 2537 | 1015 | 1015 | | NONE | No |
| 3 | TOP SALT | 2204 | 1348 | 1348 | | NONE | No |
| 4 | BASE OF SALT | -1130 | 4682 | 4682 | | NONE | No |
| 5 | LAMAR | -1358 | 4910 | 4910 | | NONE | No |
| 6 | BELL CANYON | -1404 | 4956 | 4956 | | NONE | No |
| 7 | CHERRY CANYON | -2313 | 5865 | 5865 | | NATURAL GAS,OIL | No |
| 8 | BRUSHY CANYON | -3693 | 7245 | 7245 | SCHIST | NATURAL GAS,OIL | No |
| 9 | BONE SPRING LIME | -5335 | 8887 | 8887 | | NATURAL GAS,OIL | No |
| 10 | UPPER AVALON SHALE | -5680 | 9232 | 9232 | | NATURAL GAS,OIL | No |
| 11 | --- | -5860 | 9412 | 9412 | | NATURAL GAS,OIL | No |
| 12 | BONE SPRING 1ST | -6435 | 9987 | 9987 | | NATURAL GAS,OIL | No |
| 13 | BONE SPRING 2ND | -6955 | 10507 | 10507 | | NATURAL GAS,OIL | Yes |
| 14 | BONE SPRING 3RD | -8257 | 11809 | 11809 | | NATURAL GAS,OIL | No |

Section 2 - Blowout Prevention

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Pressure Rating (PSI): 2M

Rating Depth: 4935

Equipment: Annular. The BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Choke Diagram Attachment:

COG_Eider_401H_2M_Choke_20171017145537.pdf

BOP Diagram Attachment:

COG_Eider_401H_2M_BOP_20171017145523.pdf

COG_Eider_401H_Flex_Hose_20171017145530.pdf

Pressure Rating (PSI): 3M

Rating Depth: 10877

Equipment: Annular, Blind Ram, Pipe Ram. The BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold.

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Choke Diagram Attachment:

COG_Eider_401H_3M_Choke_20171017145559.pdf

BOP Diagram Attachment:

COG_Eider_401H_3M_BOP_20171017145610.pdf

COG_Eider_401H_Flex_Hose_20171017145622.pdf

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Section 3 - Casing

| Casing ID | String Type | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade | Weight | Joint Type | Collapse SF | Burst SF | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|--------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|-------|--------|------------|-------------|----------|---------------|----------|--------------|---------|
| 1 | SURFACE | 17.5 | 13.375 | NEW | API | N | 0 | 1040 | 0 | 1040 | | | 1040 | J-55 | 54.5 | STC | 2.37 | 1.25 | DRY | 9.07 | DRY | 9.07 |
| 2 | INTERMEDIATE | 12.25 | 9.625 | NEW | API | Y | 0 | 4935 | 0 | 4935 | | | 4935 | L-80 | 40 | LTC | 1.19 | 1.38 | DRY | 5.73 | DRY | 5.73 |
| 3 | PRODUCTION | 8.75 | 5.5 | NEW | API | N | 0 | 18340 | 0 | 18340 | | | 18340 | P-110 | 17 | LTC | 1.42 | 2.55 | DRY | 2.41 | DRY | 2.41 |

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Eider_401H_Casing_Prog_20171017152717.pdf

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Casing Attachments

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

COG_Eider_401H_Casing_Prog_20171017152738.pdf

Casing Design Assumptions and Worksheet(s):

COG_Eider_401H_Casing_Prog_20171017152805.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Eider_401H_Casing_Prog_20171017152847.pdf

Section 4 - Cement

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|------------------------|-------------------|
| SURFACE | Lead | | 0 | 1040 | 430 | 1.75 | 13.5 | 752 | 50 | Class C | 4% Gel + 1% CaCl2 |
| SURFACE | Tail | | | 1040 | 250 | 1.34 | 14.8 | 335 | 50 | Class C | 2% CaCl2 |
| INTERMEDIATE | Lead | | 1040 | 4935 | 940 | 2 | 12.7 | 1880 | 50 | Lead: 35:65:6 C Blend | As needed. |
| INTERMEDIATE | Tail | | | 4935 | 250 | 1.34 | 14.8 | 335 | 50 | Tail: Class C | 2% CaCl2 |
| PRODUCTION | Lead | | 4935 | 1834 0 | 830 | 2.5 | 11.9 | 2075 | 25 | Lead: 50:50:10 H Blend | As needed. |

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|-------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|--------------------------------|------------|
| PRODUCTION | Tail | | | 1834 0 | 2030 | 1.24 | 14.4 | 2517 | 25 | Tail: 50:50:2 Class H Blend | As needed. |

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirement will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring.

Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|----------------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 1040 | 4935 | OTHER : Saturated Brine | 10 | 10.1 | | | | | | | Saturated Brine |
| 4935 | 1834 0 | OTHER : Cut Brine | 8.6 | 9.3 | | | | | | | Cut Brine |
| 0 | 1040 | OTHER : FW Gel | 8.6 | 8.8 | | | | | | | FW Gel |

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

None planned.

List of open and cased hole logs run in the well:

OTH

Other log type(s):

CNL/GR

Coring operation description for the well:

None planned.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5265

Anticipated Surface Pressure: 3218.34

Anticipated Bottom Hole Temperature(F): 165

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geohazards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

COG_Eider_401H_H2S_Plan_20171017144907.pdf

COG_Eider_401H_H2S_Schematic_20171017144913.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

COG_Eider_401H_AC_Report_20171017144927.pdf

COG_Eider_401H_Direct_Plan_20171017144935.pdf

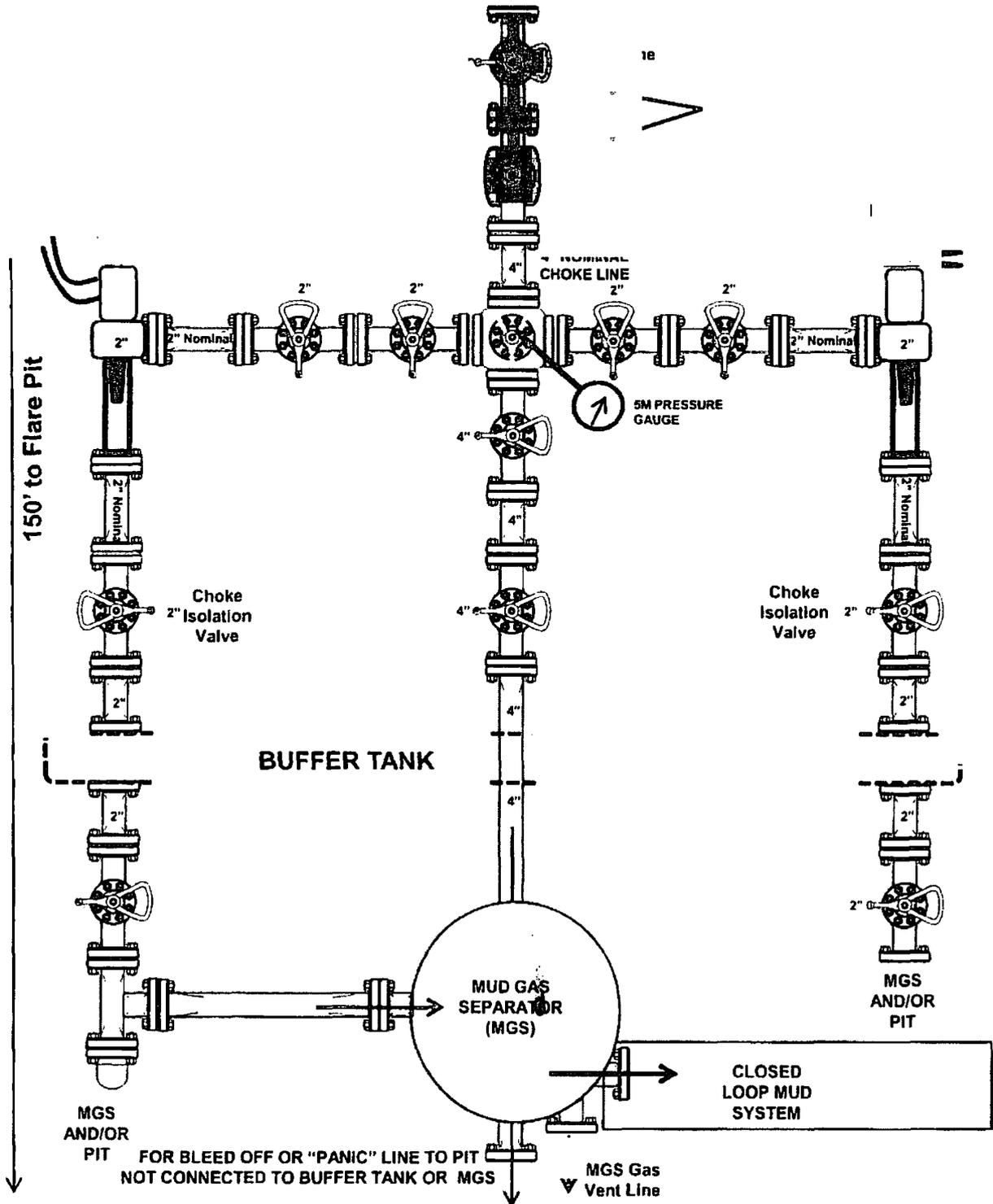
Other proposed operations facets description:

Other proposed operations facets attachment:

COG_Eider_401H_Drill_Prog_20171017144944.pdf

Other Variance attachment:

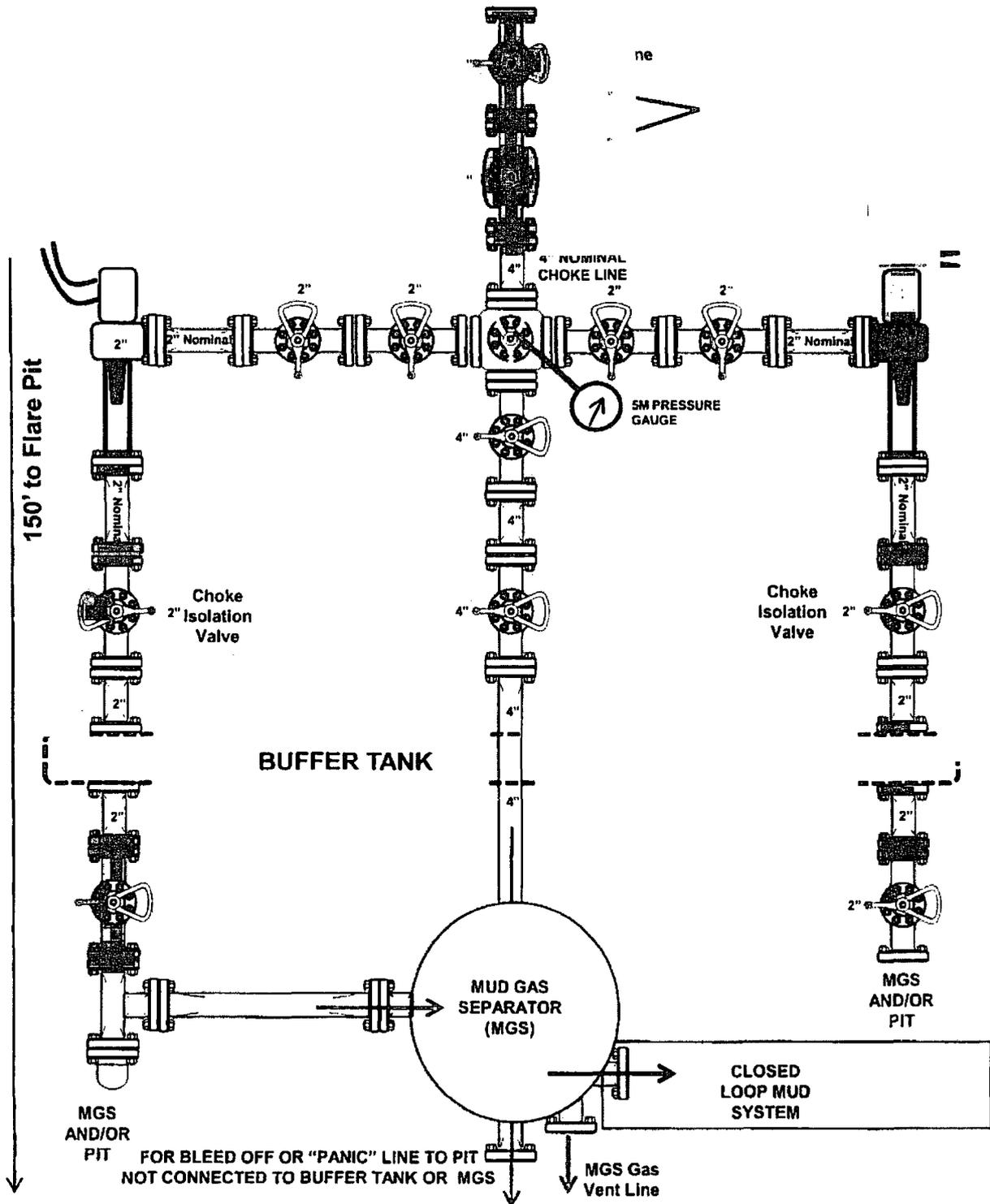
CLOSED LOOP)



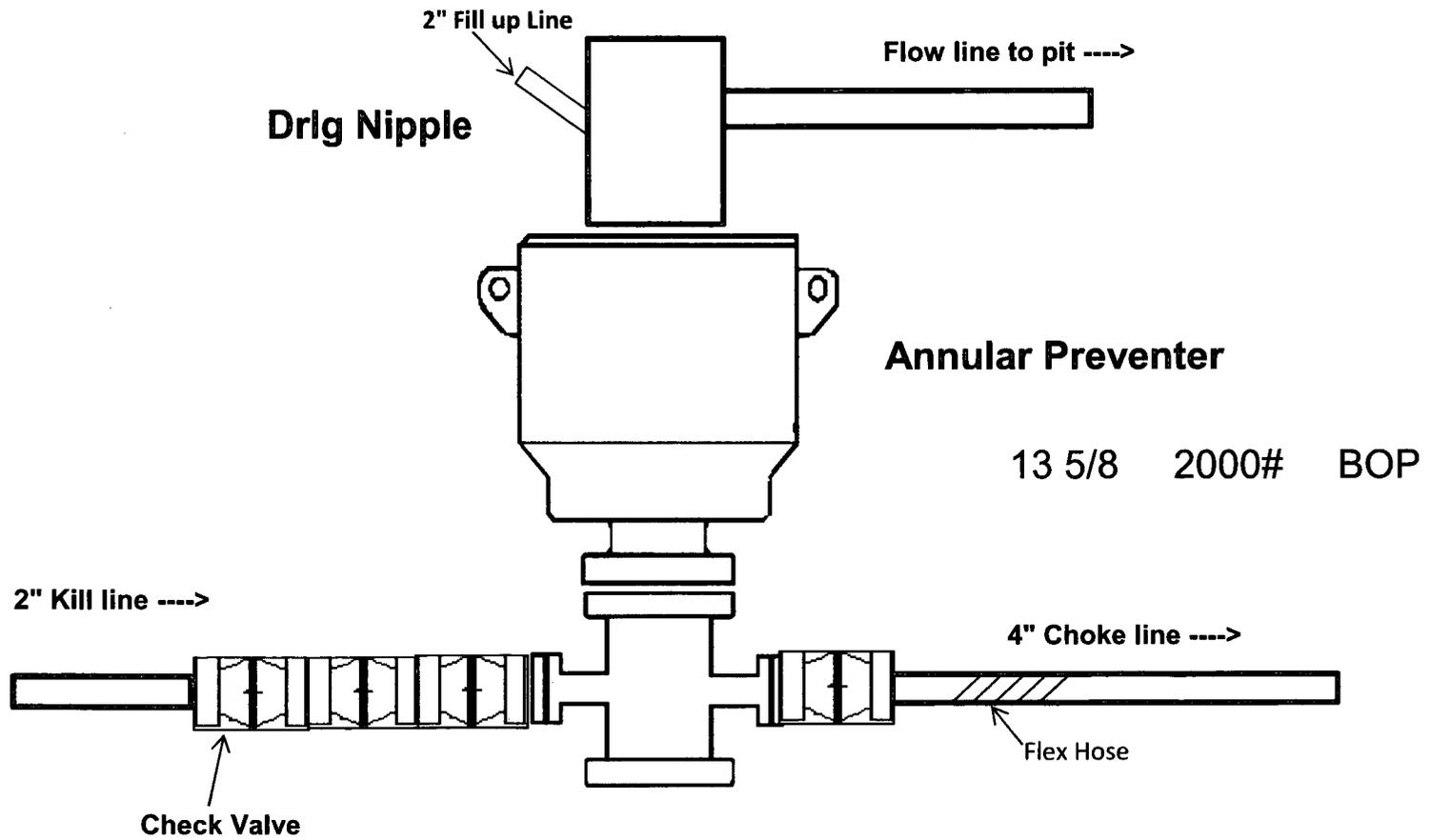
M.

W.

CLOSED LOOP)



2,000 psi BOP Schematic





TECHNIP Umbilicals Inc.
COFLEXIP® Products and
Solutions

Quality Control Department

Control Report Dated 6/27/2017

**COFLEXIP® Products and Solutions
FLEXIBLE PIPE TEST CERTIFICATE**

Customer OFS CANADA INC

Line Number L16883

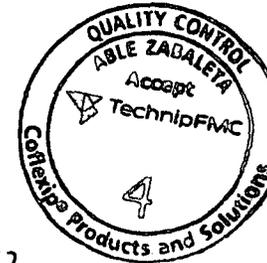
Line Serial Number L16883-201

Part Number 076 60414 05 05

Application 3" X 30' 10K CHOKE / KILL LINE

COFLEXIP® Products Division certifies that the results of the test and controls performed on the above mentioned flexible pipe is as follows:

| | | |
|---------------------------------------|-------|--------|
| Internal Diameter | 3 | inches |
| Length | 30.46 | feet |
| Working Pressure | 10000 | psi |
| Test Pressure | 15000 | psi |
| As per attached recorder chart | 4 | hours |
| Test Duration | | |



[Signature] 6-28-17
TU-INC. QUALITY CONTROL

THIRD PARTY INSPECTION FIRM OR CUSTOMER REPRESENTATIVE

Test Configuration 12 Zone

Production Information Input

| | |
|-------------------------------|--------------------|
| Customer ID OFS CANADA INC | |
| Line S/N L16883-201 | Technician JUAN |

QC Information Input

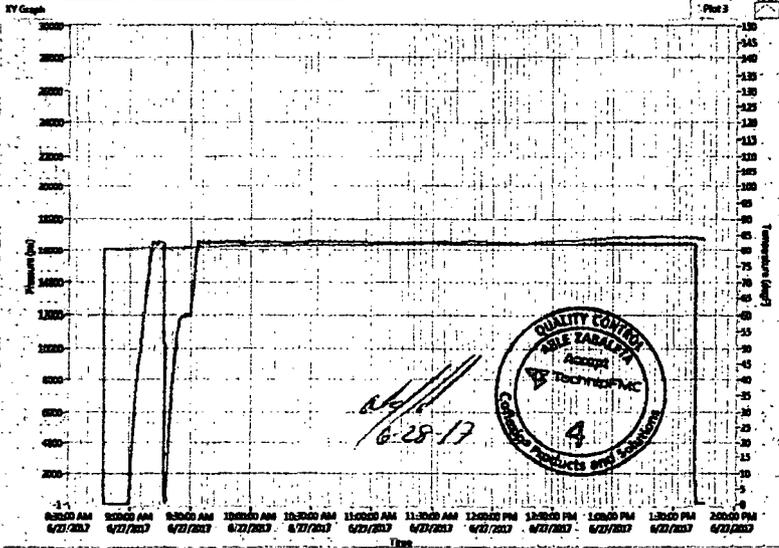
| | |
|----------------------|-----------------------------|
| QC Insp ABEL | Third Party BV |
| Witness? Yes | Test Procedure SIC 01 60 |
| Special Instructions | |

Station 05

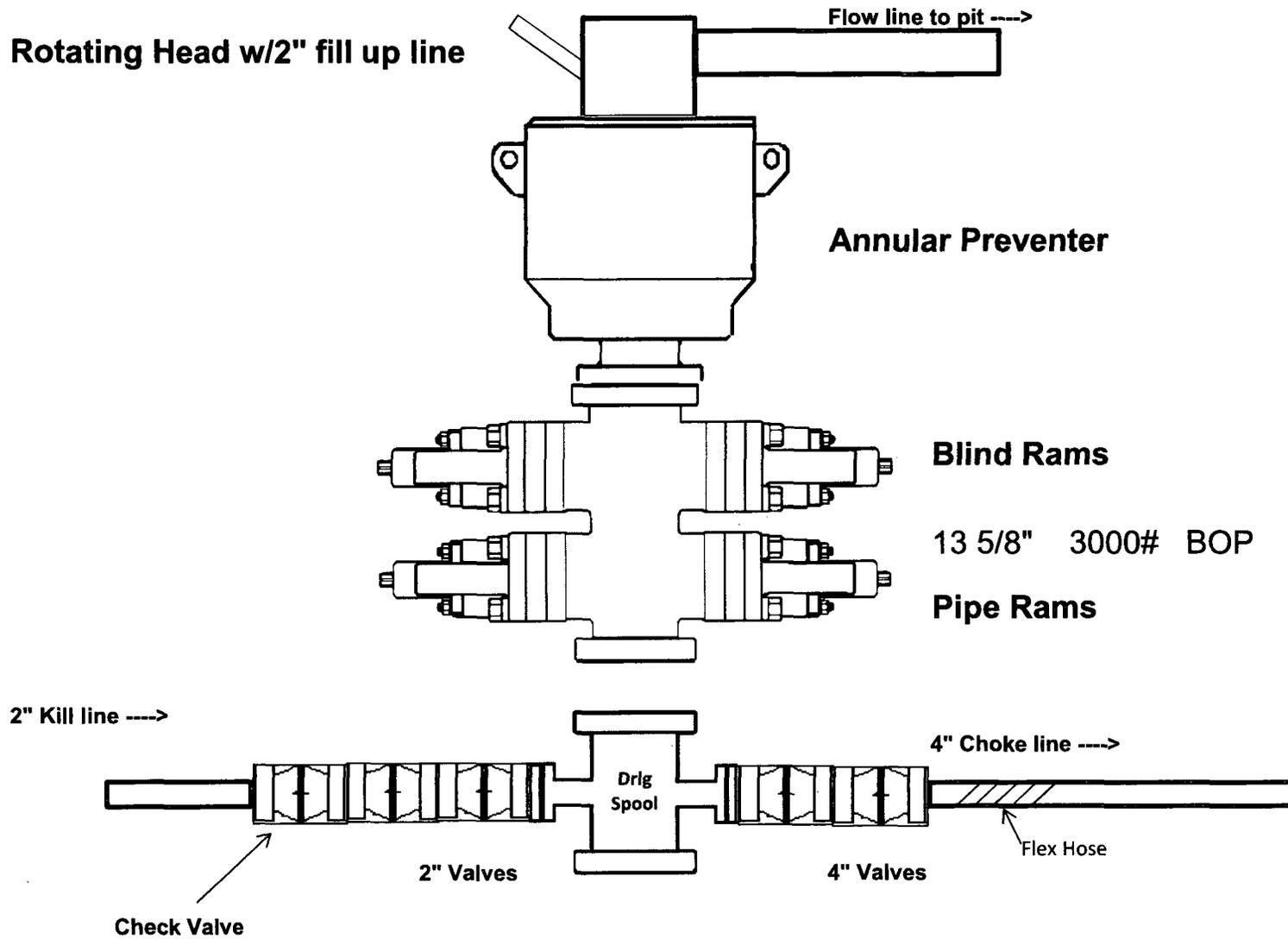
| | |
|-------------------------------------|-----------------------------|
| Station Information | |
| Pressure Transducer S/N 1178524 | Temperature S/N T13A |
| Stable Press 14000 | Test Press 15000 |
| Calib. Due 10/18/2017 8:48:42 AM | Pressure Range 0 - 20000 |

| | |
|------------------------|----------------------------|
| Calibration | |
| Raw Maximum 0.00000 | Eng Maximum 0.00000 |
| Raw Maximum 0.00000 | Eng Maximum 30000.00000 |

| | |
|------------|--------------------------|
| Pressure 3 | <input type="checkbox"/> |
| Temp 3 | <input type="checkbox"/> |
| Plot 3 | <input type="checkbox"/> |



3,000 psi BOP Schematic





TECHNIP Umbilicals Inc.
COFLEXIP® Products and
Solutions

Quality Control Department

Control Report Dated 6/27/2017

COFLEXIP® Products and Solutions
FLEXIBLE PIPE TEST CERTIFICATE

Customer OFS CANADA INC

Line Number L16883

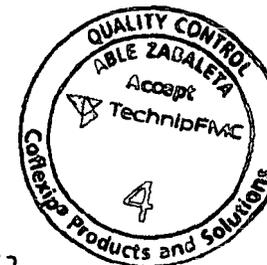
Line Serial Number L16883-201

Part Number 078 60414 05 05

Application 3" X 30' 10K CHOKE / KILL LINE

COFLEXIP® Products Division certifies that the results of the test and controls performed on the above mentioned flexible pipe is as follows:

| | | |
|--------------------------------|-------|--------|
| Internal Diameter | 3 | inches |
| Length | 30.46 | feet |
| Working Pressure | 10000 | psi |
| Test Pressure | 15000 | psi |
| As per attached recorder chart | 4 | hours |
| Test Duration | | |



THIRD PARTY INSPECTION FIRM OR CUSTOMER REPRESENTATIVE

able zagaleta 6-28-17
TU-INC. QUALITY CONTROL

Test Configuration 12 Zone

Production Information Input

Customer ID
05 CANADA DK
 Line S/N
U1983 201

Technician
JUAN

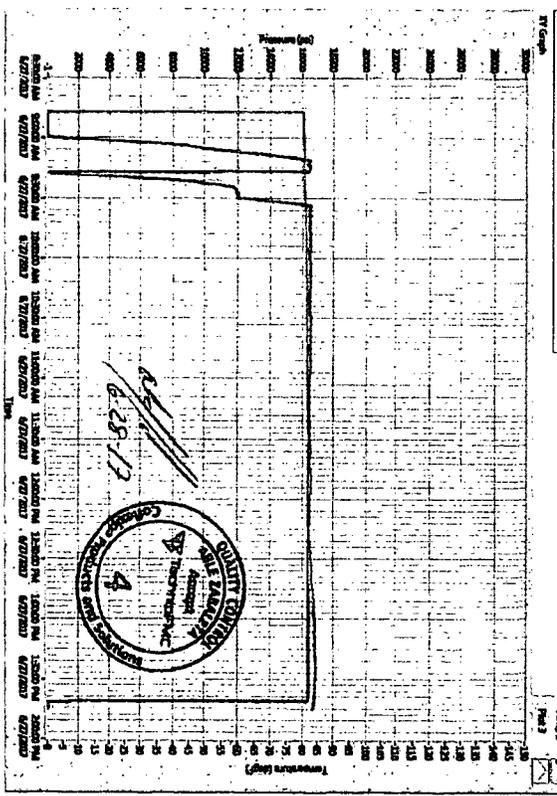
QC Information Input

QC Insp
ABEL
 Witness? Yes No
 Special Instructions
 Third Party
 BY
 Test Procedure
SC 01 00

Station 05

Station Information
 Pressure Transducer S/N
1136284
 Scale Pans
16200
 Cals. Due
12/01/2017 08:02 AM
 Temperature S/N
T13A
 Test Pans
15800
 Pressure Range
0 - 20000

Calibration
 New Maximum
0.00000
 New Minimum
14.00000
 Log Maximum
0.00000
 Log Minimum
2000.00000



Page 3
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 Page 1

Casing Program

| Hole Size | Casing | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|---------------------------|--------|--------|-----------|--------------|-------|-------|-------------|----------|--------------------|
| | From | To | | | | | | | |
| 17.5" | 0 | 1040 | 13.375" | 54.5 | J55 | STC | 2.37 | 1.25 | 9.07 |
| 12.25" | 0 | 4000 | 9.625" | 40 | J55 | LTC | 1.22 | 0.95 | 3.25 |
| 12.25" | 4000 | 4935 | 9.625" | 40 | L80 | LTC | 1.19 | 1.38 | 5.73 |
| 8.75" | 0 | 18,340 | 5.5" | 17 | P110 | LTC | 1.42 | 2.55 | 2.41 |
| BLM Minimum Safety Factor | | | | | | | 1.125 | 1 | 1.6 Dry 1.8 Wet |

Intermediate casing will be kept at least 1/3 full while running casing to mitigate collapse. Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface.
 All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Casing Program

| Hole Size | Casing | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|---------------------------|--------|--------|-----------|--------------|-------|-------|-------------|----------|--------------------|
| | From | To | | | | | | | |
| 17.5" | 0 | 1040 | 13.375" | 54.5 | J55 | STC | 2.37 | 1.25 | 9.07 |
| 12.25" | 0 | 4000 | 9.625" | 40 | J55 | LTC | 1.22 | 0.95 | 3.25 |
| 12.25" | 4000 | 4935 | 9.625" | 40 | L80 | LTC | 1.19 | 1.38 | 5.73 |
| 8.75" | 0 | 18,340 | 5.5" | 17 | P110 | LTC | 1.42 | 2.55 | 2.41 |
| BLM Minimum Safety Factor | | | | | | | 1.125 | 1 | 1.6 Dry 1.8 Wet |

Intermediate casing will be kept at least 1/3 full while running casing to mitigate collapse. Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface.
 All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Casing Program

| Hole Size | Casing | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|---------------------------|--------|--------|-----------|--------------|-------|-------|-------------|----------|--------------------|
| | From | To | | | | | | | |
| 17.5" | 0 | 1040 | 13.375" | 54.5 | J55 | STC | 2.37 | 1.25 | 9.07 |
| 12.25" | 0 | 4000 | 9.625" | 40 | J55 | LTC | 1.22 | 0.95 | 3.25 |
| 12.25" | 4000 | 4935 | 9.625" | 40 | L80 | LTC | 1.19 | 1.38 | 5.73 |
| 8.75" | 0 | 18,340 | 5.5" | 17 | P110 | LTC | 1.42 | 2.55 | 2.41 |
| BLM Minimum Safety Factor | | | | | | | 1.125 | 1 | 1.6 Dry 1.8 Wet |

Intermediate casing will be kept at least 1/3 full while running casing to mitigate collapse. Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface.
 All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

COG Operating, LLC - Eider Federal #401H

| | Y or N |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1 | Y |
| Does casing meet API specifications? If no, attach casing specification sheet. | Y |
| Is premium or uncommon casing planned? If yes attach casing specification sheet. | N |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | Y |
| Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing? | Y |
| Is well located within Capitan Reef? If yes, does production casing cement tie back a minimum of 50' above the Reef? Is well within the designated 4 string boundary? | N |
| Is well located in SOPA but not in R-111-P? If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing? | N |
| Is well located in R-111-P and SOPA? If yes, are the first three strings cemented to surface? Is 2 nd string set 100' to 600' below the base of salt? | N |
| Is well located in high Cave/Karst? If yes, are there two strings cemented to surface? (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs? | N |
| Is well located in critical Cave/Karst? If yes, are there three strings cemented to surface? | N |

COG Operating, LLC - Eider Federal #401H

3. Cementing Program

| Casing | # Sks | Wt. lb/ gal | Yld ft³/ sack | H₂O gal/sk | 500# Comp. Strength (hours) | Slurry Description |
|---------------|--------------|------------------------|-------------------------------------|------------------------------|--------------------------------------------|-----------------------------------------------|
| Surf. | 430 | 13.5 | 1.75 | 9 | 12 | Lead: Class C + 4% Gel + 1% CaCl ₂ |
| | 250 | 14.8 | 1.34 | 6.34 | 8 | Tail: Class C + 2% CaCl ₂ |
| Inter. | 940 | 12.7 | 2.0 | 9.6 | 16 | Lead: 35:65:6 C Blend |
| | 250 | 14.8 | 1.34 | 6.34 | 8 | Tail: Class C + 2% CaCl |
| 5.5 Prod | 830 | 11.9 | 2.5 | 19 | 72 | Lead: 50:50:10 H Blend |
| | 2030 | 14.4 | 1.24 | 5.7 | 19 | Tail: 50:50:2 Class H Blend |

Volumes Subject to Observed Hole Conditions and/or Fluid Caliper Results

Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

| Casing String | TOC | % Excess |
|------------------------------|------------|-----------------------------------------------------|
| Surface | 0' | 50% |
| 1 st Intermediate | 0' | 50% |
| Production | 3,500' | 25% OH in Lateral (KOP to EOL) – 40% OH in Vertical |

COG Operating, LLC - Eider Federal #401H

4. Pressure Control Equipment

| | |
|---|------------------------------------------------------------------------------------------------------|
| N | A variance is requested for the use of a diverter on the surface casing. See attached for schematic. |
|---|------------------------------------------------------------------------------------------------------|

| BOP installed and tested before drilling which hole? | Size? | Min. Required WP | Type | x | Tested to: |
|------------------------------------------------------|---------|------------------|------------|---|----------------------|
| 12-1/4" | 13-5/8" | 2M | Annular | x | 2000 psi |
| | | | Blind Ram | | 2M |
| | | | Pipe Ram | | |
| | | | Double Ram | | |
| | | | Other* | | |
| 8-3/4" | 13-5/8" | 3M | Annular | x | 50% testing pressure |
| | | | Blind Ram | x | 3M |
| | | | Pipe Ram | x | |
| | | | Double Ram | | |
| | | | Other* | | |

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

| | |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| X | Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i. |
| Y | A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart. |
| N | Are anchors required by manufacturer? |
| N | A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. |

COG Operating, LLC - Eider Federal #401H

5. Mud Program

| Depth | | Type | Weight (ppg) | Viscosity | Water Loss |
|-----------------|-----------------|-----------------|--------------|-----------|------------|
| From | To | | | | |
| 0 | Surf. Shoe | FW Gel | 8.6 - 8.8 | 28-34 | N/C |
| Surf csg | 9-5/8" Int shoe | Saturated Brine | 10 - 10.1 | 28-34 | N/C |
| 9-5/8" Int shoe | Lateral TD | Cut Brine | 8.6 - 9.3 | 28-34 | N/C |

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

| | |
|---------------------------------------------------------|-----------------------------|
| What will be used to monitor the loss or gain of fluid? | PVT/Pason/Visual Monitoring |
|---------------------------------------------------------|-----------------------------|

6. Logging and Testing Procedures

| Logging, Coring and Testing. | |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Y | Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM. |
| Y | No Logs are planned based on well control or offset log information. |
| N | Drill stem test? If yes, explain. |
| N | Coring? If yes, explain. |

| Additional logs planned | Interval |
|-------------------------|------------------------------------------------------------|
| N Resistivity | Pilot Hole TD to ICP |
| N Density | Pilot Hole TD to ICP |
| Y CBL | Production casing (If cement not circulated to surface) |
| Y Mud log | Intermediate shoe to TD |
| N PEX | |

COG Operating, LLC - Eider Federal #401H

7. Drilling Conditions

| Condition | Specify what type and where? |
|----------------------------|------------------------------|
| BH Pressure at deepest TVD | 5265 psi at 10877' TVD |
| Abnormal Temperature | NO 165 Deg. F. |

No abnormal pressure or temperature conditions are anticipated. Sufficient mud materials to maintain mud properties and weight increase requirements will be kept on location at all times.

Sufficient supplies of Paper/LCM for periodic sweeps to control seepage and losses will be maintained on location.

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM. | |
| N | H2S is present |
| Y | H2S Plan attached |

8. Other Facets of Operation

| | |
|---|----------------------------|
| Y | Is it a walking operation? |
| N | Is casing pre-set? |

| | |
|---|-------------------------|
| x | H2S Plan. |
| x | BOP & Choke Schematics. |
| x | Directional Plan |



APD ID: 10400023483

Submission Date: 10/17/2017

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Well Type: OIL WELL

Well Work Type: Drill



Show Final Text

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

COG_Eider_401H_Existing_Road_20171017144213.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT

Row(s) Exist? YES

ROW ID(s)

ID: NM132549

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

COG_Eider_401H_Maps_Plats_20171017144231.pdf

New road type: RESOURCE

Length: 723.2 Feet

Width (ft.): 30

Max slope (%): 33

Max grade (%): 1

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: Water will be diverted where necessary to avoid ponding, prevent erosion, maintain food drainage, and to be consistent with local drainage patterns.

New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Blading

Access other construction information: No turnouts are planned. Re-routing access road around proposed well location.

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: CULVERT,OTHER

Drainage Control comments: None necessary.

Road Drainage Control Structures (DCS) description: None needed.

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

COG_Eider_401H_1_Mile_Data_20171017144157.pdf

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: Production will be sent to the proposed Eider CTB 2, A surface flow line of approximately 131.8' of 3" steel pipe carrying oil, gas and water under a maximum pressure of 125 psi will follow the road to the facility at the Eider CTB 2 location. We plan to install a 4" surface polyethylene pipe transporting Gas Lift Gas from the Eider CTB 2 to the Eider Federal 401H. The surface Gas Lift Gas pipe of approximately 131.8' under a maximum pressure of 125 psi will be installed no farther than 10 feet from the edge of the road.

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: ICE PAD CONSTRUCTION & MAINTENANCE, STIMULATION, SURFACE CASING
Describe type: Fresh Water

Water source type: OTHER

Source latitude:

Source longitude:

Source datum:

Water source permit type: PRIVATE CONTRACT,PRIVATE CONTRACT

Source land ownership: PRIVATE

Water source transport method: PIPELINE,PIPELINE

Source transportation land ownership: PRIVATE

Water source volume (barrels): 337500

Source volume (acre-feet): 43.50142

Source volume (gal): 14175000

Water source use type: INTERMEDIATE/PRODUCTION CASING

Water source type: OTHER

Describe type: Brine Water

Source latitude:

Source longitude:

Source datum:

Water source permit type: PRIVATE CONTRACT,PRIVATE CONTRACT

Source land ownership: COMMERCIAL

Water source transport method: TRUCKING,TRUCKING

Source transportation land ownership: COMMERCIAL

Water source volume (barrels): 22500

Source volume (acre-feet): 2.9000947

Source volume (gal): 945000

Water source and transportation map:

COG_Eider_401H_Brine_H2O_20171017144301.pdf

COG_Eider_401H_Fresh_H2O_20171017144311.pdf

Water source comments: The fresh water will be obtained from Mark McCloy water well located in Section 33, T24S, R33E, or from Rock House Ranch (575) 885-4195, Brine water will be purchased from Mesquite Services (575) 887-4847. No water well will be drilled on the location.

New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Caliche will be obtained from the actual well site. If caliche does not exist or is not plentiful from the well site, the caliche will be hauled from Mack Chase caliche pit located in Section 20, T24S, R33E. (575) 748-1288.

Construction Materials source location attachment:

Section 7 - Methods for Handling Waste

Waste type: SEWAGE

Waste content description: Human waste and gray water.

Amount of waste: 1000 gallons

Waste disposal frequency : One Time Only

Safe containment description: Waste will be properly contained and disposed of properly at a state approved disposal facility.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** PRIVATE

Disposal type description:

Disposal location description: Trucked to an approved disposal facility.

Waste type: DRILLING

Waste content description: Drilling fluids and produced oil land water while drilling and completion operations.

Amount of waste: 6000 barrels

Waste disposal frequency : One Time Only

Safe containment description: All drilling waste will be stored safely and disposed of properly.

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL FACILITY

Disposal type description:

Disposal location description: Trucked to an approved disposal facility.

Waste type: GARBAGE

Waste content description: Garbage and trash produced during drilling and completion operations.

Amount of waste: 500 pounds

Waste disposal frequency : One Time Only

Safe containment description: Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL FACILITY

Disposal type description:

Disposal location description: Trucked to an approved disposal facility.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) **Reserve pit width (ft.)**

Reserve pit depth (ft.) **Reserve pit volume (cu. yd.)**

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings location Roll off cutting containers on tracks.

Cuttings area length (ft.) **Cuttings area width (ft.)**

Cuttings area depth (ft.) **Cuttings area volume (cu. yd.)**

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: YES

Ancillary Facilities attachment:

COG_Eider_401H_GCP_20171017144338.pdf

Comments: GCP Attached.

Section 9 - Well Site Layout

Well Site Layout Diagram:

COG_Eider_401H_CTB_Flowlines_20171017144402.pdf

COG_Eider_401H_Prod_Facility_20171017144411.pdf

COG_Eider_CTB_2_20171017144420.pdf

Comments: Production will be sent to the proposed Eider CTB 2, A surface flow line of approximately 131.8' of 3" steel pipe carrying oil, gas and water under a maximum pressure of 125 psi will follow the road to the facility at the Eider CTB 2 location. We plan to install a 4" surface polyethylene pipe transporting Gas Lift Gas from the Eider CTB 2 to the Eider Federal 401H. The surface Gas Lift Gas pipe of approximately 131.8' under a maximum pressure of 125 psi will be installed no farther than 10 feet from the edge of the road.

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: EIDER FEDERAL

Multiple Well Pad Number: 107H, 108H, 307H, 207H, 401H, 601H

Recontouring attachment:

Drainage/Erosion control construction: If needed, immediately following pad construction approximately 400' of straw waddles will be placed on the west side of the location, 200' of straw waddles will be placed on the northwest side of the location, and 200' of straw waddles will be placed on the southwest side of the location to reduce sediment impacts to fragile/sensitive soils.

Drainage/Erosion control reclamation: N/A

| | | |
|------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------|
| Well pad proposed disturbance (acres): | Well pad interim reclamation (acres): 4.54 | Well pad long term disturbance (acres): 3.21 |
| Road proposed disturbance (acres): | Road interim reclamation (acres): 0.23 | Road long term disturbance (acres): 0.23 |
| Powerline proposed disturbance (acres): | Powerline interim reclamation (acres): | Powerline long term disturbance (acres): |
| Pipeline proposed disturbance (acres): | Pipeline interim reclamation (acres): 0.3987888 | Pipeline long term disturbance (acres): 0.3987888 |
| Other proposed disturbance (acres): | Other interim reclamation (acres): 0 | Other long term disturbance (acres): 0 |
| Total proposed disturbance: | Total interim reclamation: 5.168789 | Total long term disturbance: 3.8387887 |

Disturbance Comments:

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

Reconstruction method: Portions of the pad not needed for production operations will be re-contoured to its original state as much as possible. The caliche that is removed will be reused. The stockpiled topsoil will be spread out over reclaimed area and reseeded with BLM approved seed mixture

Topsoil redistribution: South 80'. East 80'

Soil treatment: None

Existing Vegetation at the well pad: Shinnery Oak/Mesquite grassland.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Shinnery Oak/Mesquite grassland.

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: Shinnery Oak/Mesquite grassland.

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: N/A

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed type:

Seed source:

Seed name:

Source name:

Source address:

Source phone:

Seed cultivar:

Seed use location:

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

PLS pounds per acre:

Proposed seeding season:

| Seed Summary | |
|---------------------|--------------------|
| Seed Type | Pounds/Acre |

Total pounds/Acre:

Seed reclamation attachment:

| |
|-----------------------------------------------------------|
| Operator Contact/Responsible Official Contact Info |
|-----------------------------------------------------------|

First Name: Rand

Last Name: French

Phone: (432)254-5556

Email: rfrench@concho.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: N/A

Weed treatment plan attachment:

Monitoring plan description: N/A

Monitoring plan attachment:

Success standards: N/A

Pit closure description: N/A

Pit closure attachment:

COG_Eider_401H_Closed_Loop_20171017144441.pdf

| |
|---------------------------------------|
| Section 11 - Surface Ownership |
|---------------------------------------|

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

Operator Name: COG PRODUCTION LLC

Well Name: EIDER FEDERAL

Well Number: 401H

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Section 12 - Other Information

Right of Way needed? NO

Use APD as ROW?

ROW Type(s):

ROW Applications

SUPO Additional Information: COG respectfully requests approval to build a 1000' x 1000' Gadwall 35 Federal Frac Pond 2 to serve this well and any other well within a two mile radius. The proposed frac pond is to be located in Section 35, T24S, R32E. Plats are attached.

Use a previously conducted onsite? YES

Previous Onsite information: Onsite completed on 8/22/2017 by Rand French (COG); Gerald Herrera (COG); and Jeff Robertson (BLM).

Other SUPO Attachment

COG_Gadwall_Frac_Pond_2_20171017065148.pdf

COG_Eider_401H_Certification_20171017144456.pdf

OPERATOR CERTIFICATION

under my direct supervision, have inspected the drill site and I am familiar with the conditions that presently exist; that I know and Federal laws applicable to this operation; that the statements made to the best of my knowledge, true and correct; and that the work proposed herein will be performed in conformity with this APD conditions under which it is approved. I also certify that I, or COG member, am responsible for the operations conducted under this application. These provisions of 18 U.S.C. 1001 for the filing of false statements.

23rd

~~XXXXXXXXXX~~, 2017.

Mate Ray

Artesia, NM 88210

(Signature): Rand French
E-mail: rfrench@concho.com

OPERATOR CERTIFICATION

under my direct supervision, have inspected the drill site and I am familiar with the conditions that presently exist; that I understand Federal laws applicable to this operation; that the statements made to the best of my knowledge, true and correct; and that the work proposed herein will be performed in conformity with this APD conditions under which it is approved. I also certify that I, or COG member, am responsible for the operations conducted under this application. These provisions of 18 U.S.C. 1001 for the filing of false statements.

23rd

SEPTEMBER 2017.



Artesia, NM 88210

(Authorized signatory): Rand French
E-mail: rfrench@concho.com

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number:

Assigned injection well API number?

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Injection well name:

Injection well API number:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB000860

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: