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OCD-HOBBS

Form 3160-5  
(April 2004)

OCT 21 2008

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

HOBBS

SUNDAY 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.

FORM APPROVED  
OMB No 1004-0137  
Expires March 31, 2007

5. Lease Serial No	NMNM-83101
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA/Agreement, Name and/or No.	S L Federal 20
8. Well Name and No.	1
9. API Well No.	30-025-32289
10. Field and Pool, or Exploratory Area	Jenkins; Devonian, NE
11. County or Parish, State	Lea, NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well	<input checked="" type="checkbox"/> Oil Well	<input type="checkbox"/> Gas Well	<input type="checkbox"/> Other
2. Name of Operator	COG Operating LLC		
3a. Address	550 W. Texas Ave., Suite 1300 Midland, TX 79701		
3b. Phone No (include area code)	432-685-4340		
4. Location of Well (Footage, Sec, T, R, M, or Survey Description)	660' FNL & 990' FEL Unit A, Sec 20, T9S, R35E		

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input checked="" type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Notice of Written
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Order

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The following requests have been completed as of 08/16/07:

1. Dryhole marker corrected
2. Surface location has been cleaned
3. Equipment and trash removed
4. Reserve Pit
5. Caliche removal
6. Rip pad and reserve pit
7. Barricade

The seeding has not been completed yet. We will contact BLM 3 days prior to seeding.

ACCEPTED FOR RECORD

OCT 9 2008

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Kanicia Carrillo

Title Regulatory Analyst

Signature

*Kanicia Carrillo*

Date

08/17/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Title

Date

OCT 23 2008

Office

*KZ*

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)

**OFFICIAL FILE COPY  
UNITED STATES**

**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

**NOTICE OF WRITTEN ORDER**

Number TBB-024-07

Page 1 of 2

☒ Certified Mail - Return  
Receipt Requested  
70051820000167992481

IDENTIFICATION	
IID	
Lease	NMNM83101
CA	
Unit	
PA	

Bureau of Land Management Office HOBBS INSPECTION OFFICE				Operator COG OPERATING LLC			
Address 414 WEST TAYLOR HOBBS NM 88240				Address 550 W TEXAS AVE SUITE 1300 MIDLAND TX 79701			
Telephone 505.393.3612				Attention			
Inspector BAD BEAR				Attn Addr			
Site Name S L FEDERAL 20	Well or Facility 01	1/4 1/4 Section NENE 20	Township 9S	Range 35E	Meridian NMP	County LEA	State NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
03/27/2007	14:30	07/03/2007		43 CFR 3162 3-4(c), 43 CFR 3162 1(a), 43 CFR 3162 5-1(b)

Remarks:

The following actions must be completed prior to abandonment approval.

Reclamation is to be accomplished in accordance with operator/landowner agreement. If the landowner requests that the drill site and/or access road remain intact, the landowner must submit a signed written request to the BLM.

1. Wrong footage on DryHole Marker. It should read 990 FEL, not 1990 FEL
  2. The surface location is to be cleaned and reclaimed per BLM requirements.
  3. EQUIPMENT AND TRASH REMOVAL
- (Remarks continued on following page(s).)

When the Written Order is complied with, sign this notice and return to above address.

Company Representative Title Regulatory Analyst Signature [Signature] Date 08/19/07

Company Comments Everything has been completed but the seeding.

We will contact the BLM 3 days prior to seeding. 432-685-4332

**Warning**

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163 1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163 2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

**Review and Appeal Rights**

A person contesting a decision shall request a State Director review of the Written Order. 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.

Signature of Bureau of Land Management Authorized Officer [Signature] Date 8-27-07 Time 1500

**FOR OFFICE USE ONLY**

Number 2P Date  Type of Inspection SA

BLM Remarks, continued

Remove the following from the location and surrounding pastures:

- A. Remove power poles and electric meter from location. Buried electric lines on location should be pulled up and hauled to a landfill facility with other debris. Do not leave electric boxes, lines, cable, or conduit on location or protruding from the surface.
- B. Remove pipeline risers, pipeline meters, and meter house. Pipelines should be purged, cut off below ground level, permanently sealed, and buried at least one foot below ground level in the final reclamation.
- C. Purge and remove all disconnected flowlines, both on the well site and off of it. All surface polyline and metal flowlines should be picked up from the well location to the final flowline destination.
- D. Remove all disconnected well equipment, cables, thread protectors, belts, equipment parts, and scrap metal and haul to a landfill facility.
- E. Remove all trash from well pad and surrounding pasture, including: plastic buckets, barrels, household garbage, cans, ripped liner and other debris and haul to a landfill facility.
- F. Remove tank facility.

4. RESERVE PIT

The current condition of the reserve pit is not conducive for the reestablishment of native vegetation. Salts are visible on the surface of the reserve pit and there is minimal vegetative growth. The reserve pit will need to be deep buried under three feet of topsoil in order to achieve successful vegetative growth, and to return the well location to a safe and stable condition. The operator must obtain OCD pit permit approval before deep burying the reserve pit on location.

5. CALICHE REMOVAL

Strip and remove caliche from the drill pad. Caliche can be used for construction of drill pads, access roads, firewalls, and road maintenance or buried on location and covered with native soil.

6. RIP PAD AND RESERVE PIT

The drill pad (including the reserve pit area) should be ripped to a minimum of 12" depth. After ripping, the entire site should be walked and any exposed trash or operation debris exposed by the ripping process should be picked up and hauled to a landfill. Large boulders and stone slabs turned up by the ripping should be buried or picked up and used as riprap for erosion control areas.

8. SEEDING

The drill site is to be reseeded according to the attached specifications for seed mixture #1. In order for the BLM to monitor the seeding operation please contact the BLM 3 days prior to seeding.

9. BARRICADE

All ripped surfaces are to be protected from vehicular travel by either installing a three strand fence or constructing an earthen barricade and dead end ditch at the entrance to these ripped areas. The barricade is to be constructed using spoil material from the ditch and should be of sufficient size to discourage vehicle entry.

(If the berm and barricade are next to a lease road, add the following: The berm and barricade should be placed next the lease road, leaving only enough room for the road drainage ditch between the road and barricade; do not leave a vehicle pullout space between the lease road and the barricade.)

9. SUNDRY NOTICE

After all abandonment requirements have been met, submit one original and five copies of the sundry for final abandonment (Form 3160-5).

Additionally, during March 15-June 15 any activity that produces noise or involves human activity will not be allowed between the hours of 3 A.M. and 9 A.M. for the purpose of protecting Lesser prairie chickens.

Questions or concerns, contact Trishia Bad Bear, Natural Resource Specialist, at 505.393 3612.