OCD-HOBBS Form 3160-5 UNITED STATES (April 2004 MAR 1 8 2009 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FORM APPROVED OM B No 1004-0137 Expires March 31, 2007 5 Lease Senal No. HOBBSQGBY NOTICES AND REPORTS ON WELLS N.M. NM 03 0941 If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7 If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1 Type of Well Oil Well Gas Well 8 Well Name and No. 2 Name of Operator 025-22 midland Tx. 3b. Phone No (include area code) 3a Address 10. Field and Pool, or Exploratory Area 432-530-0907 550 W. TX. SUITE 1300-EAST GER YA 4. Location of Well (Footage, Sec., T., R, M, or Survey Description) 11 County or Parish, State N- SEC. 26 - T.S. 195 RANGE 33 E LEASE CODE F. 660' 5007 H- 1980 WEST -ProuciNG METHOD CONE REPORT, OR OTHER DATA 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off Production (Start/Resume) Acidize Deepen Well Integrity Notice of Intent Reclamation Alter Casing Fracture Treat Other New Construction Recomplete Casing Repair Subsequent Report Temporarily Abandon Plug and Abandon Change Plans Final Abandonment Notice Water Disposal Plug Back Convert to Injection 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 recomplete 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 recompletion 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 nt. To.C. CALCULATED 3000.

25 SAKED FORTOVALC. CALCU. 26 a
SEE ATTACAS OF APPROVALC. CALCU. 26 a
SECONDATIONS OF APPROVALC. determined that the site is ready for final inspection.) 1- MIR.U. P.A. EquilT. SET-W.L. C.I.B.P. AT 3230 CAP B.P. 25 SAKS, ent. T.O.C. CALCULATED 3000 mud uf HoLE 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Signature

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 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 desparation of the subject lease which would entitle the applicant to conduct operations thereon.

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## **COG Operating LLC**

Bates Federal #1 Lease & Well # Co, NM Sec 26, T19S, 33E, 660 FSL & 1980 FWL Spud - 4/28/1966 Elevation - 3603' RDB KB -10585 30-3 45545 CMT 8 5/8" 32# STC J-55 @ 275', c/w 175 sx C, circ. cmt. 325 70 180 255x5 1000'TO 800' 25163 2100 TO 2000 TAM 25 5x5 CMT 2800 TO 2600' 25'545 CMT. 3230 - 3000 Acidized w/850 gal 15% nE HCL (Initial completion) 3350-90' Acidized w/1,000 gal MCA, squeezed w/250 sx. DV tool - 2922'. Re-pert'd 3346 - 64' Acidized w/750 gal DS-3 NEFE, squeezed w/100 sx Re-perf'd 3368-78' Acidized fw/500 gal 15% NEFE, squeezed w/50 sx. 5 1/2" 14# LTC J-55 @ 3,397', C/w 1385 sx, circ cmt. PBTD--?

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COG Operating LLC NMNM030941: Bate Federal 1 660' FSL & 1980' FWL Sec. 26, T19S-R33E Lea County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

- 1. Set CIBP within 100' of uppermost perforation (3322'-3222').
- 2. Cap CIBP with 25 sx cmt minimum.
- 3. Spot adequate cmt to fill hole from 2972'-1385' (R111P area, requires solid plug thru the salt section. Also covers the DVT). WOC and tag.
- 4. Spot the surface plug from 325'-surface.
- 5. Pull out of hole, fill as needed.

6.

See attached standard COA's.

James A. Amos 575-234-5909

3/14/09

HOLE SIZE _12/4"	SALT SECTION TOP 1435
HOLE SIZE -1217	BASE 2908
\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	RIIIPYes
	CAVE/KARST LOW
Cicc. V/	SPEC. WATER LOW
cm4.	SPEC. WATER
J-55 32# ()///	
CACLUS CIZE 85/8"	
CASING SIZE 85/8" TD 275'	325- Surf.
HOLESIZE 7 1/8"	·
HOLESIZE	P
	FORMATIONS Rustler 1305
	<u>TSalt 1435</u>
	3 Salt 2908
	Yetes 3135
	woc Tag 1385
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PJ (1. +' ) (///	
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Cat Sarvice Dlug ) ///	WOC Tag.
Cont Populations Cont Populations Cont Populations	
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	DUTE 2922
[2]	
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7-55 14#	CIBP@ 3300 Cop w/35 cm7.
~~3 3 / 7 / 秦素	Squeezed DVT 2922'
CASING SIZE 5/2	(8/81) Panana 2760 90
TD 3397	PERFORATIONS 3350-90 SQueezed
l Le	Re-Pirt 3346-52 55-64 50, Re-Pirt 3346-64 3322-44 (12/82)
	Bate Fed.   Prot 3368-78
NM030941	
COG Operatine LLC	6605/1980 W

## BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

## Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

- 6. <u>Dry Hole Marker</u>: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. <u>Show date well was plugged.</u>
- 8. <u>Trash:</u> All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.