

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

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		5. Lease Serial No. NMLC029405A
2. Name of Operator COG Operating LLC		6. If Indian, Allottee or Tribe Name
3a. Address 550 W. Texas Ave., Suite 1300 Midland, TX 79701	3b. Phone No. (include area code) 432-685-4340	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M, or Survey Description) 1690' FNL & 2150' FEL Sec.20, T17S, R32E, Unit G		8. Well Name and No. BC Federal #31
		9. API Well No. 30-025-38713
		10. Field and Pool, or Exploratory Area Maljamar; Yeso, West 44500
		11. County or Parish, State Lea, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Change Drilling Plan</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate 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 recompleation 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.)

COG respectfully requests permission to make the following changes to the drill plan:

Surface csg set @ 740'

Change intermediate hole to 12-1/4" or 11", and csg weight to 24# or 32#.

Change production csg to 15.5 or 17# and J55 or L80 depending on availability.

SEE ATTACHED FOR
CONDITIONS OF APPROVALRECEIVED
JUL 13 2009
HOBBSOCD

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Phyllis A. Edwards		Title Regulatory Analyst
Signature <i>Phyllis A. Edwards</i>		Date 06/17/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>[Signature]</i>	Petroleum Engineer	Date JUN 23 2009
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office BLM-CARLSBAD FIELD OFFICE

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)

KZ
JUL 14 2009

Phyllis Edwards

To: Wesley_Ingram@blm.gov
Subject: FW: B C Federal 23 Drill Plan Change Request S
VARIOUS

6-17-09

30 025 38713

Dear Wesley,

These APD's were permitted before changes were made to the drill plans.

Each sundry specifically asks for these changes to be reviewed.
The requested changes are highlighted below.

Hole Size	Interval	OD Casing	Weight	Grade	Jt., Condition	burst/collapse/tension
17 1/2"	C-740'	13 3/8"	48#	H-40	ST&C/New	6.03/2.578/10.32
11" or 12 1/4"	C-2120'	8 5/8"	24 or 32#	J-55	ST&C/New	1.85/1.241/4.78
7 7/8"	O-T.D.	5 1/2"	17#	J-55 or L-80	LT&C/New	1.59/1.463/2.05

As always, thanks so much for your time.

Phyllis Edwards

Regulatory Analyst



COG Operating LLC

Fasken Tower II

550 W. Texas Avenue, Suite 1300

Midland, TX 79701

432-685-4340 P

432-685-4396 F

pedwards@conchoresources.com

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	COG Operating LLC
LEASE NO.:	NMLC029405A
WELL NAME & NO.:	BC Federal #31
SURFACE HOLE FOOTAGE:	1690' FNL & 2150' FEL
LOCATION:	Section 20, T. 17 S., R 32 E., NMPM
COUNTY:	Lea County, New Mexico

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

☒ **Lea County**

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240,
(575) 393-3612

1. A Hydrogen Sulfide (H₂S) Drilling Plan should be activated 500 feet prior to drilling into the **Grayburg** formation. **As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

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

Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possible lost circulation in the Grayburg and San Andres formations.

Possible water and brine flows in the Salado and Artesia Group.

1. The 13-3/8 inch surface casing shall be set at approximately **740 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt)** and cemented to the surface. **Fresh water mud to be used to setting depth.**
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the 8-5/8 inch intermediate casing is:
☒ Cement to surface. If cement does not circulate see B.1.a-c above.
This casing is to be set in the Tansill formation.
3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
☒ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.
4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.
 - e. **Effective November 1, 2008, no variances will be granted on reduced pressure tests on the surface casing and BOP/BOPE. Onshore Order 2 requirements will be in effect.**

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

MAK 062209