

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.**

<b>SUBMIT IN TRIPLICATE- Other instructions on reverse side.</b>		5. Lease Serial No <b>NMLC029405A</b>
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/>		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>COG Operating LLC</b>		7. If Unit or CA/Agreement, Name and/or No
3a. Address <b>550 W. Texas Ave., Suite 1300 Midland, TX 79701</b>	3b. Phone No (include area code) <b>432-685-4340</b>	8. Well Name and No. <b>BC Federal #25</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>990' FNL &amp; 2310' FEL Sec. 19, T17S, R32E, Unit B</b>		9. API Well No. <b>30-025-38744</b>
		10. Field and Pool, or Exploratory Area <b>Maljamar; Yeso, West 44500</b>
		11. County or Parish, State <b>Lea, NM</b>

**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 <b>Change Drilling Plan</b>
	<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 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.)

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

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.

*Surface casing to 685'*

**RECEIVED**

**JUL 13 2009**

**HOBBSOCD**

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) <b>Phyllis A. Edwards</b>		Title <b>Regulatory Analyst</b>
Signature <i>Phyllis A. Edwards</i>		Date <b>06/17/2009</b>
<b>THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>		
Approved by <i>[Signature]</i> 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 <b>Petroleum Engineer</b> Date <b>6-22-09</b>
		Office <b>CFO</b>

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 28 Drill Plan Change Request S.  
VARIOUS

6-17-09

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"		13 3/8"	48#	H-40	ST&C/New	6.03/2.578/10.32
11" or 12 1/4"		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](mailto:pedwards@conchoresources.com)

Receivd and Management  
RECEIVED  
JUN 18 2009  
Carlsbad Field Office  
Carlsbad, NM

## PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	COG Operating Co.
LEASE NO.:	NMLC-029405-A
WELL NAME & NO.:	BC Fed #25
SURFACE HOLE FOOTAGE:	990' FNL & 2310' FEL
LOCATION:	Section 19, 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 (H<sub>2</sub>S) 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 groups.

1. The 13-3/8 inch surface casing shall be set **at approximately 685 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-d above.  
**Casing 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. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M) psi**.
3. 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.

**DHW 062209**