District | 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210

Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

PENASCO DRAW;SA-YESO (ASSOC)

State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-101 August 1, 2011

50270

Manufacturer

Permit 210574

| CC | me and Address OG OPERATING L | LC | | | | | 2 | OGRID Number 229137 | | |
|----------------------|------------------------------------|-----------------|--------------------------------|-------------|-------------------|---------------|-------------------|---------------------------|--------|------|
| | e Concho Center dland, TX 79701 | | | | | | 3. | API Number 30-015-4339 | 9 | |
| 4. Property Co 38 | de 979 | | 5. Property Name PINTO 36 S | TATE COM | | | 6. | Well No. 027H | | |
| | 20 | 26 | | 7. Su | rface Location | | 200 | 513 | .00 | |
| UL - Lot B | Section 1 | Township 198 | Range 25E | Lot Idn 2 | Feet From 150 | N/S Line N | Feet From 1650 | E/W Line | County | Eddy |
| | | | | 8. Proposed | Bottom Hole Locat | tion | | | | |
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County | |
| В | 36 | 1 10 | 3S 25E | l B | 330 | N | 1650 | I E | 1 | Eddy |

9. Pool Information

| Additional Well Information | | | | | | | |
|-----------------------------|----------------------|------------------|-------------------------|------------------------------------|--|--|--|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type State | 15. Ground Level Elevation 3469 | | | |
| INCW WEIL | OIL | | State | 3403 | | | |
| 16. Multiple | 17. Proposed Depth | 18. Formation | 19. Contractor | 20. Spud Date | | | |
| N | 8180 | Yeso Formation | 2.0,000,000 | 12/30/2015 | | | |
| | | | | | | | |

We will be using a closed-loop system in lieu of lined pits

Type

| 21. Proposed Casing and Cement Progra | 21 | Proposed | Casing | and Cemen | t Program |
|---------------------------------------|----|----------|--------|-----------|-----------|
|---------------------------------------|----|----------|--------|-----------|-----------|

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 11 | 8.625 | 32 | 1200 | 700 | 0 |
| Prod | 7.875 | 5.5 | 17 | 8180 | 800 | 0 |

Casing/Cement Program: Additional Comments

COG proposes to drill an 11" hole to 1200' w/fresh water, run 8 5/8" 32# J-55 and cement to surface. Drill a 7 7/8" hole to 2768' MD and kick off and drill curve to 3289' TVD 3597' MD. Drill a 7 7/8" lateral to new BHL @ 3193' TVD 8180' MD. Run a 5 1/2" 17# L-80 casing to TD cement to surface with 800 sacks.

22. Proposed Blowout Prevention Program

Test Pressure

| Double Ram | 2000 | 2000 | | |
|--|---|----------------------------|------------------------|--|
| | | The second construction of | Charles and Assessment | |
| 23. I hereby certify that the information given al | bove is true and complete to the best of my | OIL CONSERVATION DIVISION | | |
| knowledge and belief. | | | | |
| I further certify I have complied with 19.15.1 | 14.9 (A) NMAC | | | |

| 28. Thereby certify that the mornation given above is tide and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ⋈ and/or 19.15.14.9 (B) NMAC ⋈, if applicable. Signature: | | | | OIL CONSERVATI | ON DIVISION |
|--|--|--|---------------------------------|---------------------|----------------------------|
| Printed Name: | Electronically filed by Diane Kuykendall | | Approved By: | Randy Dade | |
| Title: | Production Reporting Mgr | | Title: | District Supervisor | |
| Email Address: | production@concho.com | | Approved Date: | 9/30/2015 | Expiration Date: 9/30/2017 |
| Date: | 9/29/2015 Phone: 432-683-7443 | | Conditions of Approval Attached | | |

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-102 August 1, 2011

Permit 210574

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number 30-015-43399 | 2. Pool Code 50270 | 3. Pool Name PENASCO DRAW;SA-YESO (ASSOC) |
|-------------------------------|-----------------------|---|
| 4. Property Code | 5. Property Name | 6. Well No. |
| 38979 | PINTO 36 STATE COM | 027H |
| 7. OGRID No. | 8. Operator Name | 9. Elevation |
| 229137 | COG OPERATING LLC | 3469 |

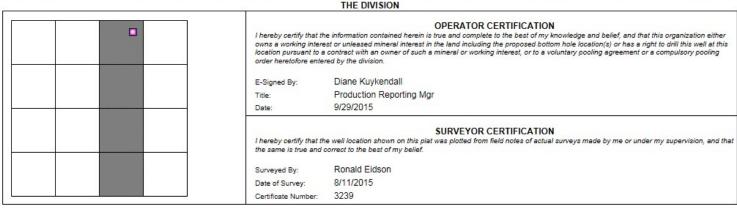
10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| В | 1 | 19S | 25E | 2 | 150 | N | 1650 | E | Eddy |

11. Bottom Hole Location If Different From Surface

| UL - Lot B | Section 36 | Township 18S | Range 25E | Lot Idn | Feet From 330 | N/S Line N | Feet From 1650 | E/W Line | County Eddy |
|------------------------------|------------|-----------------|---------------------|---------|------------------------|---------------|-------------------|---------------|----------------|
| 12. Dedicated Acre 160.00 | | | 13. Joint or Infill | | 14. Consolidation Code | • | | 15. Order No. | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY



Form APD Comments

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 State of New Mexico

Phone:(575) 393-6161 Fax:(575) 393-0720 <u>District II</u> 311 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u> 1220 S. St Francis Dr., Santa Fe. NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Permit 210574

PERMIT COMMENTS

| Operator Name and Address: | API Number: |
|----------------------------|--------------------------|
| COG OPERATING LLC [229137] | 30-015-43399 |
| One Concho Center | Well: |
| Midland, TX 79701 | PINTO 36 STATE COM #027H |

| Created By | Comment | Comment Date |
|------------|---|--------------|
| kholly1 | H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required. | 9/29/2015 |

Form APD Conditions

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State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Permit 210574

PERMIT CONDITIONS OF APPROVAL

| Operator Name and Address: | API Number: |
|----------------------------|--------------------------|
| COG OPERATING LLC [229137] | 30-015-43399 |
| One Concho Center | Well: |
| Midland, TX 79701 | PINTO 36 STATE COM #027H |
| | |

OCD Reviewer Condition