

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-8161 Fax:(505) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-8178 Fax:(505) 334-8170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3482

**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  
Permit 230869

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

|                                                                                             |                                |                               |
|---------------------------------------------------------------------------------------------|--------------------------------|-------------------------------|
| 1. Operator Name and Address<br>COG OPERATING LLC<br>One Concho Center<br>Midland, TX 79701 |                                | 2. OGRID Number<br>229137     |
|                                                                                             |                                | 3. API Number<br>30-025-43550 |
| 4. Property Code<br>315647                                                                  | 5. Property Name<br>VAST STATE | 6. Well No.<br>021H           |

**7. Surface Location**

|               |               |                 |              |              |                  |               |                   |               |               |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|
| UL - Lot<br>P | Section<br>17 | Township<br>26S | Range<br>33E | Lot Idn<br>P | Feet From<br>210 | N/S Line<br>S | Feet From<br>1125 | E/W Line<br>E | County<br>Lea |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|

**8. Proposed Bottom Hole Location**

|               |               |                 |              |              |                  |               |                  |               |               |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|------------------|---------------|---------------|
| UL - Lot<br>A | Section<br>17 | Township<br>26S | Range<br>33E | Lot Idn<br>A | Feet From<br>200 | N/S Line<br>N | Feet From<br>660 | E/W Line<br>E | County<br>Lea |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|------------------|---------------|---------------|

**9. Pool Information**

|                                     |       |
|-------------------------------------|-------|
| WC-025 G-09 S263327G;UPPER WOLFCAMP | 98097 |
|-------------------------------------|-------|

**Additional Well Information**

|                           |                             |                                        |                         |                                    |
|---------------------------|-----------------------------|----------------------------------------|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL        | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>3260 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>17041 | 18. Formation<br>Wolfcamp              | 19. Contractor          | 20. Spud Date<br>1/31/2017         |
| Depth to Ground water     |                             | Distance from nearest fresh water well |                         | Distance to nearest surface water  |

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

**21. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 13.5      | 10.75       | 45.5             | 1025          | 700             |               |
| Int1 | 9.875     | 7.625       | 29.7             | 11650         | 1000            |               |
| Prod | 6.75      | 5.5         | 23               | 17041         | 1350            | 11000         |

**Casing/Cement Program: Additional Comments**

Drill 13-1/2" hole to ~1025' w/ fresh water spud mud. Run 10-3/4" 45.5# J55-STC casing to TD and cement to surface in one stage. Drill 9-7/8" hole to ~11,650' with diesel brine emulsion. Run 7-5/8" 29.7# P110 casing to TD and cement to surface in one stage. Drill 6-3/4" vertical hole, curve & lateral to 17,041' with OBM. Run 5-1/2" 23# P110 LTC by 5" 18# P110 LTC casing to TD and cement to 11,000' in one stage.

**22. Proposed Blowout Prevention Program**

| Type    | Working Pressure | Test Pressure | Manufacturer |
|---------|------------------|---------------|--------------|
| Annular | 3000             | 5000          | Cameron      |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br/>I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/>, if applicable.</p> <p>Signature: _____</p> <p>Printed Name: Electronically filed by Diane Kuykendall</p> <p>Title: Production Reporting Mgr</p> <p>Email Address: production@concho.com</p> <p>Date: 1/18/2017</p> | <p><b>OIL CONSERVATION DIVISION</b></p> <p>Approved By: Paul Kautz</p> <p>Title: Geologist</p> <p>Approved Date: 1/21/2017</p> <p>Expiration Date: 1/21/2019</p> <p>Conditions of Approval Attached</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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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**

Form C-102  
August 1, 2011  
Permit 230869

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                               |                                       |                                                     |
|-------------------------------|---------------------------------------|-----------------------------------------------------|
| 1. API Number<br>30-025-43550 | 2. Pool Code<br>98097                 | 3. Pool Name<br>WC-025 G-09 S263327G;UPPER WOLFCAMP |
| 4. Property Code<br>315647    | 5. Property Name<br>VAST STATE        | 6. Well No.<br>021H                                 |
| 7. OGRID No.<br>229137        | 8. Operator Name<br>COG OPERATING LLC | 9. Elevation<br>3260                                |

**10. Surface Location**

|               |               |                 |              |              |                  |               |                   |               |               |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|
| UL - Lot<br>P | Section<br>17 | Township<br>26S | Range<br>33E | Lot Idn<br>P | Feet From<br>210 | N/S Line<br>S | Feet From<br>1125 | E/W Line<br>E | County<br>Lea |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|

**11. Bottom Hole Location If Different From Surface**

|                               |                     |                 |                        |              |                  |               |                  |               |               |
|-------------------------------|---------------------|-----------------|------------------------|--------------|------------------|---------------|------------------|---------------|---------------|
| UL - Lot<br>A                 | Section<br>17       | Township<br>26S | Range<br>33E           | Lot Idn<br>A | Feet From<br>200 | N/S Line<br>N | Feet From<br>660 | E/W Line<br>E | County<br>Lea |
| 12. Dedicated Acres<br>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 THE DIVISION**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |  |   |   |  |  |  |  |  |  |  |  |  |  |  |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px; background-color: #cccccc; text-align: center;">■</td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px; background-color: #cccccc;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px; background-color: #cccccc;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px; background-color: #cccccc; text-align: center;">●</td></tr> </table> |  |  |   | ■ |  |  |  |  |  |  |  |  |  |  |  | ● | <p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Diane Kuykendall<br/>Title: Production Reporting Mgr<br/>Date: 1/18/2017</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Surveyed By: Chad Harcrow<br/>Date of Survey: 12/12/2016<br/>Certificate Number: 17777</p> |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |  | ■ |   |  |  |  |  |  |  |  |  |  |  |  |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form APD Comments  
  
 Permit 230889

**PERMIT COMMENTS**

|                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                      |                             |
|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| Operator Name and Address:<br>COG OPERATING LLC [229137]<br>One Concho Center<br>Midland, TX 79701 |                                                                                                                                                                                                                                                                                                                                                                      | API Number:<br>30-025-43550 |
|                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                      | Well:<br>VAST STATE #021H   |
| Created By                                                                                         | Comment                                                                                                                                                                                                                                                                                                                                                              | Comment Date                |
| mreyes3                                                                                            | OIL: COG Operating has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore we do not believe that an H2S Contingency Plan would be necessary. | 1/18/2017                   |

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Form APD Conditions

Permit 230889

**PERMIT CONDITIONS OF APPROVAL**

|                                                                                                    |                             |
|----------------------------------------------------------------------------------------------------|-----------------------------|
| Operator Name and Address:<br>COG OPERATING LLC [229137]<br>One Concho Center<br>Midland, TX 79701 | API Number:<br>30-025-43550 |
|                                                                                                    | Well:<br>VAST STATE #021H   |

| OCD Reviewer | Condition                                                                                                                                                                                                                                                                                                                                                |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| pkautz       | Will require a directional survey with the C-104                                                                                                                                                                                                                                                                                                         |
| pkautz       | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string                                                                                     |
| pkautz       | If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.                                                                                                                                                                                                                                        |
| pkautz       | 1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --                                                                                                                                                                                                           |
| pkautz       | If cement does not circulate to surface, must run temperature survey or other log to determine top of cement                                                                                                                                                                                                                                             |
| pkautz       | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water                                                                                                                                                                                                                                                     |
| pkautz       | Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186                                                                                                                                                                                                                                                                          |
| pkautz       | 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe. |
| pkautz       | Must submit Gas Capture Plan                                                                                                                                                                                                                                                                                                                             |