

**District I**  
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

Form C-101  
August 1, 2011

Permit 268177

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

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

1. Operator Name and Address CENTENNIAL RESOURCE PRODUCTION, LLC 1001 17th Street, Suite 1800 Denver, CO 80202		2. OGRID Number 372165
		3. API Number 30-025-46064
4. Property Code 320471	5. Property Name ASADERO 3 STATE COM	6. Well No. 503H

**7. Surface Location**

UL - Lot N	Section 3	Township 21S	Range 34E	Lot Idn N	Feet From 300	N/S Line S	Feet From 1830	E/W Line W	County Lea
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**8. Proposed Bottom Hole Location**

UL - Lot C	Section 3	Township 21S	Range 34E	Lot Idn 3	Feet From 100	N/S Line N	Feet From 2310	E/W Line W	County Lea
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**9. Pool Information**

GRAMA RIDGE;BONE SPRING, NORTH	28434
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3691
16. Multiple N	17. Proposed Depth 18144	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 6/10/2019
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	17.5	13.375	54.5	1850	1572	0
Int1	12.25	9.625	40	5750	1420	0
Prod	8.5	5.5	20	18144	1862	10174
Prod	8.75	5.5	20	11075	866	0

**Casing/Cement Program: Additional Comments**

Drilling 8.75 hole size for the curve, and 8.5 hole size for the lateral for the 5.5 production casing string.
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**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Pipe	10000	5000	Cameron

<p>23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. 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 Sarah Ferreyros</p> <p>Title: Senior Regulatory Analyst</p> <p>Email Address: Sarah.Ferreyros@cdevinc.com</p> <p>Date: 6/3/2019</p>	<p><b>OIL CONSERVATION DIVISION</b></p> <p>Approved By: Paul F Kautz</p> <p>Title: Geologist</p> <p>Approved Date: 6/5/2019</p> <p>Expiration Date: 6/5/2021</p> <p>Conditions of Approval Attached</p>
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Form C-102  
 August 1, 2011

Permit 268177

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-46064	2. Pool Code 28434	3. Pool Name GRAMA RIDGE;BONE SPRING, NORTH
4. Property Code 320471	5. Property Name ASADERO 3 STATE COM	6. Well No. 503H
7. OGRID No. 372165	8. Operator Name CENTENNIAL RESOURCE PRODUCTION, LLC	9. Elevation 3691

**10. Surface Location**

UL - Lot N	Section 3	Township 21S	Range 34E	Lot Idn N	Feet From 300	N/S Line S	Feet From 1830	E/W Line W	County Lea
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**11. Bottom Hole Location If Different From Surface**

UL - Lot C	Section 3	Township 21S	Range 34E	Lot Idn 3	Feet From 100	N/S Line N	Feet From 2310	E/W Line W	County Lea
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12. Dedicated Acres 476.85	13. Joint or Infill	14. Consolidation Code	15. Order No.
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**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**

	<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: Sarah Ferreyros          Title: Senior Regulatory Analyst          Date: 6/3/2019</p>
	<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: Paul Buchele          Date of Survey: 5/29/2019          Certificate Number: 23782</p>

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Permit 268177

**PERMIT COMMENTS**

Operator Name and Address: CENTENNIAL RESOURCE PRODUCTION, LLC [372165] 1001 17th Street, Suite 1800 Denver, CO 80202	API Number: 30-025-46064
	Well: ASADERO 3 STATE COM #503H

Created By	Comment	Comment Date
sferreyros	Spudder Rig will preset surface casing. C-102, Additional Points Required and Gas Capture Plan will be emailed after permit is submitted.	6/3/2019

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**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: CENTENNIAL RESOURCE PRODUCTION, LLC [372165] 1001 17th Street, Suite 1800 Denver, CO 80202	API Number: 30-025-46064
	Well: ASADERO 3 STATE COM #503H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
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	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
pkautz	Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool at 5753703186 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.