

District I1625 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

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 176358

HOBBS OCD**NOV 04 2013****RECEIVED****APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address COBALT OPERATING, LLC 3001 N. Big Spring Midland, TX 79705		2. OGRID Number 286255
4. Property Code 309594		3. API Number 30-025-29711
5. Property Name CONSOLIDATED STATE (309594)		6. Well No. 003

7. Surface Location

UL - Lot C	Section 9	Township 17S	Range 37E	Lot Idn	Feet From 660	N/S Line N	Feet From 2128	E/W Line W	County LEA
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8. Proposed Bottom Hole Location

UL - Lot C	Section 9	Township 17S	Range 37E	Lot Idn C	Feet From 660	N/S Line N	Feet From 2128	E/W Line W	County Lea
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9. Pool Information

SWD MIDWAY, DEVONIAN	40320 96101
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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 3778
16. Multiple N	17. Proposed Depth 12700	18. Formation Devonian	19. Contractor	20. Spud Date 11/6/2013
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/lb	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	61	398	350	
Int1	12.25	8.375	32	4230	1650	
Prod	7.875	5.5	17	9983	1535	4800
Liner1	5.5	4	17	11800	50	10850

Casing/Cement Program: Additional Comments

11,800' -12,700' is open hole completion
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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	5000	Hydriil

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.	OIL CONSERVATION DIVISION	
Signature: <i>[Signature]</i>	<i>[Signature]</i>	
Printed Name: James Thompson	Approved By:	
Title: D.P.	Title:	
Email Address: james@cobaltoperating.com	Approved Date: 11/05/13	Expiration Date: 11/05/15
Date: 11/1/13	Phone:	Conditions of Approval Attached

SWD-1476
MUST PASS MECHANICAL INTEGRITY TEST (MIT)
PRIOR TO COMMENCING DISPOSAL.

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Santa Fe, NM 87505

Form C-102
August 1, 2011

Permit 176358

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-29711	2. Pool Code 46320 96101	3. Pool Name SWD; MIDWAY, DEVONIAN
4. Property Code 309594	5. Property Name CONSOLIDATED STATE	6. Well No. 003
7. OGRID No. 286255	8. Operator Name COBALT OPERATING, LLC	9. Elevation 3778

10. Surface Location

UL - Lot C	Section 9	Township 17S	Range 37E	Lot Idn	Feet From 660	N/S Line N	Feet From 2128	E/W Line W	County LEA
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00	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

	OPERATOR CERTIFICATION	
	<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>	
	E-Signed By: Title: V.P. Date: 11/1/13	
	SURVEYOR CERTIFICATION	
<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>		
Surveyed By: John West Date of Survey: 6/27/1986 Certificate Number: 676		