

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-101
Revised July 18, 2013

SEP 10 2014

RECEIVED

☐ AMENDED REPORT

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

Operator Name and Address Cobalt Operating, LLC 3001 N. Big Spring St. Ste. 206 Midland, Texas 79705		OGRID Number 286255
Property Code 309596		API Number 30-025-26323
Property Name WARREN		Well No. 1

7. Surface Location

UL - Lot G	Section 8	Township 17-S	Range 37-E	Lot Idn	Feet from 2088'	N/S Line NORTH	Feet From 1976'	E/W Line EAST	County LEA
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8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
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9. Pool Information

Pool Name MIDWAY (STRAWN)	Pool Code 46340
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Additional Well Information

11. Work Type E	12. Well Type OIL	13. Cable/Rotary ROTARY	14. Lease Type FEE	15. Ground Level Elevation 3785'
16. Multiple NO	17. Proposed Depth 11,980'	18. Formation DEVONIAN	19. Contractor CROSS TEX SERVICES	20. Spud Date 09/03/2014
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
Surface	17.5	13.375	45	400	400	Surface
Inter 1	17.5	8.375	32	4,396	1,600	583
Inter 2	12.5	5.5	20	11,977	1,300	4,601

Casing/Cement Program: Additional Comments

Production Casing: Hole Size: 12.5 Csg. Size 2.875 Csg. Weight: 20 Setting Depth: 4,000

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3,000	5,000	Baker Hughes

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that 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. Signature: <i>[Signature]</i> Printed name: James Thompson Title: VP E-mail Address: james@cobaltoperating.com Date: 09/04/2014 Phone: 432-683-8030		OIL CONSERVATION DIVISION Approved By: <i>[Signature]</i> Title: Petroleum Engineer Approved Date: 09/11/14 Expiration Date: 09/11/16 E-PERMITTING -- New Well _____ Comp _____ P&A _____ TA _____ CSNG _____ Loc Chng Re-Entry ReComp _____ Add New Well _____ Cancl Well _____ Create Pool _____	
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SEP 11 2014