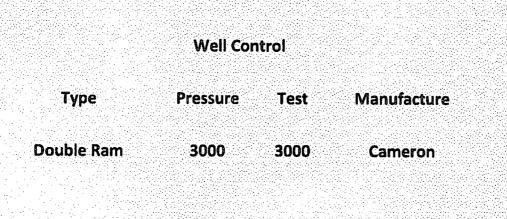
| District 1<br>1625 N. Franch D<br>Phone: (575) 393<br>District 11<br>811 S. First St., A<br>Phone: (575) 748<br>District 11<br>1000 Rio Brazos'<br>Phone: (505) 334<br>District 1V<br>1220 S. St. Franci<br>Phone: (505) 476 | 6161 Fax: (57<br>riesia, NM 885<br>(1283 Fax: (57)<br>Road, Aztee, N<br>6178 Fax: (50)<br>5 Dr., Santa Fe<br>(3460 Fax: (50) | 5) 393-07<br>(10<br>5) 748-97;<br>5) 748-97;<br>5) 334-61<br>5) 334-61<br>5) 476-34( | 20)<br>70<br>05<br>52       | NOV 201<br>RECEI                                       | OCPEnergy<br>2014<br>VED  | Minera<br>Oil Cor<br>1220 So<br>Sant | iservat<br>uth St<br>a Fe, N | l Nat<br>tion l<br>. Fra<br>MM 8 | ural Re<br>Division<br>ncis Dr<br>7505        | •                              |            | K. OR A                |                      | Form C-101<br>Revised July 18, 2013 |
|--|--|--|-----------------------------|--|---|--------------------------------------|------------------------------|----------------------------------|---|--------------------------------|------------|------------------------|----------------------|-------------------------------------|
|  |  |  | - ''C<br>C<br>22            | perator Name<br>OG Product<br>08 West M<br>Artesia, NM | and Address<br>ion LLC<br>ain Street                              |                                      |                              | 2                                |   |                                | 30         | - OGRID N<br>2279:<br> | lumber<br>55<br>mber | U2275                               |
| * Prop   | eny Code   | Q2   | NG                          |  |   | Property I<br>Eata Fajita            |                              |                                  |   |                                | ī          |                        | Well                 | No 7 32 12                          |
|  |  | $\sim$   |                             |  |   | irface Lo                            |                              | _                                |   |                                |            |                        |                      |                                     |
| UL – Lot<br>P  | Section<br>8   | Town<br>24   | 1                           | Range<br>33E   | Lot Idn   | Feet fi                              | וחסי                         |                                  | S Line<br>outh                                |                                | From<br>SO | E/W Lin<br>East        | •                    | County<br>Lea                       |
|  | ······   |  | • P                         | roposed Bo   | ttom Hole Lo  | cation                               |                              |                                  |   |                                |            |                        |                      |                                     |
| UL - Lot<br>A  | Section<br>5   | Town<br>24   |                             | Range<br>33E   | Lot Idn   | Feet fi<br>330                       |                              | N/S Line<br>North                |   |                                | From<br>10 | E/W Lin<br>East        | 2                    | County<br>Lea                       |
|  |  |  |                             |  |   | ol Infor                             | mation                       |                                  |   |                                |            |                        |                      |                                     |
| Triple X; Bone :   | Spring, West   |  |                             |  | Pool<br>Addition  | Name<br>al Well I                    | nform                        | ation                            | <u>, , , , , , , , , , , , , , , , , , , </u> |                                |            | ·                      |                      | Pool Code<br>96674                  |
|  | rk Type  |  | <u> </u>                    | <sup>12</sup> Well Type                                |   | <sup>13</sup> Cable/I                |                              |                                  |   | H. Leose T                     | урс        |                        |                      | Level Elevation                     |
|  | Well<br>ultiple  |  | 17                          | Oil<br>Proposed Depth                                  |   | <sup>18</sup> Form                   | ntion                        |                                  |   | State<br><sup>19</sup> Contrac | lor        | :                      |                      | 604.3'<br>Spud Date                 |
| Depth to Grou  | N<br>ind water   |  |                             | 19412<br>Dista   | nce from nearest f  | Bone :<br>fresh water                |                              |                                  | <b>.</b>                                      |                                | Distance   | o nearest su           | 12                   | /02/2014                            |
|  | <u>-</u>   | sed-loop   |                             |  | Proposed Ca   |                                      | 1                            |                                  |   |                                | Sacks of C |                        |                      |                                     |
| Type.<br>Surface   |  | 7.5  |                             | sing Size  | · · · · · · · · · · · · · · · · · · ·                             |                                      |                              |                                  | Setting Depth                                 |                                |            | emeni                  | £                    | Estimated TOC                       |
|  |  | 2.25   | +                           | 9.625  |   |                                      |                              |                                  |   |                                | 800        |                        |                      |                                     |
| Intrind  |  | 875  | -                           | 5.5  | 17  | 36/40                                |                              |                                  | )0'<br>                                       |                                | 950        |                        |                      |                                     |
| Prod   |  |  |                             |  | g/Cement Pro  | Darami                               | <u> </u><br>Additio          | 194                              |   |                                | 3500       |                        | L                    | 4600                                |
| 5/8", 36#/40   | )#, J55 and<br>110 csg ar  | l cemer  | nt to surf                  | ace. Drill 8-3<br>00' in 1 stage<br>22-                | /4" to 9100' to<br><b>Proposed Blo</b>                            | kick off a                           | nd drill o                   | curve a                          | and lateral                                   | with cu                        |            |                        | 412' MI              | Brine, and run 9-<br>D. Run 5-1/2"  |
| I  | Type<br>Double Ra  | m  |                             | v  | Vorking Pressure<br>3000  |                                      |                              |                                  | Test Press<br>3000                            |                                |            |                        |                      | acturer<br>Ieron                    |
| best of my kr<br>I further cer<br>19.15.14.9 (F<br>Signature:<br>Printed name<br>Title: Regu   | wwledge ar<br>tify that I<br>I) NMAC<br>Mayte R<br>latory Anal   | nd belie<br>have co<br>, if so<br>ecyes<br>yst                                       | f.<br>mplied v<br>pplicable | rith 19.15.14.   | nue and complete<br>(A) NMAC A<br>Q a                             |                                      | Appro<br>Title<br>Appr       |                                  | roleum  | Z                              | neer 2     | ION DIV                |                      | N<br>120116                         |
| E-mail Addre   |  | CONC   | T                           | Dhone: 675 74  | 8.6044  |                                      | C*                           |                                  | Approval /                                    |                                |            |                        |                      |                                     |
| Date: 11/19/   | <u>1014</u>  | <u></u>  | <u> </u>                    | Con<br>CSN<br>ReC                                      | BERMITTING<br>110<br>110<br>110<br>110<br>110<br>110<br>110<br>11 | New<br>A<br>c Chng_<br>Add Ne        | Well<br>TA<br>TA             | <u>P. M</u>                      |   | 1135 <b>763</b>                | Con        |                        | ns o                 | iched<br>of Approva                 |

NOV 2 4 2014

## Eata Fajita State 10H

| · · ·   |             |          |            |          |                  |          |          | 1.4      | - E. | e          |        | 11.1     | 1.1      | 1.1.1          | - 22       | 1.11     | 22.2       | 1.e.,                                    | : • · · |   | ٠            |              | 1.14         |          | ·         |              | 1.11       | 1.1.4    | 111   | ·          | ·       | 1.11    | 21.5     | · .     |            |         | - C.      | : · · · · | 1.21    |            | 21.52   | 1 C 2 C                                 | - 144       | ्   |
|---------|-------------|----------|------------|----------|------------------|----------|----------|----------|------|------------|--------|----------|----------|----------------|------------|----------|------------|--|---------|---|--------------|--------------|--------------|----------|-----------|--------------|------------|----------|-------|------------|---------|---------|----------|---------|------------|---------|-----------|-----------|---------|------------|---------|---|-------------|-----|
|         |             |          |            |          | 10.2             | 1.1.1    | - P      | -        | 314  | •          |        | S. A.    |          | - C            | - 11       | 1.1      | - C.       | 1.1                                      | 1.17    |   | · · · ·      | - 00         |              |          | 21.44     |              |            | 11.      | C -   | 1. A.      | - 11    |         | 11.1     |         | 1.11       | 12.5    | , i to ti |           | 1.12    |            | CC 2    | · · · ·                                 | 1.214       | - 1 |
| 1.1     | 1.4.4       | · · · ·  |            |          | 6 ° .            |          |          |          |      | _          | . *    | 16.5     | -21      | 5 S -          | 2.3        | - C 4    | 5 G        |  | 16.6    | 0 - C                                   | 5 Č.         | - 14         |              |          |           | 100          | 1.0.       | ×5.      |       |            | 1 - C - | - 11-   | . ÷      | 1.4     | 1.1.       | 100     | 1144      | 1.1       | 0 A 4   | 1.07       | 20 G.C  | 1471                                    | 12.7        | ۰.  |
|         |             | 1111     |            | • · ·    |                  | . 11     |          | Care.    | 1.11 | ore de,    |        |          |          | 500            |            | <u>_</u> | ч.÷.       |  | ч÷.,    | Y 19                                    | 60 C         | · • • *      | <b>.</b>     |          | C C L     | - S.         | ÷,         | 1. T.    | 44.   | · · · ·    | 1.12    | 5. A.S. | - 6.     |         | 1.1        | 2016    | ÷.,,,,    | See .     |         |            | e te da | 124                                     | 611         | ۰.  |
|         |             |          |            |          | 1.15             | · · ·    | - 1 a -  |          | 1.1  | 1.1.1      |        | 1.1      | 111      | - 11           | 2010       | 212.     | - C.       |  | - C     |   | d in         |              | 11 E         | 5.62     | 111.      |              | : t.t      | 1111     | 14.00 | - t t i    |         |         | 21.1     |         | · · · · .  | - 1 C   | 19.1      | 20.00     | - 12    | 1140       | 1. M. H | u de                                    | 114.2       |     |
| ÷.      |             |          |            |          | 1.1              |          | . 1      | -1.      | ÷    |            | 1.1    | 125.5    |          | 1.1            | _          |          | <u></u>    | - · · ·                                  | 1       |   | ÷ 🛯 .        | R 8          | <b>8</b> .   | 10.0     |           |              | ÷.         | 2.11     | ÷.    | 1          | 1.1     |         |          |         | · · ·      |         | 1.11      |           |         |            | - i -   |   | 144         | 1   |
|         |             | '        | · · .      |          |                  | 1.1      |          | - I '    | 75   | 3          |        |          |          | - 23           | <b>C</b> I | 2        | 67         | ·  | ÷       | 111                                     | - N          | n/           | Τ.           | 1.27     |           |              | 1 24       | ٥r       | 77    | <b>n</b> : |         |         | - E      |         | <b>m</b> 1 |         |           |           | 14.17   | T Z        | w       |   | 11 A 4      | ۰.  |
| · · · · | · .         |          |            | - 1      | 1.1.1.1          | 2        | - CI     |          | ÷.,  | <b>.</b>   |        | S. 1. 1. | <u>م</u> | a              | 21         |          | <b>F</b> . | - 02                                     |         | ·                                       |              | N            | <b>6</b> - 1 |          | 200       | 1.111        | <b>L</b> ( | er       |       |            |         | 1. A. A | (        | -1      |            | 1.11    | · • • •   | 94 C.     | 1.11    |            | )(      | a                                       | <10 L       | •   |
| - S. A  | 1 - AL      |          | 2.1        | 17.21    | ·                | 1.11     | 1.1      | τ.       | 1. L | 11.1       |        | 12.25    | 2.41     |                | 11.1       | . C.     | -          | - T                                      |         | - e - e - e - e - e - e - e - e - e - e | 1.1          | - N.         | · · · ·      |          | 101       | 1.1          | . C.       |          | ·     | F. 54      |         |         |          |         |            | - C - C | 1 A. A.   | 201       | - 2 Ar  |            |         | - i i i i i i i i i i i i i i i i i i i | 19 A.       | 1   |
| 1.11    | - 14 A      | S        | e le sur   | 12.0     | 5 C.             | - M.     |          | e        | 144  | in te      | - A    | 1.1.1.   |          | 1.1.1.         |            | - AC,    |            | · • • •                                  | 1247    | 1.1                                     |              | S            |              | 1. L. A. | - A.      | 1.11.1       | 5. da      | 1 A A    | 1.1   | -16 M      | 1.14    |         | . ' ' .  |         | A.C.       | 212     | i .       | 100       | 1.11    | <          | 1 A.L.  | 1515                                    | at 1.       |     |
| 1 e     | 11.1        | <b>£</b> |            | L 121    | ****             |          | 1.4      | 1        | 6 B  | <b>1</b>   |        |          | ÷        | •              | 1.00       | -        | Ð          |  | - 11    | · · · ·                                 | -            | <b>a</b> - 1 | - inter      | و بر د   |           |              |            | ai 🖬     | نص ه  | 10.1       |         |         | 144.5    |         | - 1 mail   |         | 1 A S     | 54 A      | - C. 19 |            | 2000    |   | 1.1.1       | • 1 |
|         |             |          |            | ~0       | 1 <sup>1</sup> - | чт. н    | - J      |          |      | <b>.</b>   |        | t de pe  |          |                |            | - A.     | <b>L</b>   |  | - 14    | - 24                                    | 5.           |              |              | 112      |           |              | 7          | יוער     |       |            | 100     | 1.1     |          | • F     | 1/T        |         | 1.11      |           | 1.01    | . <b>f</b> | 1       | 1.1                                     | - L.        |     |
| ് ല     | <b>7</b> CI |          | ۵.         | ce       | 111              | 1. C. C. |          | . /      |      | 5          | 111    | 1.11     |          | 3              | • -        |          |            | 255                                      | . N.    |   |              | 4.           |              |          |           |              |            | 25       | υU    |            | Ъ.,     | - 00    |          | 30      | JU         | 1.17    | 22.24     | 1.1       |         | - H        | ]       |   |             | 1   |
|         | 1.000       | 121.1    | <u>-</u> - | 5 C -    | 1.11             | C        | . C.     | 1.24     |      | 1.25       | 11     | 5. CC    | - 14     | 15.0           |            |          | -7 C       | • 12                                     | . et e  | - ' to i                                | 1.1          |              |              | 1141     | · · · ' . | . e e e      |            |          |       |            |         | 13 A A  |          |         |            |         | 1 e       |           |         |            |         |   | - ' N - 1   |     |
| 24.1    | 1.1.1       | 141      |            | ·        | . 17             | 1923     |          | Ч÷.,     |      | 1.1.1      | e 11 - | 12.51    | 11.1     | î              | 1.1        |          | 1. C.      |  | · / .). | e                                       | 1.45         |              | 1.00         | - * *.   |           |              | 18.        |          |       |            | 1.11    |         |          | 12 A.   | - 11       |         | 1949.     | 1.11      | 1.11    | C 1 1      |         | - 1-                                    | 5 H.        |     |
|         | 1 × * .     |          | 1.5        | 1.1 11 / | S. 18            | - A.     |          | ÷.       | -    |            | 111    | 1.1      |          | _              | -          | _        |            | 1. A.                                    | 1.1.1   |   | 12           | 10.          |              |          |           |              |            | <u> </u> |       |            | 20.02   |         | ·        |         | 21.1       |         | 7.1 S     | · · · ·   | ÷.      | 81.1 L     |         | 1414                                    |             | -0  |
| 1.1.1   | 101         | - e*     | 100        |          |                  |          | <b>п</b> | 7        | - 71 | - <b>-</b> |        | 1.1      | - C      | <b>1</b> • • • | ς.         | 78       | 2.1        |  |         | - 7                                     |              |              | A 8          |          | · · · ·   |              | At         | Пſ       | ۱n    |            |         |         | <b>f</b> | 78      | • •        | 1 · ·   | - 11      | * e e e 1 | 1.1     |            | •       |   |             |     |
| 1.1.1   |             | 81       |            | d        | 1. A.            | . C      |          | <i>.</i> |      | 5          |        | - 14 A   | - 12     | 9.             | D.         | 2:-      |            | 1.11                                     | - 14    |   | O            | 1            | -            |          | 14 A.     |              | 66.        | 90       | JR 1  | 1.1        |         |         |          |         | 6 E I      |         | 26.2      | 1 A A     | - 14 A  | - N        | )       | -07 A                                   | 1.1.1       | 1   |
| 100     |             |          | C. T. T    |          | 1.1.1            | 1.1      |          | _        |      | - T. I.    |        | 1.1.1    |          |                |            |          |            | . • • '                                  | 197     |   |              | ð            |              |          |           |              |            |          |       | 9.6        |         | - 10    |          |         |            |         | -00-      |           |         | ः व        |         |   | - i - i - i | 1   |
|         | و و العرب ا | 1 e. e   | - · ·      |          | 11 J.            | 5 A      | - C      |          |      | 11 J. A.   | - 12   |          | - tr.    |                |            | ·- " :   | -04        | 100                                      | () A 4  |   | i e co       | - C.         |              | 54.14    |           | 0.00         |            | d 4 -    | 12.4  |            | i de se | ъс.,    | - î. î.  |         | 2.62       |         | чĽ.       |           | 1.00    |            | 11. C.  | 1.11                                    | and i       | ÷.  |
| 2413    | - <u>-</u>  |          | 1.1        |          | 1942             | 199      |          | _        |      | _          | - t 1  | ÷2       | 5 P.     |                |            |          | - C.       |  | 01      |   | 1.10         | 1929         |              |          |           |              | -14        | 4        | 12.5  | - 2        | 1.14    | - 10    |          | - C - C |            | - 1. et | -04 A     |           | 2 Y 4   | - C.C.     | 1.010   | 1 A S.                                  | 45 (A)      | - 1 |
|         |             | 100.00   |            |          | 1.1              | - A.     | 7        | . 0      | - 7  | 5          | - 2.5  | 5 I A.   | 21.5     | 5              |            | <b>—</b> | 181        |  |         | - th                                    | 1.4          |              |              |          |           |              | 1.6        | A .      | 4.    | ъP.        |         |         | 3        | ~       | ~          | •       |           | - L.      | _ A     | -          | ~ ~     |   | 1993        | •   |
|         |             |          | ມບ         | 1.1.1    | - 11             | 1.11.    | 1        | -0       |      |            | - C    | 11. A.   | - 67     |                |            |          |            | · • • •                                  |         | · · · · .                               | Sec. 1       |              | ·            |          |           |              |            | ш.       |       |            |         |         |          | -       | F 68       |         |           | - C.      | Ξ       |            | 00      |   |             | ÷   |
| 1 I.    |             |          |            |          | 1.1              | 1.12     | · • .    | -        |      |            | 1.1    | 4 N      | 1 - F    |                |            |          | 11         | 1.1.1                                    | ÷       |   | - <b>1</b> 🖷 |              | · · '.       |          | 1.1.1     | - , <b>e</b> | -          |          | 12.0  |            | ·       |         | _        | -       | <b>v</b> 1 | Ψ.      |           | 1.1.1     | _       | <b>U</b> 1 |         | P - 11                                  |             | ۰.  |
|         | 1.1         |          | 1.1.1      |          |                  | ·        | - C. C.  |          |      |            | - A.   | · ·      | - 1 - I  | · · · · ·      | 11 C - 1   | 1.11     | · · . ·    | - A. | · ', '  | - 12 -                                  |              |              |              |          | 1.11      |              | - C. A. S. |          |       | 1.11       | 1.1.1   |         | - A. 11  |         | 6. J.A.    | 1 I K.  | · · · · · | 1.6.1     |         | 1.141      |         |   |             |     |

Plan to drill a 17-1/2" hole to 1250' with Fresh Water. Run 13-3/8", 54.5#, J-55 csg and cmt to surface. Drill 12-1/4" hole to 4900' with Brine, and run 9-5/8", 36#/40#, J55 and cement to surface. Drill 8-3/4" to 9100' to kick off and drill curve and lateral with cut brine to approx 19,412' MD. Run 5-1/2" 17# BTC P-110 csg and cement to 4600' in 1 stage.



## CONDITIONS OF APPROVAL

| API #        | Operator          | Well name & Number     |  |
|--------------|-------------------|------------------------|--|
| 30-025-42275 | COG Operating LLC | Eata Fajita State #10H |  |

Applicable conditions of approval marked with XXXXXX

## Administrative Orders Required

|             | ······· | ······ | <br> | <u> </u> |  |
|-------------|---------|--------|------|----------|--|
| Other wells |         |        |      |          |  |

|          |  | <br> |  |
|----------|--|------|--|
| Drilling |  |      |  |

| XXXXXXX     | 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   |
| <b>—</b> —— |  |

Casing

| SURFACE & INTERNEMIATE(1) CASING - Cement must circulate to surface  |
|--|
| PRODUCTION CASING - Cement must tie back into intermediate casing  |
| If cement does not circulate to surface, must run temperature survey or other log to determine top of cement |
| South Area   |
| Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water         |
|  |