

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Form C-104
Revised August 1, 2011

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address COG Production LLC 2208 W. Main Street Artesia, NM 88210		² OGRID Number 217955
		³ Reason for Filing Code/ Effective Date NW
⁴ API Number 30 - 025-43170	⁵ Pool Name WC-025 G-06 S253206M; Bone Spring	⁶ Pool Code 97899
⁷ Property Code 39881	⁸ Property Name Azores Federal	⁹ Well Number 7H

II. ¹⁰ Surface Location

Ul or lot no. B	Section 32	Township 24S	Range 32E	Lot Idn	Feet from the 210	North/South Line North	Feet from the 2550	East/West line East	County Lea
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¹¹ Bottom Hole Location

Ul or lot no. C	Section 29	Township 24S	Range 32E	Lot Idn	Feet from the 71	North/South Line North	Feet from the 2272	East/West line East	County Lea
¹² Lse Code F	¹³ Producing Method Code F	¹⁴ Gas Connection Date 5/26/17	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
	Alpha Crude Connector Pipeline	O
	Lucid Energy	G

IV. Well Completion Data

²¹ Spud Date 6/1/16	²² Ready Date 5/17/17	²³ TD 14450'	²⁴ PBTD 14365'	²⁵ Perforations 10820-14340'	²⁶ DHC, MC
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
17 1/2"	13 3/8"	855'	700		
12 1/4"	9 5/8"	4650'	1720		
8 3/4"	5 1/2"	14435'	2485		
	2 7/8"	9381'			

V. Well Test Data

³¹ Date New Oil 5/26/17	³² Gas Delivery Date 5/26/17	³³ Test Date 5/29/17	³⁴ Test Length 24 Hrs	³⁵ Tbg. Pressure 1000#	³⁶ Csg. Pressure 1000#
³⁷ Choke Size	³⁸ Oil 394	³⁹ Water 318	⁴⁰ Gas 1813		⁴¹ Test Method Flowing

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:

Stormi Davis

Title:

Regulatory Analyst

E-mail Address:

sdavis@concho.com

Date:

6/26/17

Phone:

575-748-6946

OIL CONSERVATION DIVISION

Approved by:

Title:

Petroleum Engineer

Approval Date:

C-104 TEMPORARY APPROVAL pending receipt of approved BLM forms attached

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM120908

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2 JUN 28 2017

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
AZORES FEDERAL 7H2. Name of Operator
COG PRODUCTION LLCContact: STORMI DAVIS
E-Mail: sdavis@concho.com9. API Well No.
30-025-431703a. Address
2208 WEST MAIN
ARTESIA, NM 882103b. Phone No. (include area code)
Ph: 575-748-694610. Field and Pool or Exploratory Area
WC; BONE SPRING

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 32 T24S R32E Mer NMP NWNE 210FNL 2550FEL

11. County or Parish, State

LEA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

4/18/17 to 5/13/17 TIH w/plug and pkr. Confirm leaks @ 6390-6395', 6818-6823', 6857-6862', 6900'.
Set Saltel csg patches 6889-6909', 6808-6866', 6383-6402'. Tested all patches to 4500# without failure. Drilled out all isolation plugs and clean down to 14365'.

5/14/17 to 5/17/17 Set 2 7/8" 6.5# L-80 tbg @ 9381' & pkr @ 6291'. Installed gas-lift system.

5/25/17 Began flowing back & testing.

5/26/17 Date of 1st production.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #379751 verified by the BLM Well Information System
For COG PRODUCTION LLC, sent to the Hobbs**

Name (Printed/Typed) STORMI DAVIS

Title PREPARER

Signature (Electronic Submission)

Date 06/26/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE - Accepted for Record Only

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

2. Name of Operator COG PRODUCTION LLC Contact: STORMI DAVIS
E-Mail: sdavis@concho.com

3. Address 2208 WEST MAIN ARTESIA, NM 88210 3a. Phone No. (include area code) Ph: 575-748-6946

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
At surface Sec 32 T24S R32E Mer NMP NWNE 210FNL 2550FEL
At top prod interval reported below Sec 29 T24S R32E Mer NMP
At total depth NENW 71FNL 2272FEL

10. Field and Pool, or Exploratory WC; BONE SPRING

11. Sec., T., R., M., or Block and Survey or Area Sec 32 T24S R32E Mer NMP

12. County or Parish LEA 13. State NM

14. Date Spudded 06/01/2016 15. Date T.D. Reached 06/14/2016 16. Date Completed ☐ D & A ☒ Ready to Prod. 05/17/2017

17. Elevations (DF, KB, RT, GL)* 3491 GL

18. Total Depth: MD 14450 TVD 9106 19. Plug Back T.D.: MD 14365 TVD 9106 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) NONE

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☐ No ☒ Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.500	13.375 J55	54.5	0	855		700		0	
12.250	9.625 J55	40.0	0	4650		1720		0	
8.750	5.500 P110	17.0	0	14435		2485		2870	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	9381	6291						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) BONE SPRING	10820	14340	10820 TO 14340	0.430	880	OPEN
B)						
C)						
D)						

26. Perforation Record

Depth Interval	Amount and Type of Material
10820 TO 14340	SEE ATTACHED

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
05/26/2017	05/29/2017	24	→	394.0	1813.0	318.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. 1000 SI	Csg. Press. 1000.0	24 Hr. Rate →	Oil BBL 394	Gas MCF 1813	Water BBL 318	Gas:Oil Ratio	Well Status POW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #379744 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Accepted for Record Only
Accepted for Record Only
Pending receipt of
BLM APPROVED
FORM

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
LAMAR	4560	4624		RUSTLER	761
BELL CANYON	4625	5532		TOS	1093
CHERRY CANYON	5533	6945		BOS	4372
BRUSHY CANYON	6946	8515		LAMAR	4560
BONE SPRING LM	8516	9121		BELL CANYON	4625
				CHERRY CANYON	5533
				BRUSHY CANYON	6946
				BONE SPRING LM	8516

32. Additional remarks (include plugging procedure):
Surveys, perms & stimulation are attached.

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #379744 Verified by the BLM Well Information System.
For COG PRODUCTION LLC, sent to the Hobbs

Name(please print) STORMI DAVIS

Title PREPARER

Signature (Electronic Submission)

Date 06/26/2017

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **

AZORES FEDERAL #7H (30-025-43170)

<u>Perfs</u>	<u>7 1/2% Acid (Gal)</u>	<u>Sand (#)</u>	<u>Fluid (Gal)</u>
1	7686	298565	377328
2	3024	304413	351204
3	3024	299284	366828
4	3150	302631	346836
5	3024	301996	348390
6	3024	301242	383250
7	3024	299624	345996
8	3192	300090	342342
9	3108	297812	343602
10	3066	297704	344316
11	3024	300392	341292
12	3024	299577	340284
13	3024	300479	347004
14	3066	301925	344862
15	3066	300508	340116
16	3024	301093	360528
17	3066	301604	343392
18	3150	298057	338772
19	3024	297467	356538
20	3024	0	87780
Totals	65814	5704463	6750660

AZORES FEDERAL #7H
30-025-43170

[illegible][illegible][illegible][illegible]

**McVAY DRILLING COMPANY**

P.O. Box 2450
Hobbs, New Mexico 88241
(575) 397-3311
FAX: 39-DRILL

Well Name and Num: Azores Fed Com # 7 H
Location: Sec 32, T24S, R32 E
Operator: COG Operating
Drilling Contractor: McVay Drilling Company

The undersigned certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

<u>Degrees @</u>	<u>Depth</u>	<u>Degrees @</u>	<u>Depth</u>	<u>Degrees @</u>	<u>Depth</u>	<u>Degrees @</u>	<u>Depth</u>
0.20	142	1.10	6035	89.80	12318		
0.60	447	1.00	6412	90.40	12507		
0.70	586	0.80	6883	89.90	12979		
0.20	809	0.90	7260	88.10	13451		
0.70	1079	0.60	7630	89.20	13640		
0.80	1356	0.40	7826	90.80	13923		
0.30	1734	0.50	8050	91.40	14206		
0.40	2112	1.10	8513				
0.40	2435	9.60	8655				
1.30	2812	42.30	8936				
0.60	3202	80.80	9344				
1.10	3578	89.10	9675				
1.20	3954	89.70	10147				
1.60	4434	91.40	10619				
1.60	4598	90.10	11091				
1.70	5034	90.20	11374				
0.69	5507	89.80	11846				

By: Mario A. Bana

Subscribed and sworn to before me this 20th day of June, 2016

Tina Flemens
Notary Public, Lea County, New Mexico



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM120908
2. Name of Operator COG PRODUCTION LLC		6. If Indian, Allottee or Tribe Name
3a. Address 2208 WEST MAIN ARTESIA, NM 88210		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 575-748-6946		8. Well Name and No. AZORES FEDERAL 7H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 32 T24S R32E Mer NMP NWNE 210FNL 2550FEL		9. API Well No. 30-025-43170
		10. Field and Pool or Exploratory Area WC; BONE SPRING
		11. County or Parish, State LEA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

7/7/16 to 7/27/16 Test 5 1/2" csg to 8500# for 15 mins. Good test. Drill out FC, FS and new formation to 14450'. Circ clean. Load and test 9 5/8" x 5 1/2" annulus to 1500#. Good test. Ran CBL. TOC @ 2870'. Set CBP @ 14350'. Test to 8500#.

10/20/16 to 10/29/16 Perforate 10820-14340' (880). Acdz w/65,814 gal 7 1/2% acid; frac w/5,704,463# sand & 6,750,660 gal fluid. SWI for casing leak.

11/21/16 to 1/13/17 Ran temp survey. Found leak @ 1566'. Set CBP @ 8621' and 2nd CBP @ 8586'. Set pkr 50' above and test CBP's. Isolate leak @ 6879'. Ran downhole camera. Found holes @ 6850-6855'. Found parted csg @ 1506'. Set CBP's @ 5995' and 5950'. Set pkr @ 1706'. Located leak @ 2835-2866'. Backed off csg @ 2864' and ran new csg. Test to 8000#. Lost pressure. TIH w/pkr and test from 2900' to CBP @ 5950' to 8000#. Good test. Chemical-cut csg @ 2867'. Ran

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #379746 verified by the BLM Well Information System
For COG PRODUCTION LLC, sent to the Hobbs

Name (Printed/Typed) STORMI DAVIS

Title PREPARER

Signature (Electronic Submission)

Date 06/26/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Accepted for Record Only Pending receipt of BLM APPROVED FB	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Additional data for EC transaction #379746 that would not fit on the form

32. Additional remarks, continued

patch & 62 jts csg. Drill out CBP's @ 5950' and 5995'. TIH w/pkr and test. Leaks between 6901-6925'. RIH w/camera and found split collars @ 6900' and 6393'. Circ well clean. Attempted to drill CBP's. Unsuccessful. Work suspended pending evaluation.