

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8181 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 179464

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

1. Operator Name and Address COG OPERATING LLC One Concho Center Midland, TX 79701		2. OGRID Number 229137
4. Property Code 308243		3. API Number 30-015-41938
5. Property Name Coinflip State		6. Well No. 003H

7. Surface Location

UL - Lot D	Section 18	Township 20S	Range 30E	Lot Idn 1	Feet From 1310	N/S Line N	Feet From 660	E/W Line W	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot H	Section 18	Township 20S	Range 30E	Lot Idn H	Feet From 1980	N/S Line N	Feet From 330	E/W Line E	County Eddy
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9. Pool Information

PARKWAY;BONE SPRING	49622
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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 3309
16. Multiple N	17. Proposed Depth 12651	18. Formation Bone Spring	19. Contractor	20. Spud Date 1/15/2014
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
Surf	26	20	57	75	50	
Int1	17.5	13.375	54.5	1500	800	
Int2	12.25	9.625	36	3500	2500	
Prod	8.75	7	29	7800	650	
Prod	7.875	5.5	17	12651	725	7800

Casing/Cement Program: Additional Comments

Drill 26" hole to 60' with Air/Fresh Water (Conductor Rig). Run 20", 57#, conductor pipe and cement. Drill 17-1/2" hole to 1500' with Brine Water. Run 13-3/8", 54.5#, J-55 csg and cement to surface. Drill 12-1/4" hole to 3,500' with Fresh Water/Cut Brine. Run 9-5/8", 40#, J-55 csg and cement to surface. Drill 8-3/4" hole with Cut Brine to approximately 7929', kick off and drill 8-3/4" curve to approximately 8743' MD, 8450' TVD. Drill 7-7/8" lateral with Cut Brine to approximately 12,572' MD. Run tapered casing string 7", 29#, P-110 and 5-1/2", 17#, P-110 and cement to surface.

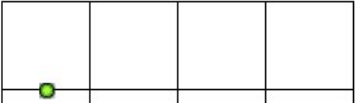
22. Proposed Blowout Prevention Program

Type Double Ram	Working Pressure 3000	Test Pressure 3000	Manufacturer Cameron
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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:	Approved By: Randy Dade	
Printed Name: Electronically filed by Diane Kuykendall	Title: District Supervisor	
Email Address: dkuykendall@conchoresources.com	Approved Date: 1/7/2014	Expiration Date: 1/7/2016
Date: 1/7/2014	Phone: 432-683-7443	Conditions of Approval Attached

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	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:	Diane Kuykendall
	Title:	Production Reporting Mgr
	Date:	1/7/2014
	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:	Chad Harcrow
	Date of Survey:	12/4/2013
	Certificate Number:	17777

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Form APD Comments

Permit 179484

PERMIT COMMENTS

Operator Name and Address: COG OPERATING LLC [229137] One Concho Center Midland, TX 79701	API Number: 30-015-41938
	Well: Coinflip State #003H

Created By	Comment	Comment Date
mreyes1	OIL: COG Operating has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore we do not believe that an H2S Contingency Plan would be necessary.	1/7/2014
CSHAPARD	Land s/s	1/7/2014

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Form APD Conditions

Permit 179484

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: COG OPERATING LLC [229137] One Concho Center Midland, TX 79701		API Number: 30-015-41938
		Well: Coinflip State #003H
OCD Reviewer	Condition	
CSHAPARD	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	