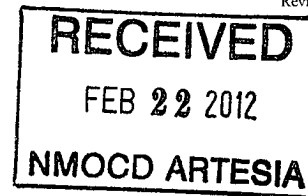


District I
1625 N French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
811 S First St., Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St Francis Dr Santa 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 August 1, 2011



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

| | | |
|---|--|---|
| ¹ Operator Name and Address COG Operating, LLC 550 W. Texas Suite 100 Midland, Texas 79701 | | ² OGRID Number 229137 |
| | | ³ API Number 30-015-23292 |
| ⁴ Property Code 39088 | ⁵ Property Name Lakewood SWD | ⁶ Well No 3 |

⁷ Surface Location

| | | | | | | | | | |
|---------------|--------------|-----------------|--------------|---------|-------------------|-------------------|------------------|------------------|----------------|
| UL - Lot E | Section 1 | Township 19S | Range 25E | Lot Idn | Feet from 2080 | N/S Line North | Feet From 860 | E/W Line West | County Eddy |
|---------------|--------------|-----------------|--------------|---------|-------------------|-------------------|------------------|------------------|----------------|

⁸ Pool Information

| | |
|-------------|-------|
| SWD; Canyon | 96184 |
|-------------|-------|

Additional Well Information

| | | | | |
|------------------------------|--------------------------------------|--|-------------------------------------|--|
| ⁹ Work Type E | ¹⁰ Well Type S | ¹¹ Cable/Rotary Rotary | ¹² Lease Type Private | ¹³ Ground Level Elevation 3463.5 |
| ¹⁴ Multiple No | ¹⁵ Proposed Depth 8950 | ¹⁶ Formation Canyon | ¹⁷ Contractor | ¹⁸ Spud Date 3/26/12 |
| Depth to Ground water N/A | | Distance from nearest fresh water well N/A | | Distance to nearest surface water N/A |

¹⁹ Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|----------|-----------|-------------|------------------|---------------|-----------------|---------------|
| H40 | 17-1/2 | 13-3/8 | 48# | 400 | 450 | Surface |
| K55 | 12-1/4 | 9-5/8 | 36# | 1305 | 950 | Surface |
| N80, K55 | 8-3/4 | 5-1/2 | 17#, 15.5# | 9362 | 2000 | 1140 |
| | | 2-7/8 tbg | 6.5# | 7650 | | |

Casing/Cement Program: Additional Comments

| |
|-----------------|
| See Attachments |
|-----------------|

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|------|------------------|---------------|--------------|
| | 2000 | 3000 | |

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that the drilling pit will be constructed according to NMOC D guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name Kanicia Castillo

Title: Regulatory Analyst

E-mail Address kcastillo@concho.com

Date: 2/20/12

Phone: 432-685-4332

OIL CONSERVATION DIVISION

Approved By:

Title

Approved Date

Expiration Date:

Conditions of Approval Attached

Monday, February 20, 2012

Lakewood SWD #3 Re entry procedure.

API: 30-015-23292

Location: E-01-19S-25E 2080 FNL 860 FWL

1. MIRU WSU.
2. Set up closed loop circulation system.
3. Remove dry hole marker and weld on flange type wellhead.
4. NU Dbl Hdy BOP, 2000 psig WP, and test to 3000 psig.
5. PU Bit, Drill Collars and work string.
6. GIH and drill out plugs as follow:
 - a. 350-450
 - b. 1255-1355
 - c. 3,575-3,625
 - d. 5,605-5,705
 - e. 7,188-7,288
7. Leave in place CIBP and cement plug at 8,950'
8. Run GR/Neu/CCL and make formation tie.
9. Perforate Canyon, at 2 jspf as instructed.
10. Perform acid ball job to insure all perfs open.
11. Swab test to evaluate.

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505



Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|---|---------------------------------------|
| ¹ API Number 30-015-23292 | ² Pool Code 96184 | ³ Pool Name SWD; Canyon |
| ⁴ Property Code | ⁵ Property Name Lakewood SWD | ⁶ Well Number 3 |
| ⁷ OGRID No. 229137 | ⁸ Operator Name COG Operating LLC | ⁹ Elevation 3463.5 |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| E | 1 | 19S | 25E | | 2080 | North | 860 | West | Eddy |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|------------------------------------|-------------------------------|----------------------------------|--|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |
| ¹² Dedicated Acres 0 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. SWD- Pending Approval | | | | | | |

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.

| | | | | |
|-------------------|--|--|--|--|
| ¹⁶ | ¹⁷ 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 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> Signature Date 2/15/12 Printed Name Kanicia Castillo E-mail Address kcastillo@concho.com | | | |
| | ¹⁸ 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> | | | |
| | Date of Survey Signature and Seal of Professional Surveyor: | | | |
| | Certificate Number | | | |