

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

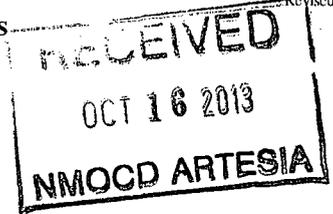
District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Form C-101
 Revised July 18, 2013

Energy Minerals and Natural Resources

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505



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

¹ Operator Name and Address COG Operating LLC 2208 West Main Street Artesia, NM 88210		² OGRID Number 229137
³ Property Code <i>40112</i>		⁴ API Number <i>30-015-41742</i>
⁵ Property Name SRO State Com		⁶ Well No 63H

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
E	10	26S	28E	E	2450	North	660	West	Eddy

⁸ Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	15	26S	28E	M	330	South	660	West	Eddy

⁹ Pool Information

Red Bluff <i>Red Bluff</i> , B.S. <i>South</i> Hay Hollow Bone Spring	¹⁰ Pool Name	¹¹ Pool Code 30215 <i>51010</i>
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Additional Well Information

¹² Work Type New Well	¹³ Well Type Oil	¹⁴ Cable/Rotary	¹⁵ Lease Type State	¹⁶ Ground Level Elevation 3011.9
¹⁷ Proposed Depth N	¹⁸ Proposed Depth 15657	¹⁹ Formation Bone Spring	²⁰ Contractor	²¹ Spud Date 10/29/2013
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

²² 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	48	400	420	
Intrmd	12.25	9.625	36	2510	850	
Production	7.875	5.5	17	15657	2510	2210

Casing/Cement Program: Additional Comments

Drill 17-1/2" hole to ~400' w/ fresh water spud mud. Run 13-3/8" 48# H40 STC casing to TD and cement to surface in one stage. Will use 1" tubing and Class C w/ 2% CaCl₂ to cement to surface, if necessary.
 Drill 12-1/4" hole to ~2510' with saturated brine water. Run 9-5/8" 36# J55 LTC casing to TD and cement to surface in one stage.
 Drill 7-7/8" vertical hole, curve and lateral to 15657' with cut brine. Run 5-1/2" 17# P110 LTC casing to TD and cement in one stage bringing TOC to 2210' (300' overlap).

²³ Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Cameron

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 and/or 19.15.14.9 (B) NMAC , if applicable.
 Signature: *Mayte Reyes*

Printed name: Mayte Reyes

Title: Regulatory Analyst

E-mail Address: mreyes1@concho.com

Date: 10/15/2013

Phone: 575-748-6945

OIL CONSERVATION DIVISION

Approved By:

T. C. Shepard

Title:

"Geologist"

Approved Date:

10/17/2013

Expiration Date:

10/17/2015

Conditions of Approval Attached

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015- 41742	Pool Code 30215 51010	Pool Name <i>Red Bluff</i> Hay Hollow; Bone Spring, <i>South</i>
Property Code 40112	Property Name SRO STATE COM	Well Number 63H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3011.9'

Surface Location

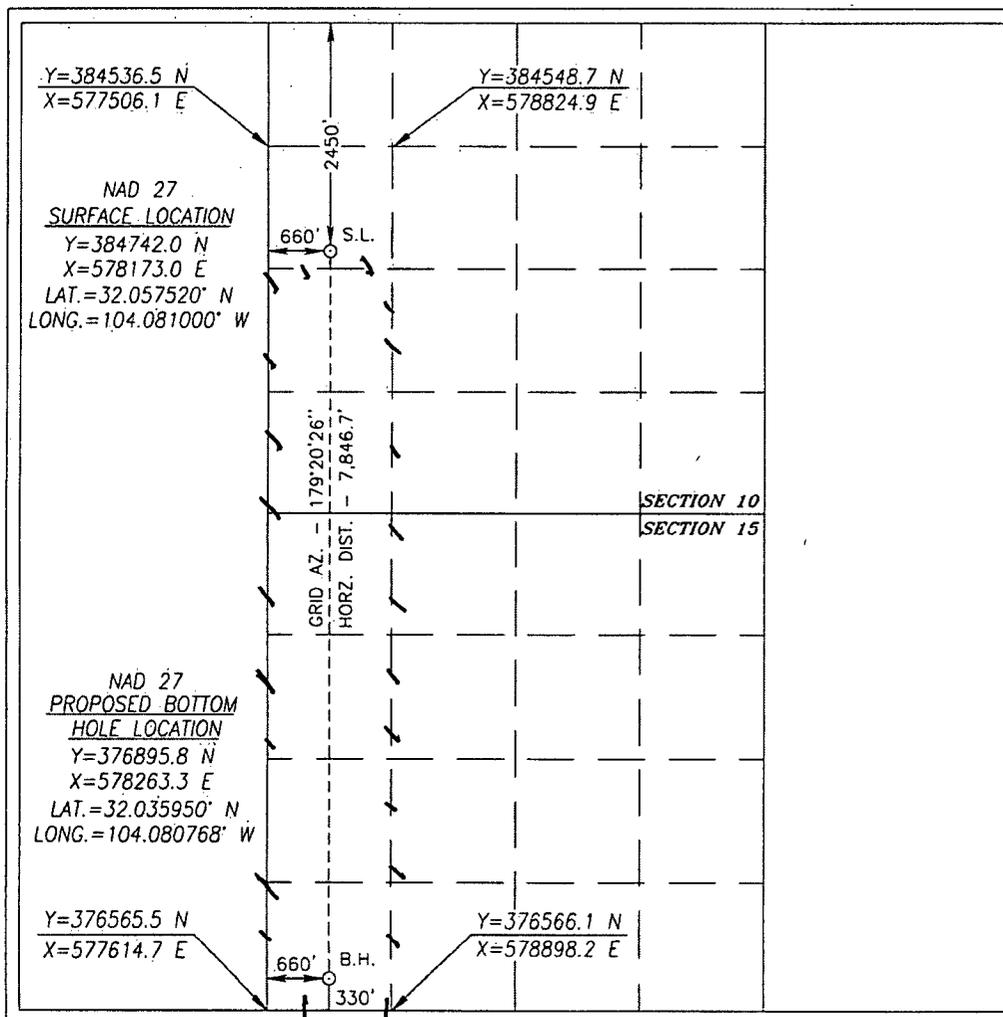
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	10	26-S	28-E		2450	NORTH	660	WEST	EDDY

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
M	15	26-S	28-E		330	SOUTH	660	WEST	EDDY

Dedicated Acres 240	Joint or Infill	Consolidation Code	Order No.
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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



OPERATOR CERTIFICATION
I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Melanie Parker 10/15/13
Signature Date
Melanie A Parker
Printed Name
mparker@concho.com
E-mail Address

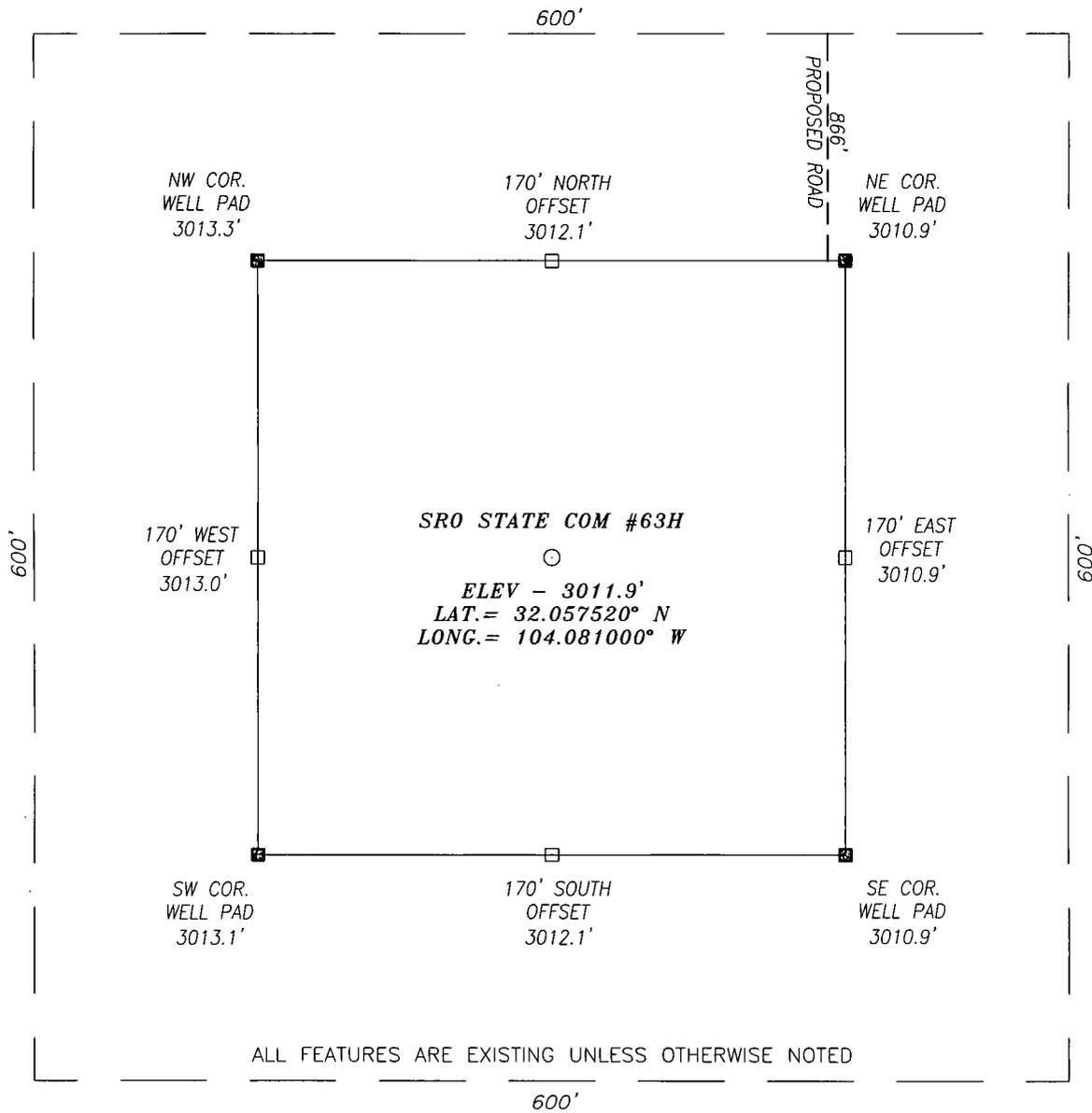
SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

AUGUST 23, 2013
Date of Survey

Signature & Seal of Professional Surveyor

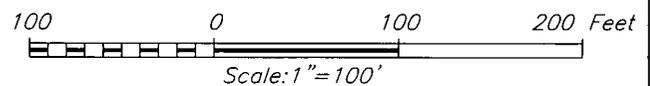
Chad Harcrow 8/19/13
Certificate No. CHAD HARCROW 17777
W.O. # 13-593 DRAWN BY: TL

SECTION 10, TOWNSHIP 26 SOUTH, RANGE 28 EAST, N.M.P.M.,
 EDDY COUNTY NEW MEXICO



DIRECTIONS TO LOCATION:

HEADING SOUTH ON HWY 285 TURN RIGHT (WEST) ONTO CR #724 (WHITES CITY RD) AND GO APPROX. 0.9 MILE; THEN TURN LEFT (SOUTHEAST) AND GO APPROX. 360 FEET; THEN PROPOSED WELL IS APPROX. 1060 FEET SOUTH.

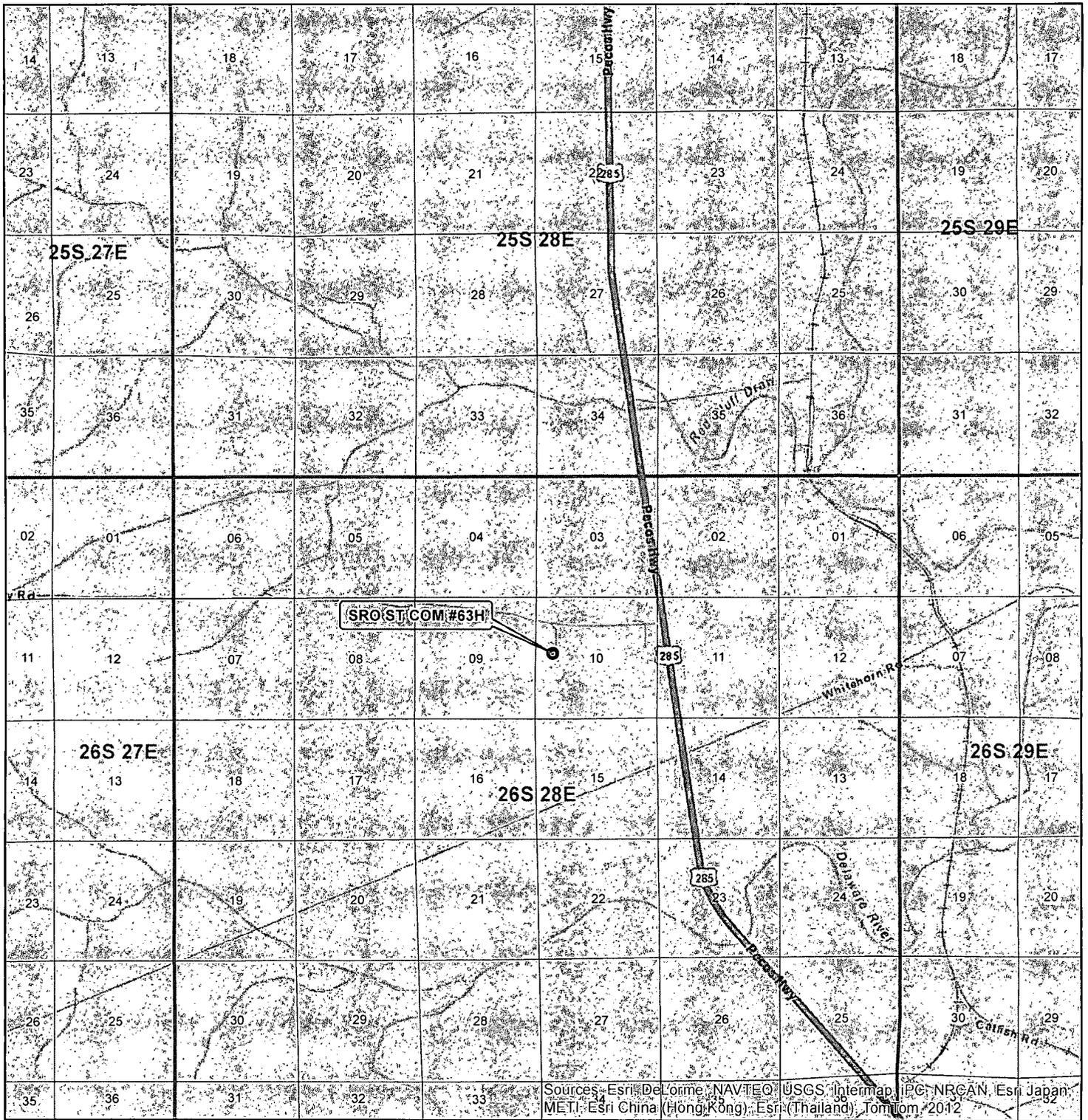


HARCROW SURVEYING, LLC
 2314 W. MAIN ST, ARTESIA, N.M. 88210
 PH: (575) 513-2570 FAX: (575) 746-2158
 chad_harcrow77@yahoo.com



COG OPERATING, LLC		
SRO STATE COM #63H WELL LOCATED 2450 FEET FROM THE NORTH LINE AND 660 FEET FROM THE WEST LINE OF SECTION 10, TOWNSHIP 26 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO		
SURVEY DATE: 08/23/2013	PAGE: 1 OF 1	
DRAFTING DATE: 08/26/2013		
APPROVED BY: CH	DRAWN BY: TL	FILE: 13-593

VICINITY MAP

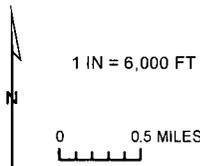


Sources - Esri, DeLorme, NAVTEQ, USGS, Intermap, iPC, NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, 2012

SEC. 10, TWP. 26 S, RGE. 28E
 SURVEY: N.M.P.M
 COUNTY: EDDY STATE: NEW MEXICO
 DESCRIPTION: SRO ST COM #63H
 2450' FNL, 660' FWL

ELEVATION: 3011.9'
 OPERATOR: COG OPERATING LLC
 LEASE: SRO ST COM

W.O. # 13-593



- WELL
- TOWNSHIP
- SECTION

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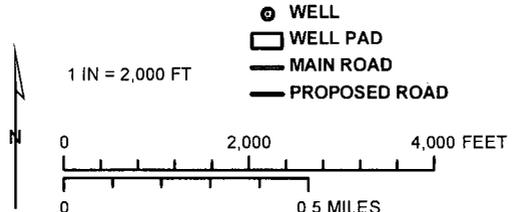
LOCATION VERIFICATION MAP



SEC. 10, TWP. 26 S, RGE. 28 E
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 DESCRIPTION: SRO ST COM #63H
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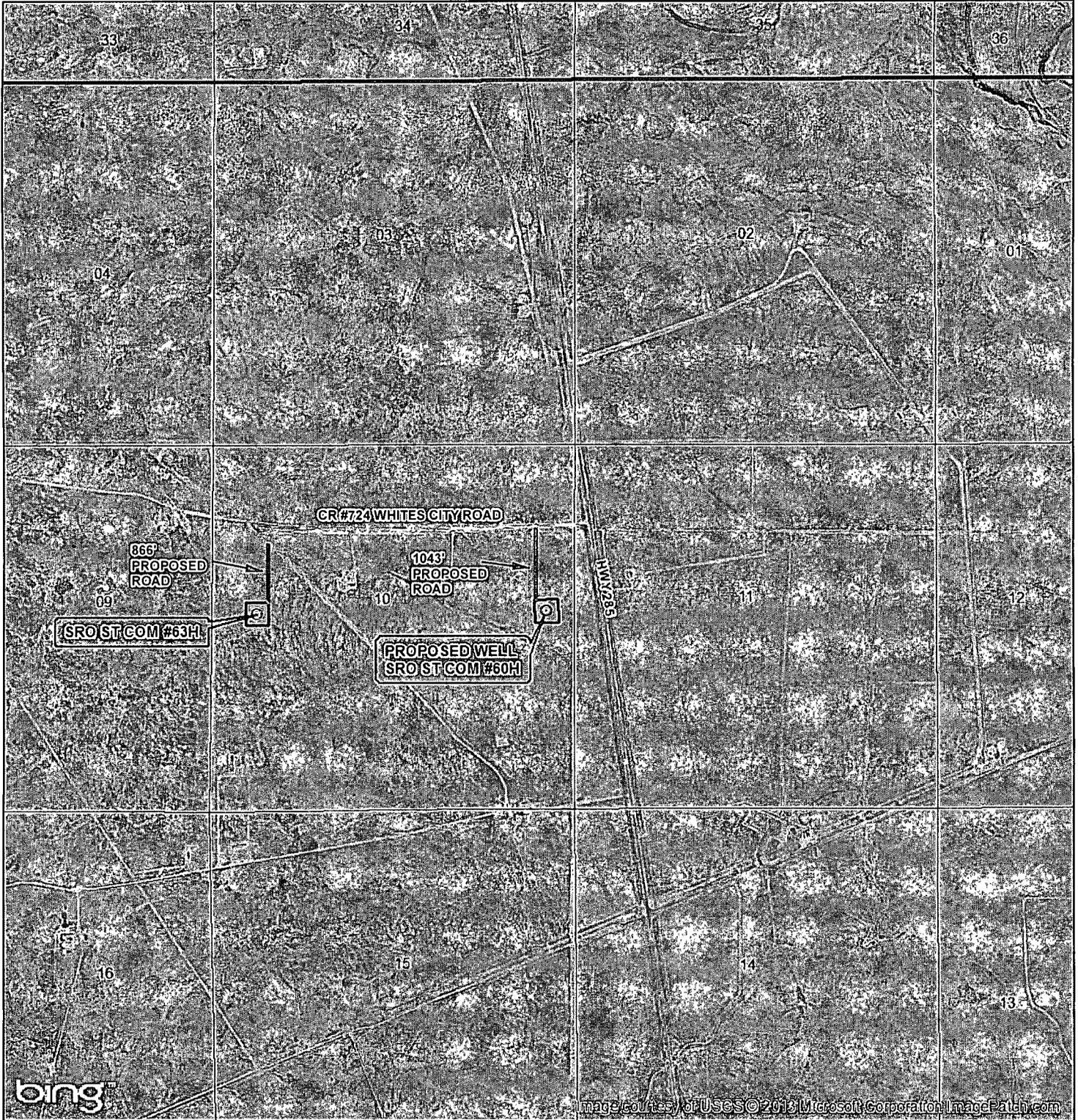


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MAP DATE: 8/29/2013

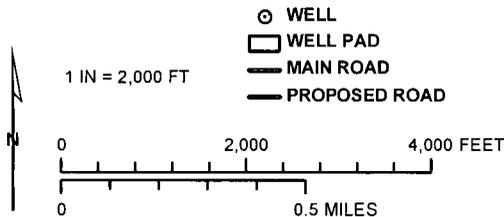
LOCATION VERIFICATION MAP



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MAP DATE: 8/29/2013

Permit Conditions of Approval

API: 30-015-41742

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