

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 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) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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 235875

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 38554		3. API Number 30-025-43792
5. Property Name STRATOJET 31 STATE COM		6. Well No. 007H

7. Surface Location

UL - Lot	N	Section	31	Township	20S	Range	35E	Lot Idn	N	Feet From	800	N/S Line	S	Feet From	1820	E/W Line	W	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	C	Section	31	Township	20S	Range	35E	Lot Idn	C	Feet From	200	N/S Line	N	Feet From	1980	E/W Line	W	County	Lea
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9. Pool Information

BERRY;BONE SPRING, NORTH	5535
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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 3725
16. Multiple N	17. Proposed Depth 16272	18. Formation Bone Spring	19. Contractor	20. Spud Date 5/15/2017
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	17.5	13.375	54.5	1850	1220	
Int1	12.25	9.625	40	5950	2100	
Prod	8.75	5.5	17	16272	2300	

Casing/Cement Program: Additional Comments

Drill 17-1/2" hole to ~1850' w/ fresh water spud mud. Run 13-3/8" 54.5# J-55 BTC casing to TD and cement to surface in one stage. Drill 12-1/4" hole to ~5950' with saturated brine. Run 9-5/8 40# J-55 BTC to 3500' and 9-5/8 40# L-80 BTC casing from 3500' to TD and cement to surface in two stages with DV/ECP 100' above reef. Drill 8-3/4" vertical hole, curve & lateral to 16,272' with cut brine. Run 5-1/2" 17# P110 BTC casing from TD to surface and cement to surface in one stage.

22. 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 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. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Diane Kuykendall Title: Production Reporting Mgr Email Address: production@concho.com Date: 5/8/2017	Approved By: Paul Kautz Title: Geologist Approved Date: 5/9/2017 Conditions of Approval Attached
Phone: 432-683-7443	Expiration Date: 5/9/2019

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Form C-102
August 1, 2011
Permit 235875

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-43792	2. Pool Code 5535	3. Pool Name BERRY,BONE SPRING, NORTH
4. Property Code 38554	5. Property Name STRATOJET 31 STATE COM	6. Well No. 007H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3725

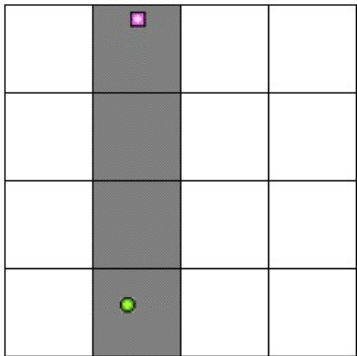
10. Surface Location

UL - Lot N	Section 31	Township 20S	Range 35E	Lot Idn N	Feet From 800	N/S Line S	Feet From 1820	E/W Line W	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot C	Section 31	Township 20S	Range 35E	Lot Idn C	Feet From 200	N/S Line N	Feet From 1980	E/W Line W	County Lea
12. Dedicated Acres 160.00			13. Joint or Infill		14. Consolidation Code			15. Order No.	

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

	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><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></p> <p>E-Signed By: Diane Kuykendall Title: Production Reporting Mgr Date: 5/8/2017</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><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></p> <p>Surveyed By: Chad Harcrow Date of Survey: 4/27/2017 Certificate Number: 17777</p>
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Form APD Comments
 Permit 235875

PERMIT COMMENTS

Operator Name and Address: COG OPERATING LLC [229137] One Concho Center Midland, TX 79701		API Number: 30-025-43792
		Well: STRATOJET 31 STATE COM #007H
Created By	Comment	Comment Date
mreyes3	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.	5/8/2017

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Form APD Conditions

Permit 235875

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: COG OPERATING LLC [229137] One Concho Center Midland, TX 79701	API Number: 30-025-43792
	Well: STRATOJET 31 STATE COM #007H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	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
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	Only Fresh Water and Air are Valid Drilling Fluids for Surface Casing
pkautz	Operator shall notify appropriate District office when setting conductor pipe.
pkautz	1)- The Operator is to notify NMOCDD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 20 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
pkautz	If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186
pkautz	Must notify OCD Hobbs Office of any water flows in the Salado Formation at 575-370-3186. Report depth and flow rate
pkautz	Operator to Submit Gas Capture Plan form prior spud