District I

1625:N_j 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

NOV 04 2013

NMOCD ARTESIA

State of New Mexico

RECEIVEEnergy Minerals and Natural Resources

Form C-101

Revised July 18, 2013

Distance to nearest surface water

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

APPLICATION FOR PERMI	T TO DRILL	RE-ENTER	DEEPEN.	PLUGBACK.	OR ADD	A ZONE
ALL LICATION FOR LENVI		• 1/17-17-1 1 17-1/		LLCUDACIA	OKADDA	

APPLI	CATIO	N FOR	PERMIT T	O DRILL,	RE-ENTE	R, DEEPEI	N, PLUGBAC				
			1. Operator Name	and Address				² OGRID Number			
			:	229137							
			COG Operati 2208 West Ma Artesia, NM	88210			30-0	2/5 - APLNumber	1719		
Property Code Property Name SRO State Com									ell No 8H		
7. Surface Location											
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County		
В	7	26S	28E	В	190	North	2080	East	Eddy		
,			* Proposed Bo	ttom Hole Lo	ocation						
UL - Lot .	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County		
0	18	26S	28E	О	330	South	1980	East	Eddy		
	•	•	•	9. Pc	ool Informatio	n			•		
				Pool	Name				Pool Code		
Hay Hollow; Bo	ne Spring								30215		
Additional Well Information											
1	rk Type		12. Well Type		13. Cable/Rotary		^{14.} Lease Type	15. Gro	ound Level Elevation		
	Well		Oil				State		3065.4		
1	ultiple		17. Proposed Depth		18 Formation		19. Contractor		^{20.} Spud Date		
N 17763 Bone Spring							1	11/15/2013			

We will be using a closed-loop system in lieu of lined pits

Depth to Ground water

21. Proposed Casing and Cement Program

Distance from nearest fresh water well

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	17.5	13.375	48	350	365	in
Intrmd	12.25	9.625	36	2320	800	
Pilot Hole Plug1	7.875	-	<u>-</u>	9400	200	8900
Pilot Hole Plug2	7.875		-	8100	340	7200
Production	7.875	5.5	17	17994	3010	2020

Casing/Cement Program: Additional Comments

Drill 17-1/2" hole to ~350' 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 ~2320' 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" pilot hole to 9400', log and plug back with 200 sx cement plug f/ 8900' – 9400' and 340 sx cement plug f/ 7200' – 8100'.

Drill 7-7/8" curve and lateral to 17763' with cut brine. Run 5-1/2" 17# P110 LTC casing to TD and cement in one stage bringing TOC to 2020' (300' overlap)

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	OW COLUMN TO THE TOTAL OF THE T	-				
best of my knowledge and belief.	•	OIL CONSERVATION DIVISION					
I further certify that I have complied	with 19.15.14.9 (A) NMAC 🛛 and/or	// N					
19.15.14.9 (B) NMAC ☑, if applicab	le. 🕡	Approved By:					
Signature: Mate	Elve	1. CSTADOR					
Printed name: Mayte Reyes	0	Title: / Geologist ^a	', /				
Title: Regulatory Analyst		Approved Date: 11/4/2013 Expiration Date: 1/1	14/2015				
E-mail Address: mreyes1@concho.com							
Date: 10/29/2013	Phone: 575-748-6945	Conditions of Approval Attached					

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NOV **04** 2013

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

State of New Mexico Energy, Minerals & Natural Resources Department ESIA OIL CONSERVATION

Form C-102 DIVISION

vised August 1, 2011

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

1220 SOUTH ST. FRANCIS DR. Santa Fe. New Mexico 87505 Submit one copy to appropriate District Office

☐ AMENDED REPORT

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) 478-3480 Fax: (505) 478-3482

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name				
30-015 - 41779	30215	Hay Hollow; Bone Spring				
Property Code	Prope	Well Number				
40112	SRO STA	48H				
OGRID No.		Operator Name				
229137	COG OPER	3065.4				

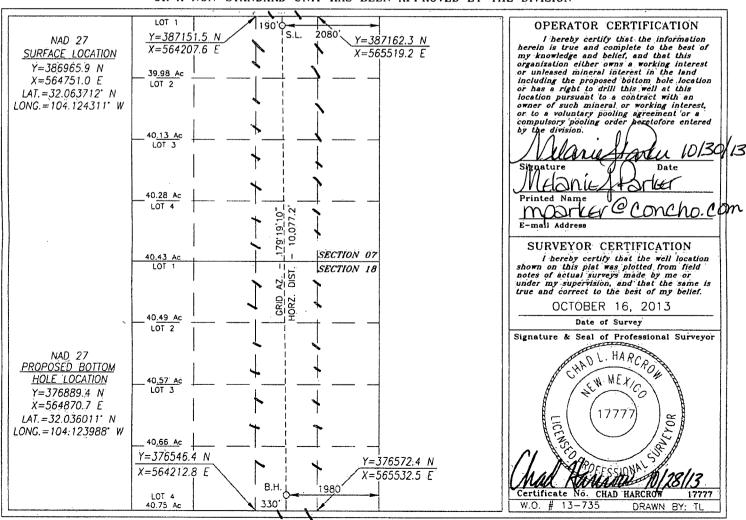
Surface Location

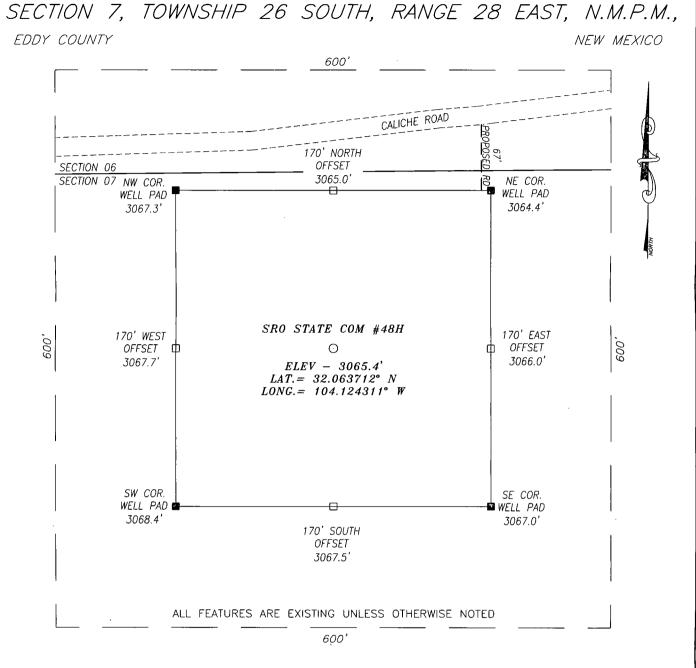
.UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	7	26-S	28-E		190	NORTH	2080	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Townsh	ip	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	18	26-	S	28-E		330	SOUTH	1980	EAST	EDDY
Dedicated Acres Joint or Infill Consolidation Code Order No.										
320						,				

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





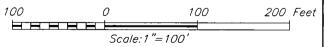
DIRECTIONS TO LOCATION:

HEADING SOUTH ON HWY 285 TURN RIGHT (WEST) ONTO CR #724 (WHITE CITY RD) AND GO APPROX. 3.5 MILES; THEN PROPOSED WELL IS APPROX. 295 FEET SOUTHWEST.

HARCROW SURVEYING, LLC

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

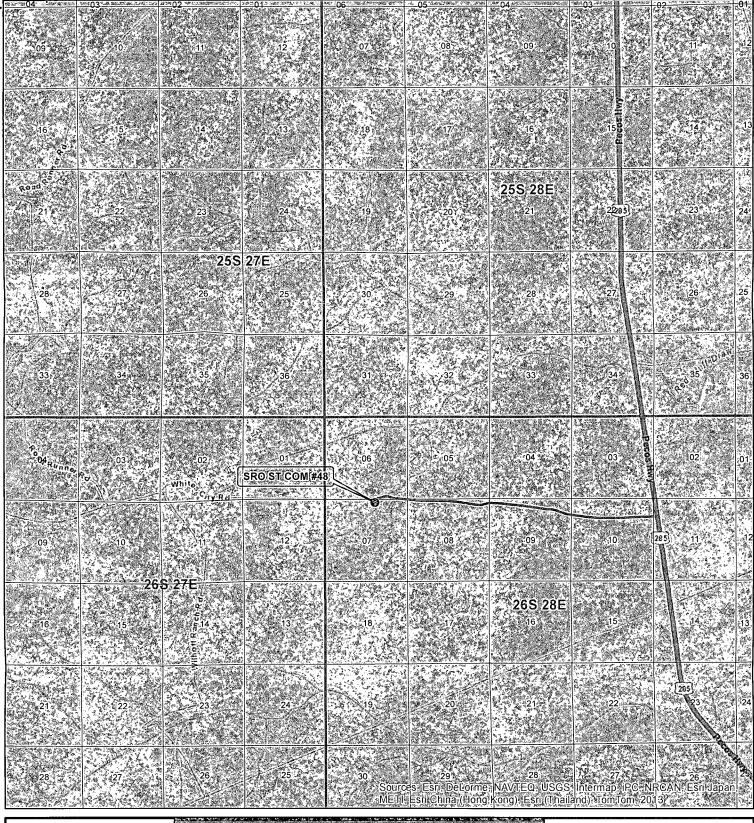




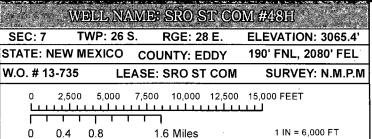
CONCHO COG OPERATING, LLC

SRO STATE COM #48H WELL
LOCATED 190 FEET FROM THE NORTH LINE
AND 2080 FEET FROM THE EAST LINE OF SECTION 7,
TOWNSHIP 26 SOUTH, RANGE 28 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO

SURVEY DATE: 10/16/2013		PAGE:	1	OF	1	_
DRAFTING DATE: 10/18/2013						
APPROVED BY: CH DRAWN BY: T	ΓL	FILE:	13-	-735		_



LEGEND

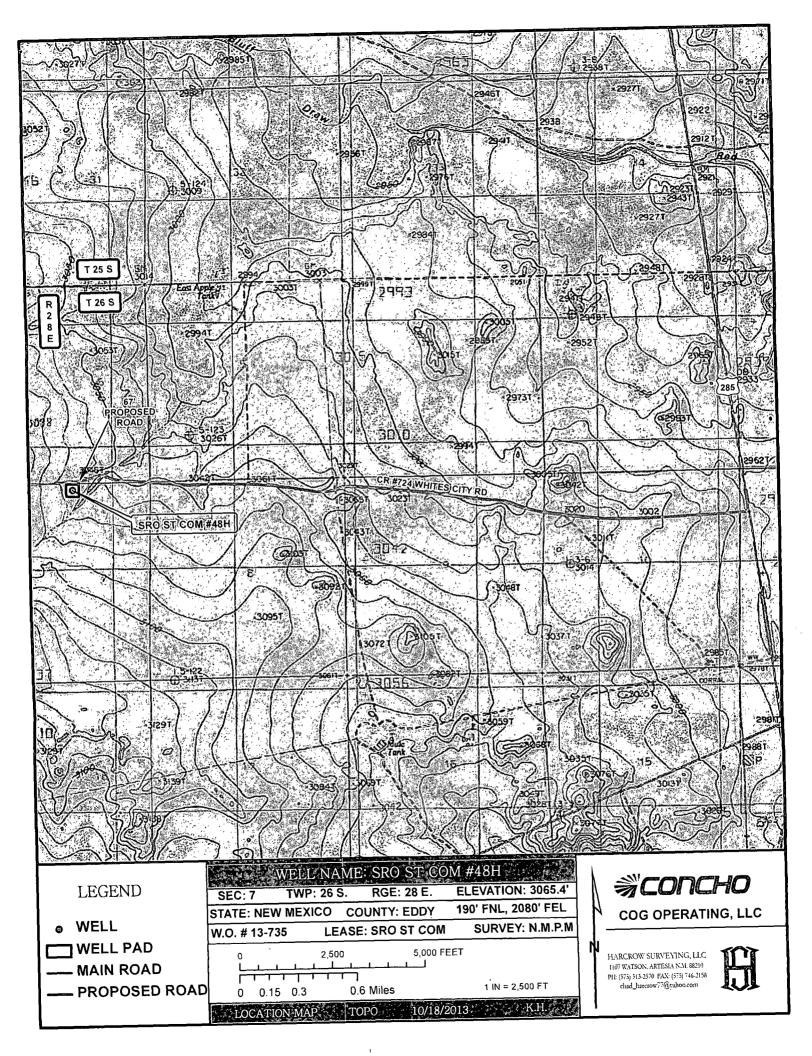


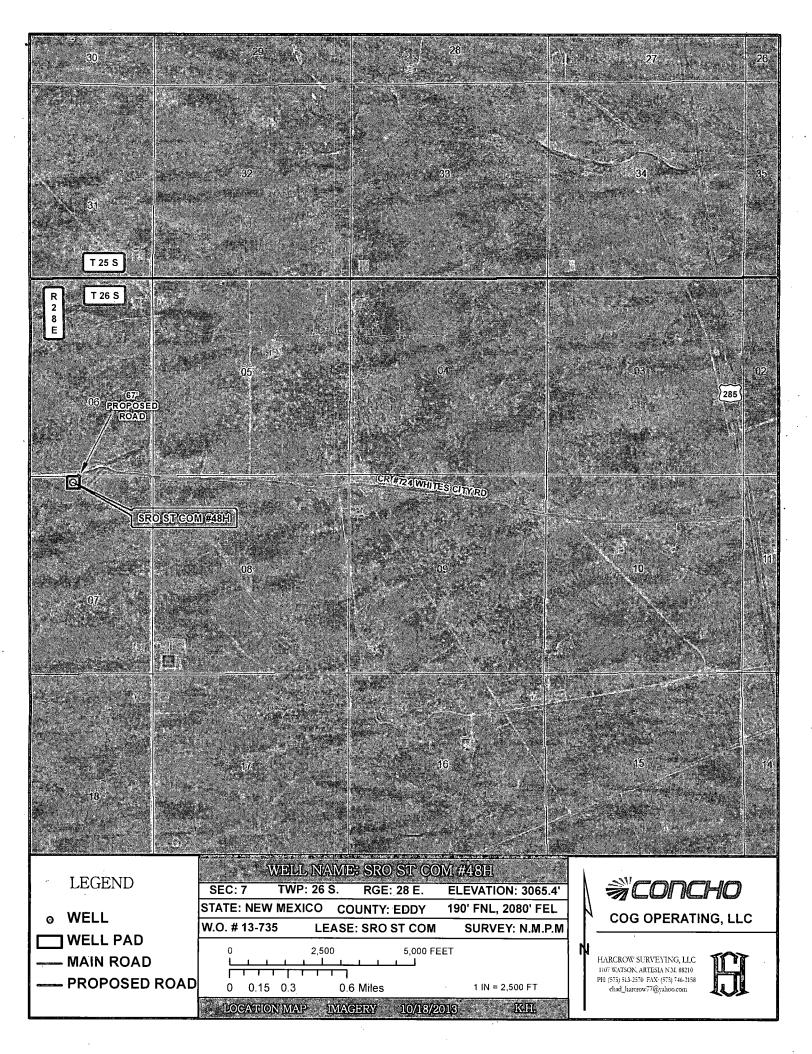
VICINITY MAP 10/18/2013 K.H.



HARCROW SURVEYING, LLC 1107 WATSON, ARTESIA N.M. 88210 PH: (575) 513-2570 FAX: (575) 746-2158 chad_harcrow77@yahoo.com









COG OPERATING LLC Pre-Drill Geological Prognosis 2nd Bone Spring Sand Single Lateral w/ Pilot Hole Field: Hay Hollow

2BS +PH

SRO State Com #48H **Enter API#**

Rig: **December Rig**

Target Zone	: 2nd Bone Spri					
Regul	ar section	FNL	FSL	FEL	FWL	Unit
§-T-R (SHL)	7-26S-28E	190		2080		7-B
§-T-R (BHL)	18-26S-28E		330	1980		18-O

GL:	3065	actual
KB:	3091	actual

		PF	OPOSED V	VELL		REFERENCE WELL			
COG	OPERATIN	IG LLC		<599	COG Operating LLC				
SRC	State Con	1#48H	A v	Est. VS: 10077	Chicken: No. 4	SR	O State Con	n #3H	
u u	7-26S-28E			Trt. Lat: 9725	Potash: No		18-26S-28	E NOW	
	Eddy Co., N	IM 💮 🧎		PH-TD: 9400	Lizard: No	SECOND !	Eddy Co., I	MI W	
. А. КВ: :	3091	Est. MD:	₄ 17800	AFE type: Sta	ite Line BSS PH	∴ KB:	3142		
Formations	TVD	Subsea	Iso to Tgt	Lith	Hazards/Misc	TVD 🥾	Subsea	. ≰lso ⊮ .	
Rustler	np	np: "		np ·		, np	**np*	np.	
TOS	523 ⊭	2568		Salt		603	2539	336	
BOS	859	2232	7497.74	Salt		939	2203	1445	
Delaware (Lamar)	2304	787		Limestone & Sand		2384	. ₹758	3722	
Bone Sprg (BSGL)	6026	-2935		Limestone		ৣ ∕6106 ∵	2964	\$\$\?\@\\$\	
U Avalon Sh	6371	-3280	1519	Silt, Shale & Carb		6451	்-3309∙ି	208	
L Avalon Sh	6579	-3488	1311	Silt, Shale & Carb		6659	-3517	384	
FBSG_sand	6963	-3872	₹ 927	Fine Sand & Carb		7043	3901	759	
☆ SBSG <u>s</u> sand	7722	4631	168	Fine Sand & Carb		7802	4660	1000	
TBSG sand	8722	-5631		Fine Sand & Carb		8802	-5660	348	
WEMP	9070	-5979		Silt, Shale & Carb		9150	-6008	283223	
EOC target	 7890	-4799							
EOL target	7810	-4719		Est incl. 90.45					

Comments

Drill up dip 80' over the llast 4000' of the lateral. Update after drilling Down South State Com #1H.

Wireline Evaluation

Quad Combo/CMR/ECS/ADT from PH TVD to intermediate casing.

Coring and Testing

None

Mudlogging

Log out from intermediate casing to TD with a 2-man unit keeping 1 set of 20' samples & capturing 1' drill time.

Land (obligations and deadlines)

Version/Geologist

v1 Henry Zollinger

DATE: 10/28/2013

Permit Conditions of Approval

API:

30-015-40112

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

Please provide proposed directional survey