HOBBS OCD

APR 02 2014

Submit 1 Copy To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
October 13, 2009

RECEIVED

WELL API NO.	30-025-41193
5. Indicate Type of Lease	STATE ☒ FEE ☐
6. State Oil & Gas Lease No.	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name	Grey Hawk State
8. Well Number	1H
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐ SWD	
2. Name of Operator	COG Operating LLC
9. OGRID Number	229137
3. Address of Operator	2208 W. Main Street, Artesia, NM 88210
10. Pool name or Wildcat	WC-025 G07 S213430M; Bone Spring

4. Well Location
Unit Letter P : 190 feet from the South line and 330 feet from the East line
Section 31 Township 21S Range 34E NMPM Lea County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3651.3'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: Drilling Change ☒		OTHER: ☐	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

COG Operating LLC respectfully requests approval for the following drilling change to the original APD.

See attached drilling program.

Spud Date: Rig Release Date:

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

SIGNATURE Mayte Reyes TITLE: Regulatory Analyst DATE: 3/20/2014

Type or print name: Mayte Reyes E-mail address: mreyes1@conchoresources.com PHONE: (575) 748-6945

For State Use Only

APPROVED BY: TITLE Petroleum Engineer DATE APR 02 2014

Conditions of Approval (if any):

APR 02 2014

Grey Hawk State 1H
30-025-41193

Casing and Cement

String	Hole Size	Csg OD	PPF	Depth	Sx Cement	TOC
Surface	17-1/2"	13-3/8"	54.5#	1780'	1055	0'
Intermediate	12-1/4"	9-5/8"	36#/40	5220'	470/1610	0'
Pilot Hole Plug	8-3/4"	-	-	12350'	510	11300'
Production	8-3/4"-7-7/8"	5-1/2"	17#	16561'	2100	4920'

Well Plan

Drill 17-1/2" hole to ~1780' w/ fresh water spud mud. Run 13-3/8" 54.5# J55 STC casing to TD and cement to surface in one stage. Will use 1" tubing and Class C w/ 2% $CaCl_2$ to cement to surface, if necessary.

Drill 12-1/4" hole to ~5220' with saturated brine water. If losses occur in the Reef, will switch to fresh water to interval TD. Run 9-5/8" 36# J55 & 40# L80 BTC casing to TD with a DV tool placed ~ 100' above the Reef. Plan to circulate cement on both stages.

Drill 8-3/4" pilot hole to 12350', log and plug back with 510 sx cement plug f/ 11300' – 12350'.

Drill 8-3/4" curve to ~ 12300' and 7-7/8" lateral to 16561' with cut brine. Run 5-1/2" 17# P110 LTC casing to TD and cement to 4920' (300' overlap) in one stage.

Well Control

After setting 13-3/8" casing and installing 3000 psi casing head, NU 13-5/8" 5000 psi T3 Energy Services annular BOP. Test annular and casing to 1000 psi and other BOP equipment to 2000 psi with clear fluid using 3rd party testers.

After setting 9-5/8" casing and installing 5000 psi casing spool, NU 13-5/8" 5000 psi T3 Energy Services double ram BOP and 13-5/8" 5000 psi T3 Energy Services annular BOP. Test annular to 2500 psi and other BOP equipment to 5000 psi with clear fluid using 3rd party testers.