

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised August 1, 2011

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

WELL API NO.	30-025-41633
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Stratocone 32 State
8. Well Number	002H
9. OGRID Number	229137
10. Pool name or Wildcat	Berry; Bone Spring, North
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	3732' GR

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

1. Type of Well: Oil Well Gas Well Other APR 21 2014

2. Name of Operator
COG Operating LLC

3. Address of Operator
600 W Illinois Ave., Midland, TX 79701

4. Well Location
 Unit Letter M : 330 feet from the South line and 190 feet from the West line
 Section 32 Township 20S Range 35E NMPM Lea County

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input checked="" type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 drilling changes detailed on the attached on the above referenced APD.

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 Melanie J. Parker TITLE Regulatory Analyst DATE 04/17/2014

Type or print name Melanie J. Parker E-mail address: mparker@concho.com PHONE: 575-748-6940
 For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE APR 22 2014
 Conditions of Approval (if any):

APR 22 2014

Stratacone 32 State 2H
30-025-41633

Casing and Cement

<u>String</u>	<u>Hole Size</u>	<u>Csg OD</u>	<u>PPF</u>	<u>Depth</u>	<u>Sx Cement</u>	<u>TOC</u>
Surface	17-1/2"	13-3/8"	54.5#	1980'	1300	0'
Intermediate	12-1/4"	9-5/8"	36#/40	5900'	2230	0'
Production	8-3/4"-7-7/8"	5-1/2"	17#	15381'	1900	5600'

Well Plan

Drill 17-1/2" hole to ~1980' 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% CaCl₂ to cement to surface, if necessary.

Drill 12-1/4" hole to ~5900' 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" vertical hole and curve to ~ 11100' and 7-7/8" lateral to 15381' with cut brine. Run 5-1/2" 17# P110 LTC casing to TD and cement to 5600' (300' overlap) in one stage.

Well Control

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

After setting 9-5/8" casing and installing 5000 psi casing spool, NU Shaeffer 3000 psi double ram BOP and Hydril 3000 psi annular BOP. Test annular to 1500 psi and other BOP equipment to 3000 with clear fluid using 3rd party testers.