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 Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division

Form C-101 August 1, 2011

1220 S. St Francis Dr. Santa Fe, NM 87505

| APP | LICATIO | | RMIT TO | | RE-ENTER | R, DEEPE | N, PLUGBAC | | | |
|-----------------------------|---------------|--------------|--------------------------------|-------------------------|-------------------|----------------|-----------------------------|-----------------|--------------------|--|
| | | | OGRID Number | | | | | | | |
| | | | 229137 | | | | | | | |
| | | | ie Concho (idland, TX | | | | | 3. API Number | | |
| | | | | | | | | 30-015-410 | 25 | |
| 4.] | Property Code | | | | 5. Property Nam | ie | 20 | 6. W | ett No. | |
| | 39672 | | | ILLUSTRATED MAN FEE COM | | | | 001H | | |
| | | - 10 | | 7. S | urface Loc | ation | | | | |
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County | |
| D | 12 | 258 | 28E | D | 170 | N | 900 | W | EDDY | |
| 124 | - | 2 100 | 8. | Proposed | Bottom H | ole Locati | ion | o 00 | | |
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County | |
| M | 12 | 25S | 28E | M | 330 | S | 660 | W | Eddy | |
| | | | | 9. P | ool Inform | ation | | | | |
| AN LORE | NZO;BON | E SPRING, N | ORTH | 100 | | | | | 536 | |
| | | | | Addition | al Well Int | ormation | 1 | | | |
| 11. Work Type 12. Well Type | | /pe | 13. Cable/Rotary | | | 14. Lease Type | 15. Ground Level Elevation | | | |
| New Well OIL | | OIL | 7 | STREET STREET | | | Private | | 2940 | |
| 16. Mu | ltiple | 17. Proposed | Depth | 18. Formation | | | 19. Contractor 20. Spud Dat | | Spud Date | |
| N | | 12937 | 7 | Bone Spring | | | | 2 | /1/2012 | |
| Denth | to Ground wa | ater | | Distance f | rom nearest fresh | water well | | Distance to nea | rest surface water | |

21. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 48 | 625 | 600 | |
| Int1 | 12.25 | 9.625 | 36 | 2600 | 900 | |
| Prod | 7.875 | 5.5 | 17 | 12937 | 2400 | |

Casing/Cement Program: Additional Comments

Plan to drill a 17-1/2" hole to 625' with Fresh Water. Run 13-3/8", 48#, H-40 csg and cmt to surface. Drill 12-1/4" hole to 2600' with Brine, and run 9-5/8", 36#, J55 and cement to surface. Drill vertical to approx 7800' then kick off and drill a 7-7/8" curve and lateral with cut brine to approx 12,937' MD. Run 5-1/2", 17#, P-110 csg and cement to 2400' in 1 stage.

22. Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 3000 | 3000 | Cameron |

| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. | OIL CONSERVATION DIVISION Approved By: Randy Dade | | | | |
|---|---|--|--|--|--|
| I further certify I have complied with 19.15.14.9 (A) NMAC ⊠ and/or 19.15.14.9 (B) NMAC ⊠, if applicable. | | | | | |
| Signature: | and below to be a Mileson of | | | | |
| Printed Name: Electronically filed by Diane Kuykendall | Title: District Supervisor | | | | |
| Title: Production Reporting Mgr | Approved Date: 1/30/2013 Expiration Date: 1/30/2015 | | | | |
| Email Address: dkuykendall@conchoresources.com | | | | | |
| Date: 1/30/2013 Phone: 432-683-7443 | Conditions of Approval Attached | | | | |

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District III

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Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u> 1220 S. St Francis Dr., Santa Fe, NM 87505

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division

oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number | 2. Pool Code | 3 | 3. Pool Name |
|------------------|--------------|--------------------|--------------|
| 30-015-41025 | 53610 | BONE SPRING, NORTH | |
| 4. Property Code | 5. Prope | rty Name | 6. Wett No. |
| 39672 | ILLUSTRATED | 001H | |
| 7. OGRID No. | 8. Opera | 9. Elevation | |
| 229137 | COG OPER. | 2940 | |

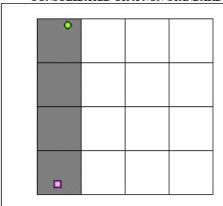
10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| D | 12 | 25S | 28E | | 170 | N | 900 | W | EDDY |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|-------------|----------|----------------|---------|-----------------|----------|-----------|---------------|--------|
| | 12 | 25S | 28E | M | 330 | S | 600 | W | EDDY |
| | cated Acres | 13. J | oint 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



OPERATOR CERTIFICATION

Form C-102

August 1, 2011

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.

E-Signed By: Diane Kuykendall Title: Production Reporting Mgr

Date: 1/30/2013

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.

Surveyed By: Chad Harcrow Date of Survey: 1/23/2013 Certificate Number: 17777

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: ILLUSTRATED MAN FEE COM #001H

API: 30-015-41025

| Created By | Comment | Comment Date |
|---------------|--|-----------------|
| mreyes1 | 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. | 1/30/2013 |
| CSHAPARD | Land p/P | 1/30/2013 |

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137
Well: ILLUSTRATED MAN FEE COM #001H
API: 30-015-41025

| 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 |