District I 1825 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**

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

Form C-101 August 1, 2011

Permit 178067

APPLICATION FOR PERMIT TO DRILL	., RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

-		
Operator Name and Address		2. OGRID Number
COG OPERATING LLC		229137
One Concho Center		3. API Number
Midland, TX 79701		30-025-41537
4. Property Code	5. Property Name	6. Well No.
40076	DOS ABUELOS FEE	002H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	20	18S	34E	111111	190	N	990	W	Lea

8. Proposed Bottom Hole Location

UL - L	Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	M	20	188	34E	M	330	S	380	W	Lea

9. Pool Information

MESCALERO ESCARPE;BONE SPRING	45793

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 4065
16. Multiple N	17. Proposed Depth 14375	18. Formation Bone Spring	19. Contractor	20. Spud Date 2/1/2014
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	1870	1125	0
Int1	12.25	9.625	36	3365	850	0
Prod	7.875	5.5	17	14375	2100	2865

Casing/Cement Program: Additional Comments

Plan to drill 17 1/2" hole to 1870' w/fresh water, run 13 3/8" 54.5# J-55 casing & cement to surface. Drill 12 1/4" hole to 3365' w/brine water, run 9 5/8" 36# J-55 casing & cement to surface. Drill 7 7/8" curve and lateral w/cut brine to approximately 14375' MD. Run 5 1/2" 17# P-110 casing and cement in 2 stages.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Cameron

knowledge and b	•••			OIL CONSERVATIO	N DIVISION
Printed Name:	Electronically filed by Diane Kuyk	endall	Approved By:	Paul Kautz	
Title:	Production Reporting Mgr		Title:	Geologist	
Email Address: dkuykendall@conchoresources.com			Approved Date: 12/6/2013 Expiration Date: 12/6/2015		
Date:	12/4/2013	Phone: 432-683-7443	Conditions of Appr	oval Attached	

District I

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-102 August 1, 2011

Permit 178067

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41537	2. Pool Code 45793	3. Pool Name MESCALERO ESCARPE;BONE SPRING	
4. Property Code 40076	Property Name DOS ABUELOS FEE	6. Well No. 002H	
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 4065	

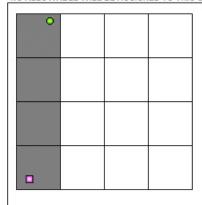
10. Surface Location

TVI GUITAGO ECCAGON									
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	20	188	34E		190	N	990	W	Lea

11 Bottom Hole Location If Different From Surface

				1 II Dollo	III IIIOIO LOGGII	on a Dinorolle From	ouridoo			
UL	- Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	M	20	18S	34E		330	S	380	W	Lea
12.	12. Dedicated Acres		13. Joint or Infill		14. Consolidation Cod	de		15. Order No.		
	160.00								100100	

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

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: 12/4/2013

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: 5/6/2013 Certificate Number: 17777

Form APD Comments

Permit 178067

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720 District II

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State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

PERMIT COMMENTS

Operator Name and Address:	API Number:
COG OPERATING LLC [229137]	30-025-41537
One Concho Center	Well:
Midland, TX 79701	DOS ABUELOS FEE #002H

Created By	Comment	Comment Date
pkautz	Land p/S	12/6/2013

Form APD Conditions

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720

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Permit 178067

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
COG OPERATING LLC [229137]	30-025-41537
One Concho Center	Well:
Midland, TX 79701	DOS ABUELOS FEE #002H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
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	SURFACE & INTERNEMIATE CASING - Cement must circulate to surface
pkautz	PRODUCTION CASING - Cement must tie back into intermediate casing