

**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**  
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 178056

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

1. Operator Name and Address COG PRODUCTION, LLC 600 W. Illinois Ave Midland, TX 79701		2. OGRID Number 217955
4. Property Code 39769		3. API Number 30-025-41538
5. Property Name SALVADOR FEE		6. Well No. 004H

**7. Surface Location**

UL - Lot <b>M</b>	Section <b>10</b>	Township <b>24S</b>	Range <b>34E</b>	Lot Idn	Feet From <b>190</b>	N/S Line <b>S</b>	Feet From <b>660</b>	E/W Line <b>W</b>	County <b>Lea</b>
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**8. Proposed Bottom Hole Location**

UL - Lot <b>D</b>	Section <b>10</b>	Township <b>24S</b>	Range <b>34E</b>	Lot Idn <b>D</b>	Feet From <b>330</b>	N/S Line <b>N</b>	Feet From <b>660</b>	E/W Line <b>W</b>	County <b>Lea</b>
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**9. Pool Information**

RED HILLS;BONE SPRING, NORTH	96434
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**Additional Well Information**

11. Work Type <b>New Well</b>	12. Well Type <b>OIL</b>	13. Cable/Rotary	14. Lease Type <b>Private</b>	15. Ground Level Elevation <b>3522</b>
16. Multiple <b>N</b>	17. Proposed Depth <b>15395</b>	18. Formation <b>Bone Spring</b>	19. Contractor	20. Spud Date <b>3/1/2014</b>
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	1125	725	0
Int1	12.25	9.625	40	5300	1300	0
Prod	7.875	5.5	17	15395	1565	5100

**Casing/Cement Program: Additional Comments**

Plan to drill 17 1/2" hole to 1125' w/fresh water. Run 13 3/8", 54.5# J-55 csg & cmt to surface. Drill 12 1/4" hole to 5300' w/brine and run 9 5/8" 40# J-55/N-80 csg & cmt to surface in 1 stage. Drill 7 7/8" pilot hole to 12200'. Plug back pilot hole with cement. Drill 7 7/8" curve and lateral w/cut brine to approximately 15395' MD. Run 5 1/2" 17# P-110 csg & cmt to 5100' in 2 stages.

**22. Proposed Blowout Prevention Program**

Type <b>Double Ram</b>	Working Pressure <b>3000</b>	Test Pressure <b>3000</b>	Manufacturer <b>Cameron</b>
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23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.  Signature: Printed Name: <b>Electronically filed by DIANE KUYKENDALL</b> Title: <b>Production Reporting Manager</b> Email Address: <b>dkuykendall@concho.com</b> Date: <b>12/4/2013</b>	<b>OIL CONSERVATION DIVISION</b>  Approved By: <b>Paul Kautz</b> Title: <b>Geologist</b> Approved Date: <b>12/6/2013</b> Expiration Date: <b>12/6/2015</b> Conditions of Approval Attached
Phone: <b>432-685-4372</b>	

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State of New Mexico  
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Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

Form C-102  
August 1, 2011  
  
Permit 178056

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41538	2. Pool Code 96434	3. Pool Name RED HILLS;BONE SPRING, NORTH
4. Property Code 39769	5. Property Name SALVADOR FEE	6. Well No. 004H
7. OGRID No. 217955	8. Operator Name COG PRODUCTION, LLC	9. Elevation 3522

10. Surface Location

UL - Lot M	Section 10	Township 24S	Range 34E	Lot Idn	Feet From 190	N/S Line S	Feet From 660	E/W Line W	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 10	Township 24S	Range 34E	Lot Idn	Feet From 330	N/S Line N	Feet From 660	E/W Line W	County Lea
12. Dedicated Acres 160.00	13. Joint 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

	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>E-Signed By:       DIANE KUYKENDALL  Title:               Production Reporting Manager  Date:                12/4/2013</p>		
	<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By:       Chad Harcrow  Date of Survey:    6/12/2013  Certificate Number: 1777</p>		

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Form APD Comments  
  
Permit 178056

**PERMIT COMMENTS**

Operator Name and Address: COG PRODUCTION, LLC [217955] 600 W. Illinois Ave Midland, TX 79701		API Number: 30-025-41538
		Well: SALVADOR FEE #004H
Created By	Comment	Comment Date
pkautz	Land p/P	12/6/2013

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Form APD Conditions  
 Permit 178056

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: COG PRODUCTION, LLC [217955] 600 W. Illinois Ave Midland, TX 79701	API Number: 30-025-41538
	Well: SALVADOR FEE #004H

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 & INTERMEDIATE CASING - Cement must circulate to surface
pkautz	PRODUCTION CASING - Cement must tie back into intermediate casing
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water