

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 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 182853

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

1. Operator Name and Address COG OPERATING LLC One Concho Center Midland, TX 79701		2. OGRID Number 229137
4. Property Code 38909		3. API Number 30-015-42152
5. Property Name SHERMAN 4 FEE		6. Well No. 010H

7. Surface Location

UL - Lot M	Section 33	Township 18S	Range 26E	Lot Idn	Feet From 150	N/S Line S	Feet From 330	E/W Line W	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot M	Section 4	Township 19S	Range 26E	Lot Idn M	Feet From 330	N/S Line S	Feet From 530	E/W Line W	County Eddy
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9. Pool Information

ATOKA;GLORIETA-YESO	3250
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3374
16. Multiple N	17. Proposed Depth 7944	18. Formation Yeso Formation	19. Contractor	20. Spud Date 4/20/2014
Depth to Ground water 110		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000

☒ 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	11	8.625	32	1200	700	0
Prod	7.875	5.5	17	7944	800	0

Casing/Cement Program: Additional Comments

COG proposes to drill an 11" hole to 1200' w/fresh water, run 8-5/8" 32# J-55 and cement to surface. Drill a 7-7/8" hole to 2564' MD and kick off and drill curve to 3085' TVD 3382' MD. Drill a 7-7/8" lateral to new BHL @ 3085' TVD 7944' MD. Run a 5 1/2" 17# L-80 casing to TD cement to surface with 800 sacks.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	

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: Electronically filed by Diane Kuykendall Title: Production Reporting Mgr Email Address: dkuykendall@conchoresources.com Date: 3/11/2014	OIL CONSERVATION DIVISION Approved By: Randy Dade Title: District Supervisor Approved Date: 3/11/2014 Expiration Date: 3/11/2016 Conditions of Approval Attached
Phone: 432-683-7443	

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Form C-102
August 1, 2011
Permit 182853

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-42152	2. Pool Code 3250	3. Pool Name ATOKA;GLORIETA-YESO
4. Property Code 38909	5. Property Name SHERMAN 4 FEE	6. Well No. 010H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3374

10. Surface Location

UL - Lot M	Section 33	Township 18S	Range 26E	Lot Idn	Feet From 150	N/S Line S	Feet From 330	E/W Line W	County Eddy
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11. Bottom Hole Location If Different From Surface

UL - Lot M	Section 4	Township 19S	Range 26E	Lot Idn	Feet From 330	N/S Line S	Feet From 530	E/W Line W	County Eddy
12. Dedicated Acres 159.07	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

<table border="1" style="width: 100%; height: 150px; border-collapse: collapse;"> <tr><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> </table>																	<p style="text-align: center;">OPERATOR CERTIFICATION</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 Mgr Date: 3/11/2014</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</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: Gary Eidson Date of Survey: 12/17/2013 Certificate Number: 12641</p>

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Form APD Comments
Permit 182853

PERMIT COMMENTS

Operator Name and Address: COG OPERATING LLC [229137] One Concho Center Midland, TX 79701		API Number: 30-015-42152
		Well: SHERMAN 4 FEE #010H

Created By	Comment	Comment Date
kholly1	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	3/11/2014
CSHAPARD	Land p/P	3/11/2014

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Form APD Conditions
Permit 182853

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: COG OPERATING LLC [229137] One Concho Center Midland, TX 79701		API Number: 30-015-42152
		Well: SHERMAN 4 FEE #010H
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	