

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) 334-8178 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 206952

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
		3. API Number 30-015-43206
4. Property Code 315017	5. Property Name Silver Mountain 28 State	6. Well No. 002H

7. Surface Location

UL - Lot D	Section 28	Township 20S	Range 28E	Lot Idn	Feet From 765	N/S Line N	Feet From 190	E/W Line W	County Eddy
---------------	---------------	-----------------	--------------	---------	------------------	---------------	------------------	---------------	----------------

8. Proposed Bottom Hole Location

UL - Lot A	Section 28	Township 20S	Range 28E	Lot Idn A	Feet From 430	N/S Line N	Feet From 330	E/W Line E	County Eddy
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	------------------	---------------	----------------

9. Pool Information

AVALON;BONE SPRING, EAST	3713
--------------------------	------

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3230
16. Multiple N	17. Proposed Depth 13185	18. Formation Bone Spring	19. Contractor	20. Spud Date 7/21/2015
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	48	500	400	
Int1	12.25	9.625	36	2700	800	
Prod	8.75	5.5	17	13185	2300	2200

Casing/Cement Program: Additional Comments

Plan to drill a 17-1/2" hole to 500' with brine. Run 13-3/8", 48#, J-55 csg and cmt to surface. Drill 12-1/4" hole to 2700' with fresh water, and run 9-5/8", 36# J55 and cement to surface in 2 stages. Drill an 8-3/4" curve & lateral with cut brine to approx 13,185'MD. Run 5-1/2", 17#, P-110 csg and cement to 2,200'.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Cameron

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: Regulatory Analyst Email Address: dkuykendall@conchoresources.com Date: 7/7/2015	OIL CONSERVATION DIVISION Approved By: Randy Dade Title: District Supervisor Approved Date: 7/9/2015 Expiration Date: 7/9/2017 Conditions of Approval Attached
---	--

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) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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 206952

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-43206	2. Pool Code 3713	3. Pool Name AVALON:BONE SPRING, EAST
4. Property Code 315017	5. Property Name Silver Mountain 28 State	6. Well No. 002H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3230

10. Surface Location

UL - Lot D	Section 28	Township 20S	Range 28E	Lot Idn	Feet From 765	N/S Line N	Feet From 190	E/W Line W	County Eddy
---------------	---------------	-----------------	--------------	---------	------------------	---------------	------------------	---------------	----------------

11. Bottom Hole Location If Different From Surface

UL - Lot A	Section 28	Township 20S	Range 28E	Lot Idn	Feet From 430	N/S Line N	Feet From 330	E/W Line E	County Eddy
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

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; height: 40px; text-align: center; vertical-align: middle;">●</td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center; vertical-align: middle;">■</td> </tr> <tr><td style="height: 40px;"></td><td></td><td></td><td></td></tr> <tr><td style="height: 40px;"></td><td></td><td></td><td></td></tr> <tr><td style="height: 40px;"></td><td></td><td></td><td></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: Regulatory Analyst Date: 7/7/2015</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: Chad Harcrow Date of Survey: 5/11/2015 Certificate Number: 17777</p>
●			■														

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) 476-3482

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

Form APD Comments
 Permit 206852

PERMIT COMMENTS

Operator Name and Address: COG OPERATING LLC [229137] One Concho Center Midland, TX 79701		API Number: 30-015-43206
		Well: Silver Mountain 28 State #002H
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.	7/7/2015

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 APD Conditions

Permit 206852

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: COG OPERATING LLC [229137] One Concho Center Midland, TX 79701	API Number: 30-015-43206
	Well: Silver Mountain 28 State #002H

OCD Reviewer	Condition
--------------	-----------