

| <b>District I</b><br>1625 N. French Dr., Hobbs, NM 88240<br>Phone:(575) 393-8161 Fax:(575) 393-0720<br><b>District II</b><br>811 S. First St., Artesia, NM 88210<br>Phone:(575) 748-1283 Fax:(575) 748-9720<br><b>District III</b><br>1000 Rio Brazos Rd., Aztec, NM 87410<br>Phone:(505) 334-6178 Fax:(505) 334-6170<br><b>District IV</b><br>1220 S. St Francis Dr., Santa Fe, NM 87505<br>Phone:(505) 476-3470 Fax:(505) 476-3462  | <b>State of New Mexico</b><br><b>Energy, Minerals and Natural Resources</b><br><b>Oil Conservation Division</b><br><b>1220 S. St Francis Dr.</b><br><b>Santa Fe, NM 87505</b> | Form C-103<br>August 1, 2011<br>Permit 199593<br>WELL API NUMBER<br>30-025-41800<br>5. Indicate Type of Lease<br>S<br>6. State Oil & Gas Lease No.<br>7. Lease Name or Unit Agreement Name<br>QUESO STATE |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
|---|---|---|---|-----------------------------|-----------------------|------------------------------------|--|---|--|---------------------------------------|--|--|--|---|---|---|--|-----------|--------------|------|---|------|--------|------|-----|---|------|------|--|------|--|------|---|--|----------|------|--|-------|-------|----|-----|---|------|------|--|---|--|------|---|--|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)   |   |   |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| 1. Type of Well:<br>O   |   | 8. Well Number<br>005H  |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| 2. Name of Operator<br>COG PRODUCTION, LLC  |   | 9. OGRID Number<br>217955   |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| 3. Address of Operator<br>600 W. Illinois Ave, Midland, TX 79701  |   | 10. Pool name or Wildcat  |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| 4. Well Location<br>Unit Letter <u>P</u> : <u>400</u> feet from the <u>S</u> line and feet <u>1160</u> from the <u>E</u> line<br>Section <u>36</u> Township <u>23S</u> Range <u>32E</u> NMPM County <u>Lea</u>  |   |   |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3643 GR  |   |   |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____   |   |   |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data<br><table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table> |   |   | NOTICE OF INTENTION TO:                   |                             | SUBSEQUENT REPORT OF: |                                    | PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTER CASING <input type="checkbox"/> | TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE OF PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> |           | Other: _____ |      | Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/> |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
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| PERFORM REMEDIAL WORK <input type="checkbox"/>  | PLUG AND ABANDON <input type="checkbox"/>   | REMEDIAL WORK <input type="checkbox"/>  | ALTER CASING <input type="checkbox"/>     |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| TEMPORARILY ABANDON <input type="checkbox"/>  | CHANGE OF PLANS <input type="checkbox"/>  | COMMENCE DRILLING OPNS. <input type="checkbox"/>  | PLUG AND ABANDON <input type="checkbox"/> |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| PULL OR ALTER CASING <input type="checkbox"/>   | MULTIPLE COMPL <input type="checkbox"/>   | CASING/CEMENT JOB <input type="checkbox"/>  |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| Other: _____  |   | Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/>   |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| 13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.<br>12/18/14 TD 17 1/2" hole @ 1218'. Set 13 3/8" J-55 csg @ 1202'. Cmt w/800 sx Prem Plus. Tailed in w/250 sx. Circ 349 sx to surface. WOC 18 hrs. Test csg to 1500# for 30 mins. 12/23/14 TD 12 1/4" hole @ 4987'. Set 9 5/8" 40# J-55 csg @ 4984'. Cmt w/1100 sx Class C. Tailed in w/250 sx. Circ 126 sx to surface. WOC 18 hrs. Test csg to 1500# for 30 mins. 12/18/2014 Spudded well.  |   |   |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| <b>Casing and Cement Program</b><br><table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>12/19/14</td> <td>Surf</td> <td></td> <td>17.5</td> <td>13.375</td> <td>54.5</td> <td>J55</td> <td>0</td> <td>1202</td> <td>1050</td> <td></td> <td>Prem</td> <td></td> <td>1500</td> <td>0</td> <td></td> </tr> <tr> <td>12/23/14</td> <td>Int1</td> <td></td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>J55</td> <td>0</td> <td>4984</td> <td>1350</td> <td></td> <td>C</td> <td></td> <td>1500</td> <td>0</td> <td></td> </tr> </tbody> </table>   |   |   | Date                                      | String                      | Fluid Type            | Hole Size                          | Csg Size                                       | Weight lb/ft                              | Grade                                  | Est TOC                               | Dpth Set                                     | Sacks                                    | Yield  | Class                                     | 1" Dpth                                       | Pres Held                               | Pres Drop                                  | Open Hole | 12/19/14     | Surf |   | 17.5 | 13.375 | 54.5 | J55 | 0 | 1202 | 1050 |  | Prem |  | 1500 | 0 |  | 12/23/14 | Int1 |  | 12.25 | 9.625 | 40 | J55 | 0 | 4984 | 1350 |  | C |  | 1500 | 0 |  |
| Date  | String  | Fluid Type  | Hole Size                                 | Csg Size                    | Weight lb/ft          | Grade                              | Est TOC  | Dpth Set                                  | Sacks                                  | Yield                                 | Class  | 1" Dpth                                  | Pres Held  | Pres Drop                                 | Open Hole                                     |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| 12/19/14  | Surf  |   | 17.5                                      | 13.375                      | 54.5                  | J55                                | 0  | 1202                                      | 1050                                   |                                       | Prem   |  | 1500   | 0   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| 12/23/14  | Int1  |   | 12.25                                     | 9.625                       | 40                    | J55                                | 0  | 4984                                      | 1350                                   |                                       | C  |  | 1500   | 0   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .   |   |   |   |                             |                       |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| <table style="width:100%;"> <tr> <td>SIGNATURE</td> <td>Electronically Signed _____</td> <td>TITLE</td> <td>Production Reporting Manager _____</td> <td>DATE</td> <td>2/10/2015</td> </tr> <tr> <td>Type or print name</td> <td>DIANE KUYKENDALL</td> <td>E-mail address</td> <td>dkuykendall@concho.com</td> <td>Telephone No.</td> <td>432-685-4372</td> </tr> </table>   |   |   | SIGNATURE                                 | Electronically Signed _____ | TITLE                 | Production Reporting Manager _____ | DATE   | 2/10/2015                                 | Type or print name                     | DIANE KUYKENDALL                      | E-mail address                               | dkuykendall@concho.com                   | Telephone No.                                    | 432-685-4372                              |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| SIGNATURE   | Electronically Signed _____   | TITLE   | Production Reporting Manager _____        | DATE                        | 2/10/2015             |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| Type or print name  | DIANE KUYKENDALL  | E-mail address  | dkuykendall@concho.com                    | Telephone No.               | 432-685-4372          |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| <b>For State Use Only:</b><br><table style="width:100%;"> <tr> <td>APPROVED BY:</td> <td>Paul Kautz _____</td> <td>TITLE</td> <td>Geologist _____</td> <td>DATE</td> <td>2/10/2015 3:10:20 PM</td> </tr> </table>   |   |   | APPROVED BY:                              | Paul Kautz _____            | TITLE                 | Geologist _____                    | DATE   | 2/10/2015 3:10:20 PM                      |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |
| APPROVED BY:  | Paul Kautz _____  | TITLE   | Geologist _____                           | DATE                        | 2/10/2015 3:10:20 PM  |                                    |  |   |  |                                       |  |  |  |   |   |   |  |           |              |      |   |      |        |      |     |   |      |      |  |      |  |      |   |  |          |      |  |       |       |    |     |   |      |      |  |   |  |      |   |  |

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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**

Comments  
Permit 199593

**DRILLING COMMENTS**

|  |                          |
|--|--------------------------|
| Operator:<br>COG PRODUCTION, LLC<br>600 W. Illinois Ave<br>Midland, TX 79701 | OGRID:<br>217955         |
|  | Permit Number:<br>199593 |
|  | Permit Type:<br>Drilling |

**Comments**

| Created By                            | Comment | Comment Date |
|---------------------------------------|---------|--------------|
| There are no Comments for this Permit |         |              |