

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 261010

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

1. Operator Name and Address COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701		2. OGRID Number 229137
		3. API Number 30-015-45549
4. Property Code 323005	5. Property Name SRO 4 STATE COM	6. Well No. 503H

7. Surface Location

UL - Lot D	Section 4	Township 26S	Range 28E	Lot Idn	Feet From 223	N/S Line N	Feet From 1160	E/W Line W	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot M	Section 9	Township 26S	Range 28E	Lot Idn M	Feet From 50	N/S Line S	Feet From 330	E/W Line W	County Eddy
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9. Pool Information

DELAWARE RIVER;BONE SPRING	16800
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 2990
16. Multiple N	17. Proposed Depth 18252	18. Formation Bone Spring	19. Contractor	20. Spud Date 12/20/2018
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	700	500	
Int1	12.25	9.625	40	2450	900	
Prod	8.75	5.5	17	18252	3300	2000

Casing/Cement Program: Additional Comments

Drill 17-1/2" hole to 700' into the Rustler. Run 13-3/8" 54.5# J55 STC casing to TD and cement to surface in one stage. Will set in Rustler and cover water depth. Drill 12-1/4" hole to ~2,450' with Brine. Run 9-5/8" 40# J-55 casing to TD and cement to surface in one stage. Drill 8-3/4" vertical hole, curve & lateral to 18,252' with Cut Brine. Run 5-1/2" 17# P110 BTC casing to TD and cement to 2,000' in one stage.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	Cameron

<p>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.</p> <p>Signature:</p> <p>Printed Name: Electronically filed by Diane Kuykendall</p> <p>Title: Production Reporting Mgr</p> <p>Email Address: dkuykendall@concho.com</p> <p>Date: 12/12/2018</p> <p>Phone: 432-683-7443</p>	<p>OIL CONSERVATION DIVISION</p> <p>Approved By: Raymond Podany</p> <p>Title: Geologist</p> <p>Approved Date: 12/14/2018</p> <p>Expiration Date: 12/14/2020</p> <p>Conditions of Approval Attached</p>
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-45549	2. Pool Code 16800	3. Pool Name DELAWARE RIVER;BONE SPRING
4. Property Code 323005	5. Property Name SRO 4 STATE COM	6. Well No. 503H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 2990

10. Surface Location

UL - Lot D	Section 4	Township 26S	Range 28E	Lot Idn	Feet From 223	N/S Line N	Feet From 1160	E/W Line W	County Eddy
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11. Bottom Hole Location If Different From Surface

UL - Lot M	Section 9	Township 26S	Range 28E	Lot Idn	Feet From 50	N/S Line S	Feet From 330	E/W Line W	County Eddy
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12. Dedicated Acres 320.00	13. Joint or Infill	14. Consolidation Code	15. Order No.
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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">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: 12/12/2018</p>
	<p 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: 11/2/2018 Certificate Number: 17777</p>

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PERMIT COMMENTS

Operator Name and Address: COG OPERATING LLC [229137] 600 W Illinois Ave Midland, TX 79701	API Number: 30-015-45549
	Well: SRO 4 STATE COM #503H

Created By	Comment	Comment Date
mreyes3	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.	12/12/2018

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PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: COG OPERATING LLC [229137] 600 W Illinois Ave Midland, TX 79701	API Number: 30-015-45549
	Well: SRO 4 STATE COM #503H

OCD Reviewer	Condition
rpodany	Will require a directional survey with the C-104
rpodany	Cement is required to circulate on both surface and intermediate 1 strings of casing