

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well Oil Well Gas Well Dry Other
b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.
Other _____

2. Name of Operator **COG OPERATING LLC** Contact: **CHASITY JACKSON**
E-Mail: **cjackson@concho.com**

3. Address **ONE CONCHO CENTER 600 WILLINOIS AVENUE MIDLAND, TX 79701** 3a. Phone No. (include area code) **Ph: 432-686-3087**

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
At surface **SENE 2310FNL 150FEL 32.849850 N Lat, 104.002740 W Lon**
At top prod interval reported below **SENE 2310FNL: 150FEL**
At total depth **SESE 2297FNL 392FWL**

14. Date Spudded **03/25/2014** 15. Date T.D. Reached **04/04/2014** 16. Date Completed D & A Ready to Prod. **05/27/2014**

18. Total Depth: **MD 9529 5025 TVD** 19. Plug Back T.D.: **MD 9480 9480 TVD** 20. Depth Bridge Plug Set: **MD TVD**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) **COMPENSATEDNEUT HNGSMCFL HNGS** 22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit analysis)
Directional Survey? No Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.500	13.375 J-55	54.5	0	360		450		0	
12.250	9.625 J-55	40.0	0	1244		500		0	
7.875	5.500 L-80	17.0	0	9522	4362	2550		0	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	4603							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) YESO	5280	9445	5280 TO 9445	0.430	360	OPEN
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
5280 TO 9445	ACIDIZE W/38,586 GALS 15% ACID. FRAC W/1,805,468 GALS GEL, 205,009 GALS WATER FRAC
5280 TO 9445	209,668 TREATED WATER, 2,513.284# 20/40 BROWN, 436,164# 16/30 CRC, 106,787# 100 MESH.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
05/30/2014	06/01/2014	24	→	311.0	132.0	2077.0	37.6	0.60	ELECTRIC PUMPING UNIT
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
				311	132	2077	424	POW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						JUL 5 2014
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #251559 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** BLM REVISED **

NM OIL CONSERVATION
ARTESIA DISTRICT

JUL 14 2014

RECEIVED

ACCEPTED FOR RECORD

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

RECLAMATION
DUE 11-27-14

28b. Production - Interval C									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			▶						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			▶						

28c. Production - Interval D									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			▶						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			▶						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
FLARED

30. Summary of Porous Zones (Include Aquifers):
 Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
RUSTLER	383		ANHYDRITE	RUSTLER	383
TANSILL	1106		LIMESTONE & DOLOMITE	TANSILL	1106
YATES	1214		SANDSTONE	YATES	1214
QUEEN	2106		SANDSTONE & DOLOMITE	QUEEN	2106
GRAYBURG	2512		SANDSTONE & DOLOMITE	GRAYBURG	2512
SAN ANDRES	2826		DOLOMITE & LIMESTONE	SAN ANDRES	2826
GLORIETA	4273		SANDSTONE	GLORIETA	4273
PADDOCK	4333		DOLOMITE & ANHYDRITE	PADDOCK	4333

32. Additional remarks (include plugging procedure):
LOGS WILL BE MAILED.

33. Circle enclosed attachments:
- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

**Electronic Submission #251559 Verified by the BLM Well Information System.
 For COG OPERATING LLC, sent to the Carlsbad
 Committed to AFMSS for processing by DUNCAN WHITLOCK on 07/02/2014 (14DW0131SE)**

Name (please print) CHASITY JACKSON Title PREPARER

Signature (Electronic Submission) Date 07/02/2014

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** REVISED ** REVISED ****



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Pecos District
Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



IN REPLY REFER TO:
NM133058
3105.2 (P0220)

August 5, 2014

Reference:
Hobgoblin 7 Fed Com UBB 4H
T. 17 S., R. 30 E.,
Section 7, N2
Eddy County, NM

COG Operating, LLC
600 West Illinois Avenue
Midland, TX 79701

RECEIVED OOD
2014 AUG 12 P 2:59

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM133058 involving 34.385 acres of Federal land in lease NM7752, Tract 1A, 40.365 acres of Federal land in lease NM7752, Tract 1B, and 240 acres of Federal land in lease NM117122, Tract 2, Eddy County, New Mexico, which comprise a 314.75 acre well spacing unit.

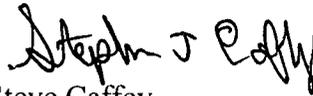
The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath T. 17 S., R. 30 E., Section 7, N2, NMPM, and is effective 01/01/2014. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

A handwritten signature in black ink that reads "Steve J Caffey". The signature is written in a cursive style with a large initial "S".

Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

Approve the attached Communitization Agreement covering T. 17 S., R. 30 E., Section 7, N2, NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.

- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:



Authorized Officer

Effective: 01/01/2014

Contract No.: Com. Agr. NM133058

United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



In Reply Refer to
NM133058
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM133058

Date of Completion:	05/27/2014
Date of First Production:	05/30/2014
Field:	Loco Hills
Operator, Well Name & No, API Number:	COG Operating; Hobgoblin 7 Fed Com UBB 4H; 3001541815
Surface Location:	N2 sec. 7, T. 17 S., R. 30 E.
Total Depth:	9,529 MD; 5,025 TVD
Surface Elevation:	3,671' GL
Producing Formation:	Yeso (5,280 – 9,445)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 311 BBL; Gas 132 MCF; Water 2,077 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM132970, effective 01/01/2014, communitizes production of all gas and fluid hydrocarbons in the Yeso formation beneath the N2 of sec. 7, T. 17S, R. 30E., NMPM, and comprises 34.385 acres of Federal land in lease NM7752, Tract 1A, 40.365 acres of Federal land in lease NM7752, Tract 1B, and 240.00 acres of federal land in lease NM117122, Tract 2, for a 314.75 well spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please call Arthur Morrison at ajmorrison@blm.gov.

/S/ Arthur Morrison
August 5, 2014

cc:
ONRR-MS 63230B
First Production File
LLNM (P0220, File Room)