

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

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

1. Operator Name and Address MARBOB ENERGY CORP PO BOX 227 ARTESIA, NM 882110227		2. OGRID Number 14049
		3. API Number 30-015-38071
4. Property Code 38282	5. Property Name SRO UNIT STATE COM	6. Well No. 016H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	20	26S	28E	M	660	S	330	W	EDDY

8. Pool Information

HAY HOLLOW/BONE SPRING	30215
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable Rotary	12. Lease Type State	13. Ground Level Elevation 3019
14. Multiple N	15. Proposed Depth 11500	16. Formation Bone Spring	17. Contractor	18. Spud Date 9/7/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> miles thick: Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel Oil-based <input type="checkbox"/> Gas Air <input type="checkbox"/> Closed Loop System <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	300	300	0
Int1	12.25	9.625	36	2250	600	0
Prod	7.875	5.5	17	11500	950	2000

Casing/Cement Program: Additional Comments

Plan to drill 17 1/2" hole to 300' with fresh water, run 48# H-40 casing and cement to surface. Drill 12 1/4" hole to 2250' with brine, run 36# J-55 9 5/8" casing and cement to surface. Drill 7 7/8" hole with cut brine to 6000' then pick up directional tools and drill to new BHL at a TVD of 6550' and measured depth of 11500', run 5 1/2" 17# N-80 casing and cement to 2000'.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Printed Name: Electronically filed by Diana Briggs

Title: Production Manager

Email Address: production@marbob.com

Date: 7/30/2010

Phone: 575-748-3303

OIL CONSERVATION DIVISION

Approved By: Randy Dade

Title: District Supervisor

Approved Date: 8/19/2010

Expiration Date: 8/19/2012

Conditions of Approval Attached

BEFORE THE OIL CONSERVATION
COMMISSION
Santa Fe, New Mexico
Exhibit No. 7
Submitted by: COG OPERATING LLC
Hearing Date: February 28, 2017

BEFORE THE OIL CONSERVATION
DIVISION
Santa Fe, New Mexico
Exhibit No. 7
Submitted by: COG Operating LLC
Hearing Date: May 4, 2016

District I

1615 N French Dr Hobbs, NM 8840
Phone.(505) 393-6161 Fax.(505) 393-0720

District II

1301 W Grand Ave. Artesia, NM 88210
Phone.(505) 748-1283 Fax.(505) 748-8720

District III

1000 Rio Brazos Rd Amar NM 87410
Phone.(505) 334-6178 Fax.(505) 334-6170

District IV

1230 S St Francis Dr Santa Fe, NM 87505
Phone.(505) 476-3470 Fax.(505) 476-3462

State of New Mexico

Form C-107
Permit 11809

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S St Francis Dr

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 50-015 38071	2 Pool Code 30215	3 Pool Name HAY HOLLOW BONE SPRING
4 Property Code 38282	5 Property Name SRO UNIT STATE COM	6 Well No 016H
OGRID No 14049	8. Operator Name MARBOB ENERGY CORP	9 Elevation 3019

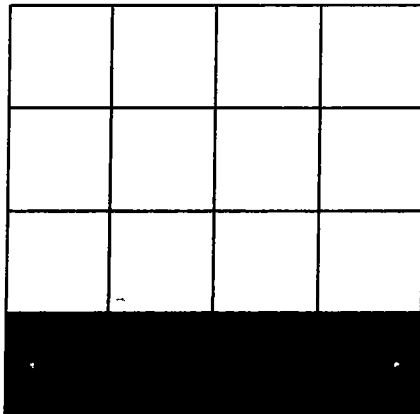
10 Surface Location

UL Lot M	Section 20	Township 26S	Range 28E	Lot Idn	Feet From 660	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 P	Section 20	Township 26S	Range 28E	Lot Idn P	Feet From 660	N.S Line S	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



OPERATOR CERTIFICATION

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.

E-Signed By: Diana Briggs

Title: Production Manager

Date: 7/30/2010

SURVEYOR CERTIFICATION

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.

Surveyed By: Ronald Edson

Date of Survey: 11/18/2009

Certificate Number: 3239

District I
1625 N French Dr Hobbs NM 88240
Phone (575) 393-6161 Fa (575) 393-0720
District II
1301 W Grand Ave Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720

State of New Mexico
Energy, Minerals and Natural
Resources

Form C 145
Permit 121233

Oil Conservation Division
1220 S St Francis Dr
Santa Fe, NM 87505

Change of Operator

Previous Operator Information

OGRID 14049
Name MARBOB FNERGY CORP
Address PO BOX 227

City State Zip ARTESIA NM 882110227

New Operator Information

Effective Date Effective on the date of approval by the OCD
OGRID 229137
Name COG OPERATING LLC
Address 550 W TEXAS
SUITE 1300
City State Zip MIDLAND TX 79701

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief

Additionally by signing below COG OPERATING LLC certifies that it has read and understands the following synopsis of applicable rules

Previous Operator

Signature Raye Miller
Printed Name Raye Miller

Title Attorney-in-Fact

Date 10/7/10 Phone 575-748-3303

New Operator

Signature Gregory K Daggett
Printed Name Gregory K Daggett

Title Attorney-in Fact

Date 10/7/10 Phone 432-686-3083

NMOCD Approval

Electronic Signature Randy Dade, District 2
Date October 22, 2010

Submit 3 Copies To Appropriate District Office

District I

1625 N French Dr Hobbs, NM 88240

District II

301 W Grand Ave Artesia NM 88210

District III

1000 Rio Brazos Rd Aztec NM 87410

District IV

1220 S St. Francis Dr Santa Fe NM 87505

State of New Mexico
Energy Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St Francis Dr
Santa Fe NM 87505

Form C-103

June 19 2008

WELL API NO

30-015 38012.71

5 Indicate Type of Lease

STATE ☒ FEE ☐

6 State Oil & Gas Lease No

7 Lease Name or Unit Agreement Name

SRO State Unit Com

8 Well Number #16H

9 OGRID Number

229137

10 Pool name or Wildcat

Hay Hollow Bone Spring

SUNDRY NOTICES AND REPORTS ON WELLS

(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 Oil Well ☒ Gas Well ☐ Other

2 Name of Operator

COG Operating, LLC

3 Address of Operator

2208 W Main Artesia, NM 88210

4 Well Location

Unit Letter M 660 feet from the South line and 330 feet from the West line

Section 20 Township 26S Range 28E NMPM County Eddy

11 Elevation (Show whether DR RKB RT GR, etc.)

GR, 3122

12 Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

DOWNHOLE COMMINGLE ☐

OTHER BHL Change

☒

SUBSEQUENT REPORT OF

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER

☐

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

COG Operating LLC respectfully requests approval for the following change in BHL

From 660 FSL & 330 FEL

To 330 FNL & 380 FWL unit D

RECEIVED
DEC 09 2010
NMOCD ARTESIA

Spud Date

Rig Release Date

I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE Kanda Robinson TITLE Administrative Assistant DATE 12/8/2010

Print or print name Kanda Robinson E mail address krobinson@conchoresources.com PHONE 575 748 6940

State Use Only

APPROVED BY [Signature] TITLE Geologist DATE 12/17/2011

Conditions of Approval (if any)

Cart

State of New Mexico

DISTRICT I

1825 N. FRENCH DR., HOBBES, NM 88240

Energy Minerals and Natural Resources Department

DISTRICT II

1301 W GRAND AVENUE, ALBUQUERQUE, NM 88210

DISTRICT III

1000 Rio Brazos Rd Aztec NM 87410

DISTRICT IV

1820 S. ST FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION

1220 SOUTH ST FRANCIS DR
Santa Fe New Mexico 87505

Form C-102
Revised October 18 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-38071	Pool Code 30215	Pool Name Hay Hollow, Bone Spring
Property Code 308169	Property Name SRO UNIT	Well Number 16H
OGRID No 229137	Operator Name COG OPERATING, LLC	Elevation 3019

Surface Location

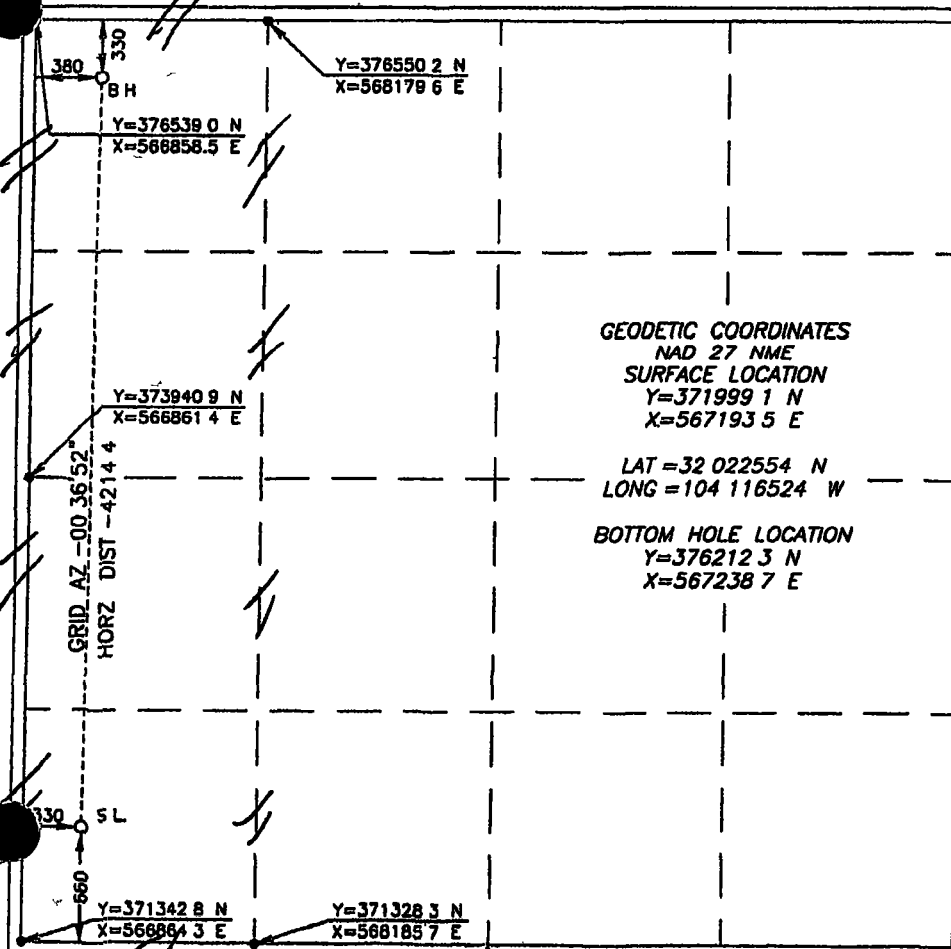
UL or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	20	26-S	28-E		660	SOUTH	330	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
7D	20	26-S	28-E		330	NORTH	380	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	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



OPERATOR CERTIFICATION

I hereby certify that the information 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 or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

Paul French 1/25/11
Signature Date
Paul French
Printed Name

SURVEYOR CERTIFICATION

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

NOVEMBER 18 2009

Date Surveyed Rev 1/22/11 OSS

Signature of Professional Surveyor

Paul French 01/24/2011
11130185

Certification No. 12841
GARY EDISON
PROFESSIONAL SURVEYOR
12839

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-6730

District II

1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 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) 476-3452

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Permit 128372

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL API NUMBER
30-015-38071

5. Indicate Type of Lease
S

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
SRO STATE UNIT

8. Well Number
016H

9. OGRID Number
229137

10. Pool name or Wildcat

SUNDY NOTICES AND REPORTS ON WELLS

(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: O

2. Name of Operator

COG OPERATING LLC

3. Address of Operator

550 W TEXAS, SUITE 1300, MIDLAND, TX 79701

4. Well Location

Unit Letter M : 660 feet from the S line and 330 feet from the W line
Section 20 Township 26S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, KB, BT, GR, etc.)
3019 GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
CASING-CEMENT JOB ☐
Other: Drilling/Cement ☒

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.
3/4/11 TD 17 1/2" hole to 305'. Set 13 3/8" 48# H-40 csg @ 305'. Cmt w/350 sx Prem+. Circ 108 sx to surface. WOC 18 hrs. Test to 500#-3/4/2011 Spudded well.

Casing and Cement Program

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
03/04/11	Surf		17.5	13.375	48	H40	0	305	350				500	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 NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed

TITLE Production Reporting Mgr

DATE 3/8/2011

Type or print name Diane Kuykendall

E-mail address dkuykendall@conchoresources.com Telephone No. 432-683-7443

For State Use Only:

APPROVED BY: Randy Dade

TITLE District Supervisor

DATE 3/8/2011 10:48:28 AM

District I
1625 N French Dr Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
First St Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720
District III
1000 R Brazos Road Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St Francis Dr Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr
Santa Fe, NM 87505

Form C 102
Revised August 1 2011
Submit one copy to appropriate
District Office

RECEIVED
JUL 12 2012
NMOCD ARTESIA

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-38071	² Pool Code 30215	³ Pool Name Hay Hollow, Bone Spring
⁴ Property Code 308169	⁵ Property Name SRO State Unit	⁶ Well Number 16H
⁷ OGRID No 229137	⁸ Operator Name COG Operating LLC	⁹ Elevation 3019' GR

¹⁰ Surface Location									
UL or lot no M	Section 20	Township 26S	Range 28E	Lot Idn	Feet from the 660	North/South line South	Feet from the 330	East/West line West	County Eddy

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no D	Section 20	Township 26S	Range 28E	Lot Idn	Feet from the 331	North/South line North	Feet from the 369	East/West line West	County Eddy
¹² Dedicated Acres 160	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

				¹⁷ OPERATOR CERTIFICATION 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 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 Signature <u>Stormi Davis</u> Date <u>6/28/12</u> Stormi Davis Printed Name sdavis@concho.com E-mail Address	
					¹⁸ SURVEYOR CERTIFICATION 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 Date of Survey Signature and Seal of Professional Surveyor REFER TO ORIGINAL PLAT Certificate Number