

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

Operator Name and Address COG OPERATING LLC 550 W. Texas, Suite 1300 Midland, TX 79701		OGRID Number 299137
Property Code 302644		API Number 30 - 015-34438
Property Name USP FEE		Well No. 002
Proposed Pool 1 Hannon Ranch, DELAWARE, NE		Proposed Pool 2 OCD-ARTESIA

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	23S	29E		319	NORTH	946	WEST	EDDY

Proposed 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
N	9	23S	29E		226	SOUTH	1362	WEST	EDDY

Additional Well Information

Work Type Code MP	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code S	Ground Level Elevation 2957'
Multiple N	Proposed Depth 11,065'	Formation DELAWARE	Contractor	Spud Date 7-7-06
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/> Pit Volume: _____bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2	13-3/8	48	308	350	Circ 120 sx to nit
12-1/4	9-5/8	40	2 800	850	Circ 198 sx to nit
8-3/4	7	26	10 690	1565	Circ 227 sx to nit
8-3/4	4-1/2	13-1/2	12 341	285	Circ 46 sx fr liner top

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

This well was completed as an Atoka gas well on 1-8-07, but it is uneconomical to produce.
TD is 12,370'. CIBP @ 12,245'. PBD is 12,245'.

Non-standard location approval was granted by NSL 5639 dated 6-12-07 to re-complete this well as a 40 acre spacing Delaware oil well. COG proposes to re-complete to the Delaware as follows:

- Set CIBP @ 12,100' w/ 35' cmt on top. Spot 35 sx plug from 10,300-10,100'.
- Spot 25 sx cement plug @ 7100'.
- Perforate Delaware w/ 2 spf - 120° phasing @ the following: 5546-62 & 5565-67. TIH w/ 7" packer. Spot 2 bbls 7 1/2% NEFE across perms. Pull packer to 5400. Pressure annulus to 1000 psi.
- Acidize w/ 2000 gals 7 1/2% NEFE and 80 ball sealers. Swab and evaluate for further stimulation.

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 NMOC guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: Phyllis A. Edwards		Approved by: BRYAN G. ARRANT	
Title: Regulatory Analyst		Title: DISTRICT II GEOLOGIST	
E-mail Address: pedwards@conchoresources.com		Approval Date: JUL 18 2007	Expiration Date: JUL 18 2008
Date: 7-18-07	Phone: 432-685-4340	Conditions of Approval Attached <input type="checkbox"/>	

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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 June 10, 2003
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34438		Well Code 96878	Well Name Hannon Ranch ; Delaware, Northeast
Property Code 303644	Property Name USP FEE		Well Number 2
OCGIS No. 229137	Operator Name COG. OPERATING LLC		Elevation 2957

10 Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Foot from line	North/South line	Foot from line	East/West line	County
D	16	23-S	29-E		319	NORTH	946	WEST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Foot from line	North/South line	Foot from line	East/West line	County
H	9	23-S	29-E		226	SOUTH	1362	WEST	EDDY

Dedicated Acres	Section or 1/4	Consolidation Code	Order No.
40			

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>12</p> <p>S 1/2 SEC. 9</p> <p>BOTTOM HOLE LOCATION</p> <p>1362'</p> <p>226'</p> <p>946'</p> <p>319'</p> <p>SURFACE LOCATION</p> <p>LAT N 32°18'41.8"</p> <p>LONG W 103°59'42.7"</p> <p>N/2 SEC 16</p>		<p>13 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Phyllis A. Edwards</i></p> <p>Phyllis A. Edwards</p> <p>Regulatory Analyst</p> <p>Title and E-mail Address</p> <p>6-8-07</p> <p>Date</p> <p>14 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>SKETCHED 27-2005</p> <p>Date of Survey</p> <p>Signature of Surveyor</p> <p>5412</p> <p>5412</p> <p>5412</p>
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