

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 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

Energy Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-101
 Revised December 16, 2011

RECEIVED

MAY 18 2012

NMOCD ARTESIA

Permit

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

¹ Operator Name and Address K.C Resources, Inc. P.O. Box 6749, Snowmass Village, CO 81615		² OGRID Number 122912
		³ API Number 30-015-40306
⁴ Property Code 15318	⁵ Property Name Jones "D"	⁶ Well No. 7

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
H	13	18S	26E		1650	North	330	East	Eddy

⁸ Pool Information

Atoka / San Andreas <i>ANDES</i>	3610
---	-------------

Additional Well Information

⁹ Work Type N	¹⁰ Well Type O	¹¹ Cable/Rotary R	¹² Lease Type P	¹³ Ground Level Elevation
¹⁴ Multiple N	¹⁵ Proposed Depth 1900	¹⁶ Formation San Andreas	¹⁷ Contractor UDI	¹⁸ Spud Date 5/29/12
Depth to Ground water 166		Distance from nearest fresh water well ¼ Mile <i>ANDES</i>		Distance to nearest surface water ¼ mile to Penasco R.

¹⁹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
J-55	12.25	8 5/8"	24	400	250	Surface
J-55	7 7/8"	4 1/2"	9.5	1800	600	Surface

Additional Comments

Santa Fe notified of inactive wells and Financial ASSURANCE issues on 6/7/12. OK to drill due to Rig on location: No Further Approvals until in good Standing with State

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Riggen Annular	2000 PSI	2000 PSI	Riggen

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 ☐.

Signature: *Gary Schelling*

Printed name: **Gary Schelling**

Title: **Land Manager**

E-mail Address: **gschelling@crystalriveroil.com**

Date: **3/8/2012**

Phone: **970-927-2764**

OIL CONSERVATION DIVISION

Approved By:

Title:

Approved Date:

Expiration Date:

Conditions of Approval Attached

COPIABLE TO PRODUCE UNTIL IN COMPLIANCE, Rule 5.5, FINANCIAL ASSURANCE.

District I
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax (575) 393-0720
District II
811 S. First St., ARTESIA, NM 88210
Phone: (575) 748-1283 Fax (575) 478-9720
District III
1000 Rio Brazes Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax (505) 334-6170
District IV
1000 Rio Brazes Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax (505) 334-6170

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
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APIA Number 30-015-40306		Pool Code 3610		Pool Name Atoka; SAN ANDRES	
Property Code 15318		Property Name JONES D		Well Number D-7	
GRID No. 122912		Operator name K.C. RESOURCES, INC,		Elevation 3302.0'	

Surface Location

URL or lot no.	Section	Township	Range	Lot ISDN	Feet from the	North/South line	Feet from the	East/West line	County
H	13	18 S	26 E		1650	NORTH	330	EAST	EDDY

Bottom Hole Location If Different From Surface

URL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
Dedicated Acres 40					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.

<p>WELL LOCATION</p> <p>LAT. = N 32°45'01.87 LONG. = W 104°19'40.25 N.M.S.P.C.E. (NAD83) N = 636,772.44 E = 543,025.18</p>				<p>1650'</p> <p>330'</p>		<p>OPERATOR CERTIFICATION</p> <p>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 minerals interest in the land including the proposed bottom hole location or has a right or 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 division.</p> <p><i>Gary Schelling</i> 5-15-12 Signature Date</p> <p>Gary Schelling Printed Name</p> <p><i>gschelling@crystalriveroil.com</i> Email Address</p>	
				<p>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 are true and correct to the best of my belief.</p> <p>MAY 09 2012 Date of Survey</p> <p><i>Terry D. Rains</i> Signature and Seal of Professional Surveyor</p> <p>TERRY D. RAINS, JR. N.M.R.P.L.S. 12516</p> <p>Certificate Number</p>			

SECTION 13, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.

EDDY COUNTY

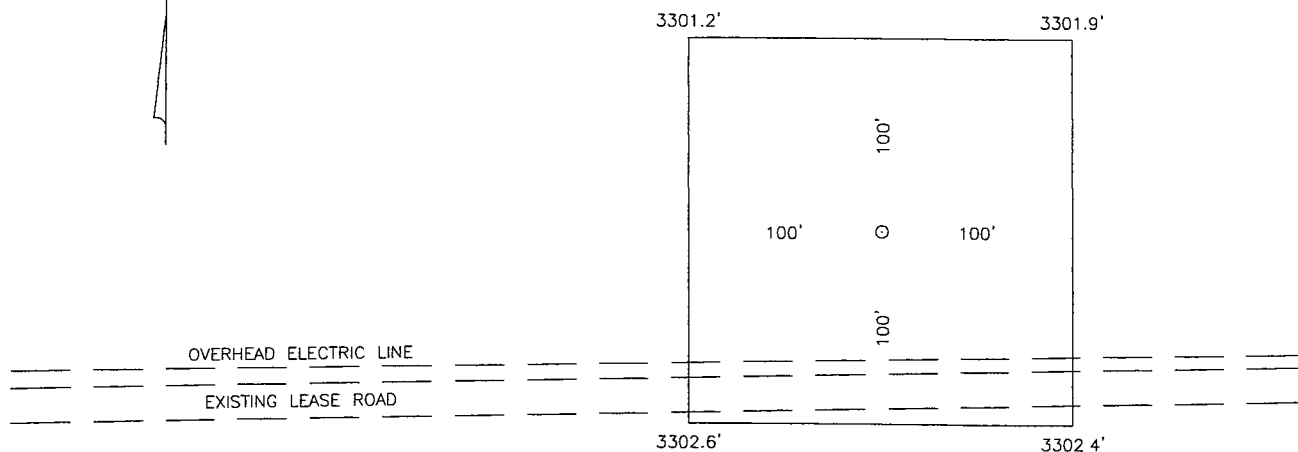
NEW MEXICO



K.C. RESOURCES, INC,
JONES D-7
3302.0'

LAT. = N 32°45'01.87
LONG = W 104°19'40.25

N.M.S.P.C.E (NAD83)
N = 636,772.44
E = 543,025.18



DIRECTIONS TO LOCATION:

FROM THE INTERSECTION OF SEVEN RIVERS HIGHWAY
(U.S. HIGHWAY 285) AND 4 DINKUS ROAD GO EAST 3.3
MILES TO AN EXISTING LEASE ROAD, THENCE GO SOUTH
ON EXISTING LEASE ROAD 0.3 MILES, THEN GO SOUTHEAST
ON EXISTING LEASE ROAD 0.1 MILES, THENCE GO EAST
ON EXISTING LEASE ROAD 0.5 MILES TO WELL PAD

SCALE: 1" = 100'



RAINS
SURVEYING COMPANY

PROFESSIONAL LAND SURVEYING SERVICES • EST. 1996

P.O. BOX 1474 • ROSWELL • NEW MEXICO • (575)622-8411

K.C. RESOURCES, INC,

REF: JONES D-7 - WELL PAD TOPO

JONES D-7
LOCATED 1650' FROM THE NORTH LINE AND
330' FROM THE EAST LINE OF SECTION 13
TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO

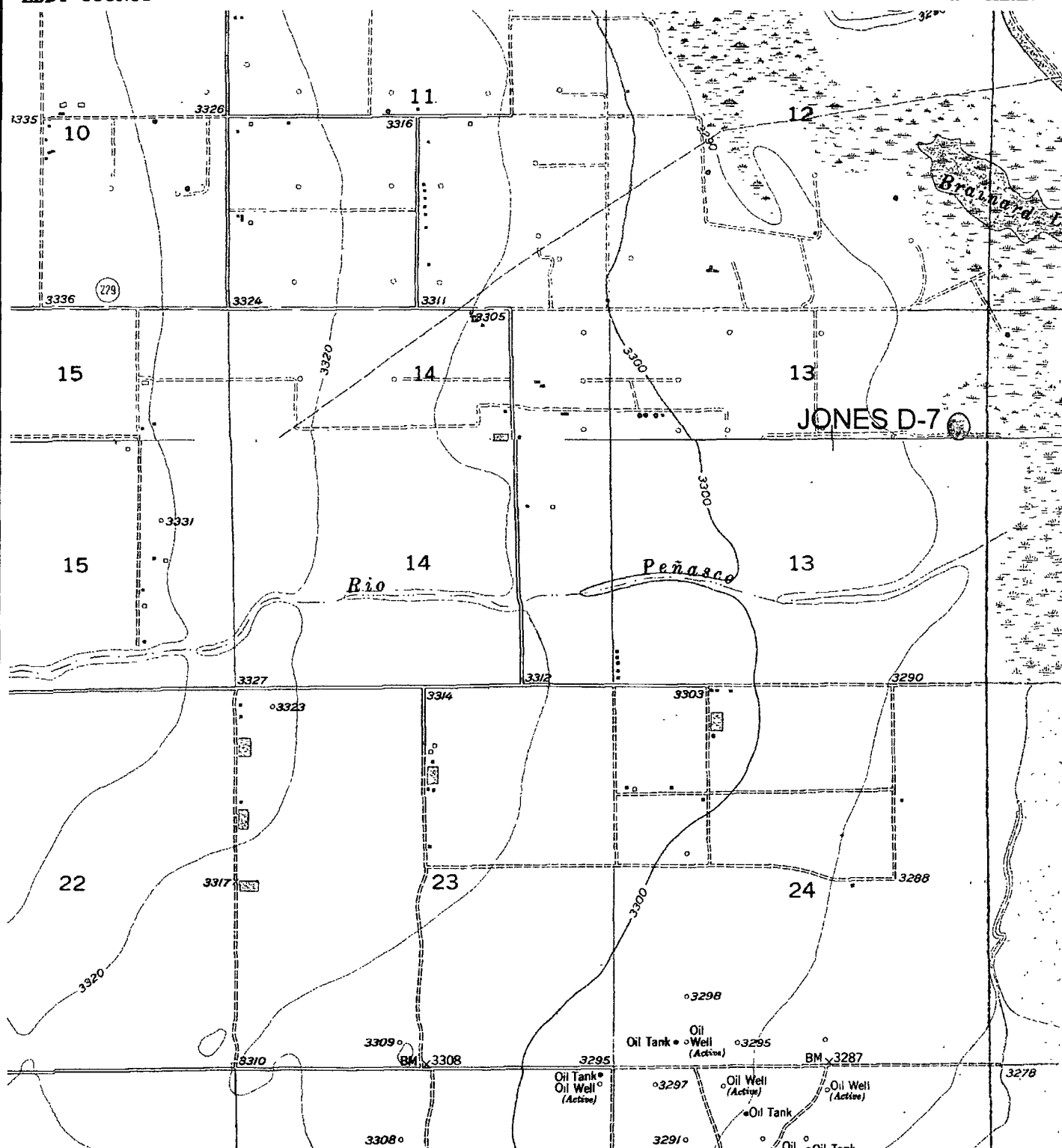
DATE OF SURVEY: 05/09/2012

SHEET 1 of 1 SHEETS

SECTION 13, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.

EDDY COUNTY

NEW MEXICO



RAINS SURVEYING COMPANY

PROFESSIONAL LAND SURVEYING SERVICES • EST. 1996

P.O. BOX 1474 • ROSWELL • NEW MEXICO • (575)622-8411

K.C. RESOURCES, INC.

REF: JONES D-7 - LOCATION MAP

JONES D-7
LOCATED 1650' FROM THE NORTH LINE AND
330' FROM THE EAST LINE OF SECTION 13
TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO

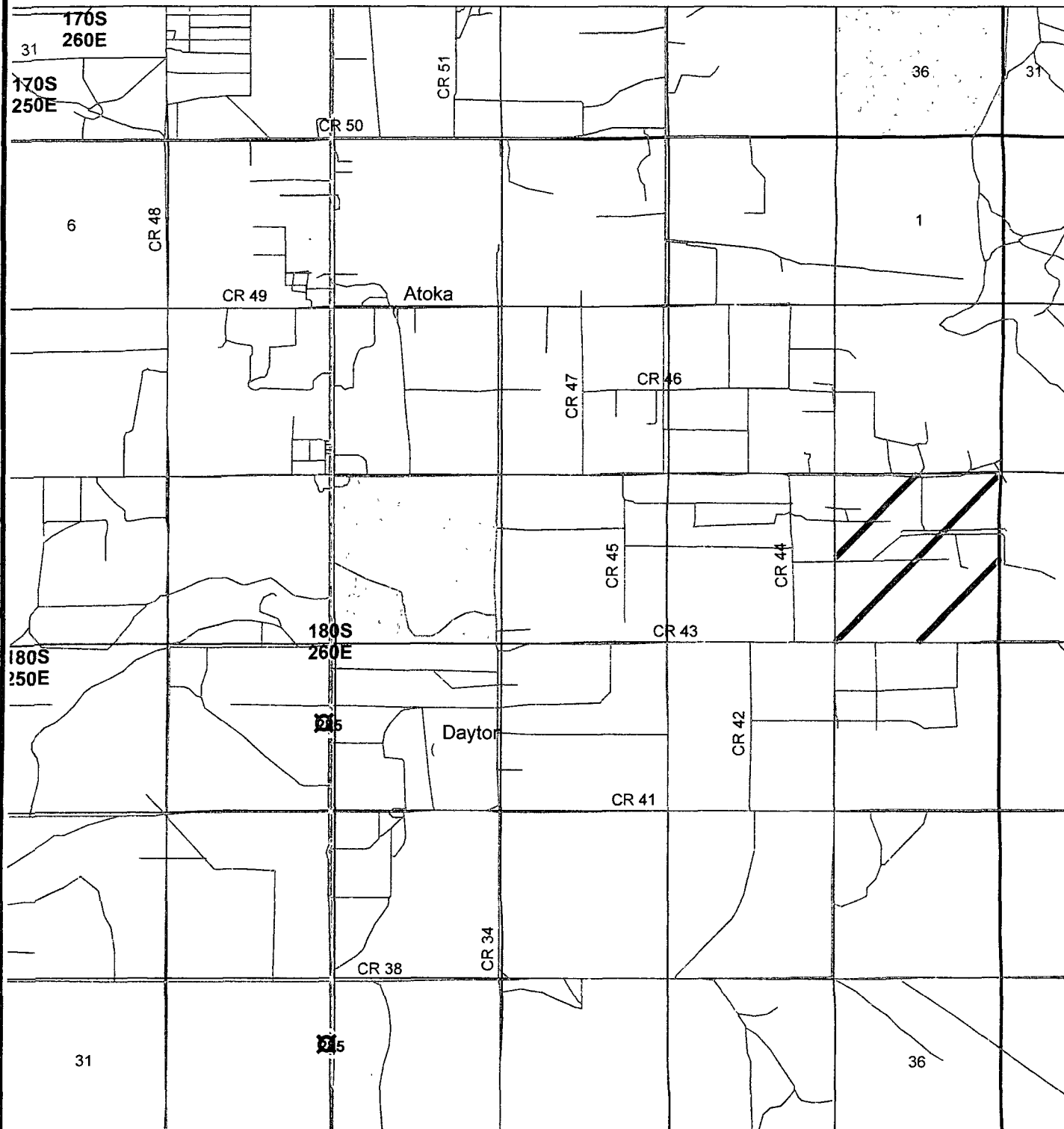
DATE OF SURVEY: 05/09/2012

SCALE: 1" = 2000'±

SECTION 13, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.

EDDY COUNTY

NEW MEXICO



RAINS SURVEYING COMPANY

PROFESSIONAL LAND SURVEYING SERVICES • EST. 1996
P.O. BOX 1474 • ROSWELL • NEW MEXICO • (575)622-8411

K.C. RESOURCES, INC.

REF: JONES D-7 - VICINITY MAP

JONES D-7
LOCATED 1650' FROM THE NORTH LINE AND
330' FROM THE EAST LINE OF SECTION 13
TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO

DATE OF SURVEY: 05/09/2012

SCALE: NOT TO SCALE

Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 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

late c ew exico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

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

WELL API NO. 30-015- <u>39524</u>
5. Indicate Type of Lease <u>Federal</u> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal Lease # NMLC028784B
7. Lease Name or Unit Agreement Name Burch Keely Unit
8. Well Number <u>557</u>
9. OGRID Number 229137
10. Pool name or Wildcat Grayburg Jackson;SR-Q-G-SA 28509

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

550 W. Texas Ave., Suite 100 Midland, TX 79701

4. Well Location

Unit Letter L : 2054 feet from the South line and 1242 feet from the West line

Section 18 Township 17S Range 30 E NMPM Eddy County

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

3636 GR

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

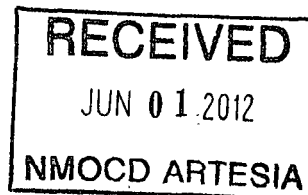
OTHER: ☐

Pool Change

☒

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 request to have this well's pool changed from the Grayburg Jackson;SR-Q-G-SA (28509) to the Burch Keely-Glorieta-Upper Yeso (97918) in accordance with Order # R-10067-E.



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

TITLE

Lead Regulatory Analyst

DATE

4/23/12

Type or print name

Kanicia Castillo

E-mail address:

kcastillo@concho.com

PHONE:

432-685-4332

For State Use Only

APPROVED BY:

TITLE

Geologist

DATE

6/6/2012

Conditions of Approval (if any):