

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

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

WELL API NO. 30-015-43659
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Clydesdale 1 Fee
8. Well Number 5H
9. OGRID Number 229137
10. Pool name or Wildcat Penasco Draw; SA-YESO (Assoc) 50270

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator COG Operating LLC	
3. Address of Operator One Concho Center - 600 W Illinois Ave Midland, TX 79701	
4. Well Location Unit Letter I : 2135 feet from the SOUTH line and 150 feet from the EAST line Section 1 Township 19S Range 25E NMPM County EDDY	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3401'	

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: Explanation & Exemption from Emergency Order-42 ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

In accordance with our phone conversation of 5/16/2016 with Randy Bayliss, and additional conversations with Paul Kautz in Hobbs, NM, Concho Resources requests relief from requirements to set an additional string of 13 3/8" casing @ 450' on the Clydesdale 1 Fee #5H, #6H, #7H, #8H wells. We are in agreement that the 8 5/8" casing set to approximately 1250' is sufficient in providing hydraulic isolation between the two aquifers in areas where both are present. It only takes approximately 1 day to drill, case and cement the entire interval to 1250'. Additionally, the requirement of 13 3/8" casing is an extra expense and is counter-productive as it would prevent future conversion to a shallow water well.

Clydesdale 1 Fee #5H Target Spud Date: 7/13/2016

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 **Permitting Tech** DATE **05/17/2016**

Type or print name **Kelly J. Holly** E-mail address: **kholly@concho.com** PHONE: **432-685-4384**

For State Use Only

APPROVED BY:  TITLE **"Geologist"** DATE **5/17/16**

Conditions of Approval (if any):