| District.1   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 II   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 |                            |          | State of New MexicoEnergy Minerals and Natural ResourcesOil Conservation DivisionOCD - HOBBS1220 South St. Francis Dr.09/26/2018Santa Fe, NM 87505RECEIVED |                       |                                       |                   |            |              |                 |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------------------|-------------------|------------|--------------|-----------------|--|
| APPL                                                                                                                                                                                                                                                                                                                                                                                                   |                            | N FOR I  | PERMIT 1                                                                                                                                                   | O DRILL               | , RE-ENTEI                            | R, DEEPEN,        | PLUGBAC    | CK, OR ADD   | A ZONE          |  |
| <sup>1</sup> Operator Name ar<br>COG Operatir                                                                                                                                                                                                                                                                                                                                                          |                            |          |                                                                                                                                                            |                       |                                       |                   |            | OGRID Number |                 |  |
| 2208 West N<br>Artesia, NN                                                                                                                                                                                                                                                                                                                                                                             |                            |          |                                                                                                                                                            | Vest Main Street      |                                       |                   |            | 229137       |                 |  |
|                                                                                                                                                                                                                                                                                                                                                                                                        |                            |          |                                                                                                                                                            | 1 88210               |                                       |                   | 30-02      | 30-025-45232 |                 |  |
| 3224                                                                                                                                                                                                                                                                                                                                                                                                   | <sup>3</sup> Property Code |          |                                                                                                                                                            | Hu                    | Property Name<br>ickleberry State Con | " Well No<br>502H |            |              |                 |  |
|                                                                                                                                                                                                                                                                                                                                                                                                        |                            |          |                                                                                                                                                            | 7. S                  | urface Location                       | n                 |            |              |                 |  |
| UL - Lot                                                                                                                                                                                                                                                                                                                                                                                               | Section                    | Township | Range                                                                                                                                                      | Lot Idn               | Feet from                             | N/S Line          | Feet From  | E/W Line     | County          |  |
| B                                                                                                                                                                                                                                                                                                                                                                                                      | 27                         | 21S      | 33E                                                                                                                                                        |                       | 145                                   | North             | 1355       | East         | Lea             |  |
|                                                                                                                                                                                                                                                                                                                                                                                                        |                            | E.       | Proposed B                                                                                                                                                 | ottom Hole I          | ocation                               |                   |            |              |                 |  |
| UL - Lot                                                                                                                                                                                                                                                                                                                                                                                               | Section                    | Township | Range                                                                                                                                                      | Lot Idn               | Feet from                             | N/S Line          | Feet From  | E/W Line     | County          |  |
| B                                                                                                                                                                                                                                                                                                                                                                                                      | 15                         | 215      | 33E                                                                                                                                                        |                       | 200                                   | North             | 1650       | East         | Lea             |  |
|                                                                                                                                                                                                                                                                                                                                                                                                        |                            |          |                                                                                                                                                            | •. P                  | ool Information                       | n                 |            | •f           |                 |  |
| Wildcat: Bone                                                                                                                                                                                                                                                                                                                                                                                          | Spring                     | WC-025   | G-08 S2                                                                                                                                                    | 13304D <sup>Pox</sup> | <b>BONE SPR</b>                       | ING               |            |              | 97895           |  |
|                                                                                                                                                                                                                                                                                                                                                                                                        |                            |          |                                                                                                                                                            | Additio               | nal Well Inforn                       | nation            |            |              |                 |  |
| 11 Work Type                                                                                                                                                                                                                                                                                                                                                                                           |                            |          | 12 Well Type                                                                                                                                               |                       | <sup>13</sup> Cable/Rotary            |                   | Lease Type | 15 Ground    | Level Elevation |  |
|                                                                                                                                                                                                                                                                                                                                                                                                        | v Well                     |          | Oil                                                                                                                                                        |                       |                                       | 1                 |            |              |                 |  |

10/01/2018

Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

21202'

N

Depth to Ground water

<sup>21.</sup> Proposed Casing and Cement Program

Bone Spring

Distance from nearest fresh water well

| Туре                                       | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|--------------------------------------------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surface                                    | 17.5      | 13.375      | 54.5             | 1850'         | 1220            | 0'            |
| Intrmd                                     | 12.25     | 9,625       | 40               | 5400*         | 2000            | 0'            |
| Production                                 | 8,75      | 5.5         | 17               | 21202'        | 3300            | 0,            |
| Casing/Cement Program: Additional Comments |           |             |                  |               |                 |               |

Drill 17-1/2" hole to ~1,850' w/ fresh water spud mud. Run 13-3/8" 54.5# J-55 BTC casing to TD and cement to surface in one stage. Drill 12-1/4" hole to ~5,400' with saturated brine. Run 9-5/8 40# J-55 BTC to 3500' and 9-5/8 40# L-80 BTC casing from 3500' to TD and cement to surface in two stages with DV/ECP 100' above reef. Drill 8-3/4" vertical hole, curve & lateral to 21,202' with cut brine. Run 5-1/2" 17# HCP110 BTC casing from TD to surface and cement to surface in one stage.

22. Proposed Blowout Prevention Program

| Туре       | Working Pressure | Test Pressure | Manufacturer |  |
|------------|------------------|---------------|--------------|--|
| Double Ram | 3000             | 3000          | Cameron      |  |

| <sup>23.</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. | OIL CONSERVATION DIVISION                           |  |  |  |
|-------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|--|--|--|
| I further certify that I have complied with 19.15.14.9 (A) NMAC and/or<br>19.15.14.9 (B) NMAC , if applicable.<br>Signature:  | Approved By:                                        |  |  |  |
| Printed name: Mayte Reyes                                                                                                     | Title:                                              |  |  |  |
| Title: Regulatory Analyst                                                                                                     | Approved Date: 09/27/2018 Expiration Date: 09272020 |  |  |  |
| E-mail Address: mreyes1@concho.com                                                                                            |                                                     |  |  |  |
| Date: 9/26/2018 Phone: 575-748-6945                                                                                           | Conditions of Approval Attached                     |  |  |  |

GCP Rec 09/26/2018