

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

HOBBS OCD

APR 03 2012

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

RECEIVED

WELL API NO. 30-025-29711
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. EO-8563-0004
7. Lease Name or Unit Agreement Name Consolidated State
8. Well Number 3
9. OGRID Number 286255
10. Pool name or Wildcat SWD; San Andres Strawn

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 **convert oil well to SWD**

2. Name of Operator

Cobalt Operating, LLC

3. Address of Operator

3001 North Big Spring, Suite 207, Midland, TX 79705

4. Well Location

Unit Letter C **660** feet from the North line and **2128** feet from the West line

Section **4** Township **17 S** Range **37 E** NMPM **Lea** County

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

3,778 GL

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: ☒

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

Cancel proposed SWD; San Andres work described in Sundry dated 2-13-12.

Will convert to SWD; Strawn.

Packer will be set at 10,844' - 10,894', tubing will be set at ≈10,920', and will perforate Strawn with 2 shots per foot from 10,944' to 11,075'. See attached excerpt from C-108 for more details.

Condition of Approval: Notify OCD Hobbs office 24 hours prior to running MIT Test & Chart.

'Condition for Approval' Approval for recompleting ONLY Cannot inject into the wellbore without an Injection order approved by the OCD Santa Fe Office

Release Date:

RECEIVED

MAR 14 2012

NMOCD ARTEZIA

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

SIGNATURE

TITLE **Consultant**

DATE **3-13-12**

Type or print name **Brian Wood**

E-mail address: **brian@permitswest.com**

PHONE: **(505) 466-8120**

For State Use Only

APPROVED BY:

TITLE **STATE MGR**

DATE **4-4-2012**

Conditions of Approval (if any):

APR 04 2012

INJECTION WELL DATA SHEET

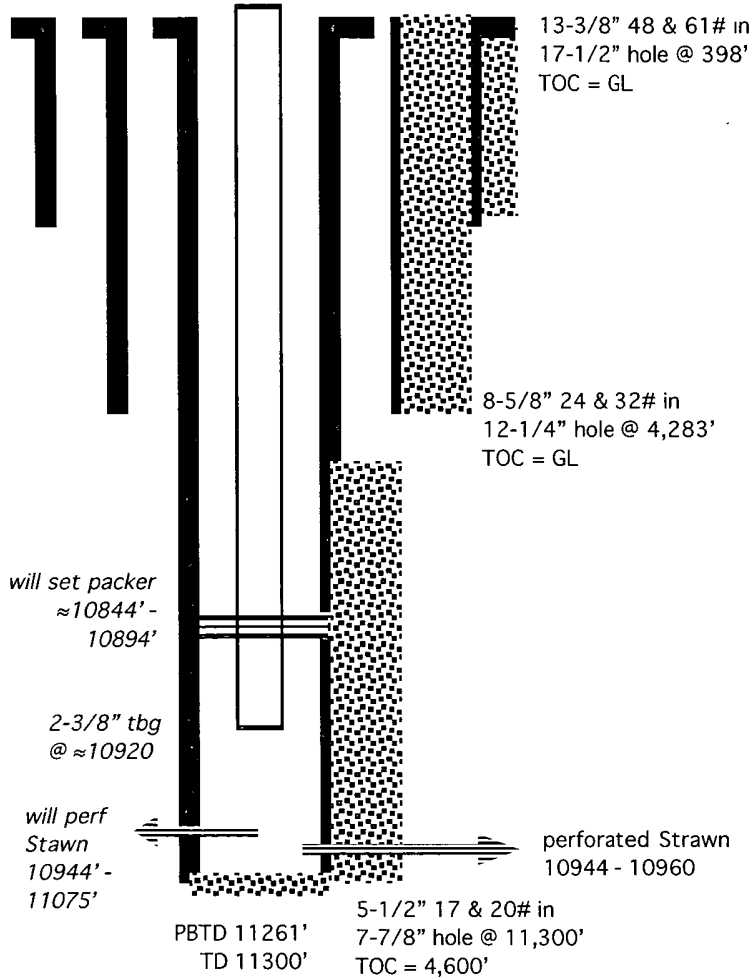
OPERATOR: COBALT OPERTING, LLC

WELL NAME & NUMBER: CONSOLIDATED STATE 3

WELL LOCATION:	660' FNL & 2128' FWL	C	9	17 S	37 E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC

PROPOSED



(not to scale)

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17-1/2" Casing Size: 13-3/8"

Cemented with: 350 SX. *or* ft³

Top of Cement: SURFACE Method Determined: 39 SX EXCESS
CIRCULATED

Intermediate Casing

Hole Size: 12-1/4" Casing Size: 8-5/8"

Cemented with: 1,650 SX. *or* ft³

Top of Cement: SURFACE Method Determined: 147 SX EXCESS
CIRCULATED

Production Casing

Hole Size: 7-7/8" Casing Size: 5-1/2"

Cemented with: 1,535 SX. *or* _____ ft³

Top of Cement: 4,600' Method Determined: per note
in OCD file

Total Depth: 11,300'

Injection Interval

10,944 feet to 11,075'

(Perforated or Open Hole; indicate which)

XXXXXXXXXXXX

INJECTION WELL DATA SHEETTubing Size: 2-3/8" N-80 9.3# Lining Material: INTERNAL PLASTIC COATEDType of Packer: ARROW AS-1XPacker Setting Depth: 10,844' - 10,894'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? (DISPOSAL) _____ Yes XXX No

If no, for what purpose was the well originally drilled? _____

ORIGINALLY DRILLED AS A SHIPP; STRAWN OIL WELL.

2. Name of the Injection Formation: STRAWN

3. Name of Field or Pool (if applicable): SWD; STRAWN (POOL CODE 96188)

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. ONLY PERFORATED IN THE STRAWN

EXISTING STRAWN PERFS: 10,944' - 10,960'

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: _____

OVER: WOLFCAMP (8,733'), ABO (8,504'), TUBB (7,710'),SAN ANDRES (4,875'), & YATES (3,172')UNDER: ATOKA (11,080')

EXISTING WELL BORE

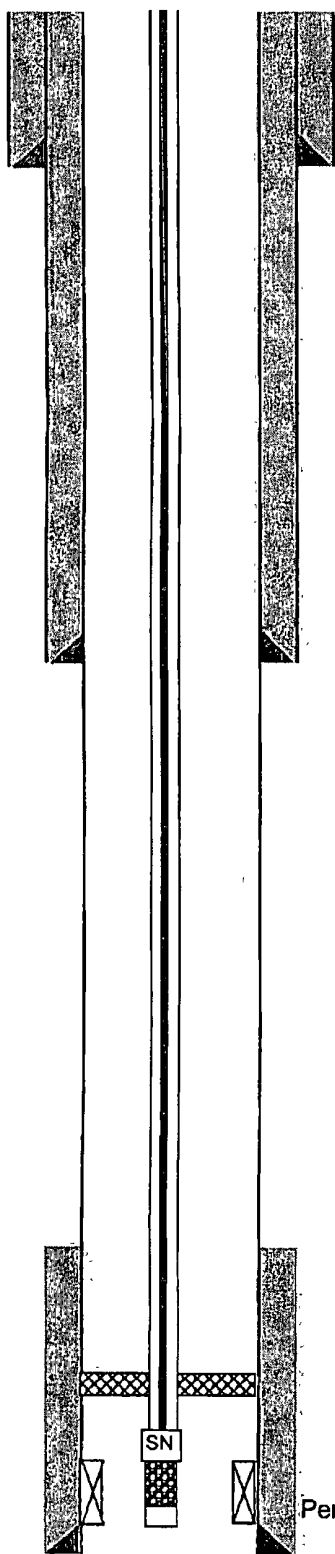
Consolidated State #3

660 FNL & 2128 FWL

Sec. 9 - T17S-R37E

Lea County, New Mexico

Drilled 4/86



13 3/8" csg set @ 673' 398'
 1' guide shoe
 41.8' 61# / H-40 csg
 1 float insert
 363.78' 48#/ft. H-40 csg
 Cmt: 250 sx lite w/ 2% CaCl + 100sx class "C"
 circ'd 39 sx excess cement

8 5/8" csg set @ 4285'
 1' guide shoe
 38.88' 32# K-55
 1.5' float collar
 1856.22' 32# K-55
 2395.42' 24# K-55
 Cmt: 1450 lite + 200 sx class "C"
 circ'd 147 sx.

11/87: Put well on pump
 24' 2x1 1/16x24' RHBC pump w/ 1x10 GA
 2' 1 7/8x2' Norris 78 Pony rod
 500' 20 7/8x25' Norris 78 rods
 7375' 295 3/4x25' Norris 78 rods
 3050' 122 7/8x25' Norris 78 rods
 26' 1 1/4x26' pol. Rod w/ 1.5"x16' liner

2/90: Acidized w/5000 gal.
 Dowell SXE 15% oil invert acid

5/94: Pump stuck
 RIH w/ same rod configuration
 Polish rod 7/8"x25' Norris 90

10/95: Pulled all rod and pump out of hole
 and laid down.

Perf: 10944-960 w/ 4 jsfp (66 total holes)
 Acidized w/ 1000 gal. 15% NeFe

5 1/2" csg set @ 11,300'
 1.6' float shoe
 42.29' 20#/ft. LT&C (plain)
 1.50' float collar
 177.92 20#/ft. LT&C (plain)
 276.76' 20#/ft. LT&C (ruff coat)
 10,792' : 8.12' 20#/ft. LT&C - marker joint

Perfs: 10,944'-960' w/ 4 JSPF

TD @ 11,300

PBTD @ 11,261