

HOBBS OCD

Submit 1 Copy To Appropriate District Office

State of New Mexico

Form C-103

District I 1625 N. French Dr., Hobbs, NM 88240

MAY 02 2013

Energy, Minerals and Natural Resources

October 13, 2009

District II 1301 W. Grand Ave., Artesia, NM 88210

RECEIVED

OIL CONSERVATION DIVISION

District III 1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Dr.

Santa Fe, NM 87505

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

WELL API NO. 30-025-40352
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Pygmy 27 State
8. Well Number 1H
9. OGRID Number 229137
10. Pool name or Wildcat WC-025 G-06 S213323D; Bone Spring

**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  
2208 W. Main Street, Artesia, NM 88210

4. Well Location  
Unit Letter D : 330 feet from the North line and 190 feet from the West line  
Section 27 Township 21S Range 33E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc)  
3706.2' 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:  SHL, BHL and Drilling Program Changes

**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.

COG Operating LLC respectfully requests approval for the following SHL and BHL change to the original APD.

\* From: SHL: 660' FNL & 480' FWL\*  
 BHL: 660' FNL & 330' FEL

\* To: SHL: 330' FNL & 190' FWL\*  
 BHL: 380' FNL & 330' FEL\*

Drilling Program

See attached.

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 Mayte Reyes TITLE: Regulatory Analyst DATE: 5/02/2013

Type or print name: Mayte Reyes E-mail address: mreyes1@conchoresources.com PHONE: (575) 748-6945

**For State Use Only**

APPROVED BY: [Signature] TITLE: Petroleum Engineer DATE: MAY 03 2013

Conditions of Approval (if any):

MAY 02 2013

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
Phone: (575) 383-6161 Fax: (575) 383-0720

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 1, 2011  
one copy to appropriate

DISTRICT II  
1501 W. GRAND AVENUE, ARTESIA, NM 88210  
Phone: (575) 746-1233 Fax: (575) 746-9780

OIL CONSERVATION DIVISION

11885 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

RECEIVED

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3466

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-40352	Pool Code 97929	Pool Name WC-025 G-06 S213323D; Bone Spring
Property Code 310 282	Property Name PYGMY 27 STATE	Well Number 1H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3706.2'

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	27	21-S	33-E		330	NORTH	190	WEST	LEA

Bottom Hole Location If Different From Surface

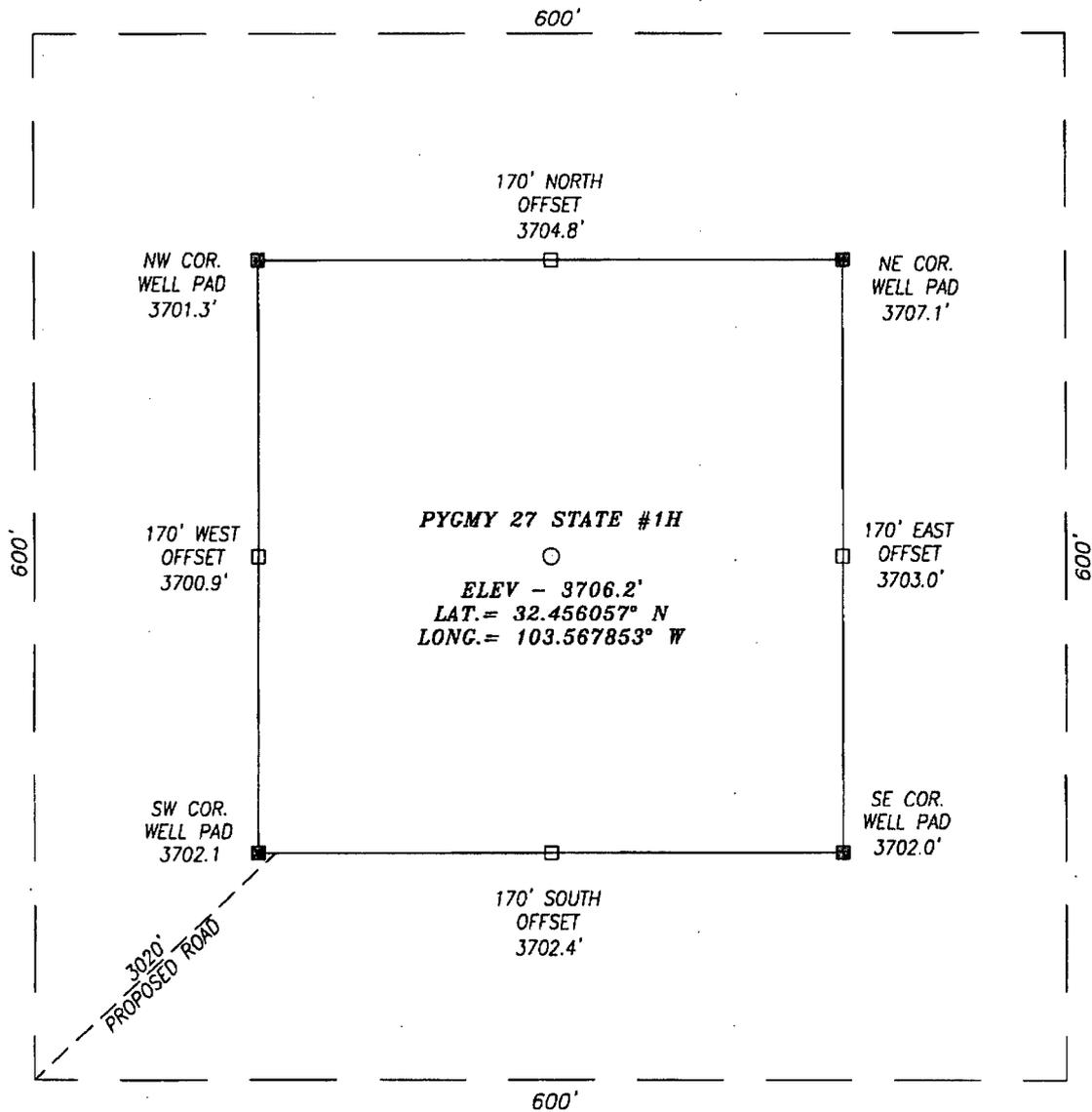
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	21-S	33-E		380	NORTH	330	EAST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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

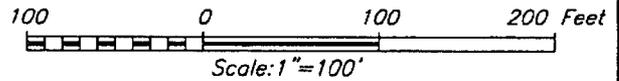
	<p>GRID AZ. 90°16'56"</p> <p>HORZ. DIST. = 4.885.0</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Melanie Harker</i> 5/2/2013 Signature Date</p> <p>Melanie Harker Printed Name</p> <p>mharker@concho.com E-mail Address</p>
	<p>NAD 27 SURFACE LOCATION</p> <p>Y=530473.5 N X=736115.8 E LAT.=32.456057° N LONG.=103.567853° W</p>	<p>NAD 27 PROPOSED BOTTOM HOLE LOCATION</p> <p>Y=530449.9 N X=740898.7 E LAT.=32.455897° N LONG.=103.552349° W</p>	

SECTION 27, TOWNSHIP 21 SOUTH, RANGE 33 EAST, N.M.P.M.,  
LEA COUNTY NEW MEXICO



DIRECTIONS TO LOCATION

HEADING EAST ON HWY 176 TURN RIGHT (SOUTHWEST) ON CALICHE ROAD APPROX. 0.5 MILE PAST MILE MARKER 14. FOLLOW CALICHE ROAD FOR APPROX. 3.8 MILES AND TURN RIGHT (WEST) GO APPROX. 4.8 MILES AND TURN RIGHT (NORTHWEST) ONTO DELAWARE BASIN ROAD. GO 0.4 MILES AND WELL IS APPROX. 3270 FEET NORTHEAST.

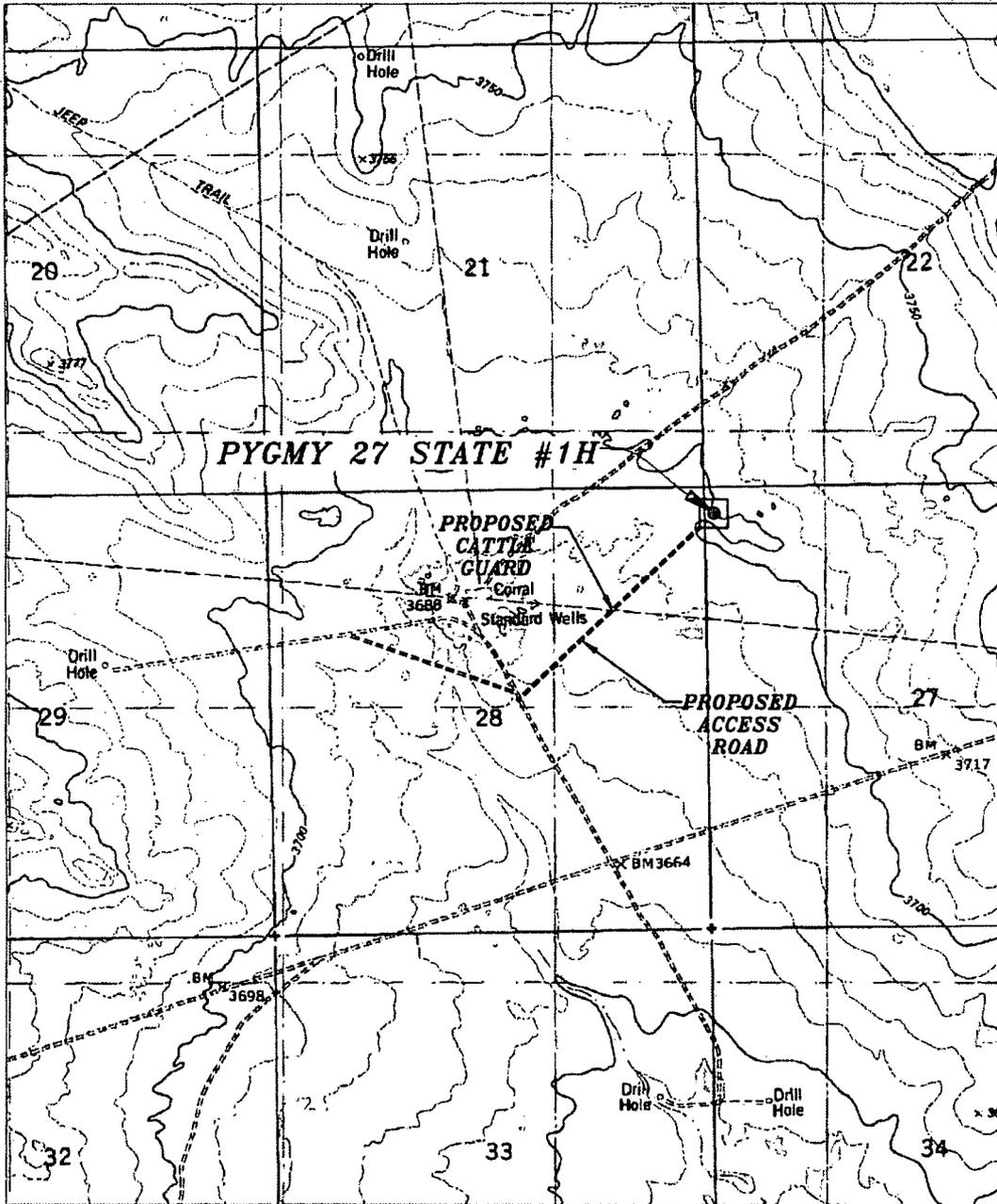


**HARCROW SURVEYING, LLC**  
1107 WATSON, ARTESIA, N.M. 88210  
PH: (575) 513-2570 FAX: (575) 746-2158  
chad\_harcrow77@yahoo.com



<b>COG OPERATING, LLC</b>	
PYGMY 27 STATE #1H WELL LOCATED 330 FEET FROM THE NORTH LINE AND 190 FEET FROM THE WEST LINE OF SECTION 27, TOWNSHIP 21 SOUTH, RANGE 33 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO	
SURVEY DATE: 2/15/2013	PAGE: 1 OF 1
DRAFTING DATE: 02/18/2013	
APPROVED BY: CH	DRAWN BY: VD FILE: 13-45

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'

SEC. 27 TWP. 21-S RGE. 33-E  
 SURVEY N.M.P.M.  
 COUNTY LEA STATE NEW MEXICO  
 DESCRIPTION 330' FNL & 190' FWL  
 ELEVATION 3706.2'  
 OPERATOR COG OPERATING, LLC  
 LEASE PYGMY 27 STATE  
 U.S.G.S. TOPOGRAPHIC MAP  
GRAMA RIDGE, N.M.

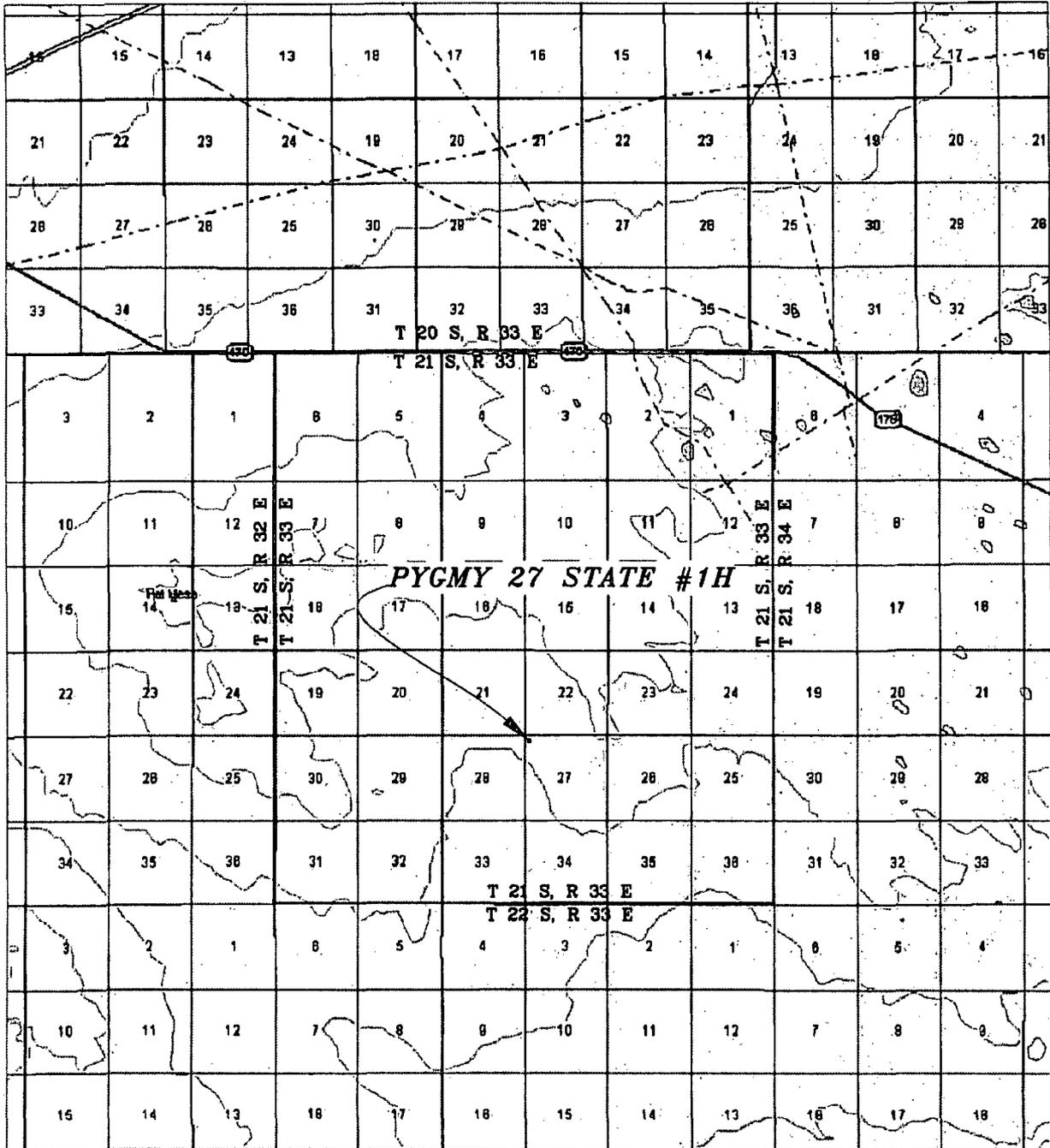
HARCROW SURVEYING, LLC  
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 PH: (575) 513-2570 FAX: (575) 746-2158  
 chad\_harcrow77@yahoo.com



## COG OPERATING, LLC

SURVEY DATE: FEB. 15, 2013	PAGE: 1 OF 1
DRAFTING DATE: FEB. 19, 2013	
APPROVED BY: CH	DRAWN BY: DDSI FILE: 13-45

# VICINITY MAP



**PYGMY 27 STATE #1H**

SCALE: 1" = 2 MILES

SEC. 27 TWP. 21-S RGE. 33-E  
 SURVEY N.M.P.M.  
 COUNTY LEA STATE NEW MEXICO  
 DESCRIPTION 330' FNL & 190' FWL  
 ELEVATION 3706.2'  
 OPERATOR COG OPERATING, LLC  
 LEASE PYGMY 27 STATE

HARCROW SURVEYING, LLC  
 1107 WATSON, ARTESIA N.M. 88210  
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 chad\_harcrow77@yahoo.com



COG OPERATING, LLC		
SURVEY DATE: FEB. 15, 2013	PAGE: 1 OF 1	
DRAFTING DATE: FEB. 19, 2013		
APPROVED BY: CH	DRAWN BY: DDSI	FILE: 13-045

# Pygmy 27 State 1H

## Casing and Cement

<u>String</u>	<u>Hole Size</u>	<u>Csg OD</u>	<u>PPF</u>	<u>Depth</u>	<u>Sx Cement</u>	<u>TOC</u>
Surface	17-1/2"	13-3/8"	54.5#	1800'	1060	0'
Intermediate	12-1/4"	9-5/8"	36#/40#	5600'	640/1445	0'
Pilot Hole Plug 1	7-7/8"	-	-	12150'	100	11890'
Pilot Hole Plug 2	7-7/8"	-	-	11100'	340	10200'
Production	7-7/8"	5-1/2"	17#	15538'	1675	5300'

## Well Plan

Drill 17-1/2" hole to ~1800' w/ fresh water spud mud. Run 13-3/8" 54.5# J55 STC casing to TD and cement to surface in one stage. Will use 1" tubing and Class C w/ 2% CaCl<sub>2</sub> to cement to surface, if necessary.

Drill 12-1/4" hole to ~5600' with saturated brine water. If losses occur in the Reef, will switch to fresh water to interval TD. Run 9-5/8" 36# J55 & 40# N80 BTC casing to TD with a DV tool placed ~ 100' above the Reef. Plan to circulate cement on both stages.

Drill 7-7/8" pilot hole to 12150', log and plug back with 100 sx cement plug f/ 11890' – 12150' and 340 sx cement plug f/ 10200' – 11100'.

Drill 7-7/8" curve and lateral to 15538' with cut brine. Run 5-1/2" 17# P110 LTC casing to TD and cement to 5300' (300' overlap) in one stage.

## Well Control

After setting 13-3/8" casing and installing 3000 psi casing head, NU Hydril 2000 psi annular BOP. Test annular to 1000 psi and other BOP equipment to 2000 with clear fluid using 3<sup>rd</sup> party testers.

After setting 9-5/8" casing and installing 5000 psi casing spool, NU Shaeffer 5000 psi double ram BOP and Hydril 5000 psi annular BOP. Test annular to 2500 psi and other BOP equipment to 5000 with clear fluid using 3<sup>rd</sup> party testers.