

**District I**  
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 Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-101  
August 1, 2011  
Permit 176358  
**HOBBS OCD**  
  
NOV 04 2013  
  
**RECEIVED**

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

1. Operator Name and Address COBAL OPERATING, LLC 3001 N. Big Spring Midland, TX 79705		2. OGRID Number 286255
4. Property Code 309594		3. API Number <b>30-025-29711</b>
5. Property Name CONSOLIDATED STATE <b>(309594)</b>		6. Well No. 003

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	9	17S	37E		660	N	2128	W	LEA

**8. Proposed Bottom Hole Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	9	17S	37E	C	660	N	2128	W	Lea

**9. Pool Information**

**SWD** MIDWAY, DEVONIAN 40320 **96101**

**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3778
16. Multiple N	17. Proposed Depth 12700	18. Formation Devonian	19. Contractor	20. Spud Date 11/6/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

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

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	61	398	350	
Int1	12.25	8.375	32	4230	1650	
Prod	7.875	5.5	17	9983	1535	4800
Liner1	5.5	4	17	11800	50	10850

**Casing/Cement Program: Additional Comments**

11,800' -12,700' is open hole completion

**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	5000	Hydriil

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable.  Signature: <i>James Thompson</i> Printed Name: James Thompson Title: D.P. Email Address: james@cobaloperating.com Date: 11/1/13	<b>OIL CONSERVATION DIVISION</b>	
		
	Approved By:	Expiration Date: 11/05/13
	Approved Date: 11/05/13	Conditions of Approval Attached

**SWD-1476**  
**MUST PASS MECHANICAL INTEGRITY TEST (MIT)**  
**PRIOR TO COMMENCING DISPOSAL.**

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**State of New Mexico**  
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**Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 August 1, 2011  
 Permit 176358

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number <b>30-025-29711</b>	2. Pool Code <del>46320</del> <b>96101</b>	3. Pool Name <b>SWD;</b> MIDWAY, DEVONIAN
4. Property Code 309594	5. Property Name CONSOLIDATED STATE	6. Well No. 003
7. OGRID No. 286255	8. Operator Name COBALT OPERATING, LLC	9. Elevation 3778

**10. Surface Location**

UL - Lot <b>C</b>	Section <b>9</b>	Township <b>17S</b>	Range <b>37E</b>	Lot Idn	Feet From <b>660</b>	N/S Line <b>N</b>	Feet From <b>2128</b>	E/W Line <b>W</b>	County <b>LEA</b>
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**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres <b>40.00</b>	13. Joint or Infill			14. Consolidation Code			15. 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**

<table border="1"> <tr><td> </td><td> </td><td> </td><td> </td></tr> </table>																	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <p><i>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 mineral interest in the land including the proposed bottom hole location(s) or has a right to 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 the division.</i></p> <p>E-Signed By: </p> <p>Title: <b>V.P.</b></p> <p>Date: <b>11/1/13</b></p>
<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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 is true and correct to the best of my belief.</i></p> <p>Surveyed By: <b>John West</b></p> <p>Date of Survey: <b>6/27/1986</b></p> <p>Certificate Number: <b>676</b></p>																	