Submit 1 Copy To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
October 13, 2009

WELL API NO. 30-025-41299	
5. Indicate Type of Lease STATE ☒ FEE ☐	
6. State Oil & Gas Lease No.	
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.) HOBBS OCD	7. Lease Name or Unit Agreement Name: Becknell State Com
1. Type of Well: Oil Well ☒ Gas Well ☐ Other	8. Well Number: 3H
2. Name of Operator: COG Operating LLC — NOV 12 2013	9. OGRID Number: 229137
3. Address of Operator: 2208 W. Main Street, Artesia, NM 88210 — RECEIVED	10. Pool name or Wildcat: WC-025 G-08 S213304D; Bone Spring
4. Well Location: Unit Letter K : 2350 feet from the South line and 1980 feet from the West line; Section 5 Township 21S Range 33E NMPM Lea County	
11. Elevation (Show whether DR, RKB, RT, GR, etc): 3801.9'	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☒	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
OTHER:	☐			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 drilling changes on the above referenced APD.

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: 11/12/2013

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

For State Use Only

APPROVED BY: TITLE Petroleum Engineer DATE NOV 12 2013

Conditions of Approval (if any):

NOV 12 2013

Becknell State Com 3H

Casing and Cement

String	Hole Size	Csg OD	PPF	Depth	Sx Cement	TOC
Surface	17-1/2"	13-3/8"	54.5#	1780'	1250	0'
Intermediate	12-1/4"	9-5/8"	36#/40#	5700'	2260	0'
Pilot Hole Plug	7-7/8"	-	-	11820'	370	10850'
Production	7-7/8"	5-1/2"	17#	21258'	3870	0'

Well Plan

Drill 17-1/2" hole to ~1780' 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% $CaCl_2$ to cement to surface, if necessary.

Drill 12-1/4" hole to ~5700' 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# L80 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 11820', log and plug back with cement plug f/ 10850' – 11820'.

Drill 7-7/8" curve and lateral to 21258' with cut brine. Run 5-1/2" 17# P110 BTC casing to TD and cement to surface in one stage.

Well Control

After setting 13-3/8" casing and installing 3000 psi casing head, NU T3 Energy Services 5000 psi annular BOP. Test annular and casing to 1000 psi and other BOP equipment to 2000 with clear fluid using 3rd party testers.

After setting 9-5/8" casing and installing 5000 psi casing spool, NU T3 Energy Services 10000 psi double ram BOP and T3 Energy Services 5000 psi annular BOP. Test annular to 1500 psi and other BOP equipment to 3000 with clear fluid using 3rd party testers.