

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 167916

HOBBS OCD

FEB 06 2014

RECEIVED

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

1. Operator Name and Address COG OPERATING LLC One Concho Center Midland, TX 79701		2. OGRID Number 229137
4. Property Code 39446		3. API Number <i>025</i> 30-028-41203
5. Property Name BEN LILLY 2 STATE COM		6. Well No. 003H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	2	21S	33E		330	S	1980	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	2	21S	33E	3	330	N	1980	W	Lea

9. Pool Information

BERRY;BONE SPRING, NORTH	5535
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3824
16. Multiple N	17. Proposed Depth 18600	18. Formation Bone Spring	19. Contractor	20. Spud Date 7/1/2013
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	54.5	1875	1350	0
Int1	12.25	9.625	40	5400	1950	0
Prod	7.875	5.5	17	18600	2500	5000

Casing/Cement Program: Additional Comments

Plan to drill 17 1/2" hole to 1875' w/fresh wtr, run 13 3/8" 54.5# J-55 STC csg and cmt to surface. Drill 12 1/4" hole to 5400' w/brine wtr, run 9 5/8" 40# J-55/N-80 csg and cmt to surface in 2 stages. Drill 7 7/8" vertical, curve and lateral to 18600' MD and run 5 1/2", 17# P-110 csg and cement to 5000'.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Cameron

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 and/or 19.15.14.9 (B) NMAC , if applicable.

OIL CONSERVATION DIVISION

Signature:

Printed Name: Electronically filed by Diane Kuykendall	Approved By: ELIDIO GONZALES
Title: Production Reporting Mgr	Title: HOBBS STAFF MANAGER
Email Address: dkuykendall@conchoresources.com	Approved Date: 6/4/2013
Date: 5/30/2013	Expiration Date: 6/4/2015
Phone: 432-683-7443	Conditions of Approval Attached

FEB 06 2014

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Form C-102

August 1, 2011

Permit 167916

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-030-41203	2. Pool Code 5535	3. Pool Name BERRY;BONE SPRING, NORTH
4. Property Code 39446	5. Property Name BEN LILLY 2 STATE COM	6. Well No. 003H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3824

10. Surface Location

UL - Lot N	Section 2	Township 21S	Range 33E	Lot Idn	Feet From 330	N/S Line S	Feet From 1980	E/W Line W	County LEA
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11. Bottom Hole Location If Different From Surface

UL - Lot C	Section 2	Township 21S	Range 33E	Lot Idn 3	Feet From 330	N/S Line N	Feet From 1980	E/W Line W	County LEA
12. Dedicated Acres 200.11		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

	OPERATOR CERTIFICATION
	<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: Diane Kuykendall Title: Production Reporting Mgr Date: 5/30/2013</p>
	SURVEYOR CERTIFICATION
	<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: CHAD HARCROW Date of Survey: 8/16/2012 Certificate Number: 17777</p>

Permit Comments

Operator: COG OPERATING LLC , 229137
Well: BEN LILLY 2 STATE COM #003H
API: 30-030-41203

Created By	Comment	Comment Date
pkautz	Potash area	5/30/2013
pkautz	Land s/S	5/30/2013
CHERRERA	Well in Potash area. Potash letter sent to BLM & SLO.	5/30/2013
CHERRERA	OCD RECEIVED FORM C144 CLEZ. OCD PERMIT # P1-08308	6/4/2013

Permit Conditions of Approval

Operator: COG OPERATING LLC, 229137
Well: BEN LILLY 2 STATE COM #003H
API: 30-030-41203

OCD Reviewer	Condition
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	In order to seal off protectable water and R-111-p, surface casing must be set 25' below top of Rustler Anhydrite.