

UNORTHODOX  
LOCATION

Split Estate

OCB Hobbs

\* Amended

13-771

FORM APPROVED  
OMB No. 1004-0137  
Expires October 31, 2014

H

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

HOBBS OCB

JUN 06 2014

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		RECEIVED		7. If Unit or CA Agreement, Name and No.	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone				8. Lease Name and Well No. Picasso Federal #2H (313731)	
2. Name of Operator COG Operating LLC. (229137)				9. API Well No. 30-025-41905	
3a. Address 2208 West Main Street Artesia, NM 88210		3b. Phone No. (include area code) 575-748-6940		10. Field and Pool, or Exploratory RED HILLS, BONE SPRING, NORTH	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 190' FSL & 1330' FEL Unit Letter O (SWSE) SHL Sec 9-T245-R34E At proposed prod. Zone 330' FNL & 2260' FEL Unit Letter B (NWNE) BHL Sec 9-T245-R34E				11. Sec., T.R.M. or Blk and Survey or Area Sec. 9 - T245 - R34E	
14. Distance in miles and direction from nearest town or post office* Approximately 16 miles from Jal				12. County or Parish Lea County	
				13. State NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any) 190'		16. No. of acres in lease 240		17. Spacing Unit dedicated to this well 160	
18. Distance from location* to nearest well, drilling, completed, applied for, on this lease, ft. SHL: 660' BHL: 280'		19. Proposed Depth TVD: 10,740' MD: 15,810' PH: 12,250'		20. BLM/BIA Bond No. on file NMB000740 & NMB000215	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3530.8 GL		22. Approximate date work will start* 11/1/2013		23. Estimated duration 30 days	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature Mayte Reyes		Name (Printed/Typed) Mayte Reyes		Date 8/27/2013	
Regulatory Analyst					
Approved by (Signature) Steve Caffey		Name (Printed/Typed)		Date MAY 30 2014	
Title FIELD MANAGER		Office CARLSBAD FIELD OFFICE			

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

\*(Instructions on page 2)

Carlsbad Controlled Water Basin

K2  
06/09/14

Approval Subject to General Requirements  
& Special Stipulations Attached

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

JUN 09 2014  
OCT 01 2014

E-PERMITTING

P&A NR \_\_\_\_\_ P&A R \_\_\_\_\_

INT to P&A \_\_\_\_\_ CHG Prep Name K2

CSNG \_\_\_\_\_ CHG Loc \_\_\_\_\_

TA