

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

AMENDED REPORT

HOBBS OCD
OCT 29 2014

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

Operator Name and Address Cobalt Operating, LLC 3001 N. Big Spring, Suite 207 Midland TX 79705		OGRID Number 286255
Property Code 309596		API Number 30-025-26953
Property Name Warren		Well No. 2

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
H	8	17 S	37 E		2200	N	880	E	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
H	8	17 S	37 E		2200	N	880	E	Lea

9. Pool Information

Pool Name SWD; Devonian (C-108 filed with OCD Santa Fe on 10-20-14)	Pool Code 96101
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Additional Well Information

11. Work Type D	12. Well Type S	13. Cable/Rotary R	14. Lease Type P	15. Ground Level Elevation 3775
16. Multiple N	17. Proposed Depth 12,850'	18. Formation Devonian	19. Contractor	20. Spud Date Upon C-108 Approval
Depth to Ground water 50'	Distance from nearest fresh water well 1,138' (well L 05758)		Distance to nearest surface water 150'	

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
Surface	17-1/2"	13-3/8"	48 (existing)	378'	350	GL
Intermed.	12-1/4"	8-5/8"	24 & 32 (exist.)	4,400'	1,600	GL
Product'n	7-7/8"	5-1/2"	17 & 20 (exist.)	11,875'	1,850	2,400'

Casing/Cement Program: Additional Comments

Will drill 4" hole to 12,850' & complete bottom 975' as open hole. Will set packer between 11660' & 11710', run 2-7/8" tubing, and dispose from 11,760' to 12,850'.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
	3000		

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC , if applicable.

Signature: *Brian Wood*

Printed name: **Brian Wood**

Title: **Consultant**

E-mail Address: **brian@permitswest.com**

Date: **10-26-14** Phone: **(505) 466-8120**

OIL CONSERVATION DIVISION

Approved By: *[Signature]*

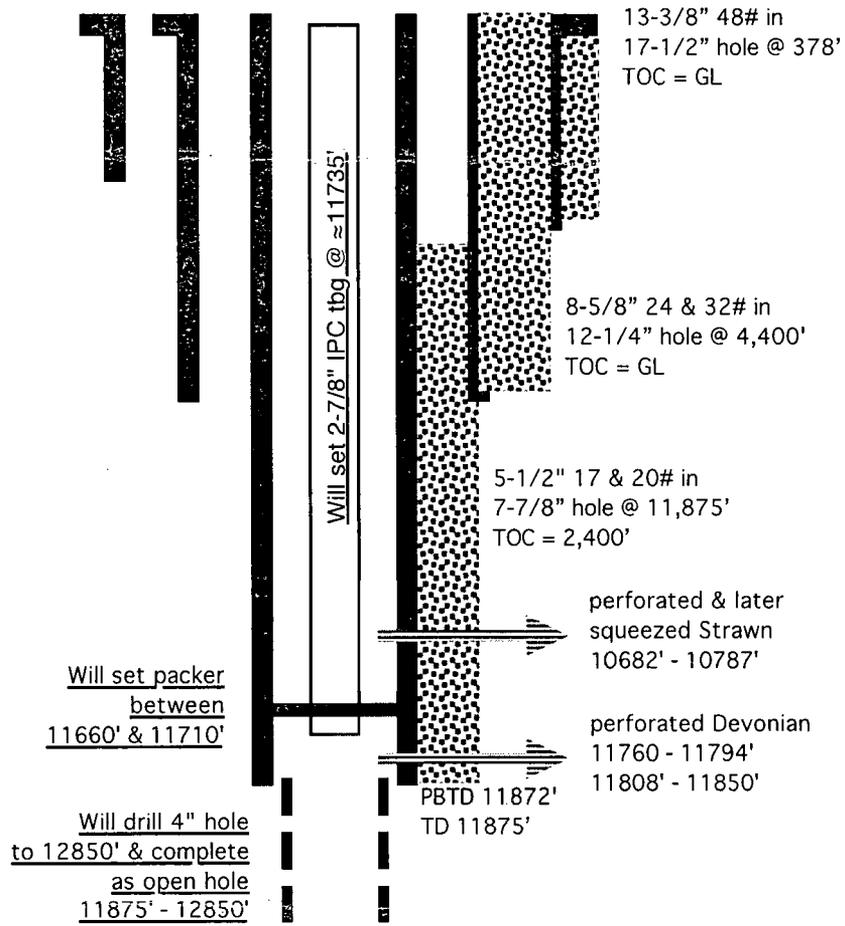
Title: **Petroleum Engineer**

Approved Date: **10/30/14** Expiration Date: **10/30/16**

Conditions of Approval Attached

OIL CONSERVATION DIVISION
 CONDITION OF APPROVAL - Approval for drilling / workover **ONLY - CANNOT INJECT OR DISPOSAL** until the injection/disposal order has been approved by the OCD Santa Fe office.

OCT 30 2014



(not to scale)