

HOBBS OCD  
 OCT 31 2014  
 RECEIVED

Submit to Appropriate District Office  
 District I - (575) 393-6161  
 4025 N. French Blvd., Hobbs, NM 88240  
 District II - (505) 748-1283  
 811 S. 4th St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

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

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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD	WELL API NO. 30-025-29711 ✓
2. Name of Operator COBALT OPERATING, LLC	5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator 3001 NORTH BIG SPRING, SUITE 207, MIDLAND, TX 79705	6. State Oil & Gas Lease No. EO-8563-0004
4. Well Location Unit Letter <u>C</u> : <u>660</u> feet from the <u>NORTH</u> line and <u>2128</u> feet from the <u>WEST</u> line Section <u>9</u> Township <u>17S</u> Range <u>37E</u> NMPM LEA County	7. Lease Name or Unit Agreement Name CONSOLIDATED STATE ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,778 GL	8. Well Number <u>3</u>
	9. OGRID Number 286255
	10. Pool name or Wildcat <u>STRAWN</u> <u>Devonian</u> <u>SWD: (96101)</u>

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input checked="" type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	
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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.

Ran 4" flush joint liner (4"OD, 11#/ft 0.262" thickness API P110 USS-Liberty JJM ID 3.475" pipe, ID 3.390" connection with an API drift of 3.351" in connection. Ran CBL log. Found good bond across liner and San Andres squeeze holes. Found top of cement at 4740'. Ran in hole with Weatherford Arrowset 1-X packer, on-off tool, 1700 feet of 2-3/8" IPC tubing on bottom and 10,520' of 2 7/8" IPC tubing on top. Set packer at 12,220'. Closed BOP and tested annular space to 500 psi held good for 30 minutes. Notified OCD of MIT test planned for 1pm tomorrow. Pumped 270 bbls of packer fluid down backside. Conducted MIT at 1pm. The OCD did not witness the test. Emailed chart to Sylvia Dickey with OCD. Final Report.

SWD-1438

Spud Date: 03/28/2014 Rig Release Date: 04/17/2014

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE JoAnn Tercero TITLE Regulatory Analyst DATE 10/16/2014

Type or print name JoAnn Tercero E-mail address: joann@cobaltoperating.com PHONE: 432-683-8030

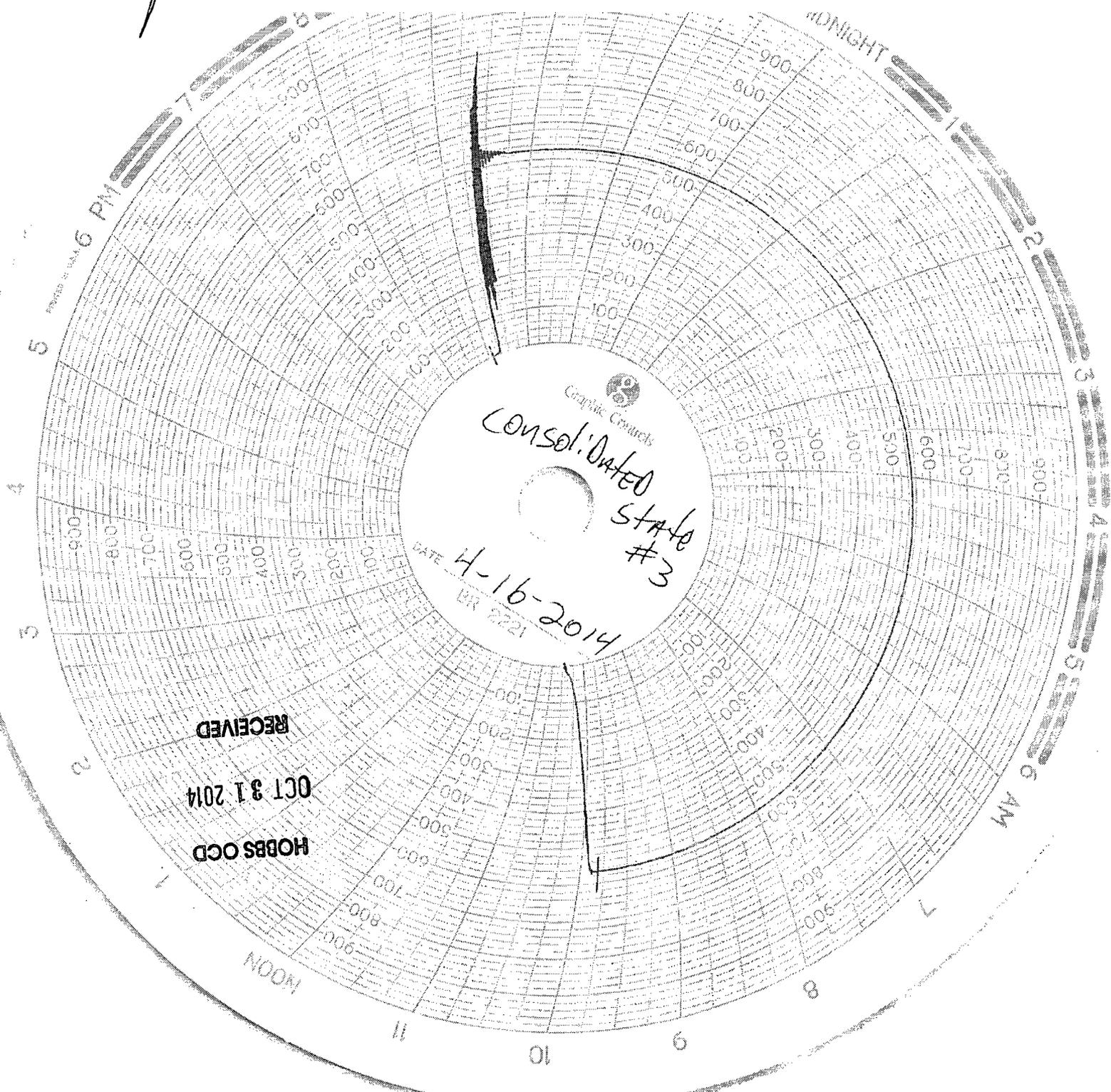
APPROVED BY: [Signature] TITLE Petroleum Engineer DATE NOV 14 2014

E-PERMITTING -- New Well  Ship Strawn  
 Comm P&A TA  
Loc Chng  
 ReComp an Add New Well   
 Cancl Well  Create Pool

Zone Permanently Plugged (ZPP)  
Ship Strawn

NOV 14 2014

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RECEIVED  
OCT 31 2014  
HOBBS OCD

BRUNDO MATA  
truck # 4

*[Signature]*

4-16-2014

Trucking  
Hobbs, NM

Siers

DE 1A

*[Signature]*  
4-16-14  
Cobalt operations

Weatherford completion tools  
testman Gunder Boney  
4-16-14

# Consolidated State #3

T17S R37E Sec. 9  
660' FNL & 2128' FWL  
Lea County NM

13-3/8" csg, @ 398'  
TOC - Surface  
cmt w/ 350 sx

8-5/8" csg, @ 4,283'  
TOC - surface  
cmt w/ 1650 sx

TOC @ 4,740  
CBL

5-1/2" csg @ 11,316"  
TOC- 4,740' CBL  
cmt w/ 1,535 sx  
17# - surf-9,938  
20# 9,938-bottom

4" Flush Jnt liner  
3.351" drift ID  
10,629' - 12,240'  
TOC-10,629' CBL

**Tubing Record**  
10,520' of 2-7/8" IPC  
1,700' of 2-3/8" IPC  
On-off tool  
Arrowset 1-x packer @ 12,200

**11/1/2013**  
**Squeezed 95 sx Class C Cmt**  
Perforations: 5,776' - 5,786'  
Perforations: 5,822' - 5,827'  
2 shot /ft

**Covered by liner**  
Perforations: 10,944' - 10,960'  
66-0.33" holes

**Open Hole**  
12,240' - 12,700'

PBTD  
12,700 TD

