

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First 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

WELL API NO. <b>30-025-41354</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>Magnum Pronto 32 State SWD</b>
8. Well Number <b>1</b>
9. OGRID Number <b>229137</b>
10. Pool name or Wildcat <b>SWD, Devonian</b>

**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  Gas Well  Other SWD **HOBBSOCD**

2. Name of Operator  
**COG Operating LLC**

3. Address of Operator  
**2208 W Main Street, Artesia, NM 88210**

4. Well Location  
 Unit Letter **F**; **2300** feet from the **North** line and **2200** feet from the **West** line  
 Section **32** Township **19S** Range **32E** NMPM **Lea** County

II. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**3532' GR**

DEC 31 2014

RECEIVED

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

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

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 proposes to change the cementing program on the 7" casing as follows:

- While drilling the 8-3/4" intermediate hole, we have encountered a significant seepages/losses at 10 to 15 BPH that began about 9800' (Third Bone Springs) and then went to 50+ BPH at about 10,000'. Losses have been mitigated with reduced brine weight and sweeps.
- Therefore, a 2 stage cementing program is proposed with a Stage Tool at 8300'
- The following cement program is recommended - (volumes subject to change pending OH logs)
  - 1<sup>st</sup> Stage (Coverage from ~13,600' to 8300' - Estimated BHT - 190 degrees at 13,600')
    - Lead: 900 sx HLH 65:35:6 + 3# Kolseal + 5% Salt + 0.125 pps Pol-E- Flake at 12.7 ppg/1.98 cf/sx/10 gal/sx (10.25" AHS)
    - Tail: 200 sx Class H + at 16.4 ppg/1.1 cf/sx (9" AHS)
  - 2<sup>nd</sup> Stage (Coverage from 8300' to Surface - Estimated BHT - 140 deg at 8300' MD/TVD)
    - Lead: 700 sx Halliburton Tune Lite at 10.4 ppg/3.32 cu ft/sx
    - Tail: 100 sx Class C + at 14.8 ppg/1.34 cf/sx/6.35 gal/sx
    - Volumes calculated on assumed 11" Average Open Hole Size from 8300' to 4660' and 5% excess between 9-5/8" and 7" casing from 4660' to surface.

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

SIGNATURE Melanie J. Parker TITLE Regulatory Analyst DATE December 30, 2014

Type or print name Melanie J. Parker E-mail address: mparker@concho.com PHONE: 575-748-6952

**For State Use Only**

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 12/31/14

Conditions of Approval (if any):

JAN 07 2015