

OCD-ARTESIA

Form 3160-3
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

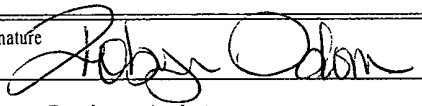
FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

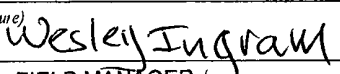
1a. Type of work. ☒ DRILL ☐ REENTER		5. Lease Serial No. NMLC049998A
1b. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator COG Operating LLC		7. If Unit or CA Agreement, Name and No N/A
3a. Address 550 W. Texas Ave., Suite 1300 Midland, TX 79701	3b. Phone No. (include area code) 229137 432-685-4385	8. Lease Name and Well No. FOSTER EDDY #36 [308142]
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SHL: 2345' FSL & 2008' FEL, Unit J At proposed prod. zone BHL: 2310' FSL & 2310' FEL, Unit J		9. API Well No. 30-015-39676
14. Distance in miles and direction from nearest town or post office* 9 miles East of Loco Hills, NM		10. Field and Pool, or Exploratory Cedar Lake; Glorieta-Yeso [96831]
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drug unit line, if any) 2008'		11. Sec., T R. M. or Blk and Survey or Area Sec 17 T17S R31E
16. No. of acres in lease 280		12. County or Parish EDDY
17. Spacing Unit dedicated to this well 40		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft 330'		20. BLM/BIA Bond No on file NMB000740
19. Proposed Depth TVD: 6300' MD: 6312'		21. Elevations (Show whether DF, KDB, RT, GL, etc) 3710'
22. Approximate date work will start* 07/31/2011		23. Estimated duration 15 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:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office) | 6. Such other site specific information and/or plans as may be required by the authorized officer |

25. Signature 	Name (Printed/Typed) Robyn M. Odom	Date 05/26/2011
Title Regulatory Analyst		

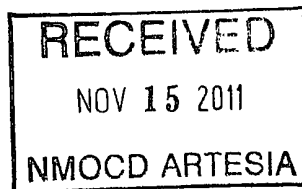
Approved by (Signature) 	Name (Printed/Typed) Wesley Ingram	Date NOV 08 2011
Title FIELD MANAGER		Office CARLSBAD FIELD OFFICE

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 USC Section 1001 and Title 43 USC 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.

*(Instructions on page 2)



Roswell Controlled Water Basin

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Approval Subject to General Requirements
& Special Stipulations Attached 

MASTER DRILLING PROGRAM

1. Geologic Name of Surface Formation

Quaternary

2. Estimated Tops of Important Geologic Markers:

Quaternary	Surface
Rustler	375'
Top of Salt	600'
Base of Salt	1200'
Yates	1525'
Seven Rivers	1850'
Queen	2475'
Grayburg	2875'
San Andres	3175'
Glorietta	4700'
Paddock	4775'
Blaine	5250'
Tubb	6200'

3. Estimated Depths of Anticipated Fresh Water, Oil and Gas

Water Sand	150'	Fresh Water
Grayburg	2875'	Oil/Gas
San Andres	3175'	Oil/Gas
Glorieta	4700'	Oil/Gas
Paddock	4775'	Oil/Gas
Blaine	5250'	Oil/Gas
Tubb	6200'	Oil/Gas

No other formations are expected to give up oil, gas or fresh water in measurable quantities. Setting 13 3/8" casing to 450' and circulating cement back to the surface will protect the surface fresh water sand. The Salt Section will be protected by setting 8 5/8" casing to 1800' and circulating cement, in a single or multi-stage job and/or with an ECP, back to the surface. Any shallower zones above TD, which contain commercial quantities of oil and/or gas, will have cement circulated across them. This will be achieved by cementing, with a single or multi-stage job, the 5 1/2" production casing back 200' into the intermediate casing, to be run at TD. If wellbore conditions arise that require immediate action and/or a change to this program, COG Operating LLC personnel will always react to protect the wellbore and/or the environment.

See
COA

} See
COA

4. Casing Program

Hole Size	Interval	OD Casing	Weight	Grade	Jt., Condition	Jt.	burst/collapse/tension
17 1/2" <i>See</i>	0-450'	13 3/8"	48#	H-40orJ-55	New	ST&C	8.71/3.724/14.91
11" <i>COA</i>	0-1800'	8 5/8"	24or32#	J-55	New	ST&C	2.91/1.46/5.65
7 7/8"	0-T.D.	5 1/2"	15.5 or 17#	J-55orL80	New	LT&C	1.71/1.574/2.20

5. Cement Program

13 3/8" Surface Casing:

Class C, 475 sx w/ 2% CaCl₂, 0.25 pps CF, yield-1.32, back to surface 100% excess

8 5/8" Intermediate Casing:

11" Hole:

Single Stage: LEAD 350 sx 50:50:10 C:Poz:Gel w/ 5% Salt +0.25% CF, yield-2.45 + TAIL 200 sx Class C w/2% CaCl₂, yield-1.32, back to surface. 145% excess

Multi-Stage: Stage 1: 350 sx Class C, w/2% CaCl₂, yield - 1.32. 40% excess Stage 2: 200 sx Class C w/2% CaCl₂, yield - 1.32, back to surface, 108% excess Multi stage tool to be set at approximately, depending on hole conditions, 500' (50' below the surface casing). Cement volumes will be adjusted proportionately for depth changes of multi stage tool.

See COA

5 1/2" Production Casing:

Single Stage: LEAD 500 sx 35:65:6 C:Poz:Gel w/ 5% Salt + 5 pps LCM + 0.2% SMS + 0.3% FL-52A + 0.125 pps CF, yield-2.05 + TAIL 400 sx 50:50:2 C:Poz:Gel w/ 5% Salt + 3 pps LCM + 0.6% SMS + 1% FL-25 + 1% BA-58 + 0.3% FL-52A + 0.125 pps CF, yield-1.37, to 200' minimum tie back to intermediate casing. 44.4% open hole excess, cement calculated back to surface.

Multi-Stage: Stage 1: (Assumed TD of 6700') 500 sx 50:50:2, C:Poz:Gel w/ 5% Salt + 3 pps LCM + 0.6% SMS + 1% FL-25 + 1% BA-58 + 0.3% FL-52A + 0.125 pps CF, yield - 1.37, 7% excess; minimum volume, will be adjusted up after caliper is

See COA

run. Stage 2: LEAD 450 sx 50:50:2
C:Poz:Gel w/ 5% Salt + 3 pps LCM + 0.6%
SMS + 1% FL-25 + 1% BA-58 + 0.3% FL-
52A + 0.125 pps CF, yield - 1.37, + TAIL
250 sx Class C w/ 0.3% R-3 + 1.5% CD-32,
yield - 1.02 152% open hole excess, cement
calculated back to surface. Multi stage tool
to be set at approximately, depending on
hole conditions, 3000'. Cement volumes
will be adjusted proportionately for depth
changes of multi stage tool, assumption for
tool is water flow.

6. Minimum Specifications for Pressure Control

The blowout preventer equipment (BOP) shown in Exhibit #9 will consist of a double ram-type (2000 psi WP) preventer, and in some cases possibly a 2000 psi Hydril type annular preventer as provided for in Onshore Order #2. This unit will be hydraulically operated and the ram type preventer will be equipped with blind rams on top of 4 1/2" drill pipe rams on the bottom. A 13-5/8" or 11" BOP will be used, depending on the rig selected, during the drilling of the well. The BOP will be nipped up on the 13 3/8" surface casing with BOP equipment and tested to 2000 psi. When 11" BOP is used the special drilling flange will be utilized on the 13-3/8" head to allow testing the BOP with a retrievable test plug. After setting 8-5/8" the BOP will then be nipped up on the 8 5/8" intermediate casing and tested by a third party to 2000 psi and used continuously until total depth is reached. Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment (Exhibit #10) will include a Kelly cock and floor safety valve, choke lines and a choke manifold (Exhibit #11) with a 2000 psi WP rating.

The majority of the rigs currently in use have a 13-5/8" BOP, so no special provision is needed for most wells in the area for conventionally testing the BOP with a test plug. However, due to the vagaries of rig scheduling, it might be that one of the few rigs with 11" BOP's might be called upon to drill any specific well in the area. Note that intermediate hole size is always 11". Therefore, COG Operating LLC respectfully requests a variance to the requirement of 13-5/8" BOP on 13-3/8" casing. When that circumstance is encountered the special flange will be utilized to allow testing the entire BOP with a test plug, without subjecting the casing to test pressure. The special flange also allows the return to full-open capability if desired.

See COA

7. Types and Characteristics of the Proposed Mud System

The well will be drilled to TD with a combination of brine, cut brine and polymer mud system. The applicable depths and properties of this system are as follows:

DEPTH	TYPE	WEIGHT	VISCOSITY	WATERLOSS
0-450' 360	Fresh Water	8.5	28	N.C.
450-1800' 1850	Brine	10	30	N.C.
1800'-TD	Cut Brine	8.7-9.1	29	N.C.

Sufficient mud materials will be kept at the well site to maintain mud properties and meet minimum lost circulation and weight increase requirements at all times.

8. Auxiliary Well Control and Monitoring Equipment

- A. Kelly cock will be kept in the drill string at all times.
- B. A full opening drill pipe-stabbing valve with proper drill pipe connections will be on the rig floor at all times.

9. Logging, Testing and Coring Program *See COA*

- A. The electric logging program will consist of GR-Dual Laterolog, Spectral Density, Dual Spaced Neutron, CSNG Log and will be run from TD to 8 5/8" casing shoe.
- B. Drill Stem test is not anticipated.
- C. No conventional coring is anticipated.
- D. Further testing procedures will be determined after the 5 1/2" production casing has been cemented at TD, based on drill shows and log evaluation.

10. Abnormal Conditions, Pressure, Temperatures and Potential Hazards

No abnormal pressures or temperatures are anticipated. The estimated bottom hole at TD is 110 degrees and the estimated maximum bottom hold pressure is 2300 psig. Measurable gas volumes or Hydrogen Sulfide levels have not been encountered during drilling operations in this area, although a Hydrogen Sulfide Drilling Operation Plan is attached to this program. No major loss of circulation zones has been reported in offsetting wells.

11. Anticipated Starting Date and Duration of Operations

Road and location work will not begin until approval has been received from the BLM. As this is a Master Drilling plan, please refer to the Form 3160-3 for the anticipated start date. Once commenced, drilling operations should be finished in approximately 12 days. If the well is productive, an additional 30 days will be required for completion and testing before a decision is made to install permanent facilities.



COG Operating LLC

Eddy County, NM (NAN27 NME)

Foster Eddy #36

Foster Eddy #36

OH

Plan: Plan #1 Rev 1 7-7/8" Hole

Standard Planning Report

28 March, 2011



Scientific Drilling
Directional Drilling Operations



Scientific Drilling Planning Report



Database: EDM-Julio
Company: COG Operating LLC
Project: Eddy County, NM (NAN27 NME)
Site: Foster Eddy #36
Well: Foster Eddy #36
Wellbore: OH
Design: Plan #1 Rev 1 7-7/8" Hole

Local Co-ordinate Reference: Site Foster Eddy #36
TVD Reference: GL Elev @ 3710 00usft
MD Reference: GL Elev @ 3710 00usft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Project	Eddy County, NM (NAN27 NME)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Foster Eddy #36		
Site Position:		Northing:	667,261 90 usft
From:	Map	Easting:	636,385 80 usft
Position Uncertainty:	0 00 usft	Slot Radius:	13-3/16 "
		Latitude:	32° 50' 0 965 N
		Longitude:	103° 53' 21 514 W
		Grid Convergence:	0 24 °

Well	Foster Eddy #36		
Well Position	+N/-S	0 00 usft	Northing:
	+E/-W	0 00 usft	Easting:
Position Uncertainty	0 00 usft	Wellhead Elevation:	Ground Level:
			3,710 00 usft

Wellbore	OH		
Magnetics	Model Name	Sample Date	Declination
	IGRF2010	2011/03/28	7 81
			Dip Angle
			60 70
			Field Strength
			48,968

Design	Plan #1 Rev 1 7-7/8" Hole		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth:
			0 00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(usft)	(usft)	(usft)
	0 00	0 00	0 00
			Direction
			259 33

Plan Sections										
Measured	Inclination	Azimuth	Vertical	+N/-S	+E/-W	Dogleg	Build	Turn	TFO	Target
Depth	(°)	(°)	Depth	(usft)	(usft)	Rate	Rate	Rate	(°)	
(usft)			(usft)			(°/100usft)	(°/100usft)	(°/100usft)		
0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	
2,000 00	0 00	0 00	2,000 00	0 00	0 00	0 00	0 00	0 00	0 00	
2,278 98	5 58	259 33	2,278 54	-2 51	-13 34	2 00	2 00	0 00	259 33	
4,633 06	5 58	259 33	4,621 47	-44 89	-238 26	0 00	0 00	0 00	0 00	
4,912 03	0 00	0 00	4,900 00	-47 40	-251 60	2 00	-2 00	0 00	180 00	TG1-Foster #36
6,312 03	0 00	0 00	6,300 00	-47 40	-251 60	0 00	0 00	0 00	0 00	PBHL-Foster #36



Scientific Drilling
Planning Report



Database: EDM-Julio
Company: COG Operating LLC
Project: Eddy County, NM (NAN27 NME)
Site: Foster Eddy #36
Well: Foster Eddy #36
Wellbore: OH
Design: Plan #1 Rev 17-7/8" Hole

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:
Site Foster Eddy #36
GL Elev @ 3710.00usft
GL Elev @ 3710.00usft
Grid
Minimum Curvature

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	N-S (usft)	E-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
East HL-Foster #36 - North HL-Foster #36									
1,900 00	0 00	0 00	1,900 00	0 00	0 00	0 00	0 00	0 00	0 00
8-5/8" Casing									
2,000 00	0 00	0 00	2,000 00	0 00	0 00	0 00	0 00	0 00	0 00
KOP Start Build 2.00°/100'									
2,100 00	2 00	259 33	2,099 98	-0 32	-1 71	1 75	2 00	2 00	0 00
2,200 00	4 00	259 33	2,199 84	-1 29	-6 86	6 98	2 00	2 00	0 00
2,278 98	5 58	259 33	2,278 54	-2 51	-13 34	13 57	2 00	2 00	0 00
EOC hold 5.58°									
2,300 00	5 58	259 33	2,299 46	-2 89	-15 35	15 62	0 00	0 00	0 00
2,400 00	5 58	259 33	2,398 99	-4 69	-24 90	25 34	0 00	0 00	0 00
2,500 00	5 58	259 33	2,498 51	-6 49	-34 46	35 06	0 00	0 00	0 00
2,600 00	5 58	259 33	2,598 04	-8 29	-44 01	44 78	0 00	0 00	0 00
2,700 00	5 58	259 33	2,697 56	-10 09	-53 57	54 51	0 00	0 00	0 00
2,800 00	5 58	259 33	2,797 09	-11 89	-63 12	64 23	0 00	0 00	0 00
2,900 00	5 58	259 33	2,896 62	-13 69	-72 67	73 95	0 00	0 00	0 00
3,000 00	5 58	259 33	2,996 14	-15 49	-82 23	83 68	0 00	0 00	0 00
3,100 00	5 58	259 33	3,095 67	-17 29	-91 78	93 40	0 00	0 00	0 00
3,200 00	5 58	259 33	3,195 20	-19 09	-101 34	103 12	0 00	0 00	0 00
3,300 00	5 58	259 33	3,294 72	-20 89	-110 89	112 84	0 00	0 00	0 00
3,400 00	5 58	259 33	3,394 25	-22 69	-120 45	122 57	0 00	0 00	0 00
3,500 00	5 58	259 33	3,493 77	-24 49	-130 00	132 29	0 00	0 00	0 00
3,600 00	5 58	259 33	3,593 30	-26 29	-139 56	142 01	0 00	0 00	0 00
3,700 00	5 58	259 33	3,692 83	-28 09	-149 11	151 73	0 00	0 00	0 00
3,800 00	5 58	259 33	3,792 35	-29 89	-158 67	161 46	0 00	0 00	0 00
3,900 00	5 58	259 33	3,891 88	-31 69	-168 22	171 18	0 00	0 00	0 00
4,000 00	5 58	259 33	3,991 41	-33 49	-177 78	180 90	0 00	0 00	0 00
4,100 00	5 58	259 33	4,090 93	-35 29	-187 33	190 63	0 00	0 00	0 00
4,200 00	5 58	259 33	4,190 46	-37 09	-196 88	200 35	0 00	0 00	0 00
4,300 00	5 58	259 33	4,289 98	-38 89	-206 44	210 07	0 00	0 00	0 00
4,400 00	5 58	259 33	4,389 51	-40 69	-215 99	219 79	0 00	0 00	0 00
4,500 00	5 58	259 33	4,489 04	-42 49	-225 55	229 52	0 00	0 00	0 00
4,600 00	5 58	259 33	4,588 56	-44 29	-235 10	239 24	0 00	0 00	0 00
4,633 06	5 58	259 33	4,621 47	-44 89	-238 26	242 45	0 00	0 00	0 00
Start Drop 2.00°/100'									
4,700 00	4 24	259 33	4,688 16	-45 95	-243 89	248 18	2 00	-2 00	0 00
4,800 00	2 24	259 33	4,787 99	-46 99	-249 45	253 84	2 00	-2 00	0 00
4,900 00	0 24	259 33	4,887 97	-47 40	-251 58	256 00	2 00	-2 00	0 00
4,912 03	0 00	259 33	4,900 00	-47 40	-251 60	256 03	2 00	-2 00	0 00
EOC hold 0.00° - TG1-Foster #36									
6,312 03	0 00	0 00	6,300 00	-47 40	-251 60	256 03	0 00	0 00	0 00
PBHL-Foster #36									



Scientific Drilling

Planning Report



Database: EDM-Julio
Company: COG Operating LLC
Project: Eddy County, NM (NAN27 NME)
Site: Foster Eddy #36
Well: Foster Eddy #36
Wellbore: OH
Design: Plan #1 Rev 1 7-7/8" Hole

Local Co-ordinate Reference: Site Foster Eddy #36
TVD Reference: GL Elev @ 3710 00usft
MD Reference: GL Elev @ 3710 00usft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Design Targets

Target Name	hit/miss target	Dip Angle	Dip Dir	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
Shape		(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)		
East HL-Foster #36		0 00	0 00	0 00	-37 40	-301 60	667,224 50	636,084 20	32° 50' 0 608 N	103° 53' 25 051 W
- plan misses target center by 303 91usft at 0 00usft MD (0 00 TVD, 0 00 N, 0 00 E)										
- Rectangle (sides W0 00 H100.00 D0 00)										
North HL-Foster #36		0 00	0 00	0 00	-37 40	-301 60	667,224 50	636,084 20	32° 50' 0 608 N	103° 53' 25 051 W
- plan misses target center by 303 91usft at 0 00usft MD (0 00 TVD, 0 00 N, 0 00 E)										
- Rectangle (sides W300 00 H0 00 D0 00)										
TG1-Foster #36		0 00	0 00	4,900 00	-47.40	-251 60	667,214 50	636,134 20	32° 50' 0 507 N	103° 53' 24 465 W
- plan hits target center										
- Point										
PBHL-Foster #36		0 00	0 01	6,300 00	-47.40	-251 60	667,214 50	636,134 20	32° 50' 0 507 N	103° 53' 24 465 W
- plan hits target center										
- Circle (radius 50 00)										

Casing Points

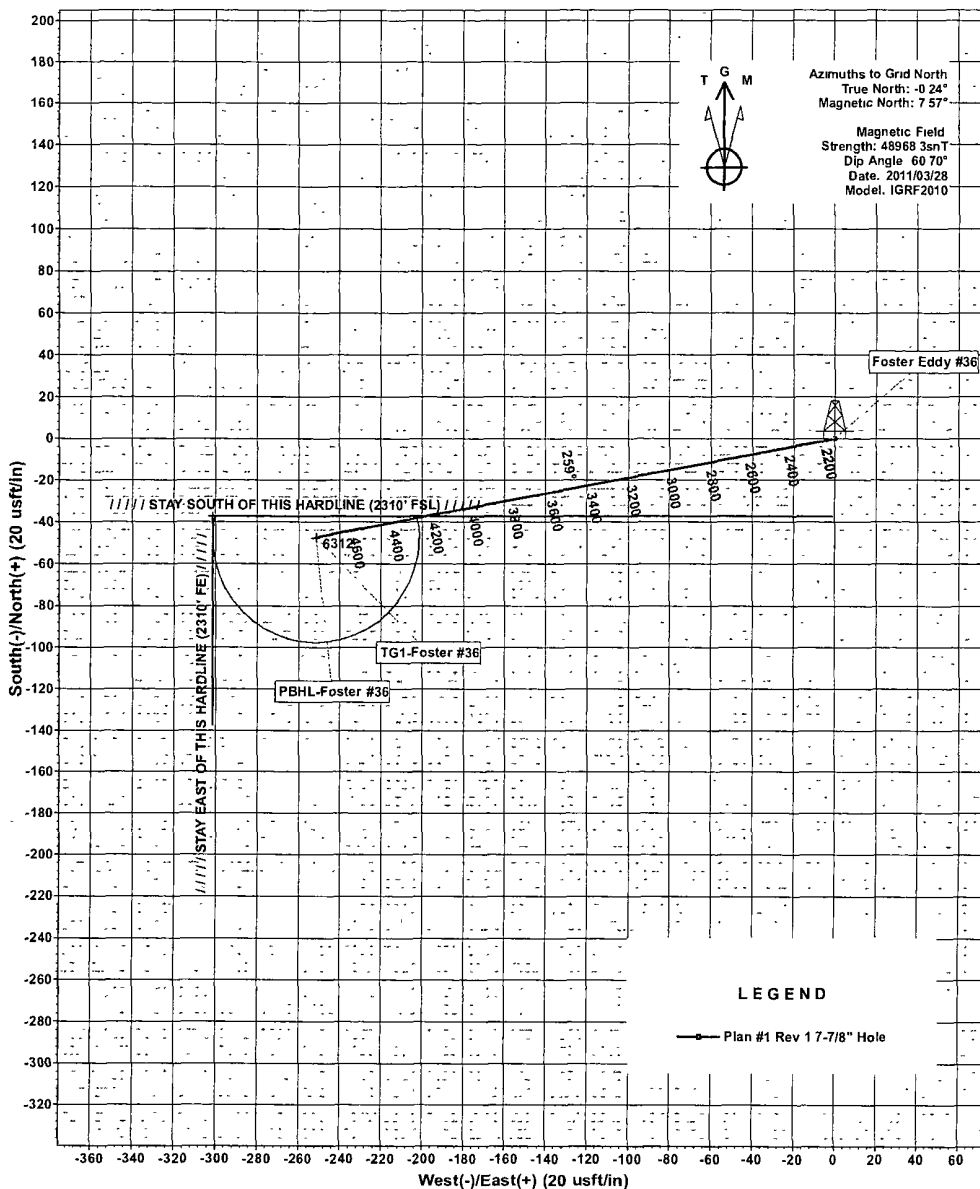
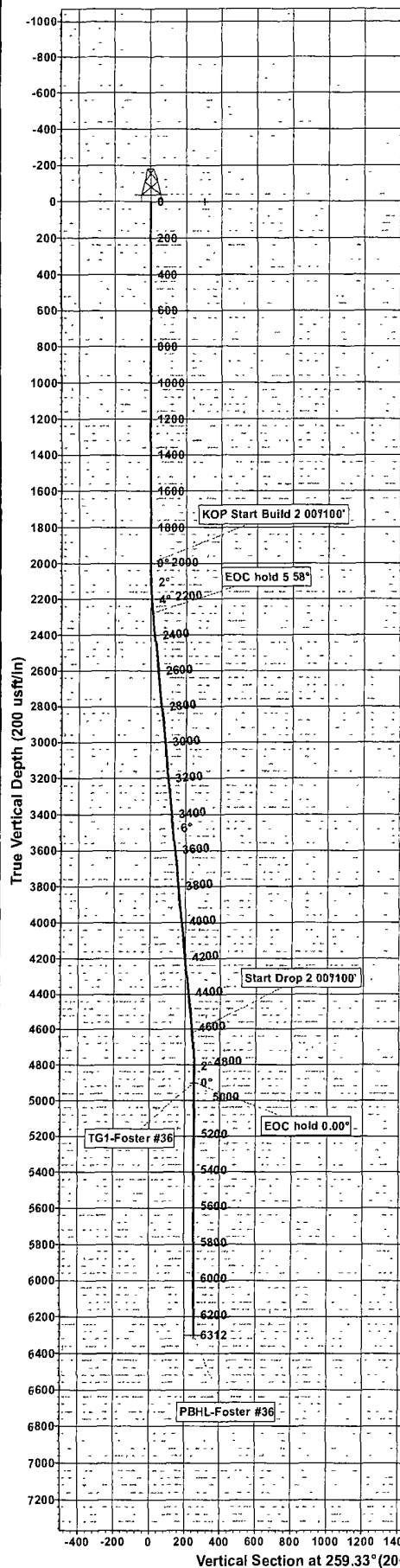
Measured Depth	Vertical Depth	Name	Casing Diameter	Hole Diameter
(usft)	(usft)		(")	(")
1,900 00	1,900 00	8-5/8" Casing	8-5/8	12-1/4

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
2,000 00	2,000 00	0.00	0 00	KOP Start Build 2 00°/100'
2,278 98	2,278.54	-2 51	-13 34	EOC hold 5.58°
4,633 06	4,621 47	-44 89	-238 26	Start Drop 2 00°/100'
4,912 03	4,900.00	-47 40	-251 60	EOC hold 0 00°



Scientific Drilling for COG Operating LLC
Site: Eddy County, NM (NAN27 NME)
Well: Foster Eddy #36
Wellbore: OH
Design: Plan #1 Rev 1 7-7/8" Hole



Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
East HL-Foster #36	0 00	-37.40	-301.60	667224.50	636084.20	32°50' 0.608 N	103°53' 25.051 W	Rectangle (Sides: L100.00 W0.00)
North HL-Foster #36	0 00	-37.40	-301.60	667224.50	636084.20	32°50' 0.608 N	103°53' 25.051 W	Rectangle (Sides: L0.00 W300.00)
TG1-Foster #36	4900.00	-47.40	-251.60	667214.50	636134.20	32°50' 0.507 N	103°53' 24.465 W	Point
PBHL-Foster #36	6300.00	-47.40	-251.60	667214.50	636134.20	32°50' 0.507 N	103°53' 24.465 W	Circle (Radius: 5 0.00)

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	2000.00	0.00	0.00	2000.00	0.00	0.00	0.00	0.00	0.00	
3	2278.98	5.58	259.33	2278.54	-2.51	-13.34	2.00	259.33	13.57	
4	4633.06	5.58	259.33	4621.48	-44.89	-238.26	0.00	0.00	242.45	
5	4912.03	0.00	0.00	4900.00	-47.40	-251.60	2.00	180.00	256.03	TG1-Foster #36
6	6312.03	0.00	0.00	6300.00	-47.40	-251.60	0.00	0.00	256.03	PBHL-Foster #36

WELL DETAILS Foster Eddy #36

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	667261.90	636385.80	32°50' 0.965 N	103°53' 2 1.514 W	

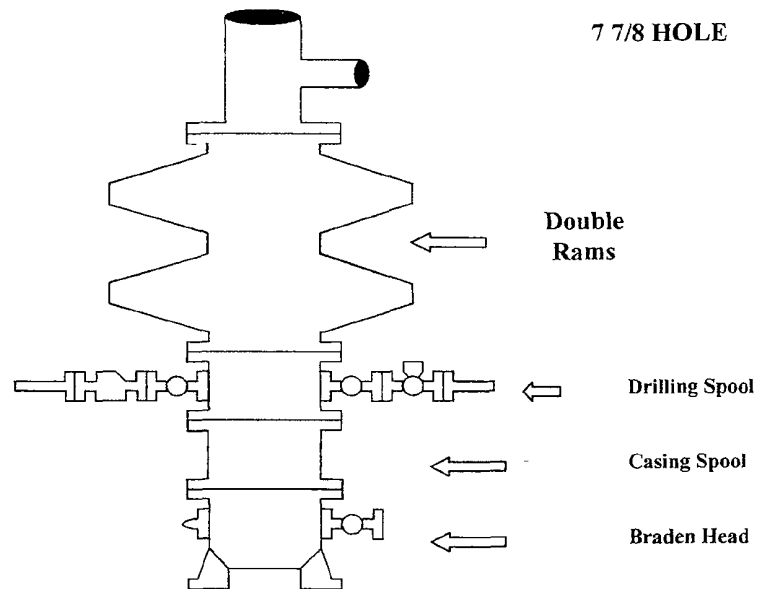
PROJECT DETAILS. Eddy County, NM (NAN27 NME) Plan: Plan #1 Rev 1 7-7/8" Hole (Foster Eddy #36/OH)

Geodetic System. US State Plane 1927 (Exact solution) Created By. Julio Pina Date 28-Mar-11
Datum. NAD 1927 (NADCON CONUS)
Ellipsoid. Clarke 1866
Zone. New Mexico East 3001
System Datum. Mean Sea Level
Checked. Date
Reviewed. Date
Approved. Date

COG Operating LLC

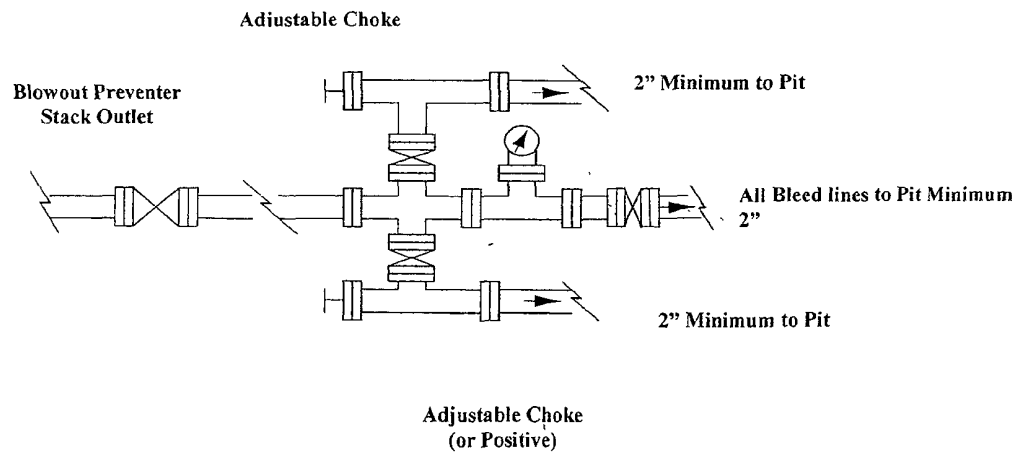
Exhibit #9

BOPE and Choke Schematic



Minimum 4" Nominal choke and kill lines

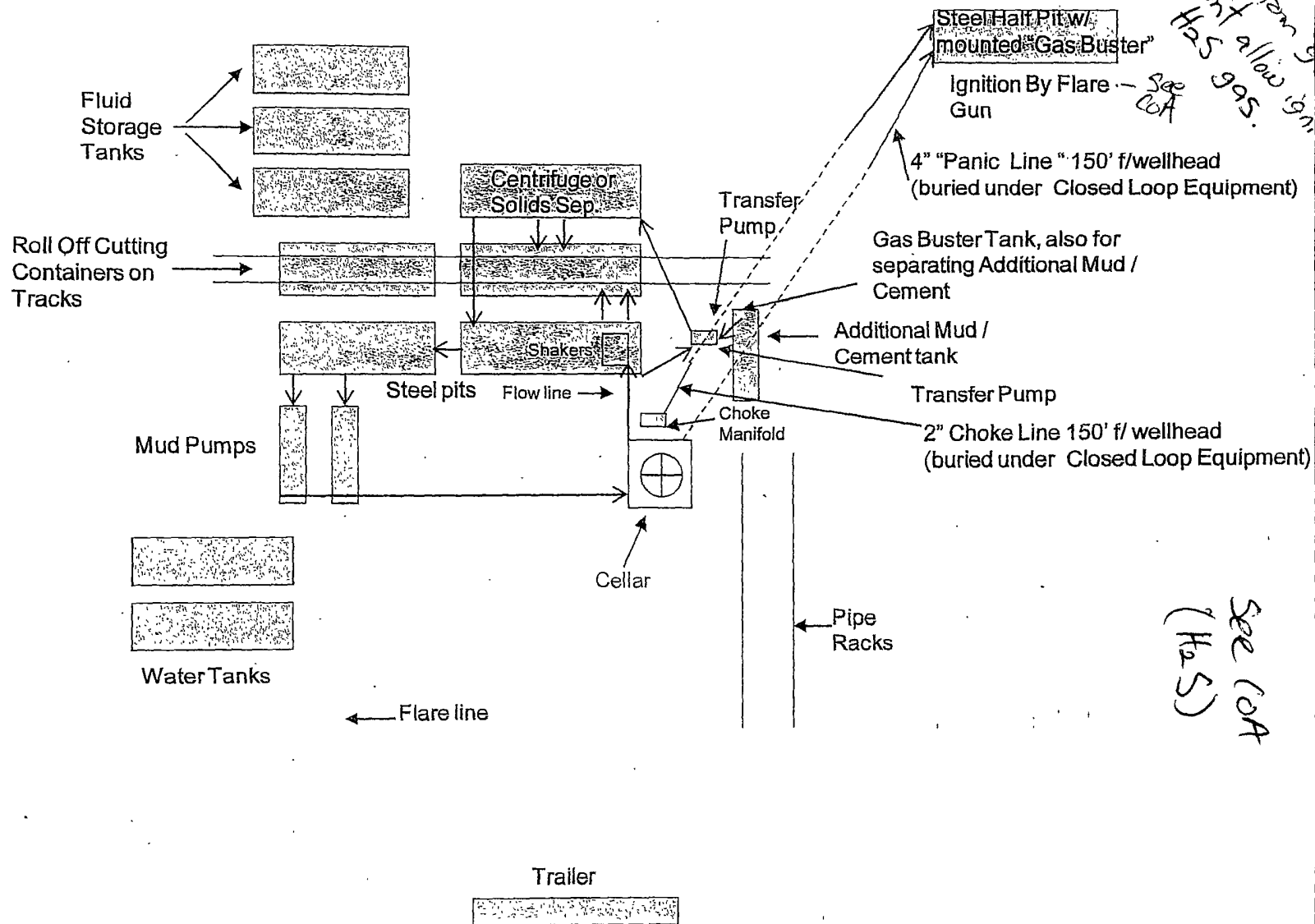
Choke Manifold Requirement (2000 psi WP)
No Annular Required



NOTES REGARDING THE BLOWOUT PREVENTERS
Master Drilling Plan
Eddy County, New Mexico

1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum I.D. equal to preventer bore.
2. Wear ring to be properly installed in head.
3. Blow out preventer and all fittings must be in good condition, 2000 psi WP minimum.
4. All fittings to be flanged.
5. Safety valve must be available on rig floor at all times with proper connections, valve to be full 2000 psi WP minimum.
6. All choke and fill lines to be securely anchored especially ends of choke lines.
7. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
8. Kelly cock on Kelly.
9. Extension wrenches and hands wheels to be properly installed.
10. Blow out preventer control to be located as close to driller's position as feasible.
11. Blow out preventer closing equipment to include minimum 40-gallon accumulator, two independent sources of pump power on each closing unit installation all API specifications.

COG Operating LLC
Closed Loop Equipment Diagram



Closed Loop Operation & Maintenance Procedure

All drilling fluid circulated over shaker(s) with cuttings discharged into roll off container.

Fluid and fines below shaker(s) are circulated with transfer pump through centrifuge(s) or solids separator with cuttings and fines discharged into roll off container.

Fluid is continuously re-circulated through equipment with polymer added to aid separation of cutting fines.

Roll off containers are lined and de-watered with fluids re-circulated into system.

Additional tank is used to capture unused drilling fluid or cement returns from casing jobs.

This equipment will be maintained 24 hrs./day by solids control personnel and or rig crews that stay on location.

Cuttings will be hauled to either:

CRI (permit number R9166)

or

GMI (permit number 711-019-001)

dependent upon which rig is available to drill this well.

DISTRICT 2 -- CHECKLIST FOR INTENTS TO DRILL

308142

Operator COE Opz OGRID # 229134
 Well Name & # FOSTER Bldy #36 Surface Type (F)(S) (P)
 Location: UL Sect Township s, RNG e, Sub-surface Type (F)(S) (P)

- A. Date C101 rec'd 11 / 15 / 2011 C101 reviewed 11 / 22 / 2011
- B. 1. Check mark, Information is OK on Forms:
 OGRID ✓, BONDING ✓, PROP CODE ✓, WELL # , SIGNATURE ✓
 2. Inactive Well list as of: 11 / 22 / 2011 # wells 308 # Inactive wells 08
 a. District Grant APD but see number of inactive wells:
 No letter required ✓; Sent Letter to Operator , to Santa Fe
 3. Additional Bonding as of: 11 / 22 / 2011
 a. District Denial because operator needs addition bonding:
 No Letter required ✓; Sent Letter to Operator , To Santa Fe
 b. District Denial because of Inactive well list and Financial Assurance:
 No Letter required ✓; Sent Letter to Operator , To Santa Fe
- C. C102 YES ✓, NO , Signature ✓
 1. Pool Cornar Lake - Glorieta, Code 96831
 a. Dedicated acreage 40, What Units J
 b. SUR. Location Standard ✓; Non-Standard Location
 c. Well shares acres: Yes , No ✓, # of wells plus this well #
 2. 2nd. Operator in same acreage, Yes , No
 Agreement Letter , Disagreement letter
 3. Intent to Directional Drill Yes , No
 a. Dedicated acreage , What Units
 b. Bottomhole Location Standard , Non-Standard Bottomhole
 4. Downhole Commingle: Yes , No
 a. Pool #2 , Code , Acres
 Pool #3 , Code , Acres
 Pool #4 , Code , Acres
 5. POTASH Area Yes , No ✓
- D. Blowout Preventer Yes ✓, No
- E. H2S Yes ✓, No
- F. C144 Pit Registration Yes ✓, No
- G. Does APD require Santa Fe Approval:
 1. Non-Standard Location: Yes , No , NSL #
 2. Non-Standard Proration: Yes , No , NSP #
 3. Simultaneous Dedication: Yes , No , SD #
 Number of wells Plus #
 4. Injection order Yes , No ✓; PMX # or WFX #
 5. SWD order Yes , NO ✓; SWD #
 6. DHC from SF ; DHC-HOB ; Holding

7. OCD Approval Date 11 / 22 / 2011
 8. Reviewers TCS

API #30-0 15 -- 38626