<u>District I</u>

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NIM

87505

State of New Mexico

Energy, Minerals and Natural Resources

Form C-101

Permit 1520

Oil Conservation Division

1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL

COG OPERATING LLC	Operator Name and Address OPERATING LLC 22:	
550 W Texas		API Number
Midland, TX 79701		30-025-36903
Property Code	Property Name	Well No.
34307	BAGLEY 16 STATE	001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	16	118	33E	D	660	N	810	W	Lea

Proposed Pools

BAGLEY; PERMO PENN, NORTH 3820

Work Type	Well Type	Cable/Rotary	Lease Type	Ground Level Elevation
New Well	OIL		State	4290
Multiple	Proposed Depth	Formation	Contractor	Spud Date
N	11200	Atoka		10/15/2004

Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	350	350	0
Int1	12.25	8.625	32	3800	1300	0
Prod	7.875	5.5	17	11200	600	8000

Casing/Cement Program: Additional Comments

No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. 13-3/8 350sx C1 C+add, circ to surf. 8-5/8 1100sx 50/50 Poz lead, 200sx C1 C tail, circ to surf. 5-1/2 600sx ClH+add.TOC +/-8000. 17-1/2 hole to be drilled w/fr water, 12-1/4 hole to be drilled w/ fr water/brine & starch to protect water sands. 7 7/8 hole to be drilled w/ cut brine.

Proposed Blowout Prevention Program

	Troposca Dionoac Tren	cumon i rogiani	
Туре	Working Pressure	Test Pressure	Mamufacturer
Annular	3000	1350	
Double Ram	5000	4000	
Annular	3000	2500	

	ne information given above is true est of my knowledge and belief.
Electronically Signed	By: Erick Nelson
Title: Manager	

OIL CONSERVA	ATION DIVISION
Electronically Approved By:	Paul Kautz
Title: Geologist	
Approval Date: 10/08/2004	Expiration Date: 10/08/2005
Conditions of Approval: There are conditions. See At	tached.