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

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

Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Energy, Minerals and Natural Resources

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

Form C-101 August 1, 2011

Permit 136736

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

COG O	r Name and Address PERATING LLC	OGRID Number 229137	
550 W TEXAS MIDLAND, TX 79701		3. API Number 30-015-39387	
4. Property Code	5. Property Name	6. Well No.	
38397	BIRDSEYE 32 STATE	004H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	32	198	31E	M	330	S	330	W	EDDY

8. Pool Information

GATUNA CANYON; BONE SPRING 96688

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable Rotary	12. Lesse Type State	13. Ground Level Elevation 3440
14. Multiple	15. Proposed Depth	16. Formation	17. Contractor	18. Spud Date
N	13381	Bone Spring		9/5/2011

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	450	0
Int1	12.25	9.625	40	4300	1250	0
Prod	7.875	5.5	17	13381	2150	2300

Casing/Cement Program: Additional Comments

Plan to drill a 17-1/2" hole to 500' with Fresh Water. Run 13-3/8", 48#, J-55 csg and cmt to surface. Drill 12-1/4" hole to 4300' with Brine, and run 9-5/8", 36#/40#, J-55 and cement to surface. Drill 7-7/8" hole with cut brine to 13,381 MD/8965 TVD. Run 5-1/2", 17#, P-110 csg and cement to 2300°.

Proposed Blowout Prevention Program

10		I Toposeu Dionout I I	revention riogram	TO-
	Type	Working Pressure	Test Pressure	Manufacturer
	DoubleRam	3000	3000	Cameron

of my knowledge and belief.	nation given above is true and complete to the best illing pit will be constructed according to	OIL CONSERVATION DIVISION		
	eneral permit , or an (attached) alternative	Approved By: Randy Dade		
Printed Name: Electroni	cally filed by Diane Kuykendall	Title: District Supervisor		
Title: Production Repor	ting Mgr	Approved Date: 9/6/2011	Expiration Date: 9/6/2013	
Email Address: dkuyker	ndall@conchoresources.com	(***)	12.77	
Date: 9/6/2011	Phone: 432-683-7443	Conditions of Approval Attached		

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

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State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 136736

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-39387	2. Pool Code 96688	227.00	NYON; BONE SPRING
4. Property Code 38397	5. Property Name BIRDSEYE 32 STATE		6. Well No. 004H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC		9. Elevation 3440

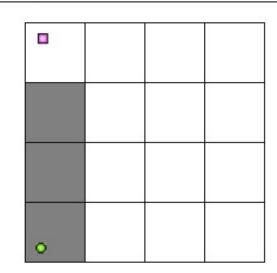
10. Surface Location

	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
5	M	32	198	31E		330	S	330	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	32	198	31E	D	330	N	380	W	EDDY
	cated Acres	13. J	oint or Infill	14	. Consolidation (Code		15. Order No.	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Diane Kuykendall Title: Production Reporting Mgr

Date: 9/6/2011

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Filmon Jaramillo Date of Survey: 8/10/2011 Certificate Number: 12797

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: BIRDSEYE 32 STATE #004H

API: 30-015-39387

Created By	Comment	Comment Date	
Artesia	Land F/S	9/6/2011	

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: BIRDSEYE 32 STATE #004H

API: 30-015-39387

OCD Reviewer	Condition
Artesia	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string