

**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 164147

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

1. Operator Name and Address COG OPERATING LLC One Concho Center Midland, TX 79701		2. OGRID Number 229137  3. API Number 30-015-41199
4. Property Code 308055	5. Property Name SRO STATE UNIT COM	6. Well No. 039H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	34	25S	28E	N	330	S	1980	W	EDDY

**8. Proposed Bottom Hole Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	34	25S	28E	C	330	N	1980	W	Eddy

**9. Pool Information**

RED BLUFF BONE SPRING	50990
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 2939
16. Multiple N	17. Proposed Depth 12515	18. Formation Bone Spring	19. Contractor	20. Spud Date 3/22/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	2480	725	
Prod	7.875	5.5	17	12515	1425	2280

**Casing/Cement Program: Additional Comments**

Plan to drill 12-1/4" hole to 2480' with Brine, and run 9-5/8", 36#, J55 and cement to surface. Drill 7-7/8" curve and lateral with cut brine to approx 12,515' MD. Run 5-1/2", 17#, P-110 csg and cement to 2280' in 1 stage.

**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	3000	Shaffers

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: _____ Printed Name: Electronically filed by Diane Kuykendall Title: Production Reporting Mgr Email Address: dkuykendall@conchoresources.com Date: 3/15/2013      Phone: 432-683-7443	<b>OIL CONSERVATION DIVISION</b>  Approved By: Randy Dade  Title: District Supervisor Approved Date: 3/19/2013      Expiration Date: 3/19/2015  Conditions of Approval Attached
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**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
August 1, 2011  
Permit 164147

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-41199	2. Pool Code 50990	3. Pool Name RED BLUFF;BONE SPRING
4. Property Code 308055	5. Property Name SRO STATE UNIT COM	6. Well No. 039H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 2939

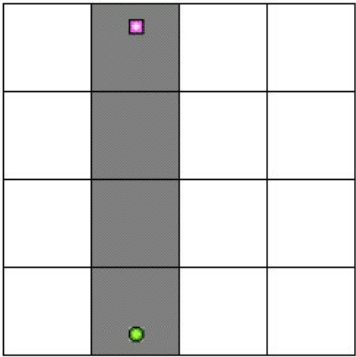
**10. Surface Location**

UL - Lot N	Section 34	Township 25S	Range 28E	Lot Idn C	Feet From 330	N/S Line S	Feet From 1980	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot C	Section 34	Township 25S	Range 28E	Lot Idn C	Feet From 330	N/S Line N	Feet From 1980	E/W Line W	County EDDY
12. Dedicated Acres 160.00		13. Joint 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**

<div style="text-align: center;">  </div>	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>E-Signed By: Diane Kuykendall Title: Production Reporting Mgr Date: 3/15/2013</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: Jeffrey E Hudson Date of Survey: 6/22/2012 Certificate Number: 20558</p>
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## Permit Comments

Operator: COG OPERATING LLC , 229137

Well: SRO STATE UNIT COM #039H

API: 30-015-41199

Created By	Comment	Comment Date
mreyes1	OIL: COG Operating has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore we do not believe that an H2S Contingency Plan would be necessary.	3/15/2013
CSHAPARD	Land s/S	3/18/2013

## Permit Conditions of Approval

**Operator:** COG OPERATING LLC , 229137

**Well:** SRO STATE UNIT COM #039H

**API:** 30-015-41199

OCD Reviewer	Condition
CSHAPARD	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