BEFORE THE OIL CONSERVATION DIVISION

AMENDED APPLICATION OF NADEL AND GUSSMAN PERMIAN, L.L.C. AND COG OPERATING LLC FOR APPROVAL OF A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 14628

JANUARY 5, 2012

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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 Pio Brance Pd. Artes, NM 87410

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IY 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-101 August 1, 2011 Permit 138301

Energy, Minerals and Natural Resources

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

APPLICATION FOR PERM	IIT TO DRILL, RE-ENTER, DEEPEN,	PLUGBACK, OR ADD A ZONE
1. Operate	or Name and Address	2. OGRID Number
	PERATING LLC DW TEXAS	229137
	AND , TX 79701	3. API Number
		30-015-39641
4. Property Code	5. Property Name	6. Well No.
38929	PATTON 5 FEE	008Н

7. Surface Location

					<u> </u>					_
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
М	5	19S	26E	М	380	S	330	w	EDDY	l

8. Pool Information

ATOKA;GL					3250

Additional Well Information

						
9. Work Type 10. Well Type		Type 10. Well Type 11. Cable/Rotary 12. Lease Type		13. Ground Level Elevation		
New Well	OIL		Private	3363		
14. Multiple 15. Proposed Depth		Proposed Depth 16. Formation 17. Contract		18. Spud Date		
N	7148	Yeso Formation	1/31/2012			
Depth to Ground	water	Distance from nearest fresh water	well	Distance to nearest surface water		
110		> 1000	> 1000			

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	825	600	0
Inti	8.75	7	26		0	0
Prod	7.875	5.5	17	7148	300	

Casing/Cement Program: Additional Comments

COG proposes to drill a 12 ¼" hole to 825' w/ fresh water, run 9 5/8" 36# J-55 and cement to surface. Drill a 8 ¾" hole to 2273' MD and kick off and drill curve to 3023' MD. Drill a 7 7/8" lateral to new BHL @ 2750' TVD 7148' MD. Run a tapered string with 7" 26# L-80 from surface to 2273' & 5 ½" 17# L-80 casing to TD with DV/ECP Combo Tool at 2273' and isolation packers in the open hole. Set isolation packers and ECP. Open DV tool and cement from 2273' to surface.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to	OIL CONSERVATION DIVISION				
NMOCD guidelines a general permit , or an (attached) alternative OCD-approved plan	Approved By: Randy Dade				
Printed Name: Electronically filed by Diane Kuykendall	Title: District Supervisor				
Title: Production Reporting Mgr	Approved Date: 11/18/2011 Expiration Date: 11/18/2013				

BEFORE THE OIL CONSERVATION DIVISION

C101 All

Page 2 of 5

Email Address: dkuykenda	ll@conchoresources.com	
Date: 11/17/2011	Phone: 432-683-7443	Conditions of Approval Attached

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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

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

Form C-102 August 1, 2011

Permit 138301

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-39641	2. Pool Code 3250	3. Pool Name ATOKA;GLORIETA-YESO
4. Property Code 38929	5. Property N PATTON 5	
7. OGRID No.	8. Operator N	ame 9. Elevation
229137	COG OPERATI	NG LLC 3363

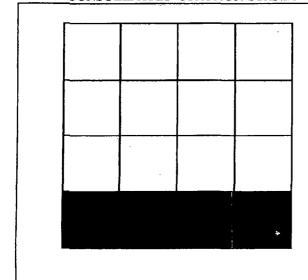
10. Surface Location

										_
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
М	5	198	26E		380	s	330	: w	EDDY	

11. Bottom Hole Location If Different From Surface

						γ 			
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	5	198	26E	,	380	S	330	E	EDDY
1	cated Acres	13. 1	oint or Infill	14	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: 11/17/2011

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: Gary Eidson
Date of Survey: 10/17/2011
Certificate Number: 12641

Permit Conditions of Approval

Operator: COG OPERATING LLC, 229137 Well: PATTON 5 FEE #008H

API:

30-015-39641

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

Permit Comments

Operator: COG OPERATING LLC, 229137 Well: PATTON 5 FEE #008H

API:

Created By	Comment	Comment Date
kholly1	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	10/6/2011
CSHAPARD	Land p/P	11/18/2011

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State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

□AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number			Pool Code		Pool Name				
Property Code			Property Name PATTON 5 FEE					Well Number	
					PATIONS	FEE		i	8H
OGRID 1		Operator Name					E	Elevation	
			COG OPERATING, LLC				:	3363'	
					Surface Locat	ion			
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	5	19-S	26-E		380	SOUTH	330	WEST	EDDY
				Bottom Hole	e Location If Diffi	erent From Surface		· · · · · · · · · · · · · · · · · · ·	
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	5	19-S	26-E		380	SOUTH	330	EAST	EDDY
Dedicated Acres	Joint or	Infill Co	onsolidation C	ode Ord	er 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

LOT 4	LOT 3	LOT 2	LOT 1	OPERATOR CERTIFICATION
		,		I hereby certify that the information 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 or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order
39.34 AC.	39.27 AC.	39.19 AC.	39.12 AC.	heretofore entered by the division.
	 	<u> </u>	1	Signature Date
		R AND SIXTEENTH DINATES TABLE	GEODETIC COORDINATES NAD 27 NME	Printed Name
	(A) - Y=613281.8 (B) - Y=613289.1		SURFACE LOCATION Y=612352.5 N X=476064.8 E	E-mail Address
	© - Y=611972.4		LAT.=32.683432* N LONG.=104.411128* W	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by
	Ø − Y=611974.5	N, X=480999.1 E	BOTTOM HOLE LOCATION	me or under my supervision, and that the same is true and correct to the best of my belief.
	1	<u>.</u>	X=480667.3 E	OCTOBER 17, 2011 Date of Survey Signature & Seat Not Management Surveyor:
(a)		<u> </u>	(B)	Signature & Rost Stratutingsional Surveyor: G. EIDS MEX. 12641
330' S.L.	GRID. AZ.= HORIZ. DIST		B.H. 330'	Certofice Number Gare Edson 12641 Report Film Profession 1000 3239 AF WALLES WAS WOULD IN 11.11.1112