

30-015-36287

COG OPERATING LLC
MULTI-POINT SURFACE USE AND OPERATIONS PLAN

BAWH State Com #1H
Surf: 1930' FSL & 810' FEL, Sec 30 ✓
BHL: 660' FNL & 660' FEL, Sec 30
Section 34 T19S-R32E
EddyCounty, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan to finalize an unauthorized action (drilling) and to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that the well can be completed and produced.

1. EXISTING ROADS:

- a. The well site and elevation plat for the proposed well are reflected on the well site layout; Form C-102. The well was staked by John West Surveying Co.
- b. Exhibit 2 is a portion of a topo map showing the well and roads in the vicinity of the proposed location. The proposed wellsite and the access route to the location are indicated in red on Exhibit 2.
- c. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.



DIRECTIONS:

From the intersection of State Rd #7 (Carlsbad Caverns Rd.) and U.S.62-180 (National Parks Hwy.) go Southwest approx. 0.2 miles. Turn left and go Southeast approx. 350 feet. The location stake is 212 feet Southwest of road.

2. PLANNED ACCESS ROAD:

Concho Resources will be using an existing access roads.

3. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. In the event the well is found productive, the Bawh State Com #1H tank battery would be utilized and the necessary production equipment will be installed at the well site. A Site Facilities Diagram will be submitted upon completion of facility. All flowlines will adhere to API standards.
- B. If electricity is needed, power will be obtained from Central Valley Electric. Central Valley Electric will apply for ROW for their power lines.
- C. If the well is productive, rehabilitation plans are as follows:

- i. Interim Reclamation is shown on Exhibit 1. The original topsoil from the well site will be used for interim reclamation. The drill site will then be contoured as close as possible to the original state.

4. LOCATION AND TYPES OF WATER SUPPLY:

This location has been drilled using a combination of water mud systems (outlined in the Drilling Program). The water was obtained from a commercial water stations in the area and hauled to location by transport truck using the existing and proposed roads shown in Exhibit #2. On occasion, water may be obtained from a pre-existing water well, running a pump directly to the drill rig. In these cases where a poly pipeline is used to transport water for drilling purposes, the existing and proposed road shown in Exhibit "2" will be utilized.

5. CONSTRUCTION MATERIALS:

All Caliche utilized for the drilling pad and proposed access road was obtained from an existing BLM approved pit or from prevailing deposits found under the location. All roads were constructed of rolled and compacted caliche.

6. METHODS OF HANDLING WASTE MATERIAL:

- a. All trash, junk and other waste material will be removed from the wellsite within 30 days after finishing drilling and/or completion operations. All waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed, all contents will be removed and disposed of in an approved sanitary landfill.
- b. The supplier, including broken sacks, will pick up slats remaining after completion of well.
- c. A porto-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- d. Disposal of fluids to be transported by an approved disposal company.

7. ANCILLARY FACILITIES:

No campsite or other facilities will be constructed as a result of this well.

8. WELLSITE LAYOUT:

- a. Exhibit 3 shows the proposed well site layout with dimensions of the pad layout.
- b. This exhibit indicates proposed location of fresh water sump pits if utilized and living facilities.
- c. Mud pits in the active circulating system will be steel pits and a closed loop system will be utilized.
- d. A small flare pit/berm will be located on the east side of location.

9. PLANS FOR SURFACE RECLAMATION:

- a. After finishing drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The road will be reclaimed

as needed. The original top soil will again be returned to the pad and contoured, as close as possible, to the original state.

- b. The location and road will be rehabilitated to BLM standards.
- c. If the well is deemed commercially productive, caliche from areas of the pad site not required for operations will be reclaimed. The original top soil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography See Exhibit I. Reserve pit will not be used on this location therefore no reclamation is needed.

10. SURFACE OWNERSHIP:

The surface is owned by State of New Mexico and managed by the State Land Office.

11. OTHER INFORMATION:

- a. The area surrounding the well site is grassland. The topsoil is very shallow in nature. The vegetation is moderately sparse with native prairie grass, with some mesquite/creosote bushes and various forbs and shrubs. No wildlife was observed but it is likely that deer, rabbits, coyotes, and rodents traverse the area.
- b. There is no permanent or live water in the general proximity of the location.
- c. There are dwellings within 1/2 mile of the location.
- d. A Cultural Resources survey was not completed prior to drilling the well.

12. OPERATOR'S REPRESENTATIVE:

- | | |
|-------------------------------------|-----------------------------------|
| A. Through A.P.D. Approval: | B. Through Drilling Operations |
| Rand French, Regulatory Coordinator | Sheryl Baker, Drilling Supervisor |
| Concho Resources | Concho Resources |
| 2208 West Main | 2208 West Main |
| Artesia, NM 88211-0227 | Artesia, NM 88211-0227 |
| Phone (575)748-6940 | Phone (575)748-6940 |
| Cell (575) 513-1835 | Cell (432)934-1873 |

CERTIFICATION:

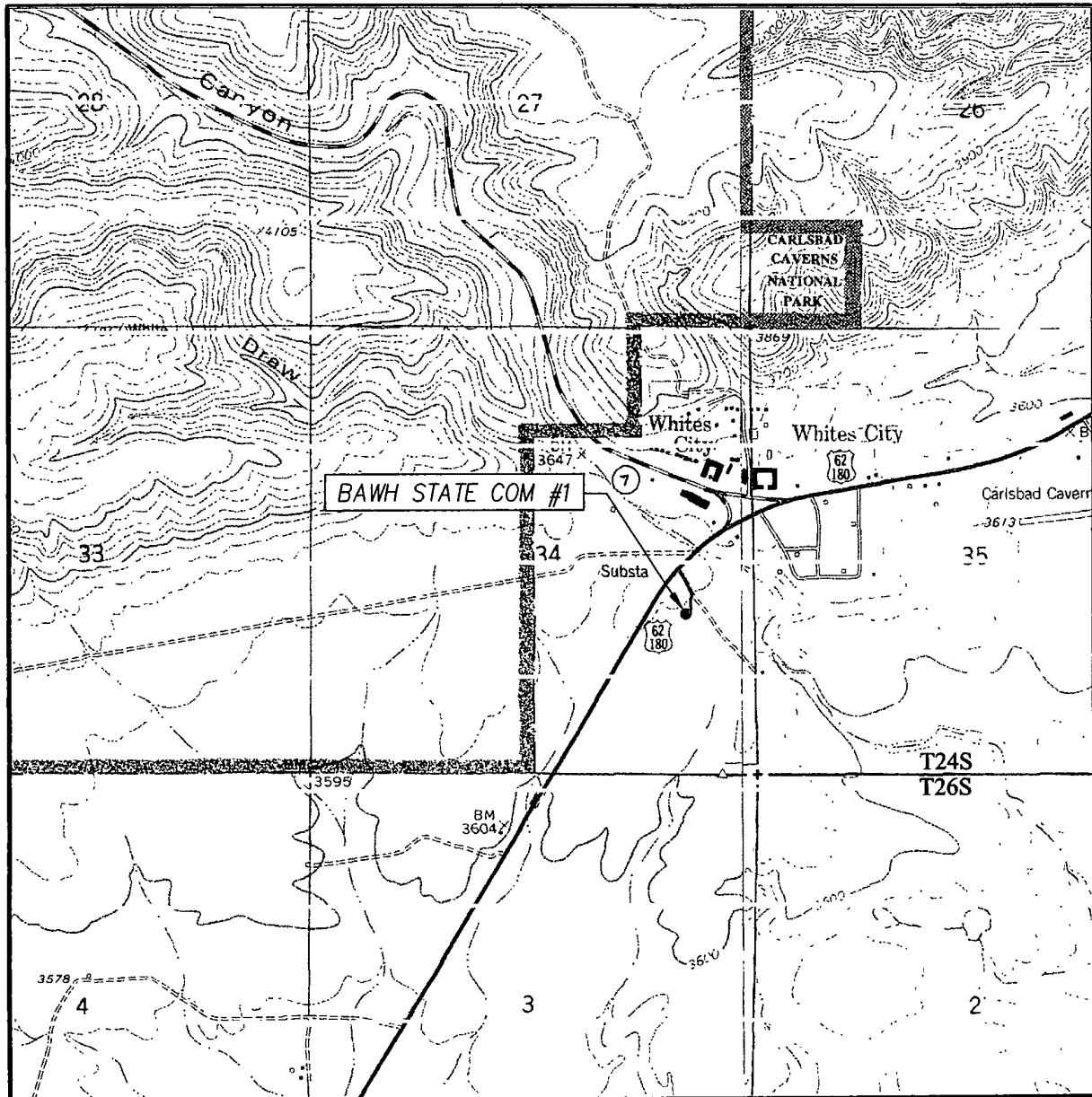
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Concho Resources and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

1/21/11
Date

Concho Resources


Sheryl Baker
Drilling Superintendent

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:

CARLSBAD CAVERNS, N.M. - 10'

BLACK RIVER VILLAGE, N.M. - 10'

SEC. 34 TWP. 24-S RGE. 25-E

SURVEY _____ N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 1930' FSL & 810' FEL

ELEVATION 3626'

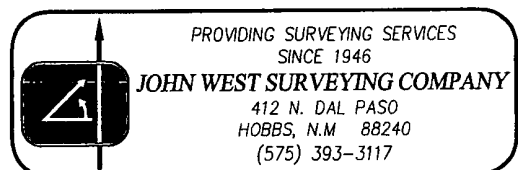
OPERATOR MARBOB ENERGY CORPORATION

LEASE BAWH STATE COM

U.S.G.S. TOPOGRAPHIC MAP

CARLSBAD CAVERNS, N.M.

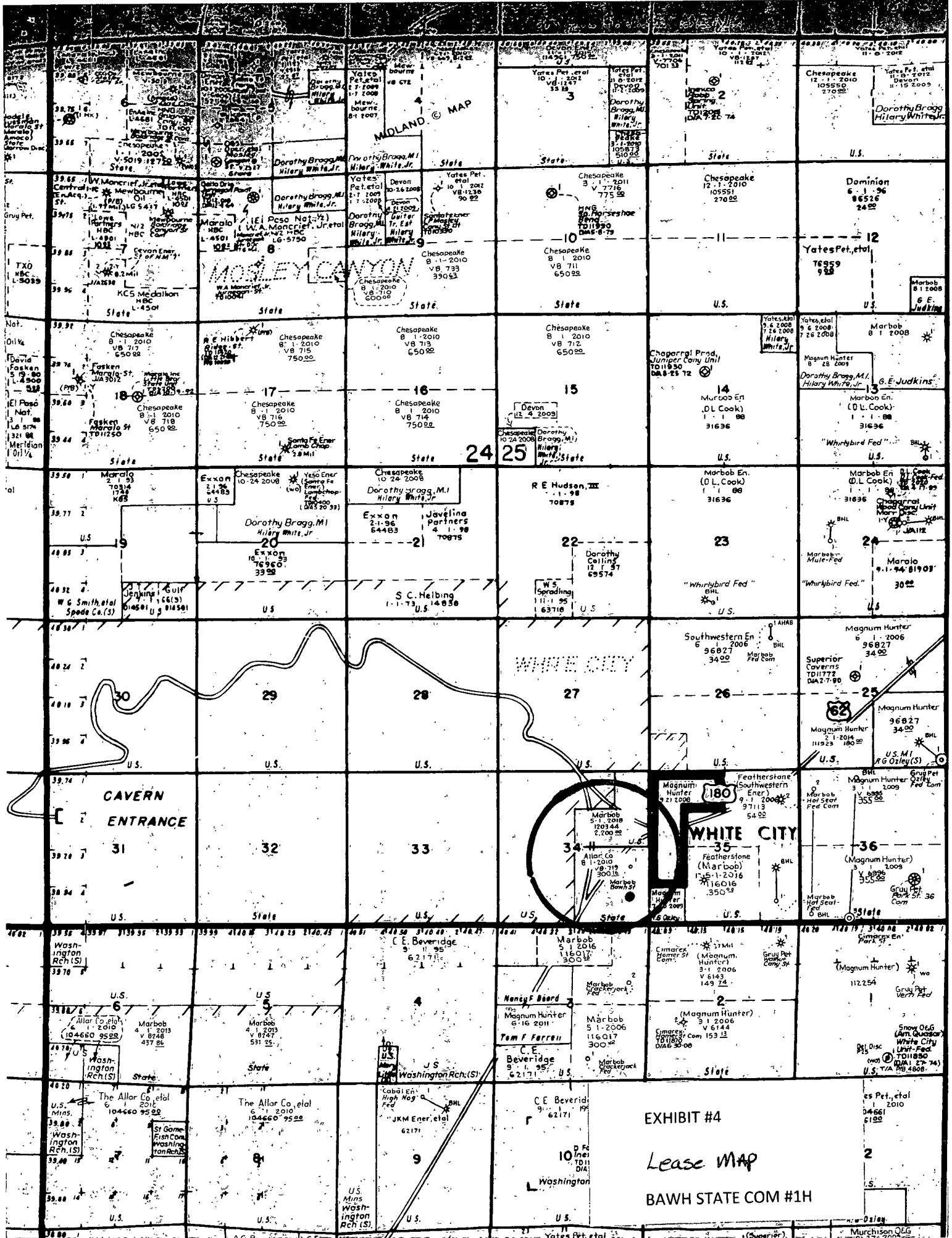
Exhibit #2



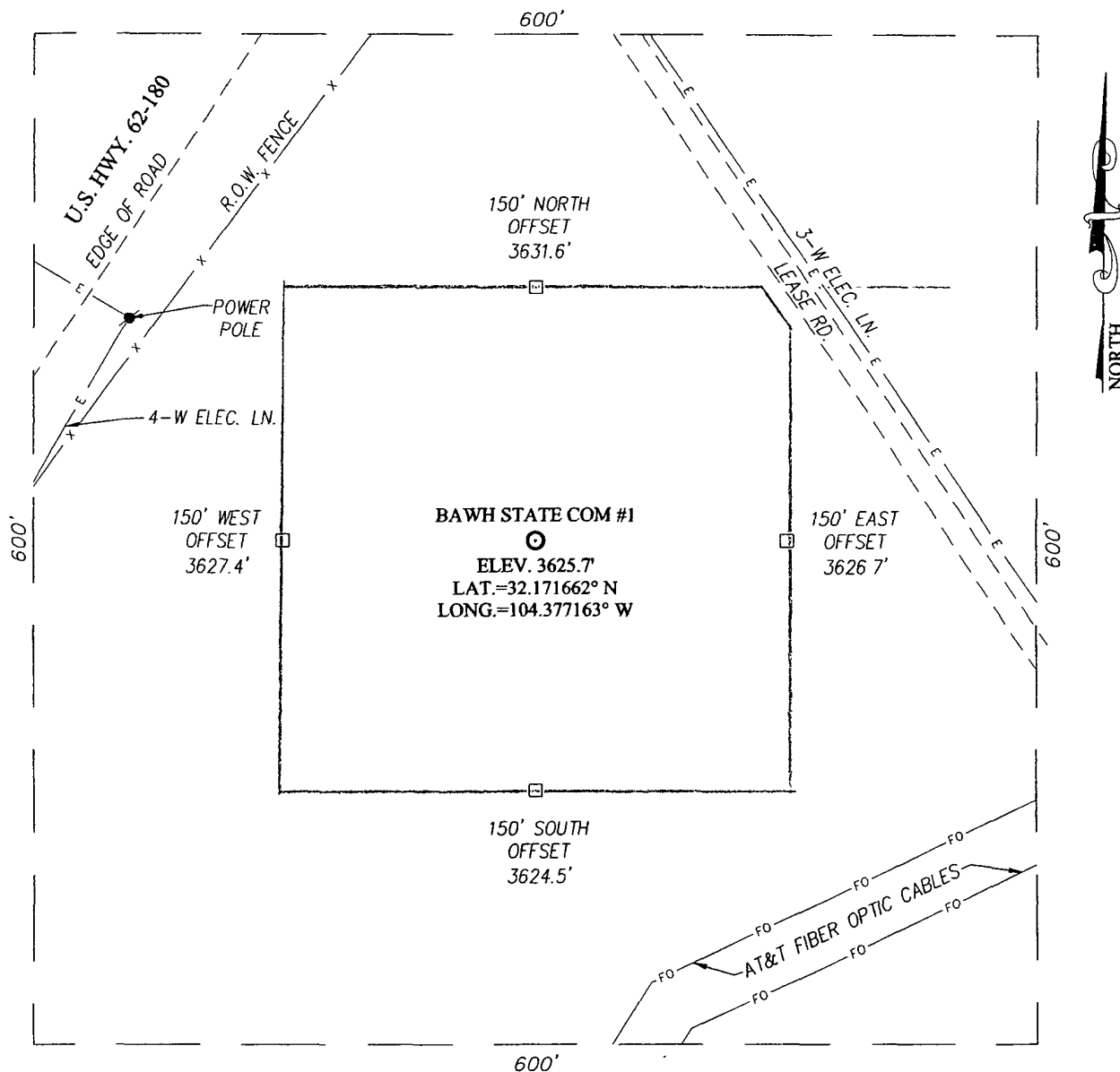
PROVIDING SURVEYING SERVICES
SINCE 1946

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

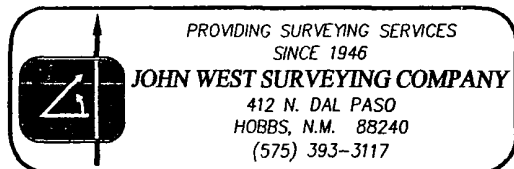
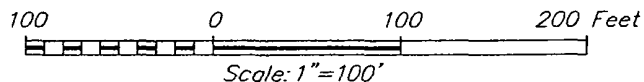


SECTION 34, TOWNSHIP 24 SOUTH, RANGE 25 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF STATE ROAD #7
 (CARLSBAD CAVERNS RD.) AND U.S. 62-180
 (NATIONAL PARKS HWY.), GO SOUTHWEST APPROX.
 0.2 MILES. TURN LEFT AND GO SOUTHEAST APPROX.
 350 FEET. THIS LOCATION STAKE IS APPROX. 212
 FEET SOUTHWEST OF ROAD.

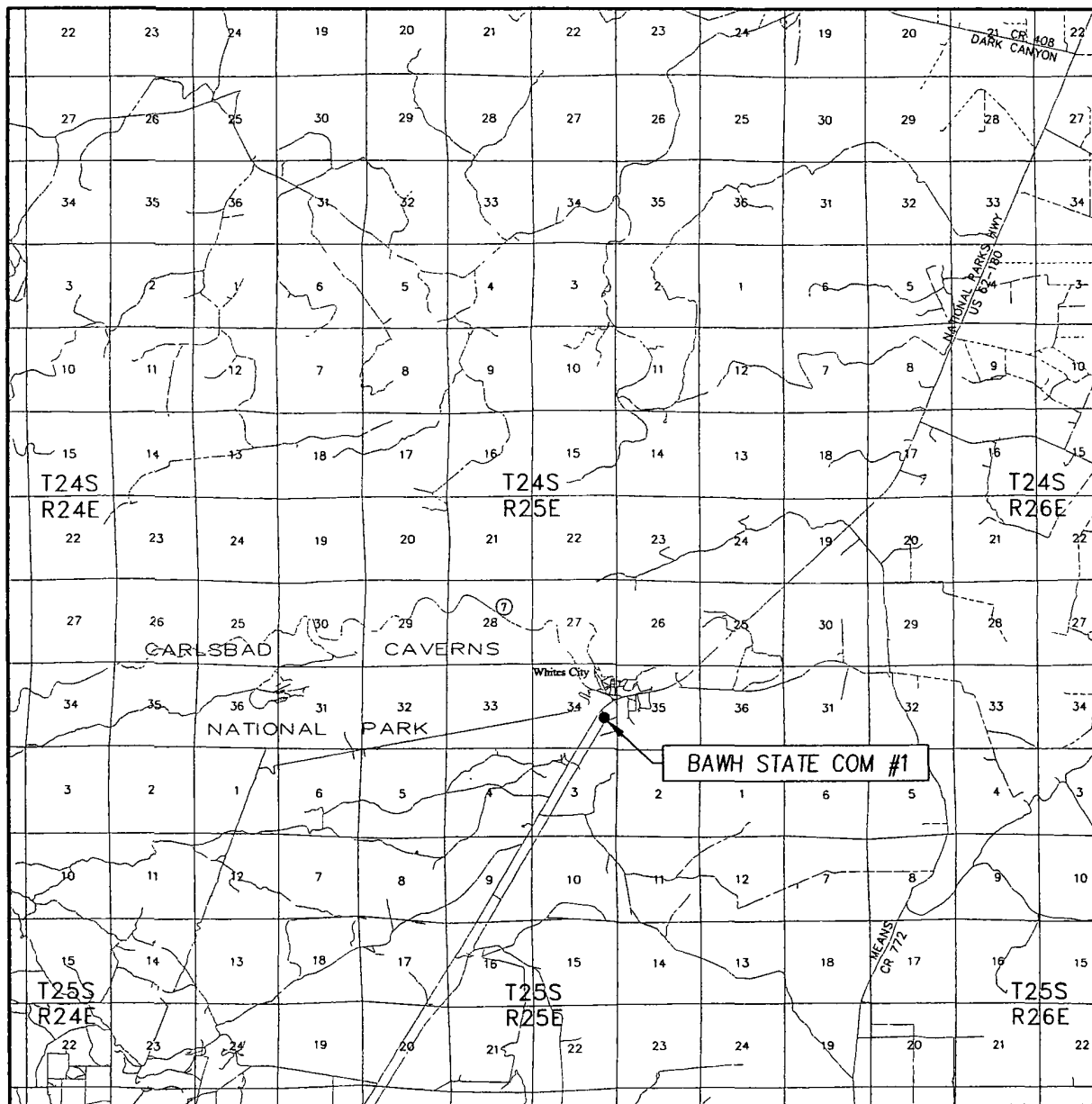


MARBOB ENERGY CORPORATION

BAWH STATE COM #1 WELL
 LOCATED 1930 FEET FROM THE SOUTH LINE
 AND 810 FEET FROM THE EAST LINE OF SECTION 34,
 TOWNSHIP 24 SOUTH, RANGE 25 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

Survey Date: 4/21/10	Sheet 1 of 1 Sheets		
W.O. Number: 10.11.0592	Dr. By: DSS	Rev 1:	
Date: 4/27/10	Rel. W.O.:	10110592	Scale: 1"=100'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 34 TWP. 24-S RGE. 25-E

SURVEY N.M.P.M.

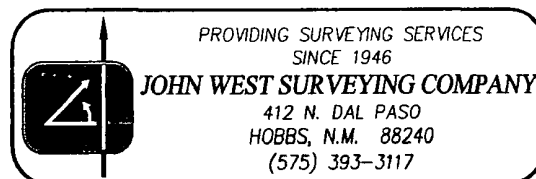
COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 1930' FSL & 810' FEL

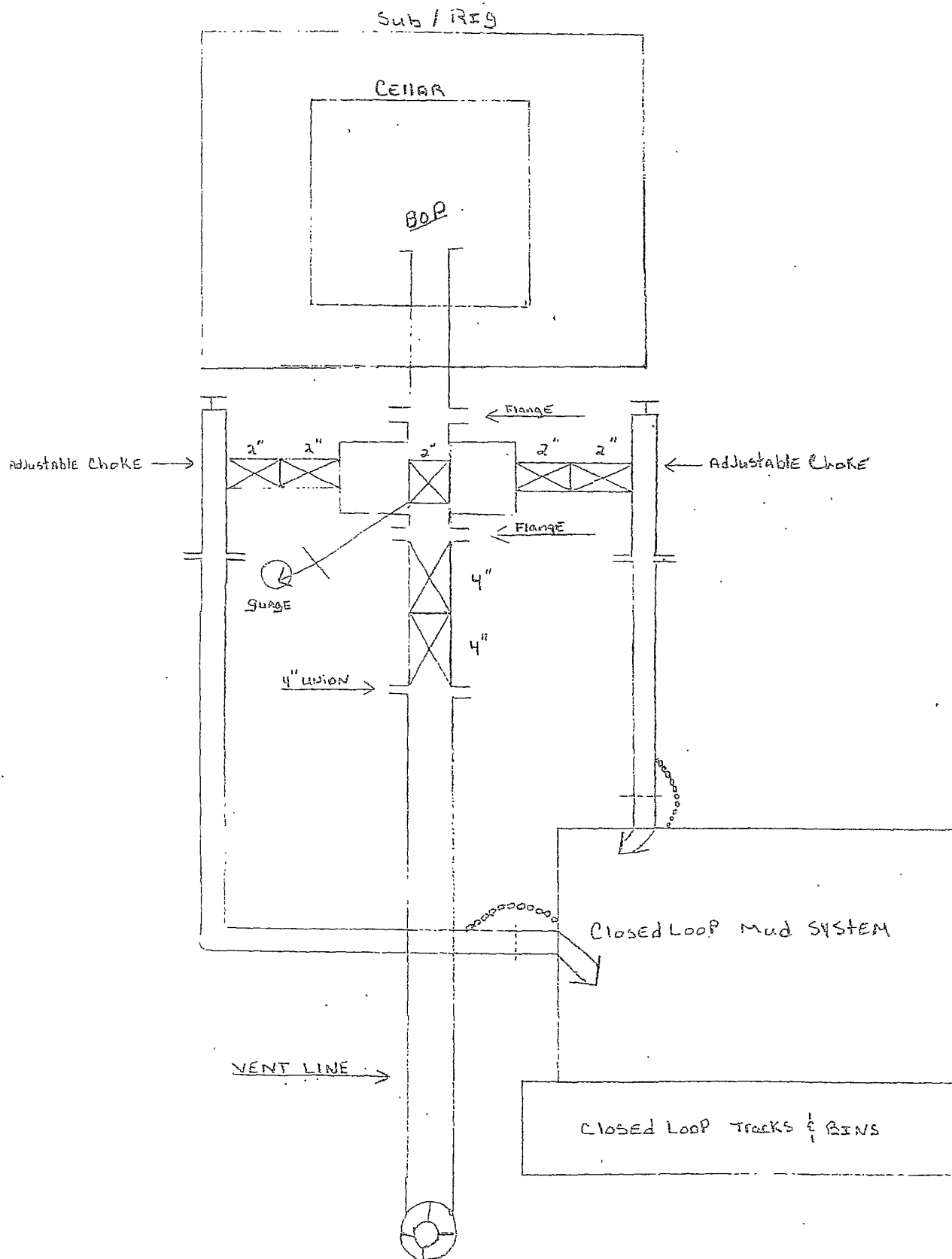
ELEVATION 3626'

OPERATOR MARBOB ENERGY CORPORATION

LEASE BAWH STATE COM

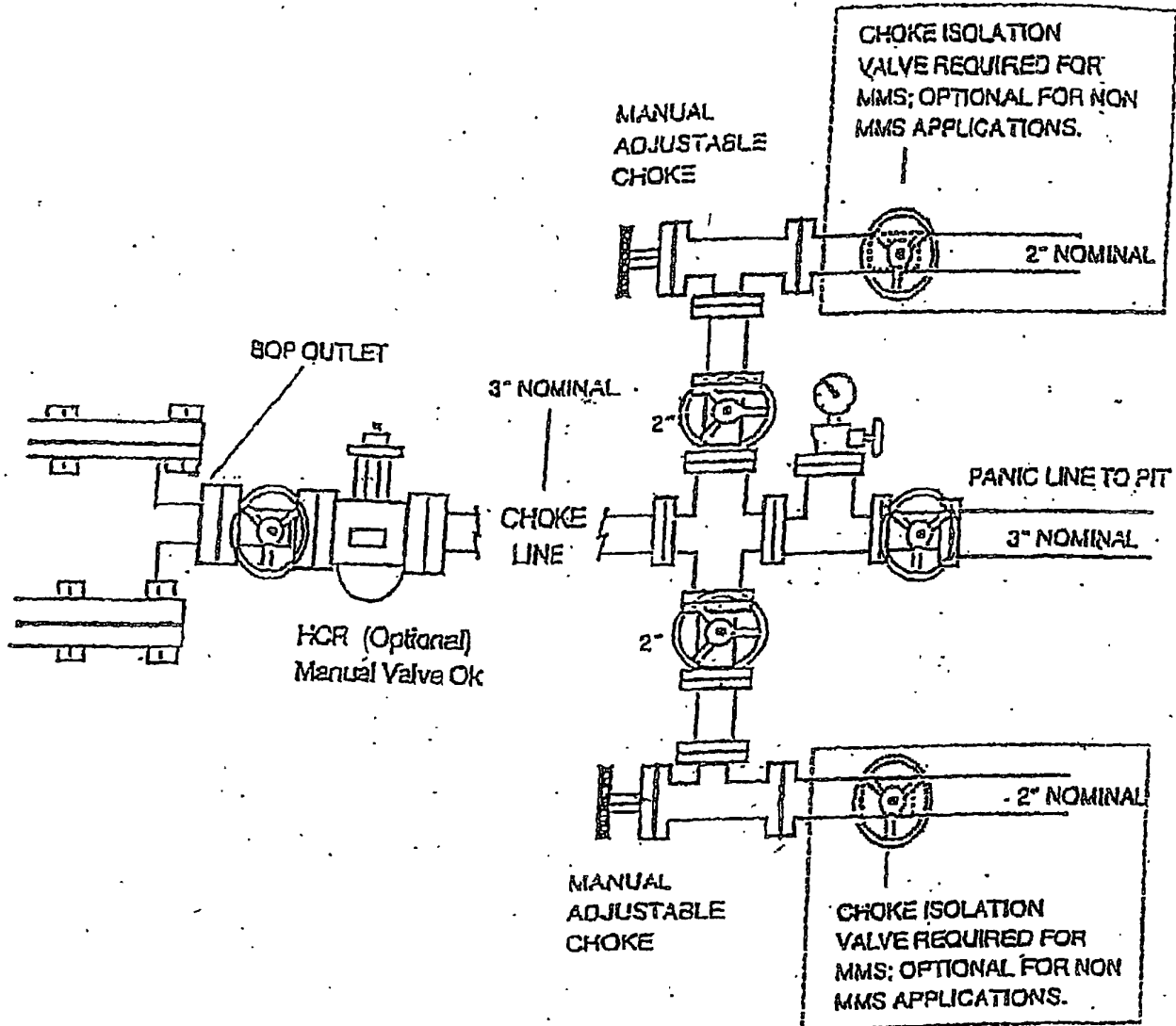


2M Choke Manifold Equipment

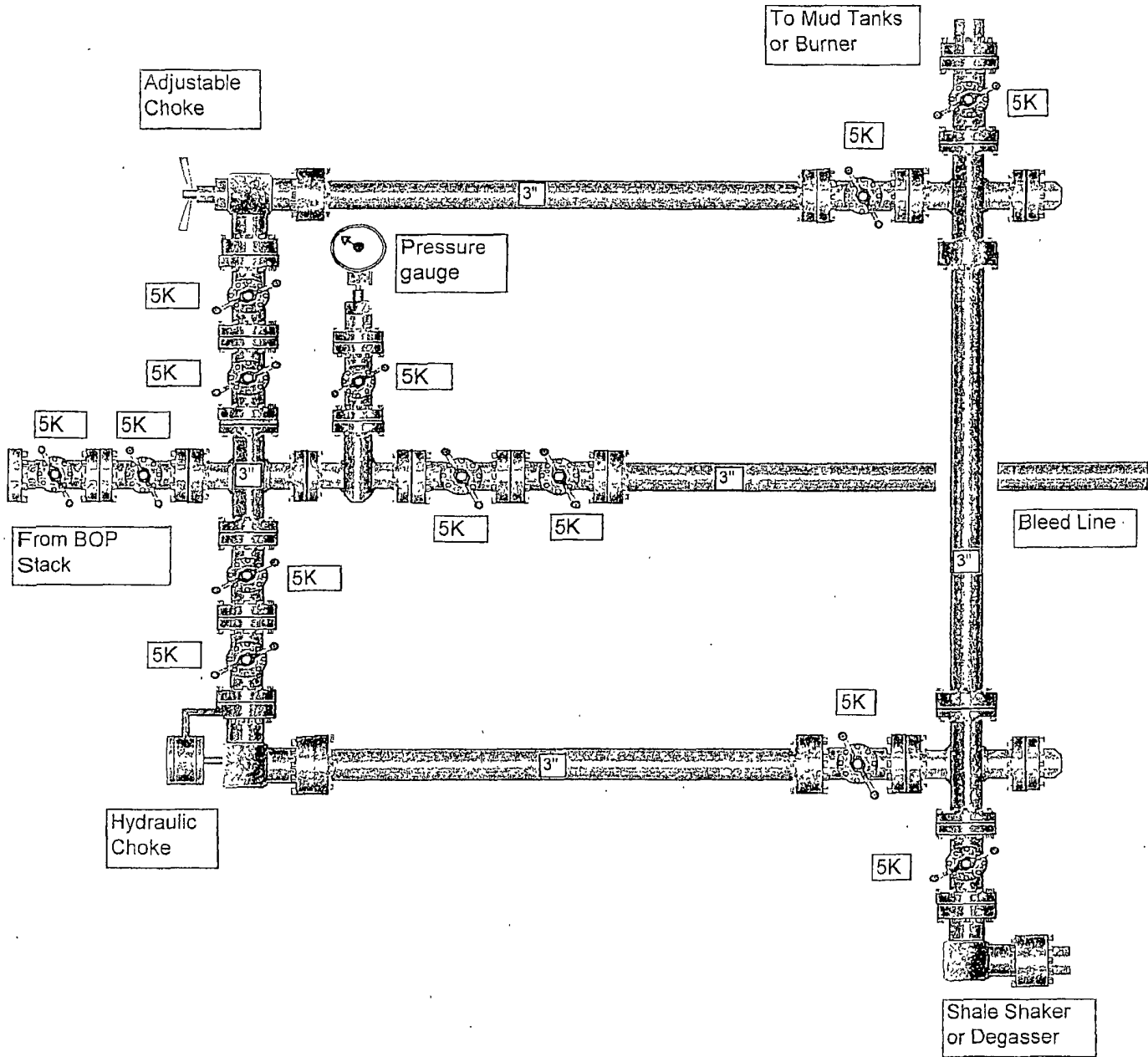


CHOKE MANIFOLD

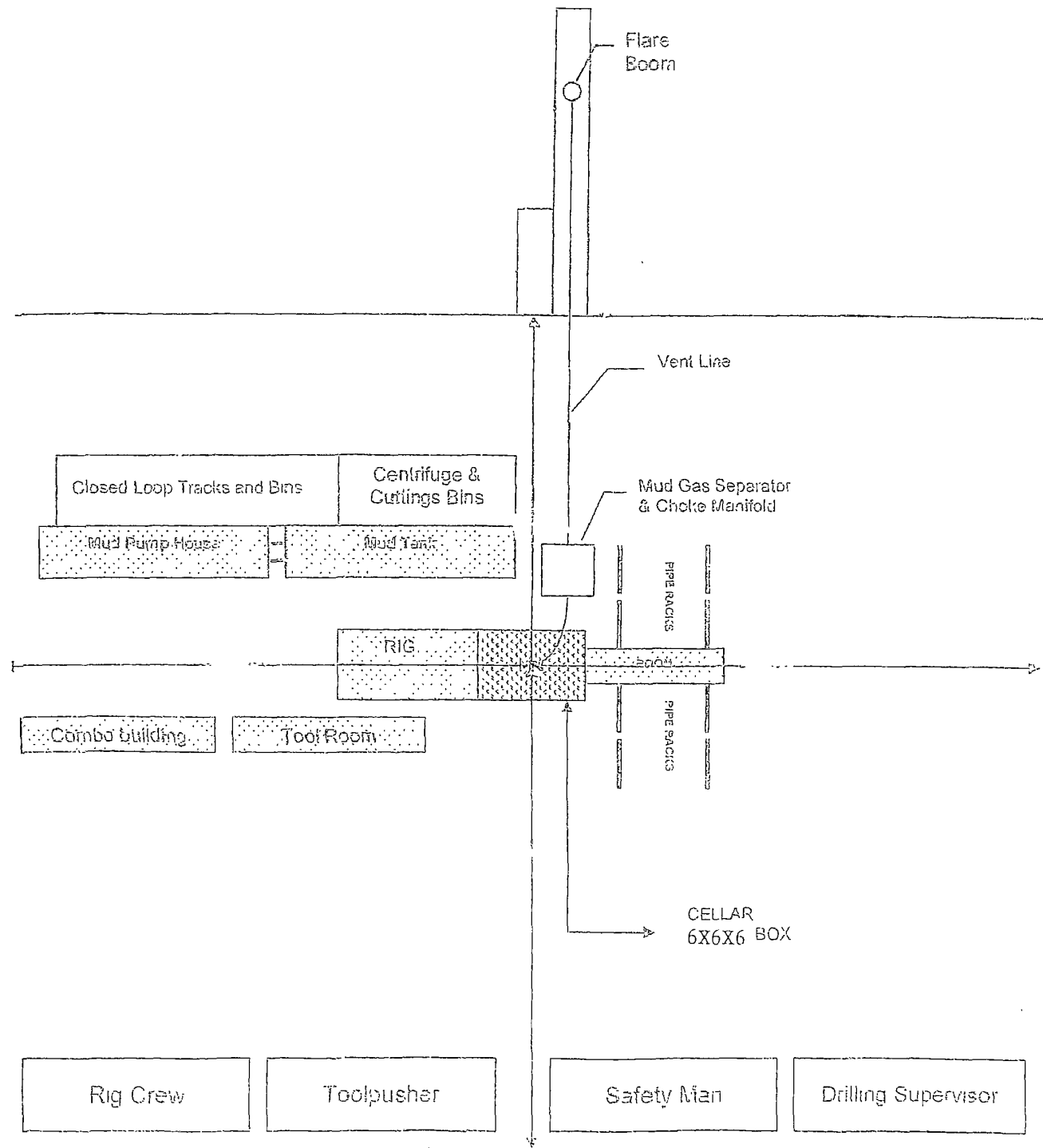
3M SERVICE



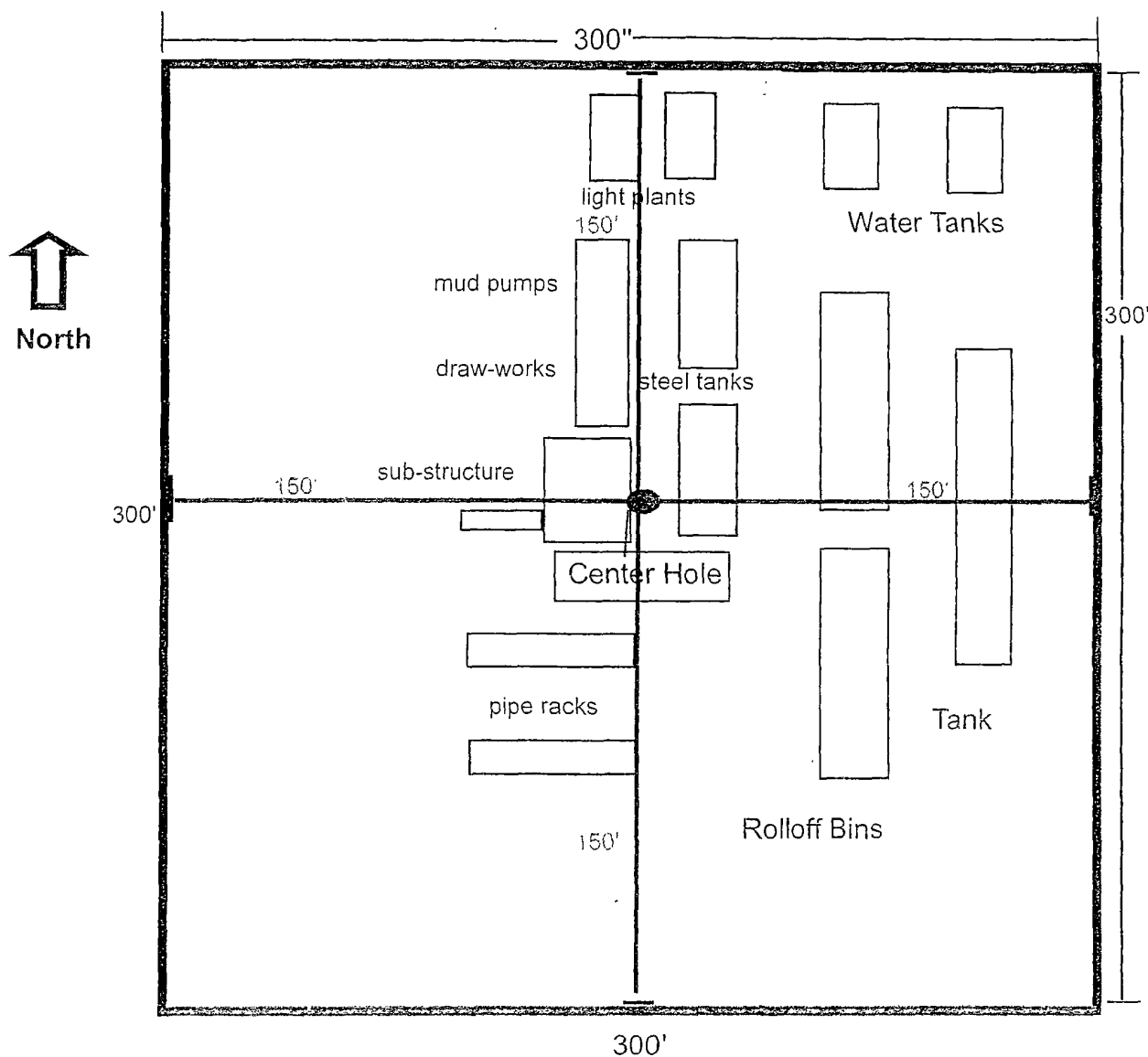
5,000 PSI CHOKE MANIFOLD



3M Choke Manifold Equipment



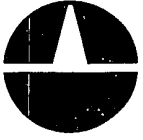
Well Site Lay-Out Plat



BAWH State Com #1H
Surf: 1930' FSL & 810' FEL, Sec 30
BHL: 660' FNL & 660' FEL, Sec 30
Section 34 T19S-R32E
EddyCounty, New Mexico

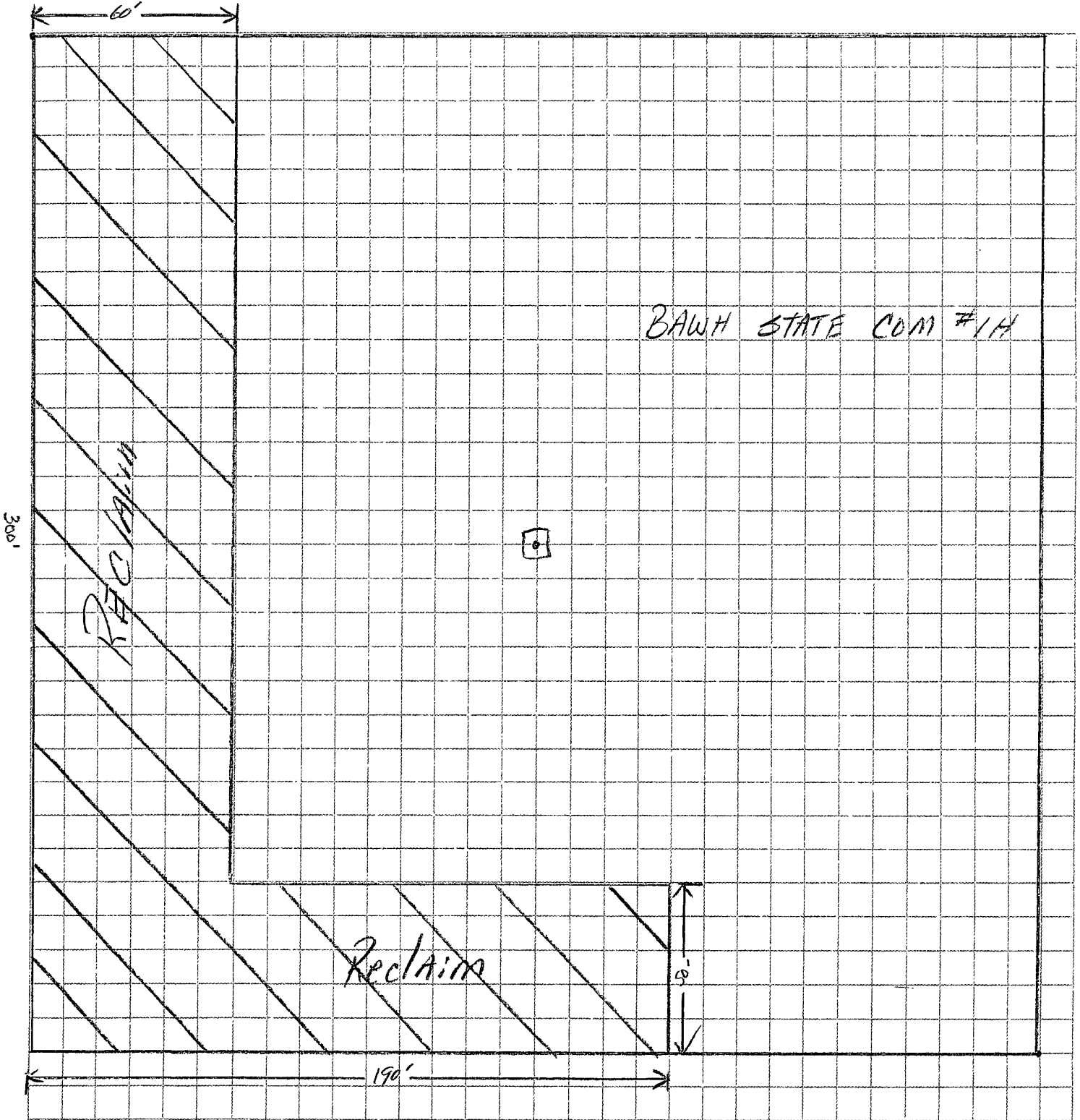
EHIBIT THREE

Exhibit #1



PATTERSON-UTI DRILLING COMPANY

A LIMITED PARTNERSHIP



Bridgeport, Texas
Off: (940) 683-5106 Fax: (940) 683-5100

Houston, Texas
Off: (281) 591-1381 Fax: (281) 591-6006

Oklahoma City, Oklahoma
Off: (405) 686-0006 Fax: (405) 686-0150

Denver, Colorado
Off: (303) 542-1900 Fax: (303) 542-1903

Midland, Texas
Off: (432) 682-9401 Fax: (432) 682-1565

Tyler, Texas
Off: (903) 877-3659 Fax: (903) 877-9316