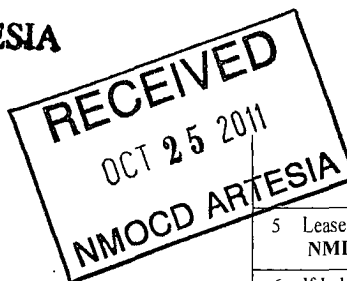


OCD-ARTESIA

AT3-11-973

Form 3160-3
(April 2004)FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5 Lease Serial No. NMLC-028784B
1b. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6 If Indian, Allottee or Tribe Name N/A
2 Name of Operator COG Operating LLC		7 If Unit or CA Agreement, Name and No NMNM-88525X; Burch Keely Unit
3a Address 550 W. Texas Ave., Suite 1300 Midland, TX 79701		8 Lease Name and Well No. BURCH KEELY UNIT #409
3b Phone No. (include area code) 432-685-4384		9 API Well No. 30-015-39547
4 Location of Well (Report location clearly and in accordance with any State requirements *) At surface 855' FNL & 2015' FEL, Unit B At proposed prod zone		10 Field and Pool, or Exploratory Grayburg Jackson; SR-Q-Grbg-SA
11 Sec, T R M or Blk and Survey or Area Sec 26 T17S R29E		12 County or Parish EDDY
13 State NM		14 Distance in miles and direction from nearest town or post office* 2 miles from Loco Hills, NM
15 Distance from proposed* location to nearest property or lease line, ft (Also to nearest drg unit line, if any) 855'	16 No of acres in lease 1264.52	17 Spacing Unit dedicated to this well 40
18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft 229'	19 Proposed Depth 4800'	20 BLM/BIA Bond No. on file NMB000740; NMB000215
21 Elevations (Show whether DF, KDB, RT, GL, etc) 3583' GL	22 Approximate date work will start* 10/31/2011	23 Estimated duration 15 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, shall be attached to this form

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| 1 Well plat certified by a registered surveyor | 4 Bond to cover the operations unless covered by an existing bond on file (see Item 20 above) |
| 2 A Drilling Plan. | 5 Operator certification |
| 3 A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office) | 6 Such other site specific information and/or plans as may be required by the authorized officer |

25. Signature 	Name (Printed/Typed) Kelly J. Holly	Date 08/29/2011
Title Permitting Tech		

Approved by (Signature) /s/ Don Peterson	Name (Printed/Typed)	Date OCT 24 2011
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 USC Section 1001 and Title 43 USC Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

*(Instructions on page 2)

Roswell Controlled Water Basin

SEE ATTACHED FOR
CONDITIONS OF APPROVALApproval Subject to General Requirements
& Special Stipulations Attached

DISTRICT I
1625 N FRENCH DR., HOBBS, NM 88240
DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210
DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

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 July 16, 2010
Submit to Appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015 39547	Pool Code 28509	Pool Name Grayburg Jackson; SR-Q-G-SA
Property Code 308086	Property Name BURCH KEELY UNIT	Well Number 409
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3583'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	26	17-S	29-E		855	NORTH	2015	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	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

RECEIVED OCT 25 2011 NMOCD ARTESIA		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 heretofore entered by the division. Signature: Date: 8-18-11 Printed Name: Kelly J. Holly E-mail Address: kholly@concho.com
	GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=658631.1 N X=589227.9 E LAT.=32.810329° N LONG.=104.042914° W	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. DECEMBER 6, 2010 Date of Survey Signature & Seal of Professional Surveyor: Certificate Number: Gary G. Eidson 12641 Ronald J. Eidson 3239 LA JWSC W.O. 11 13 1666