

**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 141121

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

1 Operator Name and Address COG OPERATING LLC 550 W TEXAS MIDLAND, TX 79701		2 OGRID Number 229137
		3 API Number 30-015-40058
4 Property Code 38979	5 Property Name PINTO 36 STATE COM	6 Well No 004H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	36	18S	25E	P	150	S	1040	E	EDDY

**8. Pool Information**

PENASCO DRAW;SA-YESO (ASSOC)	50270
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**Additional Well Information**

9 Work Type New Well	10. Well Type OIL	11 Cable/Rotary	12 Lease Type State	13 Ground Level Elevation 3456
14 Multiple N	15 Proposed Depth 7365	16 Formation Yeso Formation	17 Contractor	18 Spud Date 4/30/2012
Depth to Ground water 110	Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000	

**19. Proposed Casing and Cement Program**

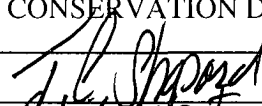
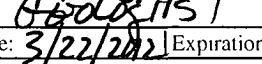
Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	825	600	0
Intl	8.75	7	26		0	0
Prod	7.875	5.5	17	7365	300	

**Casing/Cement Program: Additional Comments**

COG proposes to drill a 12 1/4" hole to 825' w/ fresh water, run 9 5/8" 36# J-55 and cement to surface. Drill a 8 3/4" hole to 2273' MD. and then downsize to 7 7/8" and drill pilot hole to 4000', run open hole logs and cement pilot hole completely with 700 sx of cement. Kick off 8 3/4" hole at 2273' MD and drill curve to 3023' MD. Drill a 7 7/8" lateral to new BHL @ 2750' TVD 7365' MD. Run a tapered string with 7" 26# L-80 from surface to 2273' & 5 1/2" 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**

Type	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 NMOC guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Diane Kuykendall Title: Production Reporting Mgr Email Address: dkuykendall@conchoresources.com Date: 2/17/2012	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: 	
	Title: 	
	Approved Date: 3/22/2012	Expiration Date: 3/22/2014
	Conditions of Approval Attached	

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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 141121

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number 30-015-40058	2 Pool Code 50270	3 Pool Name PENASCO DRAW;SA-YESO (ASSOC)
4 Property Code 38979	5 Property Name PINTO 36 STATE COM	6 Well No 004H
7 OGRID No. 229137	8 Operator Name COG OPERATING LLC	9. Elevation 3456

**10. Surface Location**

UL - Lot P	Section 36	Township 18S	Range 25E	Lot Idn	Feet From 150	N/S Line S	Feet From 1040	E/W Line E	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot A	Section 36	Township 18S	Range 25E	Lot Idn A	Feet From 330	N/S Line N	Feet From 1040	E/W Line E	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**

	<b>OPERATOR CERTIFICATION</b>	
	<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: 2/17/2012</p>	
	<b>SURVEYOR CERTIFICATION</b>	
<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: Gary Eidson Date of Survey: 1/17/2012 Certificate Number: 12641</p>		

## Permit Conditions of Approval

**Operator:** COG OPERATING LLC , 229137

**Well:** PINTO 36 STATE COM #004H

**API:** 30-015-40058

OCD Reviewer	Condition
CSHAPARD	Will require administrative order for non-standard location
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:** PINTO 36 STATE COM #004H

**API:**

Created By	Comment	Comment Date
kconnally	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	12/7/2011
CSHAPARD	Land s/S	2/20/2012
CSHAPARD	Letter from Yates Petroleum dated March 14, 2012 stating "does not oppose BHL".	3/16/2012
CSHAPARD	APD will be approved with hard copy due to acreage overlap requirement.	3/22/2012