State of New Mexico

Form C-101 Permit 38378

Energy, Minerals and Natural Resources

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

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

	in the control of the						
1.	Operator Name and Address	2. OGRID Number					
C	229137						
, .	550 W TEXAS MIDLAND , TX 79701	3. API Number					
1	IIDLAND, IX 19701	30-025-38515					
4. Property Code	5. Property Name	6. Well No.					
36066	JELLY BELLY "12" STATE	001					

7. Surface Location

-										
	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	L	12	18S	35E	L	1980	S	330	W	LEA

8. Pool Information

REEVES:PENN	52060

Additional Well Information

	37%		THUMBURE THE THEOTH	id viole	9.9
9. Work Type New Well	10. Wel	90000000	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3890
100 to 200 to 20		osed Depth 200	16. Formation 17. Contr Strawn		18. Spud Date 10/20/2006
Depth to Ground water 51		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000	
t: Liner: Synthetic D Closed Loop Syste	X 12	mils thick	Clay Pit Volume: 30000 bbls		Diesel/Oil-based Gas/Air

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	450	0
Int1	11	8.625	32	3800	1200	0
Prod	7.875	5.5	17	11200	600	6600

Casing/Cement Program: Additional Comments

Run 13-3/8 48# H40 @ 400'. Cmt w/450sx C. Circ cmt to surf. Run 8-5/8" 32# J55 @ 3800'. Cmt w/1000sx C. Tail w/200sx C. Circ cmt to surf. Run 5-1/2" 17# N-80/P110 @ 11,200'. Cmt w/400sx H. Tail w/200sx H. Est TOC @ 6600'.

Proposed Blowout Prevention Program

		- · · · · · · · · · · · · · · · · · · ·	
Туре	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1350	
DoubleRam	5000	3000	88
Annular	3000	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 X, a get OCD approved plan	neral permit , or an (attached) alternative	Approved By: Chris Williams		
Printed Name: Electronic	ally filed by Diane Kuykendall	Title: District Supervisor		
Title: Regulatory Analys	t	Approved Date: 10/11/2006	Expiration Date: 10/11/2007	
Email Address: dkuyken	dall@conchoresources.com	86		
Date: 10/9/2006	Phone: 432-685-4372	Conditions of Approval Attac	hed	

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico

Form C-102 Revised August 15, 2000

Energy, Minerals, and Natural Resources Department

Submit to Appropriate District Office

DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

1220 South St. Francis Dr.

State Lease - 4 copies Fee Lease - 3 copies

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

Santa Fe, New Mexico 87505

OIL CONSERVATION DIVISION

AMENDED REPORT

DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

	WELL LOCATION AN	D ACREAGE DEDICATION PLA	T
¹ API Number	² Pool Code	³ Pool Name	
	52060	REEVES; PENN	
⁴ Property Code		Property Name	⁶ Well Number
	JELLY B	ELLY "12" STATE	1
OGRID No.		⁸ Operator Name	9 Elevation
229137	COG O	PERATING, LLC	3890'

¹⁰ Surface Location

										_
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	1
L	12	18 SOUTH	35 EAST, N.M.P.M.		1980'	SOUTH	330'	WEST	LEA	

11 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
12 Dedicated Acres	s ¹³ Jo	int or Infill	¹⁴ Consolidation Code	¹⁵ Order N	0.	<u> </u>			
40									

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	, 		¹⁷ OPERATOR CERTIFICATION
	į		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
	1	1	Physica a. Elevando
		1	PHYLLIS A. EDWARDS Printed Name
	+	+	REGULATORY ANALYST
			9-21-06 Date
			18 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
NAD 27 NM E Z		+	supervision, and that the same is true and correct to the best of my bellef.
330' X = 781408 Y = 64148	. [SEPTEMBER 6, 2006 Date of Survey
LAT.: N 32.7601 LONG.: W 103.41			Signature and Seal of Professional Surveyor
F F			LEN METICS
	+	+	7920
1980'			1 1 14-06 De 14-06
			Certificate Number
			V. X BEZNER R.P.S. #7920 JOB #116570 / 96 SW / E.U.O.

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: JELLY BELLY "12" STATE #001 API: 30-025-38515

OCD Reviewer	Condition
112 DATE I	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines