

State of New Mexico
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

1. Operator Name and Address COG OPERATING LLC 550 W TEXAS MIDLAND, TX 79701		2. OGRID Number 229137
4. Property Code 36890		3. API Number 30-05-27995
5. Property Name TAURUS STATE COM		6. Well No. 002

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	10	15S	31E	I	1980	S	330	E	CHAVES

8. Pool Information

WILDCAT WOLFCAMP	0
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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 4396
14. Multiple N	15. Proposed Depth 8900	16. Formation Wolfcamp	17. Contractor	18. Spud Date 2/20/2008
Depth to Ground water 110		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 30000 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	450	0
Int1	12.25	9.625	40	4000	1000	0
Int2	8.75	5.5	17	8900	200	8200
Prod	7.875	5.5	17	13450	900	8200

Casing/Cement Program: Additional Comments

COG proposes to drill 17-1/2" hole to 400', set 13-3/8" casing & cement to surface. Drill a 12-1/4" hole to 4000', set 9-5/8" casing & cement to surface. Drill 8-3/4" Pilot hole to 8950' TD & run O/H logs. Spot cement KO plug from 8650' to 8250'. Time dr & KO 7-7/8" hole @ 8250' building curve over +/- 475' to horizontal @ 8675' TVD. Dr horizontal in a westerly direction for +/- 4500' lateral to 13,450' MD. Run 5-1/2" casing & cement.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1250	
DoubleRam	3000	3000	
Annular	3000	1500	

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 NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Diane Kuykendall	Approved By: Paul Kautz
Title: Regulatory Analyst	Title: Geologist
Email Address: dkuykendall@conchoresources.com	Approved Date: 12/14/2007 Expiration Date: 12/14/2008
Date: 12/13/2007 Phone: 432-683-7443	Conditions of Approval Attached

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 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

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1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-102
 Permit 65955

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-05-27995	2. Pool Code	3. Pool Name WILDCAT WOLFCAMP
4. Property Code 36890	5. Property Name TAURUS STATE COM	6. Well No. 002
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 4396

10. Surface Location

UL - Lot I	Section 10	Township 15S	Range 31E	Lot Idn	Feet From 1980	N/S Line S	Feet From 330	E/W Line E	County CHAVES
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11. Bottom Hole Location If Different From Surface

UL - Lot L	Section 10	Township 15S	Range 31E	Lot Idn L	Feet From 1980	N/S Line S	Feet From 430	E/W Line W	County CHAVES
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

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: Regulatory Analyst
 Date: 12/13/2007

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 Jones
 Date of Survey: 12/7/2007
 Certificate Number: 7977

Permit Comments

Operator: COG OPERATING LLC , 229137

Well: TAURUS STATE COM #002

API: 30-05-27995

Created By	Comment	Comment Date
PEDWARDS	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	12/13/2007
PEDWARDS	C-102 & directional plan to follow	12/13/2007

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137

Well: TAURUS STATE COM #002

API: 30-05-27995

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