State of New Mexico

Form C-101 Permit 65734

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 | | | | | | |
|--|--|--|--|--|--|--|
| . Operator Name and Address | 2. OGRID Number | | | | | |
| OG OPERATING LLC | 229137 3. API Number | | | | | |
| | | | | | | |
| VIDERIE, IX 19701 | 30-015-36052 | | | | | |
| 5. Property Name | 6. Well No. | | | | | |
| G J WEST COOP UNIT | 181 | | | | | |
| | Operator Name and Address OG OPERATING LLC 550 W TEXAS MIDLAND, TX 79701 5. Property Name | | | | | |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| L | 16 | 17S | 29E | L | 2310 | S | 990 | W | EDDY |

8. Pool Information

| GJ;7RVS-QN-GB-GLORIETA-YESO | 97558 |
|-----------------------------|-------|

Additional Well Information

| 9. Work Type New Well | 2000 | ll Type IL | 11. Cable/Rotary | 12. Lease Type State | 13. Ground Level Elevation 3583 |
|---|-------|---------------|---|---------------------------------------|--|
| 14. Mühtiple N | | | 16. Formation Yeso Formation | 17. Contractor | 18. Spud Date 1/20/2008 |
| Depth to Ground 110 | water | | Distance from nearest fresh water > 1000 | well | Distance to nearest surface water > 1000 |
| Pit: Liner: Synthetic D Closed Loop System | _ | mils thick | Clay Pit Volume: 5000 bbls | Drilling Method: Fresh Water Brine | Diesel/Oil-based 🗆 Gas/Air 🔀 |

19. Proposed Casing and Cement Program

| | | 1.551.512.11.15.00 | | · | | | |
|---|------|--------------------|-------------|------------------|---------------|-----------------|---------------|
| | Туре | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
| | Surf | 12.25 | 8.625 | 32 | 350 | 350 | 0 |
| I | Prod | 7.875 | 5.5 | 17 | 5450 | 1200 | 0 |

Casing/Cement Program: Additional Comments

COG proposes to drill a 12-1/4" hole to 350' w/fr wtr mud system, wt 8.5, vis 28, set 8-5/8" casing & cement to surface. Drill a 7-7/8" hole to 5450' w/br mud system, wt 10, vis 30. Test Yeso formation. Run 5-1/2" casing & cememt to surface. Note: On production string, a caliper will be run, COG will attempt to circulate cement.

Proposed Blowout Prevention Program

| Туре | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 2000 | 2000 | |

| I hereby certify that the information given about first knowledge and belief. I further certify that the drilling pit will be | 2. - 22 | OIL CONSERVATION DIVISION | | | |
|--|--------------------------------|-----------------------------|----------------------------|--|--|
| NMOCD guidelines X, a general permit COCD-approved plan C. | , or an (attached) alternative | Approved By: Bryan Arrant | | | |
| Printed Name: Electronically filed by | Diane Kuykendall | Title: Geologist | 200 | | |
| Title: Regulatory Analyst | | Approved Date: 1/22/2008 | Expiration Date: 1/22/2010 | | |
| Email Address: dkuykendall@conchor | resources.com | | | | |
| Date: 1/16/2008 Phot | ne: 432-683-7443 | Conditions of Approval Atta | ched | | |

District I

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

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

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

Form C-102 Pennit 65734

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | direct Debication | 1 1111 |
|--------------|--|-------------------|
| 2. Pool Code | | 3. Pool Name |
| 97558 | GJ;7RVS-QN | -GB-GLORIETA-YESO |
| 5. Propert | y Name | 6. Well No. |
| G J WEST C | 181 | |
| 8. Operato | or Name | 9. Elevation |
| COG OPERA | 3583 | |
| | 2. Pool Code 97558 5. Propert G J WEST Co 8. Operato | |

10. Surface Location

| _ | | | | | | | | | | |
|---|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| ſ | UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| | L | 16 | 17S | 29E | | 2310 | S | 990 | w | EDDY |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Т | ownship | Range | Lot | Idn | Feet From | N/S L | ine | Feet From | E/W Line | County |
|------------|------------|---|---------------------|-------|-----|-----|-------------------|-------|-----|-----------|---------------|--------|
| 0.755.0755 | ated Acres | | 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

| 8 | | | |
|---|---|--|--|
| | 0 | | |
| | | | |

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: 1/16/2008

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: Ronald Eidson Date of Survey: 12/19/2007 Certificate Number: 3239

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: G J WEST COOP UNIT #181

API: 30-015-36052

| OCD Reviewer | Condition |
|-----------------|---|
| BArrant | 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 |
| BArrant | As noted, operator to drill surface hole w/fresh water mud. |
| BArrant | Operator to set surface casing above the Salado. |