State of New Mexico

Form C-101 Permit 110613

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

| COG OI | or Name and Address PERATING LLC | OGRID Number 229137 | |
|----------------------------|-------------------------------------|-------------------------------|--|
| | OW TEXAS AND, TX 79701 | 3. API Number 30-015-37754 | |
| 4. Property Code 302584 | 5. Property Name WHITE OAK STATE | 6. Wett No. 019 | |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| В | 23 | 17S | 28E | В | 990 | N | 2275 | E | EDDY |

8. Pool Information

EMPIRE; GLORIETA-YESO 96210

Additional Well Information

| | 161 | - | Idditional II cir Intolin | | | |
|--|-------------------|---------------|--|---|--|--|
| 9. Work Type New Well | 10. Wett T OIL | ype | 11. Cable/Rotary | 12. Lesse Type State | 13. Ground Level Elevation 3629 | |
| 14. Multiple N | 15. Proposed 5350 | | 16. Formation Yeso Formation | 17. Contractor | 18. Spud Date 7/31/2010 | |
| Depth to Ground water 110 | | | Distance from nearest fresh water > 1000 | well | Distance to nearest surface water > 1000 | |
| Pit: Liner: Synthetic D Closed Loop Syste | _ | ils thick Cla | Pit Volume: 5000 bbls | Drilling Method: Fresh Water ■ Brine | Diesel/Oil-based Gas/Air | |

19. Proposed Casing and Cement Program

| Т | TT-1- C: | a . = | Casing Weight/ft | Catting David | C-1 | F-tit-1 TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
| Surf | 11 | 8.625 | 32 | 250 | 300 | 0 |
| Prod | 7.875 | 5.5 | 17 | 5350 | 900 | 0 |

Casing/Cement Program: Additional Comments

COG proposes to drill a 11" hole to 250' w/fr wtr mud system, wt 8.5, vis 28, set 8-5/8" casing & cement to surface. Drill 7-7/8" hole to 5350' w/cut brine mud system, wt 9.1, vis 29-32. Test Yeso formation. Run 5-1/2" casing & cement to surface. Note: On production string, a caliper will be run, COG will attempt to circulate cement.

Proposed Blowout Prevention Program

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

| of my knowledge and belief. | nation given above is true and complete to the best illing pit will be constructed according to | OIL CONSERVATION DIVISION Approved By: Jacqueta Reeves | | | |
|-----------------------------|--|---|----------------------------|--|--|
| | eneral permit , or an (attached) alternative | | | | |
| Printed Name: Electroni | cally filed by Diane Kuykendall | Title: District Geologist | | | |
| Title: Regulatory Analy | st | Approved Date: 4/19/2010 | Expiration Date: 4/19/2012 | | |
| Email Address: dkuyker | ndall@conchoresources.com | | | | |
| Date: 4/5/2010 | Phone: 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

District I

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

Form C-102 Permit 110613

Energy, Minerals and Natural Resources Oil Conservation Division

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| • | CDD DO CHILLOTTIN D THEIR | | | |
|---|---------------------------|-----------------------|---------------|--|
| 1. API Number | 2. Pool Code | 3. Pool Name | | |
| 30-015-37754 | 96210 | EMPIRE; GLORIETA-YESO | GLORIETA-YESO | |
| 4. Property Code | 5. Property | Name 6. Well No. | | |
| 302584 | WHITE OAK | STATE 019 | | |
| 7. OGRID No. | 8. Operator | Name 9. Elevation | | |
| 229137 | COG OPERAT | ING LLC 3629 | | |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| В | 23 | 17S | 28E | 1,44 | 990 | N | 2275 | E | EDDY |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot | Idn | Feet From | N/S L | ine | Feet From | E/W Line | County |
|---|-------------|----------|-----------------|-----|-----|-------------------|-------|-----|-----------|---------------|--------|
| V. 100 100 100 100 100 100 100 100 100 10 | cated 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

| | 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: 4/5/2010

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: 3/24/2010 Certificate Number: 3239

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: WHITE OAK STATE #019

API: 30-015-37754

| Created By | Comment | Comment Date |
|---------------|---|-----------------|
| rodom | H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required. | 3/10/2010 |

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: WHITE OAK STATE #019

API: 30-015-37754

| OCD Reviewer | Condition |
|--------------|--|
| JVREEVES | BOP test must be performed by 3rd party, per District II Supervisor. |