

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 38377		3. API Number 30-015-38257
5. Property Name SRO 9 STATE		6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	9	26S	28E	D	990	N	330	W	EDDY

8. Pool Information

HAY HOLLOW;BONE SPRING	30215
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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 3039
14. Multiple N	15. Proposed Depth 11392	16. Formation Strawn	17. Contractor	18. Spud Date 11/27/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls thick Clay <input type="checkbox"/> Pit Volume: 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	510	550	0
Int1	12.25	9.625	36	2400	600	0
Int2	8.75	7	23	9500	750	2000
Prod	6.125	4.5	11.6	11392	350	6300

Casing/Cement Program: Additional Comments

Plan to drill 17 1/2" hole to 510' with fresh water, run 48# H-40 13 3/8" casing and cement. Drill 12 1/4" hole to 2400' with Brine, run 36# J-55 9 5/8" casing and cement to surface. Drill 8 3/4" hole to 9500' with cut brine, run 7" 23# N-80 casing and cement to 2000'. Drill 6 1/8" hole with Brine water to 12000', run electric logs, then plug back to 6100', kickoff and drill to new bottom hole location at a TVD of 6600' then run 4 1/2" 11.6 N-80 casing and cement back to wellbore at 6300'.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	Cameron

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 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: Randy Dade	
Title: Production Reporting Mgr	Title: District Supervisor	
Email Address: dkuykendall@conchoresources.com	Approved Date: 11/10/2010	Expiration Date: 11/10/2012
Date: 11/5/2010	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

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

Form C-102
 Permit 122702

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-38257	2. Pool Code 30215	3. Pool Name HAY HOLLOW;BONE SPRING
4. Property Code 38377	5. Property Name SRO 9 STATE	6. Well No. 001H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3039

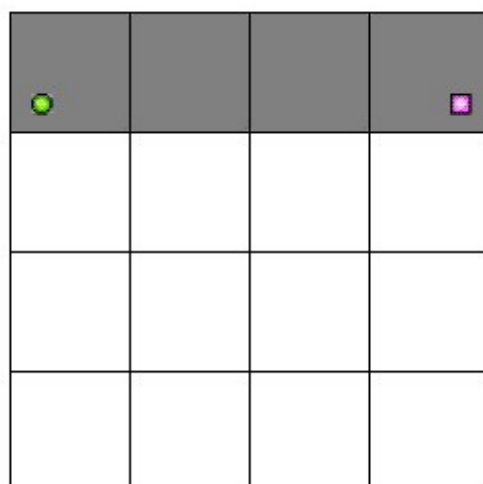
10. Surface Location

UL - Lot D	Section 9	Township 26S	Range 28E	Lot Idn	Feet From 990	N/S Line N	Feet From 330	E/W Line W	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 9	Township 26S	Range 28E	Lot Idn D	Feet From 990	N/S Line N	Feet From 330	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



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: Production Reporting Mgr
 Date: 11/5/2010

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: Filmon Jaramillo
 Date of Survey: 11/2/2010
 Certificate Number: 12797

Permit Comments

Operator: COG OPERATING LLC , 229137

Well: SRO 9 STATE #001H

API: 30-015-38257

Created By	Comment	Comment Date
krabinson2	COG Operating, LLC has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore we do not believe that an H2S Contingency Plan would be necessary.	11/5/2010

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137

Well: SRO 9 STATE #001H

API: 30-015-38257

OCD Reviewer	Condition
Artesia	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