

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
		3. API Number 30-025-39951
4. Property Code 308162	5. Property Name MAGNUM PRONTO STATE COM	6. Well No. 004H

7. Surface Location

UL - Lot P	Section 32	Township 19S	Range 32E	Lot Idn 4	Feet From 330	N/S Line S	Feet From 330	E/W Line E	County LEA
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8. Pool Information

C. FOOT INFORMATION	
LUSK:BONE SPRING, SOUTH	41460

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3535
14. Multiple N	15. Proposed Depth 13817	16. Formation Bone Spring	17. Contractor	18. Spud Date 11/17/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mits 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	54.5	915	650	0
Int1	12.25	9.625	36	4000	1200	700
Prod	7.875	5.5	17	13817	700	4500

Casing/Cement Program: Additional Comments

We propose to drill 17 1/2" hole to 950' with fresh water, run 13 3/8" 54.5# J-55 casing and cement to surface. Drill 12 1/4" hole to 4000' with Brine water run 9 5/8 36# & 40# J-55 casing and cement with 1200 SK est TOC 700'; Drill 7 7/8" hole to 13817' to new BHL: run 5 1/2 17# N-80 & P110 cement with 700SK est TOC 3800'.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	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: Paul Kautz	
Title: Regulatory Analyst		Title: Geologist	
Email Address: dkuykendall@conchoresources.com		Approved Date: 11/16/2010 Expiration Date: 11/16/2012	
Date: 11/3/2010 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

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

Form C-102
 Permit 122519

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-39951	2. Pool Code 41460	3. Pool Name LUSK;BONE SPRING, SOUTH
4. Property Code 308162	5. Property Name MAGNUM PRONTO STATE COM	6. Well No. 004H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3535



10. Surface Location

UL - Lot P	Section 32	Township 19S	Range 32E	Lot Idn	Feet From 330	N/S Line S	Feet From 330	E/W Line E	County LEA
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11. Bottom Hole Location If Different From Surface

11. Bottom Hole Location If Different From Surface									
UL - Lot H	Section 32	Township 19S	Range 32E	Lot Idn H	Feet From 1650	N/S Line N	Feet From 330	E/W Line E	County LEA
12. Dedicated Acres 120.20		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: 11/3/2010

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: 10/6/2010
 Certificate Number: 12797

Permit Comments

Operator: COG OPERATING LLC , 229137

Well: MAGNUM PRONTO STATE COM #004H

API: 30-025-39951

Created By	Comment	Comment Date
PEDWARDS	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.	11/3/2010
pkautz	potash AREA	11/5/2010
pkautz	LAND S/S	11/5/2010
DMULL	OCD Hobbs has received form C-144CLEZ. OCD Permit Number P1-02617.	11/16/2010
DMULL	Operator to submit C-103 "CHANGE IN PLANS". Change the intermed casing per R-111-P.	11/16/2010
DMULL	Order R-12927, Case #14026, Hobbs District Office of the Division shall approve, if it finds such application to be approvable, including compliance with all casing requirements of Order R-111-P.	11/16/2010

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137

Well: MAGNUM PRONTO STATE COM #004H

API: 30-025-39951

OCD Reviewer	Condition
DMULL	CONDITION OF APPROVAL -- Operator needs to submit C-103 CHANGE IN CASING. To correct intermed casing per R-111-P.