State of New Mexico

Form C-101 Permit 128139

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

COGO	or Name and Address PERATING LLC	OGRID Number 229137	
	0 W TEXAS AND , TX 79701	3. API Number 30-015-38523	
4. Property Code 38519	5. Property Name DAISY 24 FEE COM	6. Well No. 004H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	24	25S	27E	P	330	S	330	E	EDDY

8. Pool Information

HAY HOLLOW:BONE SPRING, NORTH	30216

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lesse Type Private	13. Ground Level Elevation 3004
14. Multiple N	15. Proposed Depth 10975	16. Formation Bone Spring	17. Contractor	18. Spud Date 4/15/2011
Depth to Ground	water	Distance from nearest fresh	water well	Distance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syste	mils thic	k Clay Pit Volume:	bbls Drilling Method: Fresh Water X Brine	Diesel/Oil-based Gas/Air

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	300	350	0
Int1	12.25	9.625	36	2170	800	0
Prod	7.875	5.5	17	10975	1700	0

Casing/Cement Program: Additional Comments

Plan to drill a 17-1/2" hole to 300' with FW. Run 13-3/8", 48#, H-40 csg and cmt to surface. Drill 12-1/4" hole to 2170' with brine, and run 9-5/8", 36#, J-55 and cement to surface. Drill 7-7/8" hole with cut brine to 9200'. Run logs, plug back to kick off and drill lateral to 10,975' MD. Run 5-1/2", 17#, P-110 csg and cement to surface in 3 stages.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

of my knowledge and belief.	iven above is true and complete to the best it will be constructed according to	OIL CONSERVATION DIVISION			
	permit , or an (attached) alternative	Approved By: Randy Dade			
Printed Name: Electronically f	iled by Diane Kuykendall	Title: District Supervisor			
Title: Production Reporting M	lgr	Approved Date: 3/2/2011	Expiration Date: 3/2/2013		
Email Address: dkuykendall@	conchoresources.com				
Date: 3/2/2011	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

Form C-102 Permit 128139

Energy, Minerals and Natural Resources Oil Conservation Division

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code		3. Pool Name
30-015-38523	30216 HAY HOLLOW;		W;BONE SPRING, NORTH
4. Property Code	5. Property Name		6. Well No.
38519	DAISY 24 FEE COM		004H
7. OGRID No.	8. Operator Name		9. Elevation
229137	COG OPERATING LLC 3004		3004

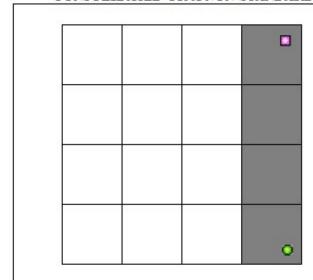
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	24	25S	27E	1.	330	S	330	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	24	25S	27E	A	330	N	380	E	EDDY
7.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1	cated Acres	13. J	oint 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: 3/2/2011

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: Frank Jaramillo Date of Survey: 1/11/2011 Certificate Number: 12797

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: DAISY 24 FEE COM #004H

API: 30-015-38523

Created By	Comment	Comment Date
Artesia	Land U/L A S/S Land U/L H S/S Land U/L I P/P Land U/L p P/P	3/2/2011

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: DAISY 24 FEE COM #004H

API: 30-015-38523

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