

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
		3. API Number 30-025-40126
4. Property Code 38605	5. Property Name ESTACADO 18 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
M	18	14S	35E	4	330	S	330	W	LEA

8. Pool Information

WILDCAT ABO	97019
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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 4071
14. Multiple N	15. Proposed Depth 14215	16. Formation Wolfcamp	17. Contractor	18. Spud Date 6/15/2011
Depth to Ground water 110		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12" mils thick Clay <input type="checkbox"/> Pit Volume: 5000 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	425	300	0
Int1	12.25	9.625	40	4500	950	0
Int2	8.75	7	29	9100	1000	0
Prod	6.125	4.5	13.5	14215	0	0

Casing/Cement Program: Additional Comments

COG proposes to drill 17-1/2" hole to 425' w/ fresh water mud system, wt. 8.5, vis 28, set 13-3/8" casing & cement to surf. Drill a 12.25" hole to 4500' w/ brine mud system, wt 10, vis 30, set 9-5/8" casing & cement to surf. Drill 8-3/4" hole to 9100' w/ cut brine mud system, wt 8.7, vis 29-32. Set 7" prod casing @ +/- 9100' & cmt to surface. Drill 6-1/8" pilot hole thru Top Basal Abo to +/- 10050', run OH logs. Spot +/- 250sxs C. Kick off plug from +/- 9100' to TD. Drill 6-1/8" hole & kick off @ +/- 9322', building curve over +/- 470' horizontal section in an Easterly direction for +/- 4621' lateral to TD @ +/- 14215' MD, 9800' TVD. Run 4-1/2" prod liner in open hole lateral & set isolation packers & top liner packer @ +/- 9000' MD. 4-1/2" prod liner will NOT be cemented. COG respectfully requests permission for 100' liner overlap (reduced from 200' rule) to set pump as deep as possible.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

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 checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 5/2/2011 Expiration Date: 5/2/2013
Printed Name: Electronically filed by Diane Kuykendall	
Title: Production Reporting Mgr	
Email Address: dkuykendall@conchoresources.com	
Date: 4/29/2011 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
Energy, Minerals and Natural Resources
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Santa Fe, NM 87505

Form C-102
 Permit 120453

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-40126	2. Pool Code 97019	3. Pool Name WILDCAT ABO
4. Property Code 38605	5. Property Name ESTACADO 18 STATE	6. Well No. 001H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 4071

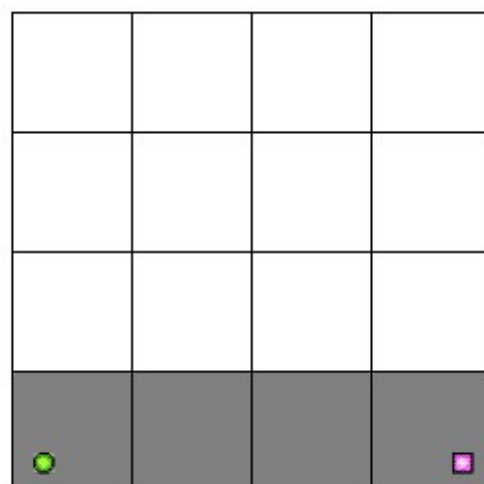
10. Surface Location

UL - Lot M	Section 18	Township 14S	Range 35E	Lot Idn	Feet From 330	N/S Line S	Feet From 330	E/W Line W	County LEA
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11. Bottom Hole Location If Different From Surface

11. Bottom Hole Location If Different From Surface									
UL - Lot P	Section 18	Township 14S	Range 35E	Lot Idn P	Feet From 330	N/S Line S	Feet From 330	E/W Line E	County LEA
12. Dedicated Acres 159.95		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: 4/29/2011

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: 3/28/2011
 Certificate Number: 12797

Permit Comments

Operator: COG OPERATING LLC , 229137

Well: ESTACADO 18 STATE #001H

API: 30-025-40126

Created By	Comment	Comment Date
rodan	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	9/16/2010
pkautz	Land S/S	5/2/2011

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137

Well: ESTACADO 18 STATE #001H

API: 30-025-40126

OCD Reviewer	Condition
pkautz	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