State of New Mexico

Form C-101 Permit 125930

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	ator Name and Address OPERATING LLC	OGRID Number 229137	
550 W TEXAS		3. API Number	
MIDLAND, TX 79701		30-015-39152	
4. Property Code	5. Property Name	6. Wett No.	
308178	GRAVE DIGGER STATE COM	004H	

7. Surface Location

UL - I	ot Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	2	20S	25E	1	330	N	380	E	EDDY

8. Pool Information

N. SEVEN RIVERS: GLORIETA-YESO	97565
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Additional Well Information

	VII TO THE RESERVE OF THE PERSON OF THE PERS				
9. Work Type New Well	10. Well Type OIL	11. Cable Rotary	12. Lesse Type State	13. Ground Level Elevation 3438	
14. Multiple N	15. Proposed Depth 7187	16. Formation Yeso Formation	17. Contractor	18. Spud Date 8/5/2011	
Depth to Ground	water	Distance from nearest fresh water > 1000	well	Distance to nearest surface water > 1000	
Pit: Liner: Synthetic D Closed Loop Syste		Clay Pit Volume: 5000 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	12.25	9.625	36	825	600	0
Prod	8.75	5.5	17	7187	725	0

Casing/Cement Program: Additional Comments

COG proposes to drill 12-1/4" hole to 825' w/ fresh water, run 9 5/8" 36# J-55 and cement to surface. Drill 8 3/4" hole to 2298', and drill curve and lateral to new BHL @ TVD of 2810'. Run 7187' of 5 1/2" 17# L-80 casing and cement to surface.

Proposed Blowout Prevention Program

-		Troposed Dionout T	evention i rogram	
Γ	Type	Working Pressure	Test Pressure	Manufacturer
Г	DoubleRam	2000	2000	5

I hereby certify that the information giv of my knowledge and belief. I further certify that the drilling pit	en above is true and complete to the best will be constructed according to	OIL CONSERVATION DIVISION			
NMOCD guidelines X, a general per OCD-approved plan		Approved By: Randy Dade			
Printed Name: Electronically file	d by Diane Kuykendall	Title: District Supervisor			
Title: Production Reporting Mgs	r	Approved Date: 6/21/2011	Expiration Date: 6/21/2013		
Email Address: dkuykendall@co	onchoresources.com	100			
Date: 6/17/2011	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 125930

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
30-015-39152	97565	N. SEVEN RIV	VERS; GLORIETA-YESO
4. Property Code	5. Proper	ty Name	6. Well No.
308178	GRAVE DIGGER STATE COM		004H
7. OGRID No.	8. Operator Name		9. Elevation
229137	COG OPERATING LLC 34		3438

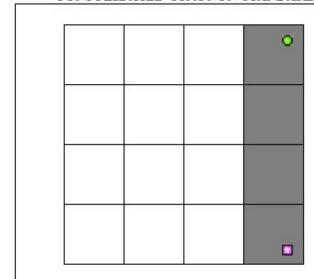
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	2	20S	25E	1	330	N	380	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
P	2	20S	25E	P	330	S	380	E	EDDY
	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: 6/17/2011

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: Gary Eidson Date of Survey: 3/9/2011 Certificate Number: 12641

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: GRAVE DIGGER STATE COM #004H

API: 30-015-39152

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.	1/18/2011
Artesia	Land F/S-P	6/21/2011

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: GRAVE DIGGER STATE COM #004H

API: 30-015-39152

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