<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztac, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>

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-101 August 1, 2011

Permit 139279

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

COG OP	Name and Address ERATING LLC	OGRID Number 229137	
550 W TEXAS MIDLAND, TX 79701		3. API Number 30-015-39628	
4. Property Code	5. Property Name	6. Well No.	
38453	KIOWA STATE	006	

7. Surface Location

UL - Lo	t Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	36	17S	27E	F	2319	N	2174	W	EDDY

8. Pool Information

RED LAKE; GLORIETA YESO, NORTHEAST

96836

Additional Well Information

9. Work Type 10. Well Type New Well OIL		11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3615
14. Multiple N	15. Proposed Depth 4910	16. Formation Yeso Formation		
Depth to Ground water 110		Distance from nearest fresh water > 1000	well	Distance to nearest surface water > 1000

19. Proposed Casing and Cement Program

					8	
Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	250	300	0
Int1	11	8.625	24	850	400	0
Prod	7.875	5.5	17	4910	900	0

Casing/Cement Program: Additional Comments

COG proposes to drill an 17-1/2" hole to 250' w/fr wtr mud system, wt 8.5, vis 28, set 13-3/8" casing & cement to surface. Drill an 11" or 12-1/4" hole to 850' w/brine mud system, wt 10, vis 30, set 8-5/8" casing & cement to surface. Drill 7-7/8" hole to 4910' w/cut brine mud system, wt 9.1, vis 29-32. Test Yeso formation. Run 5-1/2" casing & cement to surface. Note: On production string, a caliper will be run, COG will attempt to circulate cement.

Proposed Blowout Prevention Program

(4)	Troposcu Dionout Tr	C CHUICH I I Ogiani	(J)
Туре	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	OIL CONSERVATION DIVISION				
NMOCD guidelines X, a general permit \(\backslash \), or an (attached) alternative OCD-approved plan \(\backslash \).	Approved By: Randy Dade				
Printed Name: Electronically filed by Diane Kuykendall	Title: District Supervisor				
Title: Production Reporting Mgr	Approved Date: 11/14/2011 Expiration Date: 11/14/2013				
Email Address: dkuykendall@conchoresources.com	V-101				
Date: 11/10/2011 Phone: 432-683-7443	Conditions of Approval Attached				

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Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 139279

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	RED LAKE; GL	3. Pool Name
30-015-39628	96836		ORIETA YESO, NORTHEAST
4. Property Code	5. Property Name		6. Well No.
38453	KIOWA STATE		006
7. OGRID No.	8. Operator Name		9. Elevation
229137	COG OPERATING LLC		3615

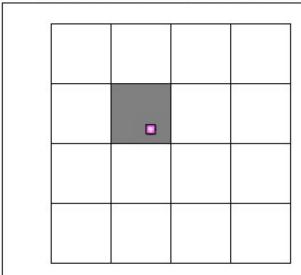
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	36	17S	27E		2319	N	2174	W	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
12. Dedicated Acres 40.00		13. 1	oint or Infill	1	4. 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: 11/10/2011

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: Ronald Eidson Date of Survey: 10/11/2011 Certificate Number: 3239

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: KIOWA STATE #006

API: 30-015-39628

Created By	Comment	Comment Date
kholly1	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	10/27/2011
CSHAPARD	Land s/S	11/14/2011

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: KIOWA STATE #006

API: 30-015-39628

OCD Reviewer	Condition
CSHAPARD	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