<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

<u>District III</u> 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-101 August 1, 2011

Permit 140501

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 30-015-39672		
4. Property Code	5. Property Name	6. Well No.		
38933	MYOX 20 STATE #1H			

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	20	25S	28E	M	330	S	330	W	EDDY

8. Pool Information

HA	AY HALLOW: BONE SPRING NORTH	30216

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable Rotary	12. Lesse Type State	13. Ground Level Elevation 3013
14. Multiple 15. Proposed Depth N 11516		16. Formation 1st Bone Spring Sand	17. Contractor	18. Spud Date
Depth to Ground	water	Distance from nearest fresh water v	vel1	Distance to nearest surface water

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	400	400	
Int1	12.25	9.625	9.625 36 2200		700	
Prod	7.875	5.5	17	11516	1800	2000

Casing/Cement Program: Additional Comments

Plan to drill a 17-1/2" hole to 400' with Fresh Water. Run 13-3/8", 48#, J-55 csg and cmt to surface. Drill 12-1/4" hole to 2200' with Brine, and run 9-5/8", 36#, J-55 and cement to surface. Drill 7-7/8" hole to 10,800' run logs and plug back to drill lateral to 11,516' MD. Run 5-1/2", 17#, P-110 csg and cement to 2000'.

Proposed Blowout Prevention Program

100		1 Toposcu Dionout 1	C CHUICH I I Ogiam	
	Type	Working Pressure	Test Pressure	Manufacturer
	DoubleRam	3000	3000	Cameron

I hereby certify that the information gives of my knowledge and belief. I further certify that the drilling pit w		OIL CONSERVATION DIVISION			
NMOCD guidelines , a general peri OCD-approved plan .		Approved By: Randy Dade			
Printed Name: Electronically filed	by Diane Kuykendall	Title: District Supervisor			
Title: Production Reporting Mgr		Approved Date: 11/22/2011	Expiration Date: 11/22/2013		
Email Address: dkuykendall@cor	nchoresources.com		1000		
Date: 11/21/2011	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 140501

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	HAY HALLO	3. Pool Name
30-015-39672	30216		W; BONE SPRING NORTH
4. Property Code	5. Property Name		6. Well No.
38933	MYOX 20 STATE #1H		001H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC		9. Elevation 3013

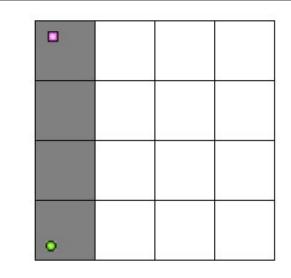
10. Surface Location

-	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
- 5	M	20	25S	28E		330	S	330	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
D	20	258	28E	D	330	N	380	W	EDDY
12. Dedicated Acres 160.00		13. J	oint or Infill	14	. Consoli <mark>d</mark> ation (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: 11/21/2011

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: Filimon Jaramillo Date of Survey: 11/10/2011 Certificate Number: PL\$12797

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: MYOX 20 STATE #1H #001H

API: 30-015-39672

Created By	Comment	Comment Date
mreyes1	OIL: COG Operating 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.	11/21/2011
CSHAPARD	Land s/S	11/22/2011

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: MYOX 20 STATE #1H #001H

API: 30-015-39672

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