

**District I**  
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., 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 149218

**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
4. Property Code 308269		3. API Number 30-015-40330
5. Property Name WAY SOUTH STATE COM		6. Well No. 005H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	30	26S	28E	B	1000	N	1510	E	EDDY

**8. Pool Information**

HAY HOLLOW; BONE SPRING	30215
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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 3023
14. Multiple N	15. Proposed Depth 13100	16. Formation 2nd Bone Spring Sand	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		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	36	2200	600	
Prod	7.875	5.5	17	13100	750	2000

**Casing/Cement Program: Additional Comments**

Plan to drill 17 1/2 hole to 400' with fresh water, set 13 3/8 casing with 400 sk toc 0. Drill 12 1/4 hole to 2200 with Brine water, set 9 5/8 casing cement with 600 sk cement toc 0. Drill 7 7/8 pilot hole to 9400' with cut Brine run electric logs then plug back and drill Horizontal at TVD of 6550 to new BHL run 5 1/2 casing, cement with 1100 sk cement TOC 2000.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	Cameron

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 type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>
Printed Name: Electronically filed by Diane Kuykendall Title: Production Reporting Mgr Email Address: dkuykendall@conchoresources.com Date: 5/23/2012	Approved By: Randy Dade Title: District Supervisor Approved Date: 5/23/2012   Expiration Date: 5/23/2014 Conditions of Approval Attached

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Form C-102  
August 1, 2011  
Permit 149218

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-40330	2. Pool Code 30215	3. Pool Name HAY HOLLOW; BONE SPRING
4. Property Code 308269	5. Property Name WAY SOUTH STATE COM	6. Well No. 005H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3023

**10. Surface Location**

UL - Lot B	Section 30	Township 26S	Range 28E	Lot Idn	Feet From 1000	N/S Line N	Feet From 1510	E/W Line E	County EDDY
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**11. Bottom Hole Location If Different From Surface**

11. Bottom Hole Location If Different From Surface									
UL - Lot G	Section 31	Township 26S	Range 28E	Lot Idn 4	Feet From 330	N/S Line S	Feet From 1510	E/W Line E	County EDDY
12. Dedicated Acres 223.83		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**

<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>E-Signed By: Diane Kuykendall Title: Production Reporting Mgr Date: 5/23/2012</p>	<p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: Jeffrey Hudson Date of Survey: 5/4/2012 Certificate Number: 20559</p>
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## Permit Comments

**Operator:** COG OPERATING LLC , 229137  
**Well:** WAY SOUTH STATE COM #005H  
**API:** 30-015-40330

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.	5/23/2012
CSHAPARD	Land s/S	5/23/2012



# Permit Conditions of Approval

**Operator:** COG OPERATING LLC , 229137

**Well:** WAY SOUTH STATE COM #005H

**API:** 30-015-40330

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