<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

District II 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 154557

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

COG OP	Name and Address ERATING LLC	2. OGRID Number 229137	
ONE CONCHO CENTER MIDLAND , TX 79701		3. API Number 30-025-40745	
4. Property Code	5. Property Name	6. Well No.	
302546	PETRUS D	011	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	11	17S	33E	I	1630	S	990	E	LEA

8. Pool Information

MALJAMAR;GRAYBURG-SAN ANDRES

43329

Additional Well Information

		Traditional West Intern			
9. Work Type 10. Well Type New Well OIL 14. Multiple 15. Proposed Depth N 4725		11. Cable/Rotary	12. Lesse Type Private	13. Ground Level Elevation 4155	
		oth 16. Formation San Andres Formation	17. Contractor	18. Spud Date 11/30/2012	
Depth to Ground water 110		Distance from nearest fresh water > 1000	Distance from nearest fresh water well > 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	1500	650	0
Int1	11	8.625	32	2150	600	0
Prod	7.875	5.5	17	4725	700	0

Casing/Cement Program: Additional Comments

COG proposes to drill a 17-1/2" hole to 800' w/fr wtr mud system, wt 8.5, vis 28, set 13-3/8" casing & cement to surface. Drill an 11" hole to 2150' w/br mud system, wt 10, vis 30. Set 8-5/8" casing & cement to surface. Drill 7-7/8" hole to 4725' 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

Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

of my knowledge and belief.	n given above is true and complete to the best	OIL CONSERVATION DIVISION				
	al permit , or an (attached) alternative	Approved By: Paul Kautz				
Printed Name: Electronically	filed by Diane Kuykendall	Title: Geologist				
Title: Production Reporting	Mgr	Approved Date: 9/11/2012	Expiration Date: 9/11/2014			
Email Address: dkuykendall	@conchoresources.com		25 65			
Date: 9/6/2012	Phone: 432-683-7443	Conditions of Approval Atta	ched			

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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 154557

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-40745	2. Pool Code 43329	MALJAMAR;	3. Pool Name GRAYBURG-SAN ANDRES
4. Property Code 302546	5. Property Name PETRUS D		6. Well No. 011
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC		9. Elevation 4155

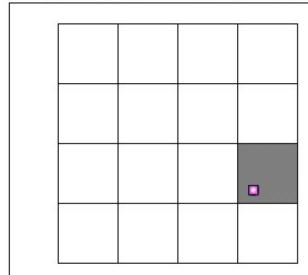
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	11	17S	33E		1630	S	990	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
0.200	cated Acres	13. J	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: 9/6/2012

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: 8/17/2012 Certificate Number: 3239

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: PETRUS D #011

API: 30-025-40745

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.	9/6/2012
pkautz	Land s/S	9/6/2012
CHERRERA	OCD RECEIVED FORM C144 CLEZ. OCD PERMIT #P1-05158	9/11/2012

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: PETRUS D #011

API: 30-025-40745

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
pkautz	Surface casing must be set at top of Rustler Anhydrite at approximately 1500'