

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 168434

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

1. Operator Name and Address COG OPERATING LLC One Concho Center Midland, TX 79701		2. OGRID Number 229137
4. Property Code 308613		3. API Number 30-015-41442
5. Property Name DOWN SOUTH STATE COM		6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	19	26S	28E	A	660	N	330	E	EDDY

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	19	26S	28E	1	660	N	330	W	Eddy

9. Pool Information

HAY HOLLOW; BONE SPRING	30215
-------------------------	-------

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3065
16. Multiple N	17. Proposed Depth 12240	18. Formation Bone Spring	19. Contractor	20. Spud Date 6/14/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	26	20	57	60	50	
Int1	12.25	9.625	36	2250	700	
Prod	7.875	5.5	17	12240	1450	2100

Casing/Cement Program: Additional Comments

Drill 12-1/4" hole to 2250' with Brine, and run 9-5/8", 36#, J-55 and cement to surface. Drill 7-7/8" curve and lateral with cut brine to approx 12,240' MD. Run 5-1/2", 17#, P-110 csg and cement to 2100'

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature:	OIL CONSERVATION DIVISION Approved By: Randy Dade
Printed Name: Electronically filed by Diane Kuykendall	Title: District Supervisor
Title: Production Reporting Mgr	Approved Date: 6/12/2013 Expiration Date: 6/12/2015
Email Address: dkuykendall@conchoresources.com	
Date: 6/11/2013 Phone: 432-683-7443	Conditions of Approval Attached

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-102
August 1, 2011
Permit 168434

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-41442	2. Pool Code 30215	3. Pool Name HAY HOLLOW;BONE SPRING
4. Property Code 308613	5. Property Name DOWN SOUTH STATE COM	6. Well No. 001H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3065

10. Surface Location

UL - Lot A	Section 19	Township 26S	Range 28E	Lot Idn	Feet From 660	N/S Line N	Feet From 330	E/W Line E	County EDDY
---------------	---------------	-----------------	--------------	---------	------------------	---------------	------------------	---------------	----------------

11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 19	Township 26S	Range 28E	Lot Idn 1	Feet From 660	N/S Line N	Feet From 330	E/W Line W	County EDDY
12. Dedicated Acres 159.99		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

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; height: 40px; text-align: center; vertical-align: middle;"> </td> <td style="width: 25%; height: 40px;"></td> <td style="width: 25%; height: 40px; text-align: center; vertical-align: middle;"> </td> <td style="width: 25%; height: 40px;"></td> </tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> </table>																	<p style="text-align: center;">OPERATOR CERTIFICATION</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: 6/11/2013</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</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: Ronald Eidson Date of Survey: 8/4/2009 Certificate Number: 12641</p>

Permit Comments

Operator: COG OPERATING LLC , 229137
Well: DOWN SOUTH STATE COM #001H
API: 30-015-41442

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.	6/11/2013
CSHAPARD	Land s/S	6/11/2013

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137

Well: DOWN SOUTH STATE COM #001H

API: 30-015-41442

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