

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

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 35273		3. API Number 30-015-34451
5. Property Name MOSLEY CANYON 6 STATE		6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	6	24S	25E	5	1650	N	990	W	EDDY

8. Pool Information

BALDRIDGE CANYON;MORROW (GAS)	71420
-------------------------------	-------

Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3959
14. Multiple N	15. Proposed Depth 11200	16. Formation Morrow	17. Contractor	18. Spud Date 1/1/2006
Depth to Ground water 100		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 25000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input checked="" type="checkbox"/> Gas/Air <input type="checkbox"/>				

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	300	0
Int1	12.25	8.625	32	2700	950	0
Prod	7.875	5.5	17	11200	500	7700

Casing/Cement Program: Additional Comments

Run appr 400' 13-3/8" 48# H40 STC csg set @ appr 400'. Cmt w/ 150 sx C1C cmt + add & followed by 200 sx C1C cmt + add. Circ cmt. Run appr 2700' 8-5/8" 32# J-55 STC csg & set @ appr 2700'. Cmt w/750 sx 50/50 Poz C + add followed by 200 sx C1C + add. Circ cmt. Run appr 11,200' 5-1/2" 17# N-80/P110 LTC csg set @ appr 11,200'. Cmt w/ 500 sx C1H + add. Est TOC @ 8000'.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	
Annular	3000	3000	

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 NMOC D guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/>.	OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Diane Kuykendall	Approved By: Bryan Arrant	
Title: Regulatory Analyst	Title: Geologist	
Email Address: dkuykendall@conchoresources.com	Approved Date: 12/5/2005	Expiration Date: 12/5/2006
Date: 12/5/2005	Phone: 432-685-4372	Conditions of Approval Attached

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 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
 Permit 16784

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-34451	2. Pool Code 71420	3. Pool Name BALDRIDGE CANYON;MORROW (GAS)
4. Property Code 35273	5. Property Name MOSLEY CANYON 6 STATE	6. Well No. 001
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3959

10. Surface Location

UL - Lot E	Section 6	Township 24S	Range 25E	Lot Idn	Feet From 1650	N/S Line N	Feet From 990	E/W Line W	County 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 320.00	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 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.</i></p> <p>E-Signed By: Diane Kuykendall Title: Regulatory Analyst Date: 12/5/2005</p>
	<p 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: Gary Eidson Date of Survey: 10/5/2005 Certificate Number: 12641</p>

Permit Comments

Operator: COG OPERATING LLC , 229137
Well: MOSLEY CANYON 6 STATE #001
API: 30-015-34451

Created By	Comment	Comment Date
PEDWARDS	Sources at COG Operating LLC have relayed information to me that they believe there will not be enough H2S found from the surface to the Morrow formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.	12/2/2005
BArrant	Proration unit crosses with API # 30-015-31524. please refer to NMOC Rule 19.15.3.104(C) (2)(b). Morrow gas well API # 30-015-23523 in NE/4 of section. No indication that well has been PxA'd or temp aband. Please refer to same rule.	12/2/2005

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137
Well: MOSLEY CANYON 6 STATE #001
API: 30-015-34451

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	Operator to submit a detailed drilling mud program.
BArrant	Cement to cover ALL oil, gas and water bearing zones.
BArrant	Operator to collect drilling mud samples (every 100 ') starting out from surface casing and to continue to the setting depth of the intermediate casing. Chloride tests are to be ran for each sample and the data results are to be submitted to the OCD offi
BArrant	Operator to notify OCD time of spud and time to witness the cementing of the surface & intermediate casing.