

**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
		3. API Number 30-015-35813
4. Property Code 36623	5. Property Name DASHER 16 STATE	6. Well No. 002

**7. Surface Location**

UL - Lot E	Section 16	Township 16S	Range 30E	Lot Idn E	Feet From 1865	N/S Line N	Feet From 730	E/W Line W	County EDDY
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**8. Pool Information**

HENSHAW;WOLFCAMP	30630
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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 3808
14. Multiple N	15. Proposed Depth 7900	16. Formation Wolfcamp	17. Contractor	18. Spud Date 9/30/2007
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 type="checkbox"/> Gas/Air <input checked="" 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	450	350	0
Int1	12.25	9.625	40	3100	950	0
Prod	8.75	5.5	17	7900	400	6500

**Casing/Cement Program: Additional Comments**

COG proposes to drill 17-1/2" hole to 450' w/fresh water mud sys. Run 13-3/8" csg & cmt. Drill 12-1/4" hole to 3100' w/brine mud sys. Run 9-5/8" csg & cmt. Drill 8-3/4" hole to 7900' w/cut brine mud sys. Run prod csg & cmt.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	
DoubleRam	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 NMOCB guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCB-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Bryan Arrant	
	Title: Geologist	
	Approved Date: 9/19/2007	Expiration Date: 9/19/2008
	Conditions of Approval Attached	
Printed Name: Electronically filed by Diane Kuykendall Title: Regulatory Analyst Email Address: dkuykendall@conchoresources.com Date: 9/12/2007   Phone: 432-685-4372		

**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

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Form C-102  
 Permit 60361

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-35813	2. Pool Code 30630	3. Pool Name HENSHAW;WOLFCAMP
4. Property Code 36623	5. Property Name DASHER 16 STATE	6. Well No. 002
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3808

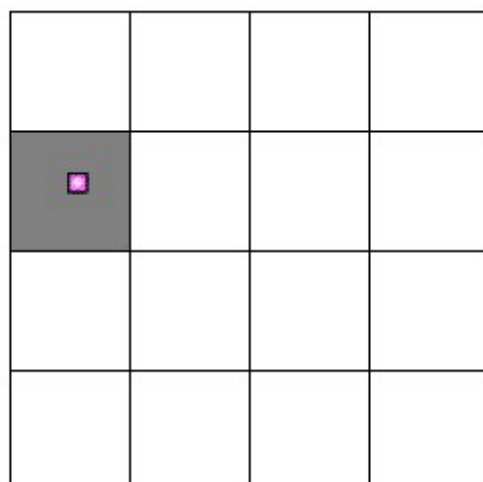
**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	16	16S	30E		1865	N	730	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
12. Dedicated Acres 40.00	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**



**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: Regulatory Analyst  
 Date: 9/12/2007

**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: Gary Jones  
 Date of Survey: 9/4/2007  
 Certificate Number: 7977

## Permit Comments

Operator: COG OPERATING LLC , 229137

Well: DASHER 16 STATE #002

API: 30-015-35813

Created By	Comment	Comment Date
PEDWARDS	H2S concentratinos of wells in this area from surface to TD are low enough that a contingency plan is not required.	9/10/2007

# Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137

Well: DASHER 16 STATE #002

API: 30-015-35813

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 set surface casing above the Salado. Please refer to offset geology for more information. As noted surface hole to be drilled with fresh water mud.