State of New Mexico

Form C-101 Permit 106156

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

COG OP	Name and Address ERATING LLC	OGRID Number 229137	
320000000000000000000000000000000000000	W TEXAS ND , TX 79701	3. API Number 30-015-37457	
4. Property Code 37953	5. Property Name YALE STATE	6. Well No. 023	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	2	17S	30E	I	1650	S	990	E	EDDY

8. Pool Information

LOCO HILLS: GLORIETA-YESO

Additional Well Information

	93			
9. Work Type New Well	10. Wett Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3767
14. Multiple N	15. Proposed Depti	16. Formation Yeso Formation		
Depth to Ground	Water	Distance from nearest fresh water v > 1000	well	Distance to nearest surface water > 1000
Pit: Liner: Synthetic D Closed Loop Syste		k Clay Pit Volume: 5000 bbls	Drilling Method: Fresh Water X Brine	Diesel/Oil-based Gas/Air

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	450	0
Int1	11	8.625	24	1350	500	0
Prod	7.875	5.5	17	6200	900	0

Casing/Cement Program: Additional Comments

COG proposes to drill a 17-1/2" hole to 450' w/fr wtr mud system, wt 8.5, vis 28, set 13-3/8" casing & cement to surface. Drill an 11" hole to 1350' w/br mud system, wt 10, vis 30. Set 8-5/8" casing & cement to surface. Drill 7-7/8" hole to 6200' 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

	1 Toposcu Dionout 11	CTCHIOL LIUGIAM	
Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

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	OIL CONSERVATION DIVISION					
NMOCD guidelines X, a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Jacqueta Reeves					
Printed Name: Electronically filed by Diane Kuykendall	Title: District Geologist					
Title: Regulatory Analyst	Approved Date: 12/29/2009 Expiration Date: 12/29/2011					
Email Address: dkuykendall@conchoresources.com						
Date: 12/14/2009 Phone: 432-683-7443						

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

<u>District III</u> 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

11	LLL LOCATION AND ACI	LAGE DEDICATION FEAT
1. API Number	2. Pool Code	3. Pool Name
30-015-37457	96718	LOCO HILLS; GLORIETA-YESO
4. Property Code	5. Property	Name 6. Wett No.
37953	YALE ST	TATE 023
7. OGRID No.	8. Operato	Name 9. Elevation
229137	COG OPERA	TING LLC 3767

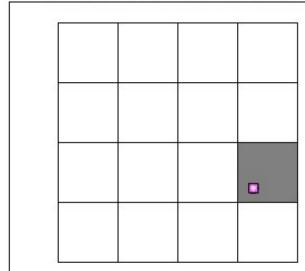
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	2	17S	30E	1.4.	1650	S	990	E	EDDY

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
V. 100 100 100 100 100 100 100 100 100 10	cated Acres	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

Form C-102

Permit 106156

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: 12/14/2009

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: 12/9/2009 Certificate Number: 3239

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: YALE STATE #023

API: 30-015-37457

Created By	Comment	Comment Date
rodom	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	12/3/2009