State of New Mexico

Form C-101 Permit 106553

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 OF	Name and Address ERATING LLC	2. OGRID Number 229137	
	W TEXAS ND , TX 79701	3. API Number 30-015-37638	
4. Property Code 302587	5. Property Name WILLOW STATE	6. Wett No. 016	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	16	17S	31E	P	990	S	1165	E	EDDY

8. Pool Information

FREN; GLORIETA-YESO 26770

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3842
14. Multiple N	15. Proposed Depth 6700	16. Formation Yeso Formation	17. Contractor	18. Spud Date 4/30/2010
Depth to Ground	water	Distance from nearest fresh water > 1000	well	Distance to nearest surface water > 1000
Pit: Liner: Synthetic D Closed Loop Syste		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	500	0			
Int1	11	8.625	32	1900	550	0			
Prod	7.875	5.5	17	6700	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 1900' w/br mud system, wt 10, vis 30. Set 8-5/8" casing & cement to surface. Drill 7-7/8" hole to 6700' 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

100		1 Toposcu Dionout 1	C CHUICH I I Ogi ain	
	Type	Working Pressure	Test Pressure	Manufacturer
-1	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: 3/10/2010 Expiration Date: 3/10/2012					
Email Address: dkuykendall@conchoresources.com						
Date: 3/1/2010 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

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

Form C-102 Permit 106553

Energy, Minerals and Natural Resources Oil Conservation Division

1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name
30-015-37638	26770	FREN; GLORIETA-YESO
4. Property Code	5. Property N	ame 6. Welt No.
302587	WILLOW ST	TATE 016
7. OGRID No.	8. Operator N	ame 9. Elevation
229137	COG OPERATI	NG LLC 3842

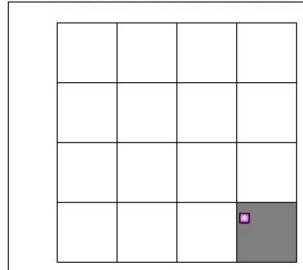
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	16	17S	31E	In the second of	990	S	1165	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

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: 3/1/2010

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: 2/15/2010 Certificate Number: 3239

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: WILLOW STATE #016

30-015-37638 API:

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.	12/10/2009