### State of New Mexico

Form C-101 Permit 132213

## **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

A Company of the Comp	perator Name and Address G OPERATING LLC	OGRID Number     229137	
MI	550 W TEXAS DLAND, TX 79701	3. API Number 30-025-40163	
4. Property Code 308162	5. Property Name MAGNUM PRONTO STATE COM	6. Weti No. 005H	

#### 7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	32	198	32E	3	330	S	2260	E	LEA

#### 8. Pool Information

LUSK;BONE SPRING, SOUTH	41460
LUSK;BONE SPRING, SOUTH	4140

#### Additional Well Information

27 C	140		.Idditional Well Int.	JIMATION		
9. Work Type New Well	9535 353	). Well Type 11. Cable Rotary OIL		12. Lease Type State	13. Ground Level Elevation 3531 18. Spud Date 6/3/2011	
14. Multiple N		osed Depth 3750	16. Formation 17. Contractor Bone Spring			
Depth to Ground	water		Distance from nearest fresh	water well	Distance to nearest surface water	
it: Liner: Synthetic [ Closed Loop Syste	m [	mils thick C	ay Pit Volume:	bbls Drilling Method: Fresh Water X Brine I	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	54.5	850	650	0
Int1	12.25	9.625	40	4600	1100	0
Prod	7.875	5.5	17	13750	1000	4400

#### Casing/Cement Program: Additional Comments

Plan to drill a 17-1/2" hole to 850' with Fresh Water. Run 13-3/8", 54.5#, J-55 csg and cmt to surface. Drill 12-1/4" hole to 4400' with Brine, and run 9-5/8", 36#/40#, J-55 and cement to surface. Drill 7-7/8" PH hole. Plug back and drill lateral to 13,750 MD (9,400' TVD), and run 5-1/2", 17#, P-110 csg and cement to 4400'.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer	
DoubleRam	3000	3000	Cameron	

of my knowledge and belief.	on given above is true and complete to the best	OIL CONSERVATION DIVISION			
NMOCD guidelines , a gene OCD-approved plan .	ral permit, or an (attached) alternative	Approved By: Paul Kautz			
Printed Name: Electronical	ly filed by Diane Kuykendall	Title: Geologist			
Title: Production Reporting	g Mgr	Approved Date: 6/20/2011	Expiration Date: 6/20/2013		
Email Address: dkuykenda	11@conchoresources.com				
Date: 5/25/2011	Phone: 432-683-7443	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

Form C-102 Permit 132213

# 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
30-025-40163	41460	E SPRING, SOUTH	
4. Property Code	5. Property Name		6. Well No.
308162	MAGNUM PRONTO STATE COM		005H
7. OGRID No.	8. Operator Name		9. Elevation
229137	COG OPERATING LLC 35		

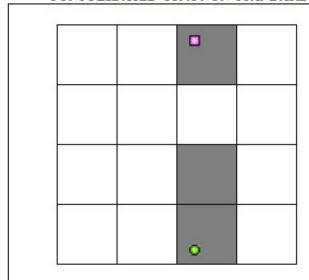
#### 10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	32	198	32E	3	330	S	2260	E	LEA

#### 11. Bottom Hole Location If Different From Surface

UL - Lot	Section 32	Township 198	Range 32E	Lot Idn B	Feet From 330	N/S Line	Feet From 2260	E/W Line	County
12. Dedi	cated Acres	200	oint or Infil1	100	. Consolidation	Code	2200	15. Order No.	LEA
	0.45								

# 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: Production Reporting Mgr

Date: 5/25/2011

#### 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: 5/17/2011 Certificate Number: 3239

# **Permit Comments**

Operator: COG OPERATING LLC , 229137 Well: MAGNUM PRONTO STATE COM #005H

API: 30-025-40163

Created By	Comment	Comment Date
krobinson2	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.	5/25/2011
krobinson2	Due to a change in the rig schedule, we are respectfully requesting an approval before June 3, 2011 if possible. Thank you!	5/25/2011
pkautz	Land S/S	5/26/2011
pkautz	This well is in the potash area. OCD will have to get approval from BLM and SLO	5/26/2011
pkautz	2nd operator in proration unit	5/26/2011
DMULL	OCD Hobbs office has received Letter from Intrepid Potash, Inc. Also response letters from the BLM & SLO.	8/20/2011
DMULL	OCD Hobbs office has received agreement letter from Second operator (Cimarex).	6/20/2011
DMULL	OCD Hobbs has received form C-144CLEZ. OCD Permit Number P1-03374.	6/20/2011

# Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: MAGNUM PRONTO STATE COM #005H

API: 30-025-40163

OCD Reviewer	Condition
pkautz	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