

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

District II
811 S. First St., 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-101
June 16, 2008
Permit 133384

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 30-015-39245
4. Property Code 38670	5. Property Name BUENA VISTA 2 STATE	6. Well No. 003H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	2	20S	30E	N	330	S	2260	W	EDDY

8. Pool Information

GATUNA CANYON; BONE SPRING	96688
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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 3218
14. Multiple N	15. Proposed Depth 12967	16. Formation Bone Spring	17. Contractor	18. Spud Date 6/30/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

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	425	300	0
Int1	12.25	9.625	40	3900	1000	0
Prod	7.875	5.5	17	12967	1700	2000

Casing/Cement Program: Additional Comments

Plan to drill a 17-1/2" hole to 425' with Fresh Water. Run 13-3/8", 48#, J-55 csg and cmt to surface. Drill 12-1/4" hole to 3900' with Brine, and run 9-5/8", 36#/40#, J-55 and cement to surface. Drill 7-7/8" hole to 8000', log and KO to drill lateral to 12,967 MD and run 5-1/2", 17#, P-110 csg and cement to 2000'.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

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 NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Randy Dade	
	Title: District Supervisor	
	Approved Date: 7/27/2011	Expiration Date: 7/27/2013
	Email Address: dkuykendall@conchoresources.com	
Date: 7/27/2011	Phone: 432-683-7443	

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Santa Fe, NM 87505

Form C-102
Permit 133384

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-39245	2. Pool Code 96688	3. Pool Name GATUNA CANYON; BONE SPRING
4. Property Code 38670	5. Property Name BUENA VISTA 2 STATE	6. Well No. 003H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3218

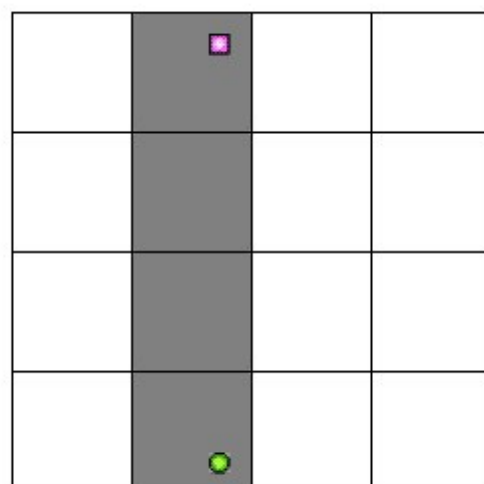
10. Surface Location

UL - Lot N	Section 2	Township 20S	Range 30E	Lot Idn	Feet From 330	N/S Line S	Feet From 2260	E/W Line W	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot C	Section 2	Township 20S	Range 30E	Lot Idn 3	Feet From 330	N/S Line N	Feet From 2260	E/W Line W	County EDDY
12. Dedicated Acres 160.22		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: Production Reporting Mgr
Date: 7/27/2011

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: Filmon Jaramillo
Date of Survey: 3/8/2011
Certificate Number: 12797

Permit Comments

Operator: COG OPERATING LLC , 229137

Well: BUENA VISTA 2 STATE #003H

API: 30-015-39245

Created By	Comment	Comment Date
krabinson2	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.	6/17/2011
Artesia	Drilling restricted due to potash area	6/21/2011
Artesia	Land P/P	6/21/2011
Artesia	Potash letter sent to BLM and SLO for APPROVAL	6/21/2011
Artesia	BLM and SLO report that this well is within the Potash LMR. Therefore I am unable to approve this APD	7/20/2011
krabinson2	The non opposition letter from Intrepid was sent via email to Donna Mull on 7/27/11	7/27/2011
Artesia	Recieved Intrepi Potash Inc dated 07/26/2011 waving both 20-day notice period and does not oppose the drilling of this well.	7/27/2011