<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

<u>District IV</u> 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 August 1, 2011

Permit 131806

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address COG OPERATING LLC 550 W TEXAS MIDLAND , TX 79701		OGRID Number 229137
		3. API Number 30-015-39369
4. Property Code	5. Property Name	6. Welt No.
308204	MC STATE	005

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	23	17S	28E	J	2310	S	1650	E	EDDY

8. Pool Information

EMPIRE; GLORIETA-YESO	96210
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Additional Well Information

		Additional Well Inform	Iation	
9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3692
14. Multiple 15. Proposed Depth		h 16. Formation Yeso Formation		
Depth to Ground water		Distance from nearest fresh water > 1000	Distance from nearest fresh water well > 1000	

19. Proposed Casing and Cement Program

					8	
Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17	13.375	48	250	300	0
Int1	11	8.625	24	850	400	0
Prod	7.875	5.5	17	5250	900	0

Casing/Cement Program: Additional Comments

COG proposes to drill a 17-1/2" hole to 250' w/fr wtr mud system, wt 8.5, vis 28, set 13-3/8" casing & cement to surface. Drill an 11" hole to 850' w/br mud system, wt 10, vis 30. Set 8-5/8" casing & cement to surface. Drill a 7-7/8" hole to 5250' 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

()	Troposed Dionode Tr	C CHUICH I I Ogi ain	3.01
Туре	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 \(\backslash \), or an (attached) alternative OCD-approved plan \(\backslash \).	Approved By: Randy Dade				
Printed Name: Electronically filed by Diane Kuykendall	Title: District Supervisor				
Title: Production Reporting Mgr	Approved Date: 8/31/2011	Expiration Date: 8/31/2013			
Email Address: dkuykendall@conchoresources.com					
Date: 8/30/2011 Phone: 432-683-7443	Conditions of Approval Atta	ched			

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Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 131806

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-39369	2. Pool Code 96210	3. Pool Name EMPIRE; GLORIETA-YESO
4. Property Code 308204	5. Property 1 MC STA	
7. OGRID No. 229137	8. Operator 1 COG OPERAT	

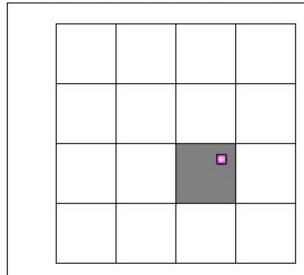
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	23	17S	28E		2310	S	1650	E	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. 1	Joint or Infill	1	4. 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: 8/30/2011

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: 8/11/2011 Certificate Number: 3239

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: MC STATE #005

API: 30-015-39369

Created By	Comment	Comment Date
kholly1	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	5/16/2011
Artesia	Land P/S	8/31/2011

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: MC STATE #005

30-015-39369 API:

OCD Reviewer	Condition
Artesia	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