

**District I**  
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  
**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  
August 1, 2011  
Permit 141131

**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 30-015-40262
4. Property Code 39215	5. Property Name FALABELLA "31" FEE	6. Well No. 002H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	31	18S	26E	N	150	S	1700	W	EDDY

**8. Pool Information**

PENASCO DRAW;SA-YESO (ASSOC)	50270
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**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3432
14. Multiple N	15. Proposed Depth 7392	16. Formation Yeso Formation	17. Contractor	18. Spud Date 7/31/2012
Depth to Ground water 110		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	1200	700	0
Int1	8.75	7	26		0	0
Prod	7.875	5.5	17	7392	300	

**Casing/Cement Program: Additional Comments**

COG proposes to drill a 12 1/4" hole to 1200' w/ fresh water, run 9 5/8" 36# J-55 and cement to surface. Drill a 8 1/4" hole to 2273' MD and kick off and drill curve to 3023' MD. Drill a 7 7/8" lateral to new BHL @ 2750' TVD 7392' MD. Run a tapered string with 7" 26# L-80 from surface to 2273' & 5 1/2" 17# L-80 casing to TD with DV/ECP Combo Tool at 2273' and isolation packers in the open hole. Set isolation packers and ECP. Open DV tool and cement from 2273' to surface.

**Proposed Blowout Prevention Program**

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 NMOC guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Diane Kuykendall Title: Production Reporting Mgr Email Address: dkuykendall@conchoresources.com Date: 5/10/2012      Phone: 432-683-7443	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Randy Dade	
	Title: District Supervisor	
	Approved Date: 5/11/2012	Expiration Date: 5/11/2014
	Conditions of Approval Attached	

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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 141131

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-40262	2. Pool Code 50270	3. Pool Name PENASCO DRAW;SA-YESO (ASSOC)
4. Property Code 39215	5. Property Name FALABELLA "31" FEE	6. Well No. 002H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3432

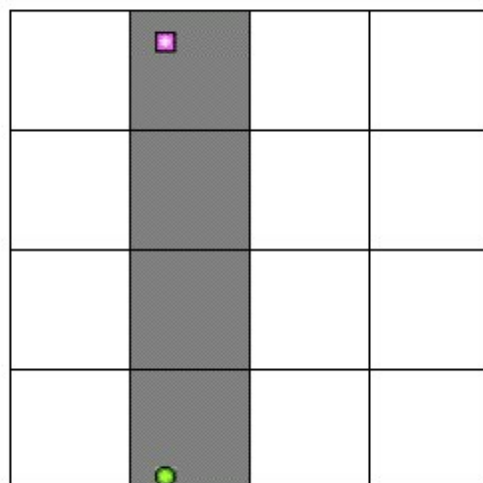
**10. Surface Location**

UL - Lot N	Section 31	Township 18S	Range 26E	Lot Idn	Feet From 150	N/S Line S	Feet From 1700	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

11. Bottom Hole Location If Different From Surface									
UL - Lot C	Section 31	Township 18S	Range 26E	Lot Idn C	Feet From 330	N/S Line N	Feet From 1700	E/W Line W	County EDDY
12. Dedicated Acres 160.00		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: 5/10/2012

**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: Gary Eidson  
Date of Survey: 3/26/2012  
Certificate Number: 12641

## Permit Comments

**Operator:** COG OPERATING LLC , 229137

**Well:** FALABELLA "31" FEE #002H

**API:** 30-015-40262

Created By	Comment	Comment Date
konnally	H2S concentrations of wells in this area from surface to TD are low enough that a contingency plan is not required.	12/7/2011
CSHAPARD	Land p/P	5/11/2012
CSHAPARD	Land p/P	5/11/2012



# Permit Conditions of Approval

**Operator:** COG OPERATING LLC , 229137

**Well:** FALABELLA "31" FEE #002H

**API:** 30-015-40262

OCD Reviewer	Condition
CSHAPARD	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