

**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 164648

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

1. Operator Name and Address COG OPERATING LLC One Concho Center Midland, TX 79701		2. OGRID Number 229137  3. API Number 30-015-41238
4. Property Code 39793	5. Property Name SHOELESS JOE 32 STATE	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
E	32	19S	30E	E	2310	N	190	W	EDDY

**8. Proposed Bottom Hole Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	32	19S	30E	H	1820	N	330	E	Eddy

**9. Pool Information**

PARKWAY;BONE SPRING	49622
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3318
16. Multiple N	17. Proposed Depth 12985	18. Formation Bone Spring	19. Contractor	20. Spud Date 3/5/2013
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**21. 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	400	325	
Int1	12.25	9.625	36	3500	1000	
Prod	7.875	5.5	17	12985	1500	3400

**Casing/Cement Program: Additional Comments**

Plan to drill a 17-1/2" hole to 400' with Fresh Water. Run 13-3/8", 48#, H-40 csg and cmt to surface. Drill 12-1/4" hole to 3500' with Brine, and run 9-5/8", 36# J-55csg and cement to surface in 2 stages. Drill 7-7/8" curve and lateral with cut brine to approx 12,985'MD. Run 5-1/2", 17#, P-110 csg and cement to 3400' in 1 stage.

**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature:	<b>OIL CONSERVATION DIVISION</b>  Approved By: Randy Dade
Printed Name: Electronically filed by Diane Kuykendall	Title: District Supervisor
Title: Production Reporting Mgr	Approved Date: 4/3/2013   Expiration Date: 4/3/2015
Email Address: dkuykendall@conchoresources.com	
Date: 3/27/2013   Phone: 432-683-7443	Conditions of Approval Attached

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

Form C-102  
August 1, 2011  
Permit 164648

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-41238	2. Pool Code 49622	3. Pool Name PARKWAY;BONE SPRING
4. Property Code 39793	5. Property Name SHOELESS JOE 32 STATE	6. Well No. 002H
7. OGRID No. 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3318

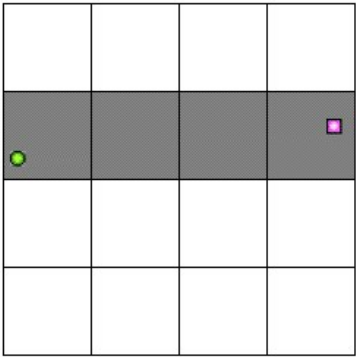
**10. Surface Location**

UL - Lot E	Section 32	Township 19S	Range 30E	Lot Idn H	Feet From 2310	N/S Line N	Feet From 190	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot H	Section 32	Township 19S	Range 30E	Lot Idn H	Feet From 1820	N/S Line N	Feet From 330	E/W Line E	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**

	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>E-Signed By: Diane Kuykendall Title: Production Reporting Mgr Date: 3/27/2013</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: Chad Harcrow Date of Survey: 1/15/2013 Certificate Number: 17777</p>
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## Permit Comments

**Operator:** COG OPERATING LLC , 229137

**Well:** SHOELESS JOE 32 STATE #002H

**API:** 30-015-41238

Created By	Comment	Comment Date
mreyes1	OIL: 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.	3/27/2013
CSHAPARD	Land s/S	3/28/2013

## Permit Conditions of Approval

**Operator:** COG OPERATING LLC , 229137

**Well:** SHOELESS JOE 32 STATE #002H

**API:** 30-015-41238

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