<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

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

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

1. Opera	tor Name and Address	2. OGRID Number	
COG OPERATING LLC One Concho Center Midland, TX 79701	229137 3. API Number		
			1410
4. Property Code	5. Property Name	6. Well No.	
39793	SHOELESS JOE 32 STATE	004H	

	Location

77	7. Surface Location										
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	1	
M	32	198	30E	M	600	S	190	W	EDDY	l	

8. Proposed Bottom Hole Location

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UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
P	32	198	30E	P	660	S	330	E	Eddy	

9. Pool Information

PARKWAY:BONE SPRING	49622

Additional Well Information

11. Work Type 12. Well Type New Well OIL 16. Multiple 17. Proposed Depth N 12915		 13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3247
		 18. Formation Bone Spring	19. Contractor	20. Spud Date 4/9/2013
Depth to Ground	water	Distance from nearest fresh water	r 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	3450	1000	
Prod	7.875	5.5	17	12915	1500	3300

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 3450' 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 12,915'MD. Run 5-1/2", 17#, P-110 csg and cement to 3300' in 1 stage.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

best of my knowledge and belief.	given above is true and complete to the	OIL CONSERVATION DIVISION				
I further certify I have complied wit 19.15.14.9 (B) NMAC □, if applicat	h 19.15.14.9 (A) NMAC 🛮 and/or ole.	Approved By: Randy Dade				
Signature:						
Printed Name: Electronically file	d by Diane Kuykendall	Title: District Supervisor				
Title: Production Reporting Mg	r	Approved Date: 4/30/2013	Expiration Date: 4/30/2015			
Email Address: dkuykendall@co	onchoresources.com					
Date: 4/2/2013	Phone: 432-683-7443	Conditions of Approval Attached				

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division

Form C-102 August 1, 2011

011 Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	ool Name	
30-015-41242	49622	PARKWAY	;BONE SPRING
4. Property Code	5. Property Name		6. Well No.
39793	SHOELESS JOE	32 STATE	004H
7. OGRID No.	8. Operator 1	lame	9. Elevation
229137	COG OPERAT	ING LLC	3247

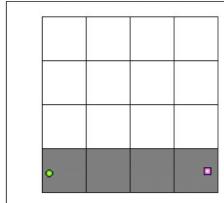
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	32	198	30E		600	S	190	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section 32	Township 198	Range 30E	Lot Idn P	Feet From 660	N/S Line	Feet From 330	E/W Line E	County EDDY
	cated Acres	13. J	oint 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: 4/2/2013

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: Chad Harcrow Date of Survey: 1/15/2013 Certificate Number: 17777

Permit Comments

Operator: COG OPERATING LLC , 229137 Well: SHOELESS JOE 32 STATE #004H

API: 30-015-41242

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.	4/2/2013
CSHAPARD	Land s/S	4/3/2013

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137 Well: SHOELESS JOE 32 STATE #004H API: 30-015-41242

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