

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

Form C-101
August 1, 2011

Permit 152024

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

* *Amended*
7/3/2012

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 30-015-40481	
4 Property Code 208405 * <i>308045</i>	5 Property Name CLUSTER STATE COM	6 Well No 004H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	16	26S	27E	L	1887	S	190	W	EDDY

8. Pool Information

WELCH BONE SPRING	64010
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Additional Well Information

9 Work Type New Well	10 Well Type OIL	11 Casing Rotary	12 Lease Type State	13 Ground Level Elevation 3294
14 Multiple N	15 Proposed Depth 12134	16 Formation 2nd Bone Spring Sand	17 Contractor	18 Spud Date 7/31/2012
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	26	20	57	60	50	
Int1	12.25	9.625	36	2170	640	
Prod	7.875	5.5	17	12134	1500	1600

Casing/Cement Program: Additional Comments

Plan to drill 12-1/4" hole to 2170' with Brine, and run 9-5/8", 36#, J55 and cement to surface. Drill 7-7/8" curve and lateral with cut brine to approx 12134' MD. Run 5-1/2", 17# P-110 csg and cement to 1600' in 1 stage.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	3000	Shaffer

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 ☐ , a general permit ☐ , or an (attached) alternative OGD-approved plan ☐ .	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Diane Kuykendall	Approved By: Randy Dade
Title: Production Reporting Mgr	Title: District Supervisor
Email Address: dkuykendall@conchoresources.com	Approved Date: 7/17/2012 Expiration Date: 7/17/2014
Date: 7/16/2012 Phone: 432-683-7443	Conditions of Approval Attached

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State of New Mexico
Energy, Minerals and Natural Resources
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Santa Fe, NM 87505

Form C-102
August 1, 2011

Permit 152024

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-40481	2. Pool Code 64010	3. Pool Name WELCH.BONE SPRING
4. Property Code 308405 308045	5. Property Name CLUSTER STATE COM	6. Well No. 004H
7. OGRID No 229137	8. Operator Name COG OPERATING LLC	9. Elevation 3294

10. Surface Location

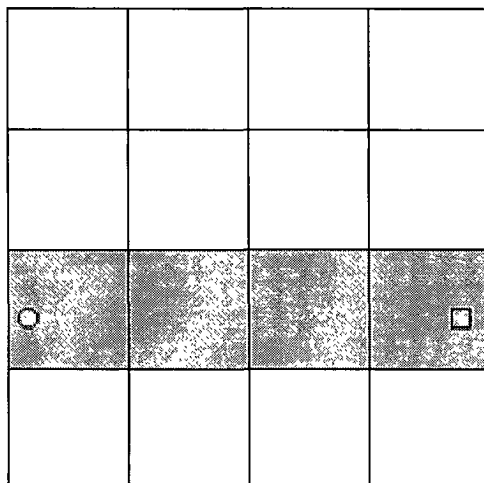
UL - Lot	Section	Township	Range	Lot Idn.	Feet From	N/S Line	Feet From	E/W Line	County
L	16	26S	27E		1887	S	190	W	EDDY

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
I	16	26S	27E	I	1887	S	330	E	EDDY

12. Dedicated Acres 160.00	13. Joint or Infill	14. Consolidation Code	15. Order No.
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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: 7/16/2012

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: Jeffrey Hudson
Date of Survey: 6/11/2012
Certificate Number: 20559

Permit Comments

Operator: COG OPERATING LLC , 229137

Well: CLUSTER STATE COM #004H

API: 30-015-40481

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.	7/16/2012
CSHAPARD	Land 3/S	7/17/2012

Permit Conditions of Approval

Operator: COG OPERATING LLC , 229137

Well: CLUSTER STATE COM #004H

API: 30-015-40481

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