

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

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

Operator Name and Address COG Operating LLC 550 W. Texas, Suite 1300 Midland, TX 79701		OGRID Number 229137
Property Code 302505		Property Name Houma State
Proposed Pool 1 Loco Hills Paddock		Proposed Pool 2

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	16	17S	30E		1650	North	1650	West	Eddy

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

11 Work Type Code N	12 Well Type Code O	13 Cable/Rotary R	14 Lease Type Code S	15 Ground Level Elevation 3676' GR
16 Multiple No	17 Proposed Depth 6000	18 Formation Paddock	19 Contractor Silver Oak	20 Spud Date 9/21/2006
Depth to Groundwater 150'		Distance from nearest fresh water well 1000'		Distance from nearest surface water 1000'
Pit Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/>		Pit Volume: 3000 bbls		
Closed-Loop System <input type="checkbox"/>		Drilling Method - Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8	48	400'	400sx	Surface
12 1/4	8 5/8	24	1200'	700sx	Surface
7 7/8	5 1/2	17	6000'	1700sx	Surface

2 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary.

COG Operating LLC proposes to drill to 400', run 13 3/8" casing and cement. Drill to 1200', run 8 5/8" casing and cement. Drill to 6000' and test Paddock Zone, run 5 1/2" casing and cement. Put well on production.

Note: On production string a fluid caliper will be run and will figure cement with 25% excess, attempt to circulate.

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 <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan. <input type="checkbox"/>		OIL CONSERVATION DIVISION	
Signature: <i>Jerry W. Sherrell</i>		Approved by:	
Printed name: Jerry W. Sherrell		BRYAN G. ARRANT	
Title: Production Clerk		DISTRICT II GEOLOGIST	
E-mail Address: DKuykendall@conchoresources.com		Approval Date: SEP 18 2006	Expiration Date: SEP 18 2007
Date: 9/15/06	Phone: (432) 685-4372	Conditions of Approval Attached <input type="checkbox"/>	