

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

| | | | |
|--|--|--|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 8. Well Name and No. SKELLY UNIT 707 | |
| 2. Name of Operator COG OPERATING LLC | | 9. API Well No. 30-015-38352-00-X1 | |
| 3a. Address 550 WEST TEXAS AVENUE SUITE 1300 MIDLAND, TX 79701 | | 3b. Phone No. (include area code) Ph: 432-685-4385 | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T17S R31E S4SW 857FSL 1650FWL | | 10. Field and Pool, or Exploratory FREN | |
| 11. County or Parish, and State EDDY COUNTY, NM | | 7. If Unit or CA/Agreement, Name and/or No NMNM71030X | |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Change to Original A |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | PD |

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

We encountered a water flow at 3475'.

COG Operating respectfully requests permission to run a DV Tool @ 3700'.

COG Operating respectfully requests permission to run the production cement as follows:

1st stage: 550sxs 50:50:2, 5% Salt 3pps LCM .6%SMS 1%FL-25 1%BA-58 .125pps CF, yield 1.34 cuft/sack.

2nd stage: Lead 550sxs 50:50:2, 5% Salt 3pps LCM .6%SMS 1%FL-25 1%BA-58 .125pps CF, yield 1.34

Tail 400sxs Class C mixed at 16.8ppg, yeild 0.99 cuft/sack.

Run Temp Survey for TOC

Accepted for record - NMOC

JUN 6-21-11

Field Supervisor

RECEIVED

JUN 13 2011

NMOC D ARTESIA

APPROVED

JUN 8 2011

| | | | |
|---|--------------------------|--|--|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #110011 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 06/08/2011 (11DLM0884SE) | | BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE | |
| Name (Printed/Typed) ROBYN ODOM | Title PERSON RESPONSIBLE | | |
| Signature (Electronic Submission) | Date 06/07/2011 | | |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------|-----------------|
| Approved By EDWARD FERNANDEZ | Title PETROLEUM ENGINEER | Date 06/08/2011 |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | | Office Carlsbad |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****