

Submitt 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., 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-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-015-30866
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-742
7. Lease Name or Unit Agreement Name Mesquite State
8. Well Number 7
9. OGRID Number 229137
10. Pool name or Wildcat Grayburg Jackson SR Q G SA

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	RECEIVED JUN 21 2006
2. Name of Operator COG Operating LLC	
3. Address of Operator 550 W. Texas, Suite 1300, Midland, TX 79701	
4. Well Location Unit Letter <u>E</u> <u>2310</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>West</u> line Section <u>20</u> Township <u>17S</u> Range <u>29E</u> NMPM County <u>Eddy</u>	
I 1. Elevation (Show whether DR, RKB, RT, GR, etc.) 3649' GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: \_\_\_\_\_ ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: Re-completion DHC-3580 ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

05/05/2006 Perforated from 3540-3716' 62 holes, acidized w/2000 gals 15% HCL.  
05/06/2006 Frac w/8009# LiteProp, 34,000 gals 30# gel, 91,300# 16/30 sand, 130,000 gals 40# gel.  
05/07/2006 Perforated from 2730-2869.5' 52 holes.  
05/09/2006 Acidized w/2500 gals 15% NEFE.  
05/10/2006 Frac w/8000# LiteProp, 26,000 gals 30# gel, 91,180# 16/30 sand, 53,000 gals 40# gel.  
05/11/2006 Perforated from 2522-2617' 52 holes, acidized w/2000 gals 15% HCL.  
05/12/2006 Frac w/8005# LiteProp, 26,040 gals 30# gel, 92,760# 16/30 sand, 64,260 gals 40# gel.  
05/13/2006 RIH w/138 joints 2 7/8 tubing SN @ 4165', RIH w/2 1/2"x2"x20' pump.

Mack Energy will use allocation percentages as follows: Total test O/G/W, 31/155/411

San Andres test Oil-70%, Gas-70%  
Grayburg Jackson SR-Q-G-SA 22-Oil, 108-Gas

Yeso test Oil-30%, Gas-30%  
Empire; Yeso, East 9-Oil, 47-Gas

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Jerry W. Sherrell TITLE Production Clerk DATE 6/20/2006

Type or print name Jerry W. Sherrell E-mail address: DKuykendall@conchoresources.com Telephone No. (432)685-4372  
For State Use Only

FOR RECORDS ONLY

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE JUN 21 2006  
Conditions of Approval (if any): \_\_\_\_\_