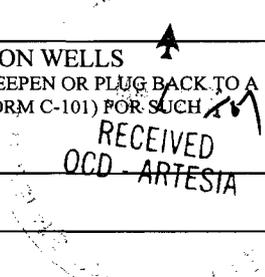


District I 1625 N. French Dr., Hobbs, NM 88240
District II 1301 W. Grand Ave., Artesia, NM 88210
District III 1000 Rio Brazos Rd., Aztec, NM 87410
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

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

WELL API NO. 30-015-20351
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. B-1266
7. Lease Name or Unit Agreement Name GJ West Coop Unit
8. Well Number 124
9. OGRID Number 229137
10. Pool name or Wildcat Grayburg Jackson ; 7RVS-QN-G-SA/Empire ; Yeso, East

SUNDRY NOTICES AND REPORTS ON WELLS
(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 [X] Gas Well [] Other []
2. Name of Operator COG Operating, LLC
3. Address of Operator 550 W. Texas, Suite 1300 Midland, TX 79701
4. Well Location Unit Letter K 1980 feet from the South line and 1980 feet from the West line Section 28 Township 17S Range 29E NMPM County Eddy
I 1. Elevation (Show whether DR, RKB, RT, GR, etc.) 3571' GR
Pit or Below-grade Tank Application [] or Closure []
Pit type _____ Depth Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bb1s; 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: SI [X]

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.

COG Operating LLC has SI this well effective 9-6-06.

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 [Signature] TITLE Production Analyst DATE 9/11/06

Type or print name Diane Kuykendall E-mail address: dkuykendall@conchoresources.com Telephone No. (432) 683-7443 For State Use Only

APPROVED BY: Accepted for record - NMOCD TITLE DATE 1/31/07
Conditions of Approval (if any):