

Submit 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. 30-025-36903
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Bagley 16 State
8. Well Number 1
9. OGRID Number 229137
10. Pool name or Wildcat Permo Penn, North Bagley 3820

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 Gas Well Other

2. Name of Operator
COG Operating LLC

3. Address of Operator
550 W. Texas Ave., Suite 1300 Midland, TX 79701

4. Well Location
 Unit Letter D : 660 feet from the North line and 810 feet from the West line
 Section 16 Township 11S Range 33E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4920 GR

Pit or Below-grade Tank Application or Closure

Pit type open Depth to Groundwater >50' Distance from nearest fresh water well >1000' Distance from nearest surface water >1000'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 35,000 bbls; Construction Material synthetic

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Set intermediate casing <input checked="" type="checkbox"/>
--	--

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.

07-04-05 Drilled 11" hole to 3828'. Ran 87 jts 8-5/8" 31# J-55 csg set @ 3828'. Cemented with lead: 1000 sx CI C + additives, 14.8 ppg, Yield 1.34. Circulate 150 sx to pit. WOC 20 hrs. Cut off 8-5/8". Weld on csg head & test to 1500 psi - OK. NU BOP & test to 5000 psi - OK.

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 Phyllis Edwards TITLE Regulatory Analyst DATE 7-7-05

Type or print name Phyllis Edwards E-mail address: pedwards@conchoresources.com Telephone No. 432-685-4340

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER JUL DATE 2005

Conditions of Approval (if any):