

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-103
August 1, 2011

Permit 136567

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| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | | WELL API NUMBER 30-015-39174 |
| 1. Type of Well: O | | 5. Indicate Type of Lease S |
| 2. Name of Operator COG OPERATING LLC | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator 550 W TEXAS , SUITE 1300 , MIDLAND , TX 79701 | | 7. Lease Name or Unit Agreement Name MCCOY STATE |
| 4. Well Location Unit Letter <u>D</u> : <u>990</u> feet from the <u>N</u> line and <u>990</u> feet from the <u>W</u> line Section <u>8</u> Township <u>17S</u> Range <u>29E</u> NMPM <u>Eddy</u> County | | 8. Well Number 018 |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3632 GR | | 9. OGRID Number 229137 |
| 10. Pool name or Wildcat | | |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ | | |

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| 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 OF PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> Other: _____ | | SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> Other: Spud <input checked="" type="checkbox"/> |
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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.

8/23/2011 Spudded well.

8/23/11 Spud 17.5" hole @ 7PM.

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 Electronically Signed TITLE Production Reporting Mgr DATE 8/24/2011

Type or print name Diane Kuykendall E-mail address dkuykendall@conchoresources.com Telephone No. 432-683-7443

For State Use Only:

APPROVED BY: Randy Dade TITLE District Supervisor DATE 8/24/2011