

<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 RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		7. Lease Name or Unit Agreement Name <b>MACHO NACHO STATE</b>
1. Type of Well: <b>O</b>		8. Well Number <b>001H</b>
2. Name of Operator <b>COG OPERATING LLC</b>		9. OGRID Number <b>229137</b>
3. Address of Operator <b>550 W TEXAS, SUITE 1300, MIDLAND, TX 79701</b>		10. Pool name or Wildcat
4. Well Location Unit Letter <b>1</b> : <b>380</b> feet from the <b>N</b> line and <b>330</b> feet from the <b>E</b> line Section <b>7</b> Township <b>24S</b> Range <b>33E</b> NMPM <b>Lea</b> County		
11. Elevation (Show whether DR, KB, BT, GR, etc.) <b>3607 GR</b>		
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 _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data			
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
Other:		Other: <b>Spud</b> <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.

5/5/2012 Spudded well.

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 NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed TITLE Production Reporting Mgr DATE 5/16/2012

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

For State Use Only:

APPROVED BY: Paul Kautz TITLE Geologist DATE 5/16/2012