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New Mexico Oil Conservation Division, District I

Form 3160-5 (April 2004) MAR 10 2010

1625 N. French Drive

Hobbs, NM 88240

FORM APPROVED OM B No. 1004-0137 Expires March 31, 2007

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well [X] Oil Well [] Gas Well [] Other []
2 Name of Operator COG Operating LLC
3a Address 550 W. Texas Ave., Suite 1300 Midland, TX 79701
3b Phone No (include area code) 432-685-4340
4. Location of Well (Footage, Sec., T, R, M, or Survey Description)
SHL: 660' FNL & 430' FWL Sec.15, T15S, R31E, Unit D
BHL: 660' FNL & 330' FEL Sec.15, T15S, R31E, Unit A

5. Lease Serial No. SHL-NM-105885
6 If Indian, Allottee or Tribe Name N/A
7. If Unit or CA/Agreement, Name and/or No N/A
8. Well Name and No. Hercules Federal Com #2H
9. API Well No. 30-005-29049
10. Field and Pool, or Exploratory Area Wildcat, Wolfcamp
11. County or Parish, State Chaves, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION: [X] Notice of Intent, [] Subsequent Report, [] Final Abandonment Notice
TYPE OF ACTION: [] Acidize, [] Alter Casing, [] Casing Repair, [] Change Plans, [] Convert to Injection, [] Deepen, [] Fracture Treat, [] New Construction, [] Plug and Abandon, [] Plug Back, [] Production (Start/Resume), [] Reclamation, [] Recomplete, [] Temporarily Abandon, [] Water Disposal, [] Water Shut-Off, [] Well Integrity, [X] Other Caliche Purchase Request

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

COG Operating LLC respectfully requests permission to purchase onsite caliche from the BLM to be purchased at the current rate set by the BLM.

The topsoil will be stockpiled and used during interim reclamation.

In the event that onsite caliche is not available, COG requests permission to purchase caliche from a BLM caliche pit at the current rate set by the BLM.

In the event that there is no BLM caliche pit within five miles of the locaiton, COG will obtain caliche from a state or private pit.

MAR 03 2010

NAME

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14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Phyllis A. Edwards

Title Permitting Tech

Signature

Phyllis A. Edwards

Date

02/19/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

PETROLEUM ENGINEER

Title

Date

MAR 11 2010

Office

ROSWELL FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)