District I Form C-103 State of New Mexico 1625 N. French Dr., Hobbs, NM 88240 August 1, 2011 Phone:(575) 393-6161 Fax:(575) 393-0720 Energy, Minerals and Natural District II Permit 136987 811 S. First St., Artesia, NM 88210 Resources WELL API NUMBER Phone:(575) 748-1283 Fax:(575) 748-9720 District III 30-015-39204 Oil Conservation Division 1000 Rio Brazos Rd., Aztec, NM 87410 5. Indicate Type of Lease Phone:(505) 334-6178 Fax:(505) 334-6170 1220 S. St Francis Dr. District IV S 1220 S. St Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 State Oil & Gas Lease No. SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name YALE STATE (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 028 1. Type of Well:O 9. OGRID Number 2. Name of Operator COG OPERATING LLC 229137 3. Address of Operator 10. Pool name or Wildcat 550 W TEXAS, SUITE 1300, MIDLAND, TX 79701 4. Well Location 1650 feet from the S tine and 2310 feet from the Unit Letter K Township 17S 30E NMPM Eddy Range County 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3743 GR Pit or Below-grade Tank Application or Closure Pit Type _____ Depth to Groundwater ____ Distance from nearest fresh water well ____ Distance from nearest surface water_ mil Below-Grade Tank: Volume____ Pit Liner Thickness:_ bbls; Construction Material_ 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: ALTER CASING PERFORM REMEDIAL WORK | PLUG AND ABANDON | REMEDIAL WORK TEMPORARILY ABANDON CHANGE OF PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDON PULL OR ALTER CASING | MULTIPLE COMPL | CASING/CEMENT JOB Other: Other: Spud 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. 9/4/2011 Spudded well. 9/4/11 Spud 17.5" hole @ 1AM.

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

TITLE Production Reporting Mgr

TITLE District Supervisor

E-mail address dkuykendall@conchoresources.com Telephone No. 7443

DATE 9/6/2011

DATE 9/6/2011

432-683-

been/will be constructed or closed according to NMOCD guidelines a general permit or an (attached) alternative OCD-approved plan

SIGNATURE Electronically Signed

For State Use Only: APPROVED BY:

Type or print name Diane Kuykendall

Randy Dade