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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|--|-----------------------|--|------------------------------------------------|-------------------------------------------|----------------------------------------|---------------------------------------|----------------------------------------------|------------------------------------------|--------------------------------------------------|-------------------------------------------|-----------------------------------------------|-----------------------------------------|--------------------------------------------|--|--------------|--|-------------------------------------------------|--|
| <b>District I</b><br>1625 N. French Dr., Hobbs, NM 88240<br>Phone: (575) 393-8161 Fax: (575) 393-0720<br><b>District II</b><br>811 S. First St., Artesia, NM 88210<br>Phone: (575) 748-1283 Fax: (575) 748-9720<br><b>District III</b><br>1000 Rio Brazos Rd., Aztec, NM 87410<br>Phone: (505) 334-6178 Fax: (505) 334-6170<br><b>District IV</b><br>1220 S. St Francis Dr., Santa Fe, NM 87505<br>Phone: (505) 476-3470 Fax: (505) 476-3462                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>State of New Mexico</b><br><b>Energy, Minerals and Natural Resources</b><br><b>Oil Conservation Division</b><br><b>1220 S. St Francis Dr.</b><br><b>Santa Fe, NM 87505</b> | Form C-103<br>August 1, 2011<br>Permit 173055<br>WELL API NUMBER<br>30-015-41533<br>5. Indicate Type of Lease<br>S<br>6. State Oil & Gas Lease No.<br>7. Lease Name or Unit Agreement Name<br>GRAHAM CRACKER 16 STATE |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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:<br>O                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                               | 8. Well Number<br>002H                                                                                                                                                                                                |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |
| 2. Name of Operator<br>COG OPERATING LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                               | 9. OGRID Number<br>229137                                                                                                                                                                                             |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |
| 3. Address of Operator<br>One Concho Center, 600 W. Illinois Ave, Midland, TX 79701                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                               | 10. Pool name or Wildcat                                                                                                                                                                                              |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |
| 4. Well Location<br>Unit Letter C : 190 feet from the N line and feet 2080 from the W line<br>Section 16 Township 26S Range 28E NMPM County Eddy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                               |                                                                                                                                                                                                                       |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3072 GR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                               |                                                                                                                                                                                                                       |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                               |                                                                                                                                                                                                                       |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data<br><table style="width: 100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: Spud <input checked="" type="checkbox"/></td> </tr> </table> |                                                                                                                                                                               |                                                                                                                                                                                                                       | 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: Spud <input checked="" type="checkbox"/> |  |
| 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: Spud <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.<br>9/8/2013 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 NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |                                                                                                                                                                                                                       |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |
| SIGNATURE _____<br>Type or print name _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                               | Electronically Signed _____<br>Diane Kuykendall<br>TITLE _____<br>E-mail address _____                                                                                                                                |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |
| Production Reporting Mgr _____<br>dkuykendall@conchoresources.com<br>DATE _____<br>9/10/2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                               | Telephone No. _____<br>432-683-7443                                                                                                                                                                                   |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |
| <b>For State Use Only:</b><br>APPROVED BY: _____<br>Randy Dade<br>TITLE _____<br>District Supervisor<br>DATE _____<br>9/11/2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |                                                                                                                                                                                                                       |                                           |  |                       |  |                                                |                                           |                                        |                                       |                                              |                                          |                                                  |                                           |                                               |                                         |                                            |  |              |  |                                                 |  |

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

Comments

Permit 173055

**NOTICESPUD COMMENTS**

|                                                                          |                            |
|--------------------------------------------------------------------------|----------------------------|
| Operator:<br>COG OPERATING LLC<br>One Concho Center<br>Midland, TX 79701 | OGRID:<br>229137           |
|                                                                          | Permit Number:<br>173055   |
|                                                                          | Permit Type:<br>NoticeSpud |

**Comments**

| Created By                            | Comment | Comment Date |
|---------------------------------------|---------|--------------|
| There are no Comments for this Permit |         |              |