

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (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: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	WELL API NO. 30-015-35727
	5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator COG Operating LLC	6. State Oil & Gas Lease No.
3. Address of Operator 550 W. Texas Ave., Suite 1300 Midland, TX 79701	7. Lease Name or Unit Agreement Name Folk Federal (Battery)
4. Well Location Unit Letter <u>L</u> : <u>1650</u> feet from the <u>South</u> line and <u>990</u> feet from the <u>West</u> line Section <u>17</u> Township <u>17S</u> Range <u>29E</u> NMPM County <u>Eddy</u>	8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3647' GR	9. OGRID Number 229137
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 _____	10. Pool name or Wildcat Empire; Glorieta Yeso

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 PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: Surface Commingle <input checked="" type="checkbox"/>

PC-1224

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.

COG Operating LLC respectfully requests approval for a Surface Commingle on the following wells:

Producing wells:

- | | | | |
|------------------|------------------|------------------|------------------|
| Folk Federal #1 | Folk Federal #2 | Folk Federal #3 | Folk Federal #4 |
| Folk Federal #6 | Folk Federal #7 | Folk Federal #8 | Folk Federal #9 |
| Folk Federal #10 | Folk Federal #11 | Folk Federal #12 | Folk Federal #13 |

Permitted, Not Drilled wells:

- | | | | |
|-----------------|------------------|------------------|------------------|
| Folk Federal #5 | Folk Federal #36 | Folk Federal #38 | Folk Federal #41 |
|-----------------|------------------|------------------|------------------|

Waiting on Permit wells:

- | | | | |
|------------------|------------------|------------------|------------------|
| Folk Federal #14 | Folk Federal #17 | Folk Federal #20 | Folk Federal #21 |
| Folk Federal #24 | Folk Federal #26 | Folk Federal #28 | Folk Federal #29 |
| Folk Federal #31 | Folk Federal #32 | Folk Federal #33 | Folk Federal #35 |

Reviewed by RE
 Recommend
 Approval
 7/21/10

We are planning to recomplete a couple of these wells to the Grayburg Jackson; SR-Q-G-SA, 28509. They are currently producing from the Empre; Glorieta-Yeso, East, 96610. Commingling will not reduce the value of the production. We have 100% ownership in this well and zones and there are no interest owners to notify.

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 [Signature] TITLE Regulatory Analyst DATE 07/21/10

Type or print name Kanicia Carrillo E-mail address: kcarrillo@conchoresources.com Telephone No. 432-685-4332
 For State Use Only

APPROVED BY: [Signature] TITLE Div. Director DATE 7/21/10

Conditions of Approval (if any):
 This approval is subject to BLM approval before commencing the commingling operations