

MAY 25 2012

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103

Revised August 1, 2011

MAY 25 2012

HOBBS OCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL NO.	30-025-40348
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	COSMO 8 STATE
8. Well Number	004H
9. OGRID Number	272295
10. Pool name or Wildcat	BERRY, BONE SPRING, SOUTH (96660)

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"/>	
2. Name of Operator THREE RIVERS OPERATING CO., LLC	
3. Address of Operator 1122 S CAPITAL OF TEXAS HWY, #325 AUSTIN, TX 78746	
4. Well Location Unit Letter P : 660 feet from the SOUTH line and 660 feet from the EAST line Section 8 Township 21S Range 34E NMPM County LEA	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3714' GL	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS ☐ P AND A ☐
 CASING/CEMENT JOB ☒

OTHER ☐OTHER ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4/4/12 Spudded 17 1/2" hole at 2130 hrs.

4/8/12 Reached surface casing point 1603'. Ran 13 3/8", 54.5 #, J55, STC casing set at 1603'. Cemented with 995 sxs Lead ExtendaCem - CZ (13.5 ppg, 1.75 f/sx) followed by 390 sxs Tail HalCem - C w/ 2% CaCl (14.8 ppg, 1.35 f/sx). Circulated 189 sxs to surface

4/11/12 Drilled 12 1/4" hole

4/20/12 Reached intermediate casing point 5735'. Ran 9 5/8", 40#, N80, LTC casing set at 5722'. DV tool set at 4064'. Cemented 1st stage w/ 350 sxs Lead EconoCem - HLC w/ 3% Salt (12.9 ppg, 1.81 f/sx) followed by 230 sxs Tail HalCem - C (14.8 ppg, 1.33 f/sx). Opened DV tool. Circulated 62 sxs to surface. Cemented 2nd stage w/ 1800 sxs Lead EconoCem - HLC w/ 3% salt (12.9 ppg, 1.82 f/sx) followed by 100 sxs HalCem - C (14.8 ppg, 1.33 f/sx). Circulated 279 sxs to surface

4/24/12 Drilling 8 3/4" hole.

CONTINUED ON NEXT PAGE

Spud Date:

04/04/2012

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE DRILLING MANAGER

DATE 05/25/2012

Type or print name MIKE DANIEL

E-mail address: mdaniel@3mr.com

PHONE: 512-706-9850

For State Use Only

PETROLEUM ENGINEER

APPROVED BY:

TITLE

DATE

MAY 25 2012

Conditions of Approval (if any):

Cosmo 8 State # 4H

OCD C-103 Subsequent Report, continued

- 5/8/12 Reached pilot hole TD 11600'.
- 5/12/12 Ran open hole logs. Set 1000 sxs cement plug, PlugCem - H w/ 0.5 % CFR-3 + 3 % salt (17.5 ppg, .95 f³/sx) f/ 11600 - 9614'. WOC. Dressed cement plug f/ 9733 - 10100'.
- 5/19/12 Kicked-off cement plug and built curve. Landed lateral at 11162' MD/ 10806' TVD.
- 5/24/12 Drilling lateral. Currently at 13267' MD / 10807' TVD, 90.5° inclination, 267.9° azimuth, 2738' VS.