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 135303 811 S. First St., Artesia, NM 88210 Resources WELL API NUMBER Phone:(575) 748-1283 Fax:(575) 748-9720 District III 30-015-38595 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 1220 S. St Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO HONEYGRAHAM STATE A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 007H Type of Well: O 9. OGRID Number 2. Name of Operator COG OPERATING LLC 229137 10. Pool name or Wildcat 550 W TEXAS, SUITE 1300, MIDLAND, TX 79701 4. Well Location Unit Letter tine and 660 feet from the N 1650 feet from the 29 26S 28E NMPM Eddy Township Range County 11. Elevation (Show whether DR, KB, BT, GR, etc.) 2995 GR Pit or Below-grade Tank Application or Closure Depth to Groundwater____ Distance from nearest fresh water well_ Distance from nearest surface water____ Pit Type _ mil Pit Liner Thickness: Below-Grade Tank: Volume___ bbls; Construction Material_ 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK | PLUG AND ABANDON | REMEDIAL WORK ALTER CASING TEMPORARILY ABANDON CHANGE OF PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDON PULL OR ALTER CASING | MULTIPLE COMPL | CASING/CEMENT JOB Other: Other: Drilling/Cement 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. 7/22/11 TD 17 1/2" hole to 325'. Set 13 3/8" 48# H-40 csg @ 325'. Cmt w/250 sx Class C and tailed in w/375 sx. Circ 55 sx to surface. WOC 18 hrs. Test csg to 1000# for 30 mins.7/22/2011 Spudded well. Casing and Cement Program Csg Weight Size lb/ft Grade Hole 1" Pres Fluid Est Dpth Pres Open Date String Sacks Yield Class TOC Size Set Dpth Held Drop Hole Type Size 07/22/11 Surf 17.5 13.375 48 H40 0 325 625 C 1000 0

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

Type or print name Diane Kuykendall E-mail address dkuykendall@conchoresources.com Telephone No. 7443

TITLE Production Reporting Mgr

TITLE District Supervisor

DATE 8/1/2011

DATE 8/8/2011 8:45:49 AM

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

APPROVED BY: Randy Dade

For State Use Only: