

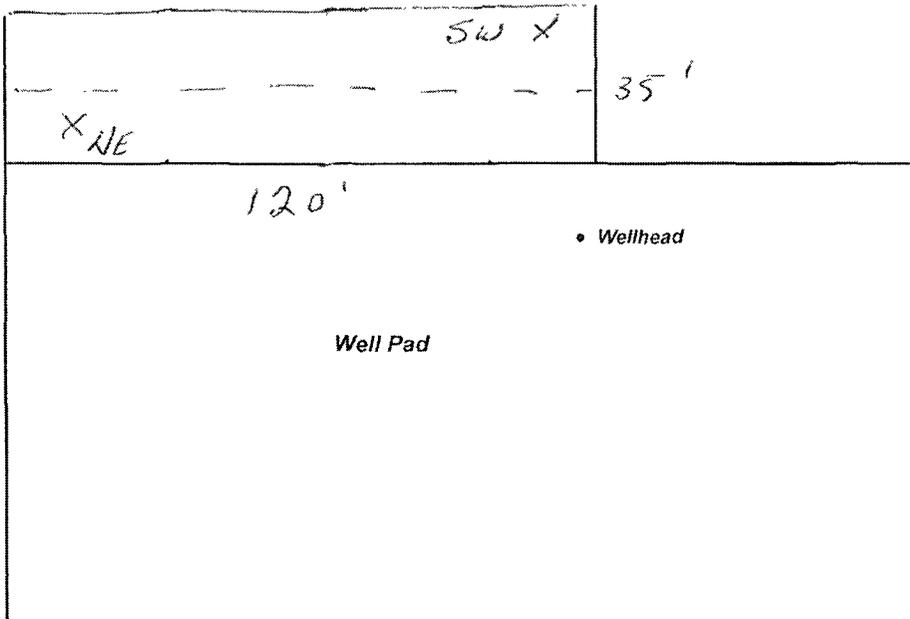
Highlander Environmental Corp.
Pit Sample Location Plat

x _____ Indicates Sample Location
(Name by quarter i.e. NW, NE etc)



Draw in North Arrow

Depth of pit in feet 8'



Client: COG Oper
Well Name: Pawnee State #4
API# 30-015-34284

Summary Report

Gary Miller
Highlander Environmental Services
1910 N. Big Spring Street
Midland, TX, 79705

Report Date: November 29, 2007

Work Order: 7112501



Project Location: Eddy County, NM
Project Name: COG/Pawnee State #4
Project Number: 3187

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
143540	NE 15'	soil	2007-11-19	00:00	2007-11-21
143541	SW 2'	soil	2007-11-19	00:00	2007-11-21

Sample: 143540 - NE 15'

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 143541 - SW 2'

Param	Flag	Result	Units	RL
Chloride		160	mg/Kg	2.00

Submit 3 Copies To Appropriate District Office
 District I
 1625 N Trench 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

3107

Form C-103
 May 27, 2004

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

WELL API NO. 30-015-34884
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 PAWNEE STATE
8. Well Number 4
9. OGRID Number 229137
10. Pool name or Wildcat Loco Hills; Glorieta Yeso

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 Gas Well Other

2. Name of Operator
COG Operating LLC **AUG 23 2007**

3. Address of Operator
550 W. Texas Ave., Suite 1300 **OCD-ARTESIA**
Midland, TX 79701

4. Well Location
 Unit Letter **G** : **2115'** feet from the **North** line and **1970'** feet from the **East** line
 Section **16** Township **17S** Range **30E** NMPM County **EDDY**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3684' GR

Pit or Below-grade Tank Application or Closure

Pit type **DRILLING** Depth to Groundwater **150'** Distance from nearest fresh water well **1000'** Distance from nearest surface water **1000'**

Pit Liner Thickness: **12 mil** Below-Grade Tank: Volume _____ bbls; Construction Material _____

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: Pit closure <input checked="" type="checkbox"/>	OTHER: <input 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

COG Operating LLC proposes to close the drilling pit as follows:

GPS 32.836033
 103.974882

- Remove fluids from pit.
- A deep trench pit will be constructed next to the existing reserve pit and lined with a 12 mil liner. The contents will be encapsulated in this pit and the liner will be folded over the mud and cuttings
- Cover liner with 20 mil liner with excess of 3' on all sides as per option IV.B.3.(b) of the Pit and Below-Grade Tank Guidelines.
- Cover with a minimum 3' of native soil.
- Contour pit to prevent erosion and ponding of rainwater

NOTE: Indication liner was breached with fluid movement under liner. MB

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 Kanicia Carrillo TITLE Regulatory Analyst DATE 08-14-07

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

APPROVED BY: Signed By: [Signature] TITLE _____
 Conditions of Approval (if any): if a deep trench is drilled and lined in pit area, samples are to be obtained and analyses submitted to OCD

NOTIFY OCD 24 HOURS PRIOR to beginning closure and 24 HOURS PRIOR to obtaining samples. Samples are to be obtained from pit area and analyses submitted to OCD prior to back-filling.

DATE **AUG 23 2007**

(Handwritten mark)