

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Form C-102
 Permit 118097

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------------|--|--|
| 1. API Number 30-015-38071 | 2. Pool Code 30215 | 3. Pool Name HAY HOLLOW BONE SPRING |
| 4. Property Code 38282 | 5. Property Name SRO UNIT STATE COM | 6. Well No. 016H |
| 7. OGRID No. 14049 | 8. Operator Name MARBOB ENERGY CORP | 9. Elevation 3019 |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| M | 20 | 26S | 28E | | 660 | S | 330 | W | EDDY |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| P | 20 | 26S | 28E | P | 660 | S | 330 | E | EDDY |

| | | | |
|-------------------------------|---------------------|------------------------|---------------|
| 12. Dedicated Acres 160.00 | 13. Joint or Infill | 14. Consolidation Code | 15. Order No. |
|-------------------------------|---------------------|------------------------|---------------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|--|--|
| | OPERATOR CERTIFICATION |
| | <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> |
| | <p>E-Signed By: Diana Briggs Title: Production Manager Date: 7/30/2010</p> |
| | SURVEYOR CERTIFICATION |
| | <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> |
| | <p>Surveyed By: Ronald Eidson Date of Survey: 11/18/2009 Certificate Number: 3239</p> |

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District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone (575) 748-1283 Fax (575) 748-9720

Form C-145
 Permit 121233

State of New Mexico
Energy, Minerals and Natural
Resources

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Change of Operator

Previous Operator Information

New Operator Information

| | | | |
|-------------------|------------------------------|-------------------|---|
| OGRID: | <u>14049</u> | OGRID: | <u>229137</u> |
| Name: | <u>MARBOB ENERGY CORP</u> | Name: | <u>COG OPERATING LLC</u> |
| Address: | <u>PO BOX 227</u> | Address: | <u>550 W TEXAS</u> <u>SUITE 1300</u> |
| City, State, Zip: | <u>ARTESIA, NM 882110227</u> | City, State, Zip: | <u>MIDLAND, TX 79701</u> |

Effective Date: Effective on the date of approval by the OCD

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, COG OPERATING LLC certifies that it has read and understands the following synopsis of applicable rules.

Previous Operator

New Operator

| | |
|--|---|
| Signature: <u>Raye Miller</u> | Signature: <u>Gregory K. Daggett</u> |
| Printed Name: <u>Raye Miller</u> | Printed Name: <u>Gregory K. Daggett</u> |
| Title: <u>Attorney-in-Fact</u> | Title: <u>Attorney-in Fact</u> |
| Date: <u>10/7/10</u> Phone: <u>575-7483303</u> | Date: <u>10/7/10</u> Phone: <u>432-686-3083</u> |

NMOCD Approval
 Electronic Signature: Randy Dade, District 2
 Date: October 22, 2010

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
 June 19, 2008

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

| |
|---|
| WELL API NO. 30-015-38017.71 |
| 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 SRO State Unit <u>Com</u> |
| 8. Well Number #16H |
| 9. OGRID Number 229137 |
| 10. Pool name or Wildcat Hay Hollow; Bone Spring |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR; 3122 |

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

3. Address of Operator
2208 W. Main Artesia, NM 88210

4. Well Location
 Unit Letter M : 660 feet from the South line and 330 feet from the West line
 Section 20 Township 26S Range 28E NMPM County Eddy

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

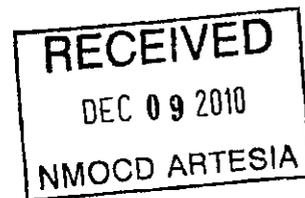
OTHER: BHL Change

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

COG Operating, LLC respectfully requests approval for the following change in BHL.

From 660' FSL & 330' FEL
 To 330' FNL & 380' FWL unit D



Spud Date:

Rig Release Date:

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

SIGNATURE Kanda Robinson TITLE Administrative Assistant DATE 12/8/2010

Type or print name Kanda Robinson E-mail address: krobinson@conchoresources.com PHONE: 575-748-6940

APPROVED BY: [Signature] TITLE Geologist DATE 12/17/2010

Conditions of Approval (if any):

COG

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I
1625 N. FRANCH DR., ROBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

| | | |
|----------------------------|-------------------------------------|--------------------------------------|
| API Number 30-015-38071 | Pool Code 30215 | Pool Name Hay Hollow; Bone Spring |
| Property Code 308169 | Property Name SRO UNIT | Well Number 16H |
| OGRID No. 229137 | Operator Name COG OPERATING, LLC | Elevation 3019' |

Surface Location

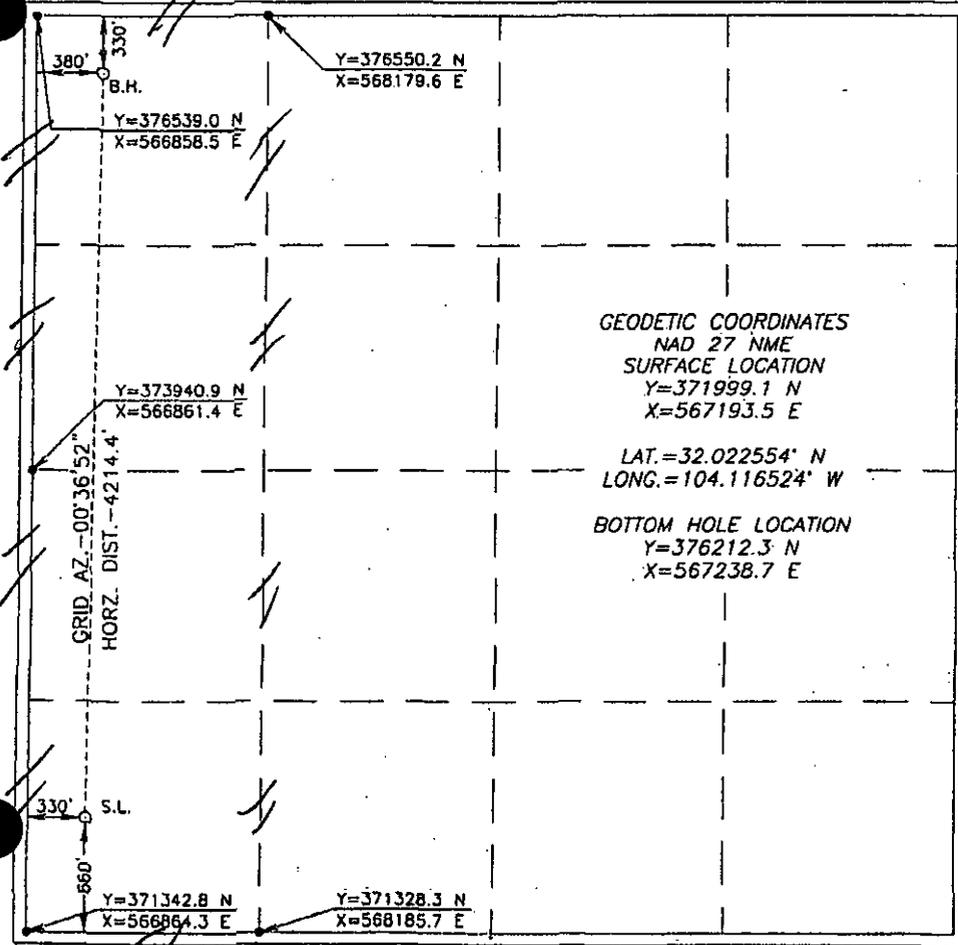
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| M | 20 | 26-S | 28-E | | 660 | SOUTH | 330 | WEST | EDDY |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 20 | 26-S | 28-E | | 330 | NORTH | 380 | WEST | EDDY |

| | | | |
|-----------------|-----------------|--------------------|-----------|
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Paul French 1/25/11
Signature Date

Paul French
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 18, 2009

Date Surveyed: _____ Rev: 1/22/11 OSS

Signature of Seal of Professional Surveyor
Ronald J. Eidson 01/24/2011
 11.13.01855

Certificate No. GARY EIDSON 12841
 RON EIDSON 3239

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Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3452

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

Form C-103
Permit 128572

| | | |
|--|--|--|
| 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.) | | WELL API NUMBER 30-015-38071 |
| 1. Type of Well: O | | 5. Indicate Type of Lease S |
| 2. Name of Operator COG OPERATING LLC | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator 550 W TEXAS, SUITE 1300, MIDLAND, TX 79701 | | 7. Lease Name or Unit Agreement Name SRO STATE UNIT |
| 4. Well Location Unit Letter <u>M</u> : <u>660</u> feet from the <u>S</u> line and <u>330</u> feet from the <u>W</u> line Section <u>20</u> Township <u>26S</u> Range <u>28E</u> NMPM <u>Eddy</u> County | | 8. Well Number 016H |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3019 GR | | 9. OGRID Number 229137 |
| 10. Pool name or Wildcat | | |
| 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 _____ | | |

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 OF PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> Other: | SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CASING CEMENT JOB <input type="checkbox"/> Other: Drilling/Cement <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.
3/4/11 TD 17 1/2" hole to 305'. Set 13 3/8" 48# H-40 csg @ 305'. Cmt w/ 350 sx Prem+. Circ 108 sx to surface. WOC 18 hrs. Test to 500#. 3/4/2011 Spudded well.

Casing and Cement Program

| Date | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield Class | 1" Dpth | Pres Held | Pres Drop | Open Hole |
|----------|--------|------------|-----------|----------|--------------|-------|---------|----------|-------|-------------|---------|-----------|-----------|-----------|
| 03/04/11 | Surf | | 17.5 | 13.375 | 48 | H40 | 0 | 305 | 350 | | | 500 | 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 been, will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Electronically Signed TITLE Production Reporting Mgr DATE 3/8/2011

Type or print name Diane Kuykendall E-mail address dkuykendall@conchresources.com Telephone No. 432-683-7443

For State Use Only:

APPROVED BY: Randy Dade TITLE District Supervisor DATE 3/8/2011 10:49:28 AM

