

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
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

WELL API NO. 30-015-04181
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-1565
7. Lease Name or Unit Agreement Name: TEXACO EE
8. Well Number #001
9. OGRID Number
10. Pool name or Wildcat GRAYBURG-JACKSON; SR./ON./GB./SA.

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	7. Lease Name or Unit Agreement Name: TEXACO EE
2. Name of Operator COG OPERATING LLC	8. Well Number #001
3. Address of Operator 550 W. TEXAS AVE., SUITE 100, MIDLAND, TEXAS 79701	9. OGRID Number
4. Well Location Unit Letter <u>B</u> : <u>990</u> feet from the <u>NORTH</u> line and <u>2310</u> feet from the <u>EAST</u> line Section <u>16</u> Township <u>17S</u> Range <u>30E</u> NMPM County <u>EDDY</u>	10. Pool name or Wildcat GRAYBURG-JACKSON; SR./ON./GB./SA.
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,686' - DF	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/> Pit type <u>STEEL</u> Depth to Groundwater: _____ Distance from nearest fresh water well: * _____ Distance from nearest surface water: * _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbs; Construction Material * <u>NONE WITHIN 1,000'</u>	

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other
Notify OCD 24 hrs. prior to any work done.

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state date of starting any proposed work). SEE RULE 1103. For or recompletion.

PROPOSED PROCEDURE FOR PLUG AND ABANDONMENT:

- 1) SET 4-1/2" CIBP @ 2,075'; PRES. TEST 4-1/2" CSG. TO 500#; PUMP A 25 SX. CMT. PLUG @ 2,075'-1,825'.
- 2) CIRC. WELL W/ PXA FLUID.
- 3) MIX X PUMP A 25 SX. CMT. PLUG @ 1,325'-1,075' (7"CSG.SHOE X T/YATES); WOC X TAG CMT. PLUG.
- 4) PERF. X ATTEMPT TO SQZ. A 55 SX. CMT. PLUG @ 600'-470' (T/SALT X 9-5/8"CSG.SHOE); WOC X TAG CMT. PLUG.
- 5) PERF. X ATTEMPT TO CIRC. TO SURF. A 60 SX. CMT. PLUG @ 150'-3'.
- 6) DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE TO CSGS. X INSTALL DRY HOLE MARKER.

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 David A. Eyer TITLE AGENT DATE 12/26/11

Type or print name DAVID A. EYER

E-mail address: deyer@milagro-res.com
Telephone No. (432) 687-3033

For State Use Only

APPROVED BY [Signature] TITLE Approval Granted providing work is complete by DATE 1/23/2012
Conditions of Approval, if any: 4/23/2012

RECEIVED
including estimated date of proposed completion
2/1/2012
NMOCD ARTESIA

SEE ATTACHED
CONDITIONS OF
APPROVAL