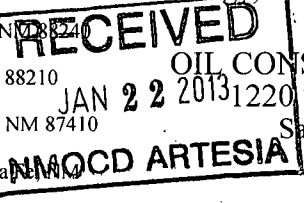


1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1282
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505



WELL API NO. 30-015-22743
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E742
7. Lease Name or Unit Agreement Name: STATE S-19
8. Well Number #001
9. OGRID Number 299137
10. Pool name or Wildcat EMPIRE ABO
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,646' - GR

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 ATTN: **BRIAN MAIORINO**

3. Address of Operator
600 W. ILLINOIS AVE., MIDLAND, TEXAS 79701

4. Well Location
Unit Letter **N**: **660** feet from the **SOUTH** line and **1571** feet from the **WEST** line
Section **19** Township **17S** Range **29E** 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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

**Notify OCD 24 hrs. prior
To any work done.**

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.

- 1) SET 5-1/2" CIBP @ 7,000'; PUMP 25 SXS.CMT. @ 7,000'-6,840'; CIRC. WELL W/ PXA MUD.
- 2) PUMP 25 SXS.CMT. @ 6,285'-6,055' (T/ABO).
- 3) PUMP 25 SXS.CMT. @ 2,960'-2,840' (8-5/8" CSG.SHOE). WOC TAG
- 4) PUMP 25 SXS.CMT. @ 2,305'-1,805' (T/S.A. X T/GBR.); WOC X TAG CMT. PLUG.
- 5) PUMP 55 SXS.CMT. @ 810'-382' (T/YATES, B/SALT X 13-3/8" CSG.SHOE); WOC X TAG CMT. PLUG.
- 6) MIX X CIRC. TO SURF. A 40 SX. CMT. PLUG @ 275'-3'.
- 7) DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE TO CSGS. X INSTALL DRYHOLE MARKER.

* **Glorieta @ 3637' 800' cmt Plug. WOC TAG**

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 David A. Eyler TITLE AGENT DATE 01/11/13

Type or print name DAVID A. EYLER E-mail address: deyler@milagro-res.com PHONE 432.687.3033

For State Use Only

APPROVED BY [Signature] TITLE Approval Granted providing work DATE 1/29/2013
Conditions of Approval (if any): is complete by 4/29/2013

Date: R. Crawford 12/17/2012

Directional: Vertical



OGRID #	Location:
Section:	Unit N, SEC.19-T17S-R29E, 660'FSL & 1571' FWL
Completed	3/22/1979, recompleted in Abo (4/1981)
Survey Logs:	BHC, Sonic, GR, CNL, FDC., DLL-MSFL.
County:	Eddy County, NM
Unit and speed:	40-76-40 @ 7.28 SPM
Lease #:	E-742
Elevation:	3646 GR
KB Calc:	12'
Property Code:	

History	LAST PRODUCTION December 2011
	Originally drilled to TD 10,880' (3/3/79), In 3/82 Morrow was plugged and recompleted in the Abo (PBSD 7432').
Failures	1-2-2002, Split pump barrel 6-18-2001, HIT 5-28-1999, HIT 5-28-1998, NPA
NOTES:	Over five (5) ft of cement is spotted on top of permanent packer at ~7332'

Current			
Tubing Detail (top to bottom)			
Joints	Description	Footage	Depth
	KB	12.0	12
220	2-7/8" L-80, EUE Tubing, 8RD	7040.0	7,052.00
1	2-7/8 X 5-1/2" Tubing Anchor	3.0	7,055.00
9	2-7/8" J-55, 6.5# tbg, 8RD	288.0	7,343.00
1	Seat Nipple	1.7	7,344.70
			7,344.70

Rod Detail (top to bottom)			
Pumping Unit	Weatherford 456-305-144		
Rods	Description	Footage	Depth
1	1-1/2" X 26' Spray Metal Polish Rod	26.0	26
195	3/4" Steel EL RODS	4875.0	4,901.00
84	7/8" Steel EL Rods	2100.0	7,001.00
4	K-Sinker Bars	100.0	7,101.00
1	2-1/2" X 1-1/4" X 16' Rod Pump	16.0	7,117.00
			7,117.00

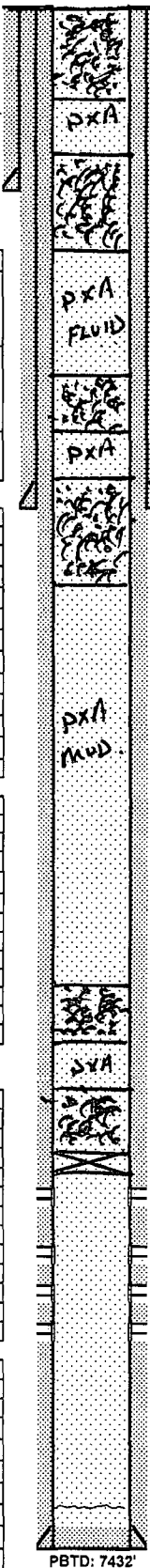
NEW			
Tubing Detail (top to bottom)			
Joints	Description	Footage	Depth
			12
			12.00
			12.00
			12.00
			12.00
			12.00
			12.00
			12.00
			12.00

Rod Detail (top to bottom)			
Pumping Unit	Weatherford 640-365-144 in 124" stroke		
Rods	Description	Footage	Depth
			26
			26.00
			26.00
			26.00
			26.00
			26.00
			26.00
			26.00
			26.00

Description	O.D.	I.D.	Upset reg Cplg O.D.	bbbls/ft.	cu. ft/ft	gal/ft	Burst PSI
1-7/8" J-55, 6.5#	2.875"	2.441"	3.668"	0.00579	0.0325	0.2431	7000
1-1/2" J-55, 17#				0.0232	0.1305	0.9764	4800
1-7/8" X 5-1/2"				0.0152	0.0886	0.6625	

1 bbl=42 gal. = 5.6146 cu.ft= 9702 cu./in.
1000' H2O = 433 psig

Rod Torque in ft/lbs.	
1/4" Norris Steel	N90-97, 500ft/lbs
7/8" Norris Steel	N90-97, 800ft/lbs



Well ID Info:	
API No:	30-015-22743
Spud Date:	12/29/1978

Surf Csg: 13-3/8", 48#/ft, H-40, ST&C
Set @ 9 jts @ 432'
Cement w/ 950 sxs, Class C, Circulated
circ.

Inter Csg: 8-5/8", 24#/ft, J-55 ST&C
Set @ 41 jts @ 2900'
Cement w/ 1800 sxs, Class C, Circulated
circ.

Formations tops in the area:

Yates ~696'
Queen ~1520'
San Andres ~2240'
Glorieta ~3637'
Yaso begins: ~3698'
Paddock ~3700'
Blinbry ~4000'

Abo: 7061-7070', 18 shots Acid Frac (3/1982)
7098'-7104' 12 shots
Morrow: 7732'-7432' Perm Pkr. Cement 75sxs (12/1981)
Morrow: 10,679-10,722' Perm Pkr. Cement 75sxs (5/1979)

Prod Csg: 5 1/2", 17#/ft
Set @ 10,880'
Cement w/ 1565 sxs, Circulated
circ.

Orig: PBSD 10,794'
Orig: TD 10,880'

Glorieta 3637- 100' cement Plug
woc Tag

Date: R. Crawford 12/17/2012

Directional: Vertical



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NEW

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Joints	Description	Footage	Depth
			12
			12.00
			12.00
			12.00
			12.00
			12.00
			12.00
			12.00
			12.00

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Pumping Unit	Description	Footage	Depth
Rods	Weatherford 640-365-144 in 124" stroke		
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			26.00
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			26.00
			26.00
			26.00
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Orig: PBTD 10,794'

Orig: TD 10,880'

PBTD: 7432'

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: COG Operating, LLC

Well Name & Number: STATE 5-19 # 001

API #: 30-015-22743

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.

8. Cement Retainers may not be used.
9. Squeeze pressures not to exceed 500 psi., unless approval is given by NMOCD Plugging Supervisor.
10. Plugs may be combined after consulting with NMOCD P & A Supervisor.
11. Minimum WOC time for tag plugs will be 4 hrs.

DG

Date: 1-29-2013