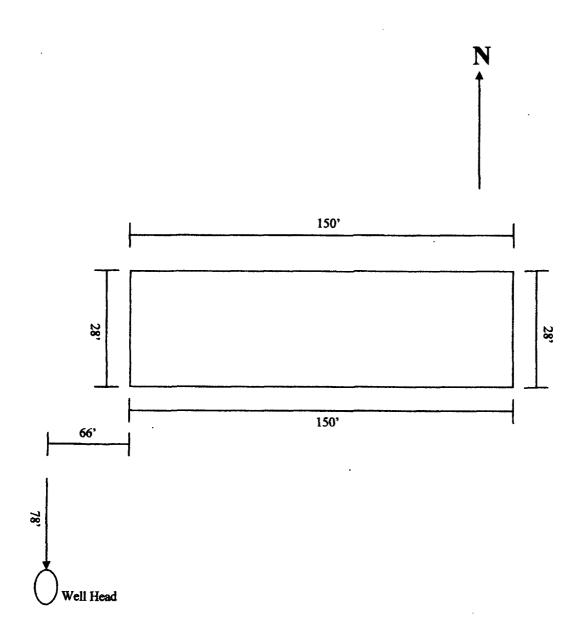
Subtitit 3 Copies To Appropriate District	State of New Me	xico		Form C-103
Office District I	Energy, Minerals and Natural Resources			May 27, 2004
1625 N. French Dr., Hobbs, NM 88240 District 11			WELL API NO. 30-015-34818	
1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION DIVISION		5. Indicate Type of Lease	
District III 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Francis Dr.		STATE X FEE	
District IY 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87505		6. State Oil & Gas Lease No.	
87505			E-742	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A			7. Lease Name of	r Unit Agreement Name
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH			Mesquite State	
PROPOSALS.) 1. Type of Well: Oil Well Gas Well Other		RECEIVED	8. Well Number 17	
2. Name of Operator	Gas Well Other		9. OGRID Numb	**
COG Op	erating LLC	JUL 2 4 2006	229137	
		ULIVITERIA		
	, Suite 1300, Midland, TX 79701		Empire; Yeso, Ea	st
4. Well Location	2310 feet from the North	h	990 feet fro	om the West line
20				T.11.
Section j	I 1. Elevation (Show whether DR)		NMPM	County Eddy
	3636			
Pit or Below-grade Tank Application or Closure				
Pit type Drilling Depth Groundwater 110 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: SUBSEQUENT REPORT OF:				
PERFORM REMEDIAL WORK		REMEDIAL WOR		ALTERING CASING
TEMPORARILY ABANDON [P AND A
PULL OR ALTER CASING	 	CASING/CEMEN		
-			_	
OTHER: Pit Closure		OTHER:	1 1 1	
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 proposes to close Drilling pit as follows:				
DOG proposes to close Diming pit as follows.				
1. Remove fluids from pit.				
2. A Deep Trench pit will be con	structed next to the existing reserve	pit and lined with	a 12 mil liner, the	contents will be
encapsulated in this pit and liner will be folded over the mud and cuttings.				
3. 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				
4. Cover with a minimum 3' of native soil.				
5. Contour pit to prevent erosion and ponding of rainwater.				
				•
I hereby certify that the information grade tank has been/will-be-constructed	above is true and complete to the be- or closed according to NMOCD guidelines	st of my knowledge : a general permit	and belief. I further or an (attached) alter	certify that any pit or below- uative OCD-approved plan
SIGNATURE Leny h	Sherel TITLE PT	oduction Clerk		DATE_7/24/2006
Type or print name Jerry W. Sher	rell E-mail add	ress: DKuykendall@co	nchoresources.com	Telephone No. (432)685-4372
For State Use Only	Semilar Gr.			-
	1. 1 =	U		al 11
APPROVED BY: Conditions of Approval (if any):	The STUB	1) - 1 - 1		_DATE_O/~10P
Conditions of Approval (if any):				
Acc	epted for record - NMOCD			DATE 8/2/06
				•

COG OPERATING LLC MESQUITE STATE #17 API #: 30-015-34818 EDDY COUNTY, NM

CLOSURE BEGAN: 9-27-06 CLOSURE COMPLETE: 10-3-06





ALLSTATE ENVIRONMENTAL SERVICES, LLC



P.O BOX 11322 MIDLAND, TEXAS 79702 OFFICE: (432) 682-3547 FAX: (432) 682-4182 Contractors License #94195

70-015-34818

October 3, 2006



New Mexico Oil Conservation Division District2 1301 Grand Avenue Artesia, New Mexico 88210

Dear Sir/Ma'am

Included in this mailing is the closure report for COG Operating Corp. Mesquite State well #17 lease. As indicated in the summary the pit closure work was begun on September 27, 2006 and completed on October 3, 2006.

Any concern or questions regarding this site may be addressed to Randy Offield, Allstate Environmental Services, at 432-682-3547 or his e-mail address at allstateenviro@sbcglobal.net

Sincerely
Mark Meadows for Randy Offield-Owner
Allstate Environmental Services

Cc: COG Operating Corp-Artesia, N.M. Allstate Environmental Svcs. file