

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

EC

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

| | | | |
|---|---|--|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION | | 5. Lease Serial No. NMLC0549889 | RECEIVED APR 12 2010 NMOCD ARTESIA |
| 2. Name of Operator COG OPERATING LLC Contact: KANICIA CARRILLO E-Mail: kcarrillo@conchoresources.com | | 6. If Indian, Allocated or Tribe Name | |
| 3a. Address 550 WEST TEXAS AVE STE 1300 MIDLAND, TX 79701 | 3b. Phone No. (include area code) Ph: 432-685-4332 | 7. If Unit or CA/Agreement, Name and/or No | 8. Well Name and No. JENKINS B FEDERAL 17 ✓ |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 20 T17S R30E 330FNL 1525FWL | | 9. API Well No. 30-015-34138 ✓ | 10. Field and Pool, or Exploratory LOCO HILLS; GLORIETA YESO |
| | | 11. County or Parish, and State EDDY COUNTY, NM | |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input checked="" type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BJA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Objective: Convert the well from a Paddock injector to a Paddock producer.

1. MIRU, poh w 2 7/8" injection string. Arrowset PKR@4204?.
2. TIH w 2 7/8" 6.4# J-55 tbg, bit, and 5 ?? csg scraper and clean out to PBTD of 4713?.
3. TIH w 2 7/8" tbg and 5 ?? PKR and set PKR @4250? and test PKR, csg, and tbg.
4. Acidize the Paddock w 1500 g 15% and flush tbg capacity w fresh water.
5. TIH w 2 7/8" tbg and set SN@4653?, desander, and 1 jt MA, set TAC@4250?.
6. Run 70-7/8" N97 rods, 112- ?? N97 rods, 4 ? 1 3/8" kbars, and 2.25" tbg trash pump.
7. Install an Ampscot 640-365-144 pumping unit w 50 hp motor and run at 8 spm.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

| | | | |
|--|-----------------|----------------------------------|--|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #83190 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad | | | |
| Name (Printed/Typed) KANICIA CARRILLO | Title PREPARER | | |
| Signature (Electronic Submission) | Date 03/23/2010 | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | APPROVED | |
| Approved By | Title | Date | |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Office | APR / 2010 /s/ Dustin Winkler | |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any statement or representation to any agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. | | | |

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

DD 4-15-10

COG Operating Procedure
Jenkins B Fed 17
Loco Hills Field
Eddy County, NM
TWP: 17 S – Range: 30 E – Sec . 20

Objective: Convert the well from a Paddock injector to a Paddock producer.

1. MIRU, poh w 2 7/8" injection string. Arrowset PKR@4204'.
2. TIH w 2 7/8" 6.4# J-55 tbg, bit, and 5 1/2" csg scraper and clean out to PBTD of 4713'.
3. TIH w 2 7/8" tbg and 5 1/2" PKR and set PKR @4250' and test PKR, csg, and tbg.
4. Acidize the Paddock w 1500 g 15% and flush tbg capacity w fresh water.
5. TIH w 2 7/8" tbg and set SN@4653', desander, and 1 jt MA, set TAC@4250'.
6. Run 70-7/8" N97 rods, 112- 3/4" N97 rods, 4 – 1 3/8" kbars, and 2.25" tbg trash pump.
7. Install an Ampscot 640-365-144 pumping unit w 50 hp motor and run at 8 spm.

COG Operating LLC

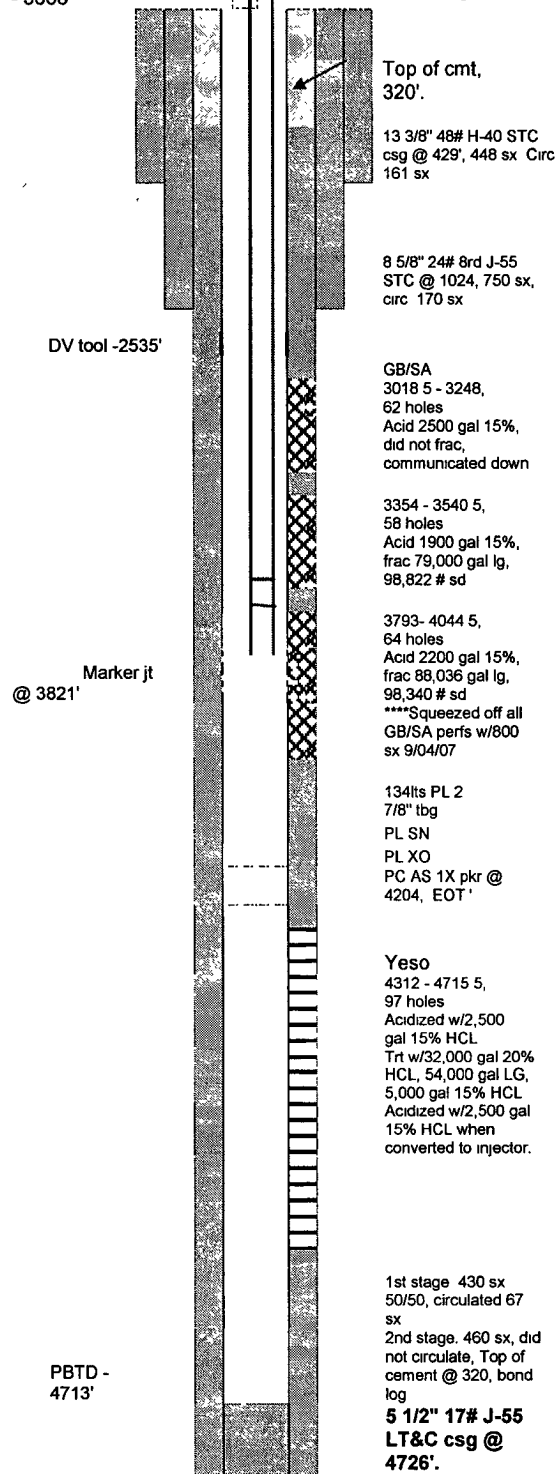
Lease &
Well #

Jenkins B Federal # 17

SPUD:
11/16/06

Elevation
- 3638

KB
-



COG Operating LLC
NMLC-054988-B: Jenkins B Federal 17
API: 30-015-34138
Eddy County, New Mexico

RE: Conversion to Production – Conditions of Approval

There is to be no surface disturbance beyond the existing pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

2M BOP is to be used for this well. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

Submit subsequent report and completion report once work is completed.

DHW 033110