

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**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.*DCD - Arjona
FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

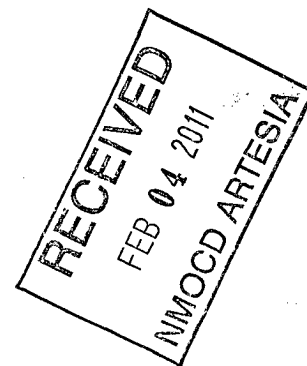
1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other		5. Lease Serial No. NMNM98122
2. Name of Operator COG OPERATING LLC Contact: KANICIA CARRILLO E-Mail: kcarrillo@conchoresources.com		6. If Indian, Allottee or Tribe Name
3a. Address 550 WEST TEXAS AVENUE SUITE 1300 MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 432-685-4332 Fx: 432-685-4396	7. If Unit or CA/Agreement, Name and/or No. NMNM71030X
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T17S R31E SESE Lot P 1146FSL 919FEL		8. Well Name and No. SKELLY UNIT 704
		9. API Well No. 30-015-38054-00-S1
		10. Field and Pool, or Exploratory LOCO HILLS
		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
☐ Notice of Intent	☐ Acidize
☒ Subsequent Report	☐ Deepen
☐ Final Abandonment Notice	☐ Fracture Treat
	☐ New Construction
	☐ Plug and Abandon
	☐ Plug Back
	☐ Production (Start/Resume)
	☐ Reclamation
	☐ Recomplete
	☐ Temporarily Abandon
	☐ Water Disposal
	☐ Water Shut-Off
	☐ Well Integrity
	☒ Other Drilling Operations

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 recompleat 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/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat 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.)

12/09/10 Test 5-1/2 csg 3500psi, ok.
12/10/10 Perf Lower Blinbry @ 6580 - 6780 w/1 SPF, 26 holes.
12/13/10 Acidize w/2,500 gals acid. Frac w/125,995 gals gel, 151,726# 16/30 Ottawa Sand, 27,153# Siberprop. Set comp plug @ 6540. Perf Middle Blinbry @ 6310 - 6510 w/1 SPF, 26 holes. Acidize w/2,500 gals acid. Frac w/47,082 gals gel, 12,646# 16/30 Ottawa sand, 5,979# Siberprop. Set comp plug @ 6220. Perf Upper Blinbry @ 5870 - 5950 w/1 SPF, 26 holes. Acidize w/2,500 gals acid. Frac w/124,567 gals gel, 149,151# 16/30 Ottawa sand, 31,994# Siberprop. 12/16/10 Drill out plugs. Clean out to PBTD 6805.
12/17/10 RIH w/217jts 2-7/8" J55 tbg, EOT @ 6735.
12/20/10 RIH w/ 2-1/2"x2"x24" RHBC pump. Hang on well.



14. I hereby certify that the foregoing is true and correct. Electronic Submission #100788 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 01/19/2011 (11KMS0615SE)	
Name (Printed/Typed) KANICIA CARRILLO	Title PREPARER
Signature (Electronic Submission)	Date 01/18/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 01/30/2011
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 Carlsbad

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****