

UNITED STATES **OCD-ARTESIA**
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

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 page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NMNM103595
2. Name of Operator COG Operating LLC		6. If Indian, Allottee, or Tribe Name
3a. Address 2208 W. Main Street Artesia, NM 88210	3b. Phone No. (include area code) 575-748-6940	7. If Unit or CA Agreement Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1470' FSL & 1755' FEL Unit Letter J (NWSE) Sec24-T26S-R25E		8. Well Name and No. Cali Roll Federal #1H
Lat. Long.		9. API Well No 30-015-37267
		10. Field and Pool, or Exploratory Area Wildcat; Bone Spring
		11. County or Parish, State Eddy County NM

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

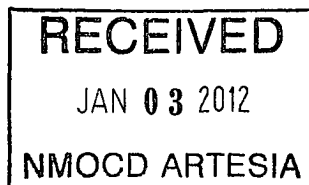
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering 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 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	

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 or pertinent markers and sands. Attach the Bond under which the work will be performed or provide the Bond No on file with the 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 Notice 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.)

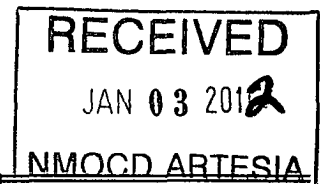
COG Operating LLC., Proposes to MIRU and check pressure on well. MIRU testers and determine whether well needs swabbing. If adequate pressure, rig down swab unit and put thru portable test unit. Establish flow and put liquids to tank, rig up EFM and establish flow rate. Contact BLM w/24 hour notice well in flowing and to witness.

Begin flaring w/royalties being paid to the federal government.

A temporary surface line from this well to the Yates Energy Retriever well will be constructed and connected so that gas can be sent to sales within 30 days. A permanent ROW Application either has been or will be submitted by Agave Energy to replace the surface line.



Accepted for record
NMOCD
105, 1/2/2012



14. I hereby certify that the foregoing is true and correct
Name (Printed/ Typed)

Mayte Reyes

Title
Regulatory Analyst

Signature

Date
12/27/11

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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

APPROVED

DEC 27 2011
Date

WESLEY W. INGRAM

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

(Instructions on page 2)

**Cali Roll Federal 1H
30-015-37267
COG Operating LLC
December 27, 2011
Conditions of Approval**

- 1. Operator should be able to provide a pressure without rigging up any equipment.**
- 2. Operator to contact BLM at 575-361-2822 and Duncan Whitlock at 575-361-2630 a minimum of 24 hours prior to rig up. If operator determines that swabbing is necessary, notify the BLM.**
- 3. Operator to have the system properly plumbed for fluids and gas prior to establishing any flow rate.**
- 4. Operator to notify BLM to witness gas meter calibration prior to flowing well through test unit.**
- 5. Operator to notify the BLM prior to initiating flow through the test unit. A BLM representative will witness portions of the testing, so the testing operation needs to be operational at all times during the requested test period.**
- 6. Operator did not request a length of time for producing through the test unit. Therefore, operator will be given approval to flare for a maximum of five days.**
- 7. Submit documentation on test to BLM for well evaluation via a Subsequent Report.**
- 8. Hydrocarbon fluids are to be measured according to Onshore Order 4 and gas shall be measured utilizing an EFM, with meter complying with NTL for EFM.**
- 9. As stated by operator, royalties shall be paid on the flared gas.**
- 10. Report all volumes on MMS OGOR reports.**
- 11. Subject to like approval by NMOCD.**
- 12. Well shall be flowing through the test unit by 1700 hours, January 2, 2012.**
- 13. A ROW will be required for the temporary surface line since it crosses lease lines.**

WWI 122711