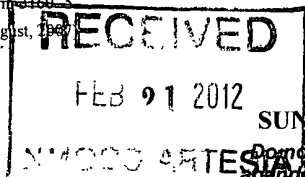


UNITED STATES **OCD-ARTESIA**
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No 1004-0137
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS****Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.****SUBMIT 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 NM114979
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) 575-748-6945	7 If Unit or CA Agreement Name and/or No
4 Location of Well (Footage, Sec., T, R, M, or Survey Description) SHL: 330' FNL & 480' FWL, Unit D (NWNW) Sec 13-T24S-R31E BHL: 330' FSL & 480' FWL, Unit M (SWSW) Sec 13-T24S-R31E		8 Well Name and No Canvasback 13 Federal #1H
Lat. Long.		9 API Well No 30-015-39191
10 Field and Pool, or Exploratory Area Cotton Draw; Bone Spring, East		11 County or Parish, State Eddy 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 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 checked="" type="checkbox"/> Other <u>Off-Lease Measurement</u>
	<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 recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will 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 reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

COG Operating LLC respectfully requests permission for Off-Lease Measurement for the Canvasback 13 Federal #1H.

All interest owners have been notified of this proposal.

No Federal or Indian royalties will be reduced by the approval of this application.

Our meter is located on the COG Operating LLC, Seabiscuit Federal Com #1H. The location of this well is Unit M, SWSW of Sec 12-T24S-R31E.

The following attachments are enclosed:

- 1) Map showing lease numbers and locations of leases and wells that will contribute production to the off-lease measurement
- 2) Facility diagram
- 3) Plat of the location
- 4) Interest owners notification letters

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Mayte Reyes

Title: Regulatory Analyst

Signature

Date: 2/7/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by: /s/ JD Whitlock Jr

Title: LPE7

Date: 2/6/12

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: (FO)

Title 18 USC Section 1001 AND Title 43 USC Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

COG Production LLC is requesting approval for Off Lease Measurement for the following well:

Canvasback 13 Federal #1H

Eddy County, NM

API# 30-015-39191

SHL: 330' FNL & 480' FWL of Sec 13-T24S-R31E

BHL: 330' FSL & 480' FWL of Sec 13-T24S-R31E

Cotton Draw; Bone Spring, East

The Off-Lease Measurement facility will be located at the Seabiscuit Federal Com #1H, 330' FSL & 530' FWL of Sec 12-T24S-R31E. Well will have its own tanks and meter and all equipment is located on Federal Land. No surface commingle will take place.

The Off Lease Measurement of Production is in the interest of conservation, economic feasibility, the reduction of environmental impact area, and will not result in reduced royalty or improper measurement of production.



February 7, 2012

Mayte Reyes
2208 W. Main Street
Artesia, NM 88210

Will Jones
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Dear Mr. Jones,

COG Production LLC respectfully requests approval for Off-Lease Measurement on the following well:


Canvasback 13 Federal #1H
Eddy County, NM
API# 30-015-39191
SHL: 330' FNL & 480' FWL of Sec 13-T24S-R31E
BHL: 330' FSL & 480' FWL of Sec 13-T24S-R31E
Cotton Draw; Bone Spring, East

The Off-Lease Measurement facility will be located at the Seabiscuit Federal Com #1~~H~~, 330' FSL & 530' FWL of Sec 12-T24S-R31E.

COG Production LLC will keep all production separate.

I have attached proof of notice to our only working interest owner, Oxy Permian LTD, a diagram of our battery facility and a map with lease boundaries showing all well and facility locations.

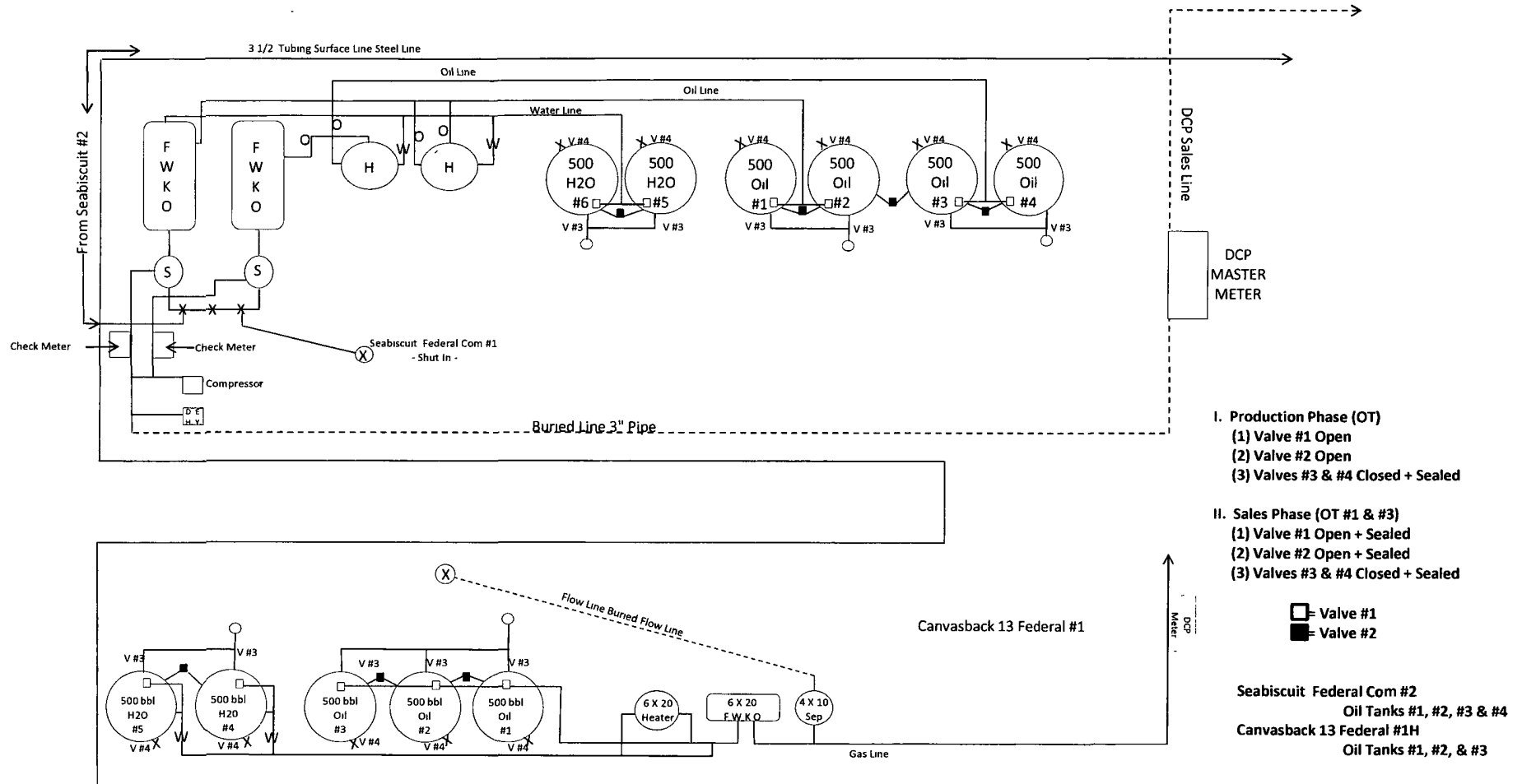
Sincerely,


Mayte Reyes
Regulatory Analyst



Site Security Plan is located at
2208 W Main St
Artesia, NM 88210
(575) 748-6940

Canvasback 13 Federal #1H
Sec 13-T24S-R31E Unit Letter D
Eddy County, NM



DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
1330 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION
1330 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-39191	Pool Code 96556	Pool Name COTTON DRAW; BONE SPRING, EAST
Property Code 78689	Property Name CANVASBACK "13" FEDERAL	Well Number 1H
OGRID No. 217955	Operator Name OGX RESOURCES	Elevation 3569'

Surface Location

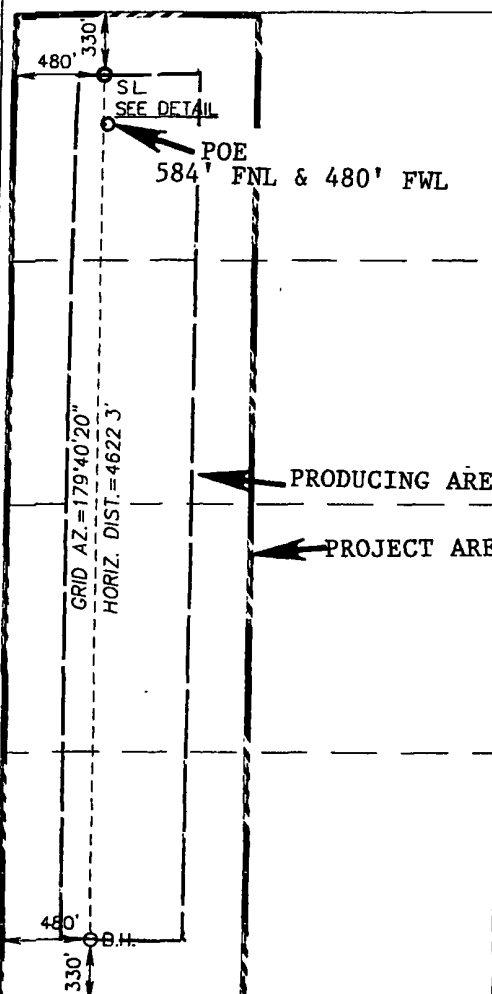
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	13	24-S	31-E		330	NORTH	480	WEST	EDDY

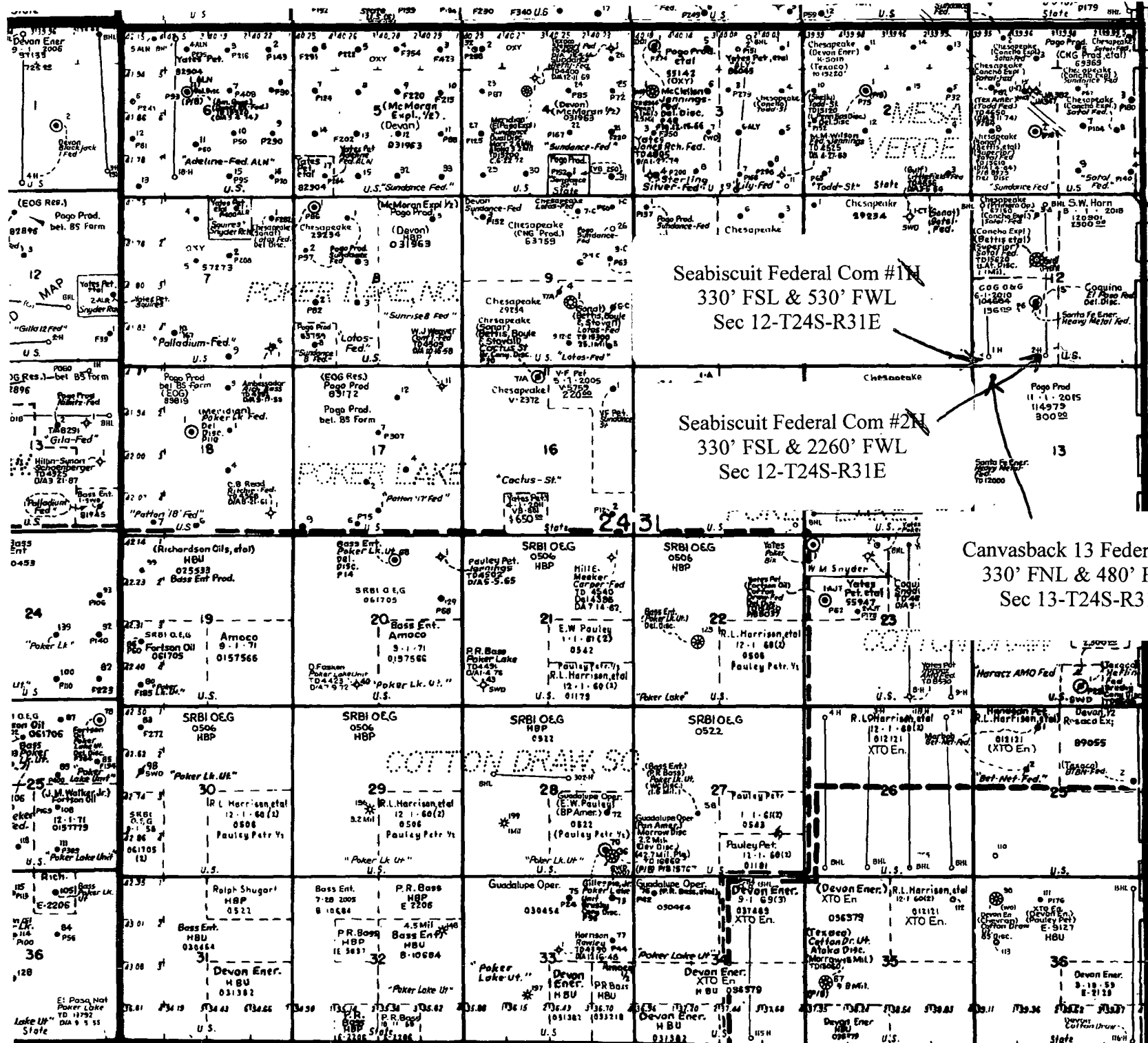
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	13	24-S	31-E		330	SOUTH	480	WEST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

 <p>Diagram showing well location and acreage dedication plat. The diagram includes a grid with dimensions: 480' x 330' for the surface location, 584' FNL & 480' FWL for the bottom hole location, and 584' FNL & 480' FWL for the producing area. The project area is shown as a rectangle with dimensions 3565.0' x 3562.8' and 3574.5' x 3573.8'. The diagram also shows a detail of the producing area with dimensions 600' x 600'.</p>	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=445577.0 N X=684092.6 E</p> <p>LAT.=32.223606° N LONG.=103.738031° W</p> <p>BOTTOM HOLE LOCATION Y=440955.9 N X=684118.9 E</p> <p>PRODUCING AREA</p> <p>PROJECT AREA</p> <p>DETAIL</p> <p>EXHIBIT "A"</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Joe T. Janica</i> Date: 04/01/11 Printed Name: Joe T. Janica</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 5, 2010 Date Surveyed: 11/15/2010 Signature & Seal of Professional Surveyor: <i>Runold J. Eidson</i> Certificate Number: 3239 Runold J. Eidson 12641</p>
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Seabiscuit Federal Com #1N
330' FSL & 530' FWL
Sec 12-T24S-R31E

Seabiscuit Federal Com #2N
330' FSL & 2260' FWL
Sec 12-T24S-R31E

Canvasback 13 Federal #1H
330' FNL & 480' FWL
Sec 13-T24S-R31E



February 7, 2012

Mayte Reyes
2208 W. Main Street
Artesia, NM 88210

Oxy Permian LTD
P.O. Box 27757
Houston, TX 77227-7757

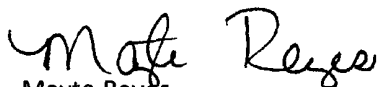
This letter will serve as notice, under Rule 19.15.N.1207.A, that COG Production LLC has requested administrative approval from the Oil Conservation Division in Santa Fe, NM for Off-Lease Measurement for the following well:

Canvasback 13 Federal #1H
Eddy County, NM
API# 30-015-39191
SHL: 330' FNL & 480' FWL of Sec 13-T24S-R31E
BHL: 330' FSL & 480' FWL of Sec 13-T24S-R31E
Cotton Draw; Bone Spring, East

The Off-Lease Measurement facility will be located at the Seabiscuit Federal Com #14, 330' FSL & 530' FWL of Sec 12-T24S-R31E.

Should you or your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the Off-Lease Measurement Facility if no objection has been made within the twenty (20) days after the application has been received.

Sincerely,


Mayte Reyes
Regulatory Analyst