

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No

Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: COG Operating LLC Telephone: 432-685-4332 e-mail address: kcarrillo@conchoresources.com
 Address: Fasken Center Tower II, 550 W. Texas Ave., Suite 1300, Midland, TX 79701
 Facility or well name: Pawnee State #4 API # 30-015-34884 U/L or Qtr/Qtr: G Sec: 16 T: 17S R: 30E
 County Eddy Latitude: 32.836033 deg. N Longitude: 103.974882 deg W NAD: 1927 1983
 Surface Owner: Federal State Private Indian

Pit	Below-grade tank	
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness: 12 mil Clay <input type="checkbox"/> Pit Volume: 30,000 bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 150'	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more - X (0 points) 0	
Wellhead protection area (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No - X (0 points) 0	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral water courses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more - X (0 points) 0	
	Ranking Score (Total Points)	0 points

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite offsite If offsite, name of facility: _____ (3) Attach a general description of remedial action taken including remediation start date and end date (4) Groundwater encountered No Yes If yes, show depth below ground surface _____ ft. and attach sample results.

(5) Attach soil sample results and a diagram of sample locations and excavations

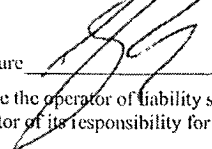
Closed by trench burial, procedure attached and on verbal approval by Mike Bratcher on 11-20-2007.

The pit was closed by trench burial and capped with liner. No additional excavation was performed at the NE corner of the burial trench due to lack of space and large number of pipelines in the area, and the NE corner was delineated to less than 250 chlorides at 15'.

Lab and field sample results are attached.

Closed 11/20/07

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date 12-04-2007
 Printed Name/Title Gary Miller - Agent Signature 

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval: **Accepted for record**
 Printed Name/Title **NMOCD** Signature _____ Date **DEC 10 2007**

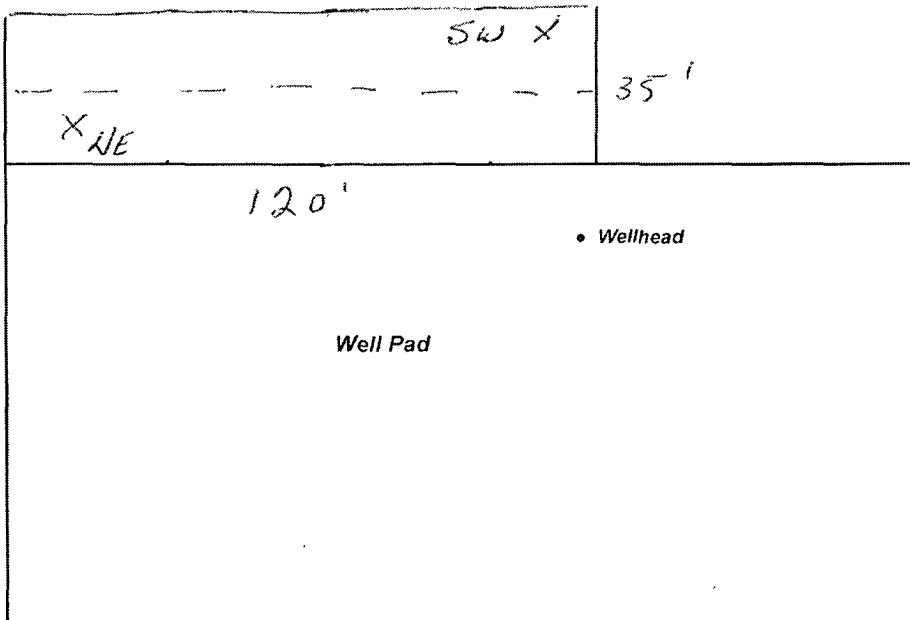
Highlander Environmental Corp.
Pit Sample Location Plat

x _____ Indicates Sample Location
(Name by quarter i.e. NW, NE etc)



Draw in North Arrow

Depth of pit in feet 8'



Client: COG Oper
Well Name: Pawnee State #4
API# 30-015-34884

Summary Report

Gary Miller
Highlander Environmental Services
1910 N. Big Spring Street
Midland, TX, 79705

Report Date: November 29, 2007

Work Order: 7112501



Project Location: Eddy County, NM
Project Name: COG/Pawnee State #4
Project Number: 3187

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
143540	NE 15'	soil	2007-11-19	00:00	2007-11-21
143541	SW 2'	soil	2007-11-19	00:00	2007-11-21

Sample: 143540 - NE 15'

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 143541 - SW 2'

Param	Flag	Result	Units	RL
Chloride		160	mg/Kg	2.00

Submit 3 Copies To Appropriate District Office
 District I
 1625 N French Dr., Mesquite, NM 88240
 District II
 1301 W Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

3187

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-34884
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name PAWNEE STATE
8. Well Number 4
9. OGRID Number 229137
10. Pool name or Wildcat Loco Hills; Glorieta Yeso

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
COG Operating LLC **AUG 23 2007**

3. Address of Operator
550 W. Texas Ave., Suite 1300 **OCD-ARTESIA**
Midland, TX 79701

4. Well Location
 Unit Letter **G** : **2115'** feet from the **North** line and **1970'** feet from the **East** line
 Section **16** Township **17S** Range **30E** NMPM County **EDDY**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3684' GR

Pit or Below-grade Tank Application or Closure

Pit type **DRILLING** Depth to Groundwater **150'** 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: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>
OTHER: Pit closure <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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.

GPS 32.836033
103.974882

COG Operating LLC proposes to close the drilling pit as follows.

- Remove fluids from pit.
- A deep trench pit will be constructed next to the existing reserve pit and lined with a 12 mil liner. The contents will be encapsulated in this pit and the liner will be folded over the mud and cuttings
- 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.
- Cover with a minimum 3' of native soil
- Contour pit to prevent erosion and ponding of rainwater.

NOTE: Indication liner was breached with fluid movement under liner. MB

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Kanicia Carrillo TITLE Regulatory Analyst DATE 08-14-07

Type or print name **Kanicia Carrillo** E-mail address: **kcarrillo@conchoresources.com** Telephone No. **432-685-4332**
For State Use Only

APPROVED BY: Signed By Mike [Signature] TITLE
 Conditions of Approval (if any):
 NOTIFY OCD 24 HOURS PRIOR to beginning closure and 24 HOURS PRIOR to obtaining samples. Samples are to be obtained from pit area and analyses submitted to OCD prior to back-filling.

DATE **AUG 23 2007**