

Submit Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, 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

Form C-103
May 27, 2004

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

WELL API NO. 30-015-29606
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Willow State
8. Well Number 003
9. OGRID Number 229137
10. Pool name or Wildcat Fren; Glorieta-Yeso 26770

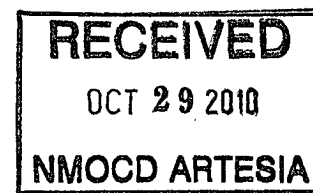
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator COG Operating LLC	
3. Address of Operator 550 W. Texas Ave., Suite 1300 Midland, TX 79701	
Well Location Unit Letter <u>P</u> : <u>330</u> feet from the <u>South</u> line and <u>760</u> feet from the <u>East</u> line Section <u>16</u> Township <u>17S</u> Range <u>31E</u> NMPM County <u>Eddy</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3839 GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: _____	Deepen <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.

See Attached procedure



SIGNATURE Natalie Krueger TITLE Regulatory Analyst DATE 10/28/2010

Type or print name Natalie Krueger E-mail address: nkrueger@conchoresources.com PHONE: 432-221-0300
For State Use Only

APPROVED BY: [Signature] TITLE _____ DATE 11/1/2010

Conditions of Approval (if any):

OK ✓

COG Operating, LLC
Willow State No. 3
API# 30-015-32664
P-16-17S-31E
330 FSL & 760 FEL
Eddy Co, NM

Deepening Procedure

1. MIRU rig.
2. Sqz upper Yeso w/ +/- 400 sx of Class C neat. Drill out squeeze.
3. PU 4-3/4" bit and drill 4-3/4" hole from 5507' to 6700'.
4. POOH w/ bit and drillstring.
5. RIH w/ logs and log from TD to 4900'.
6. RIH w/ 4", 11.3# casing. See section 11 for general centralizer program.
7. Cement casing from TD to 5297' w/ 120 sxs Class C cmt. Drop plug and open DV tool. Circ cmt off DV tool. Drop plug to close DV tool.
8. PU workstring and RIH and drill out DV tool. POOH and LD workstring.
9. RDMO rig.

Completion Procedure

1. MIRU rig.
2. RIH/ w/ perforating guns and perforate Yeso from 6100 – 6300 w/ 2 spf, 30 holes.
3. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand. Set plug at 6050'.
4. RIH w/ perforating guns and perforate Yeso from 5800' – 6000'.
5. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand. Set plug at 5750'.
6. RIH w/ perforating guns and perforate Yeso from 5500' – 5700'.
7. Acidize w/ 2500 gals of 15% HCl. Frac zone w/ 179,800 # of sand.
8. RIH and drill out plug at 5750' and 6050'.
9. RIH and cut or back off 4" casing at 5297'. POOH w/ 4" casing. Leave 4" liner from 5297' to 6700' (TD).
10. RIH w/ tbg and locate end of tbg at 5250'.
11. RIH w/ rods and pump.
12. RDMO rig.