Subtitit 3 Copies To Appropriate District Office

District I
1625 N. French Dr., Hobbs, NM 88240
District 11
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

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

Form C-103
May 27, 2004

WELL API NO.
30-025-37656

5. Indicate Type of Lease
STATE ☐   FEE ☐

6. State Oil & Gas Lease No.
NMLC-029509B

SUNDRY NOTICES AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name

(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.)

JC Federal

1. Type of Well: Oil Well ☒   Gas Well ☐   Other

8. Well Number 4

2. Name of Operator
COG Operating LLC

9. OGRID Number
229137

3. Address of Operator
550 W. Texas, Suite 1300 Midland, TX 79701

I 0. Pool name or Wildcat
Baish Wolfcamp

4. Well Location

Unit Letter F   1650   feet from the North   line and 2310   feet from the West   line

Section 22   Township 17S   Range 32E   NMPM   County Lea

I 1. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
4004' GR

Pit or Below-grade Tank Application ☐ or Closure ☒

Pit type Drilling   Depth Groundwater 118'   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 ☐   PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐   CHANGE PLANS ☐

PULL OR ALTER CASING ☐   MULTIPLE COMPL ☐

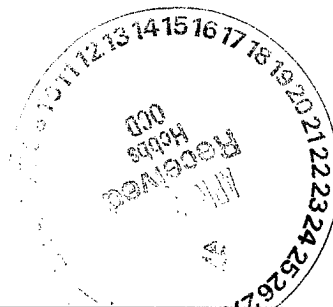OTHER: Pit Closure ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐   ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐   P AND A ☐

CASING/CEMENT JOB ☐

OTHER: _____ ☐

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.

COG Operating LLC proposes to close Drilling pit as follows:

1. Remove fluids from pit.
2. 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 liner will be folded over the mud and cuttings.
3. 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..
4. Cover with a minimum 3' of native soil.
5. Contour pit to prevent erosion and ponding of rainwater.

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 _Jerry W. Sherrell_   TITLE Production Clerk   DATE 4/26/2006

Type or print name Jerry W. Sherrell   E-mail address: DKuykendall@conchoresources.com   Telephone No. (432) 685-4372

For State Use OnI

APPROVED BY: _Harry W. Wink_   TITLE _____   DATE _____

Conditions of Approval (if any):   OC FIELD REPRESENTATIVE II/STAFF MANAGER

APR 2 8 2006