

RECEIVED**DEC 23 2008**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**OOD-HOBS**FORM APPROVED
Budget Bureau No 1004-0135
Expires March 31, 1993**HOBBS****NOTICES AND REPORTS ON WELLS**Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals**SUBMIT IN TRIPLICATE**

1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator

COG Operating LLC

3 Address and Telephone No

550 W. Texas, Suite 1300, Midland, TX 79701

(432)685-4372

4 Location of Well (Footage, Sec, T, R, M or Survey Description)

SE/4 SW/4, Sec 5-T17S-R32E

5 Lease Designation and Serial No

NMNM-97887

6 If Indian, Allottee or Tribe Name

7 If Unit or CA, Agreement Designation

8 Well Name and No

Duck Federal

9 API Well No

30-025-38357?

10 Field and Pool, or Exploratory Area

Maljamar Grayburg San Andres

11 County or Parish, State

Lea, NM

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

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☒
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☒
- Other
- Onshore Order 7**
-
- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form)

13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)*

Name (s) of formation (s) producing water on the lease

Maljamar Grayburg San Andres

Amount of water produced from each formation in barrels per day

138

A water analysis of produced water from each zone showing at lease the total dissolved solids, ph, and concentration of chlorides and sulfates.

Attached

How water is stored on lease

Fiberglass Tank

How water is moved to disposal facility

4" SDR 11 Polypipe

Operator's name, well name and location, by 1/4 1/4, section township, and range, of the disposal facility. If the disposal facility is an approved disposal system, the operator's name and the name of the disposal system should suffice.

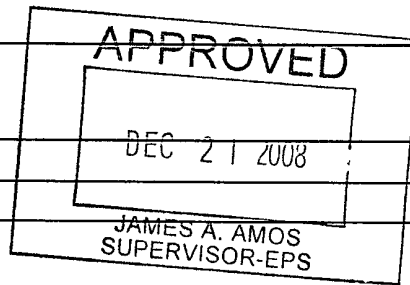
COG Operating

Pronghorn SWD

NE/4 NW/4 Sec 20-T17S-R32E

Disposal Permit

SWD-536



14 I hereby certify that the foregoing is true and correct

Signed James A. ShewellTitle Production ClerkDate 12/8/08

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any

Title _____

Date _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

•See Instruction on Reverse Side



Water Analysis Report

Company:	Mack Energy Corporation	Sample #:	6872
Area:	Artesia	Analysis ID #:	205
Lease:	DUCK		
Location:	1		0
Sample Point:	Wellhead		

		Anions		Cations	
		mg/l	meq/l	mg/l	meq/l
Sampling Date:	1/25/07	Chloride:	134147.4	Sodium:	46699.9
Analysis Date:	2/6/07	Bicarbonate:	62.8	Magnesium:	4074.8
Analyst:	Mitchell Labs	Carbonate:		Calcium:	28501.8
TDS (mg/l or g/m3):	213692.9	Sulfate:	200.0	Strontium:	
Density (g/cm3, tonne/m3):	1.149	Phosphate:		Barium:	
Anion/Cation Ratio:	1	Borate:		Iron:	5.7
		Silicate:		Potassium:	
Carbon Dioxide:	46	Hydrogen Sulfide:	102	Aluminum:	
Oxygen:		pH at time of sampling:	6.5	Chromium:	
Comments:		pH at time of analysis:		Copper:	
		pH used in Calculation:	6.5	Lead:	
		Temperature @ lab conditions (F):	73	Manganese:	0.460
				Nickel:	0.02
				Conductivity (micro-ohms/cm):	215200
				Resistivity (ohm meter):	.0465

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl									
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄	
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
80	0	0.32	2.00	-0.47	0.00	-0.45	0.00	0.00	0.00	0.00	0.00
100	0	0.38	2.57	-0.53	0.00	-0.45	0.00	0.00	0.00	0.00	0.00
120	0	0.45	3.14	-0.58	0.00	-0.41	0.00	0.00	0.00	0.00	0.00
140	0	0.52	3.71	-0.62	0.00	-0.36	0.00	0.00	0.00	0.00	0.00

MACK

Energy Corporation

Accepted for Record Purposes.
Approval Subject to Onsite Inspection.
Date: 12-21-08

J. Bros

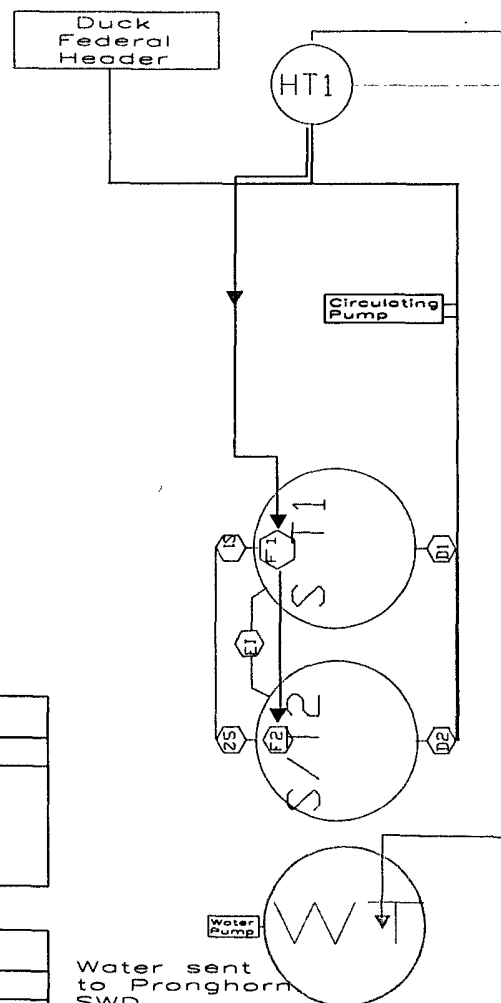
This Lease is subject to the site Security plan for southeast New Mexico operations.

The Plan is Located at :

Mack Energy Corporation
P.O. Box 960
Artesia NM 88211-0960

Mack Energy Corporation
Duck Federal Tank Battery
SEW/4 SW/4
Section 5 T17S R32E

Duck Federal Lease
Lease NM-97887



Production Phase

Duck Federal Battery		Test Battery	
S/T 1	S/T 2		
F1 Open	F1 Closed		
D1 Open	D1 Closed		
F2 Open	F2 Open		
D2 Closed	D2 Closed		
F1 Closed	F1 Open		
D1 Closed	D1 Open		
F2 Closed	F2 Closed		
D2 Open	D2 Open		

Sales Phase

Duck Federal Battery		Test Battery	
S/T 1	S/T 2		
F1 Closed	F1 Open		
D1 Closed	D1 Open		
F2 Closed	F2 Closed		
D2 Closed	D2 Closed		
F1 Open	F1 Closed		
D1 Open	D1 Closed		
F2 Open	F2 Open		
D2 Open	D2 Open		

Water sent to Pronghorn SWD