

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0135
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.SEP 27 2010
HOBBSOCD**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

| | | |
|--|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMLC029509A |
| 2. Name of Operator COG OPERATING LLC Contact: KANICIA CARRILLO E-Mail: kcarrillo@conchoresources.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 550 WEST TEXAS AVENUE SUITE 100 MIDLAND, TX 79701-4287 | 3b. Phone No. (include area code) Ph: 432-685-4332 | 7. If Unit or CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T17S R32E SWNE Lot G 2010FNL 1840FEL 32.82173 N Lat, 103.76833 W Lon | | 8. Well Name and No. MC FEDERAL 39 |
| | | 9. API Well No. 30-025-39293-00-S1 |
| | | 10. Field and Pool, or Exploratory MALJAMAR UNKNOWN Yes, W |
| | | 11. County or Parish, and State LEA COUNTY, NM |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input 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 checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter 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 Drilling Operations |
| | <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 recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with 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 recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

6/24/10 Test 5-1/2 csg 4000psi, ok.
6/25/10 Perf Lower Blinbry @ 6580 - 6780 w/ 1 SPF, 26 holes.
6/28/10 Acidize w/2,500 gals acid. Frac w/115,293 gals gel, 146,136# 20/40 Ottawa sand, 35,398# Super LC. Set comp plug @ 6540. Perf Middle Blinbry @ 6310 - 6510 w/1 SPF, 26 holes. Acidize w/2,500 gals acid. Frac w/ 119,668 gals gel, 148,144# 20/40 Ottawa sand, 35,269# Super LC. Set comp plug @ 6270. Perf Upper Blinbry @ 6040 - 6240 w/ 1 SPF, 26 holes. Acidize w/2,500 gals acid. Frac w/ 115,052 gals gel, 146,349# 20/40 Ottawa sand, 35,446# Super LC. Set comp plug @ 5600. Perf Paddock @ 5470 - 5560 w/1 SPF, 16 holes. Acidize w/3,000 gals acid. Frac w/103,726 gals gel, 126,463# 20/40 Ottawa sand, 18,345# Super LC.
7/6/10 Drill out plugs. Clean out to PBTD 6964.
7/7/10 RIH w/200jts 2-7/8" 6.5# J55 tbg, EOT @ 6767.
7/8/10 RIH w/ 2-1/2"x2-1/4"x24" pump. Hang on well.

| | |
|--|-----------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #91363 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Hobbs Committed to AFMSS for processing by CHERYLE RYAN on 08/18/2010 (10CMR0227SE) | |
| Name (Printed/Typed) KANICIA CARRILLO | Title PREPARER |
| Signature (Electronic Submission) | Date 08/18/2010 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|--------------------------------|---|-----------------|
| Approved By ACCEPTED | JAMES A AMOS Title SUPERVISOR EPS | Date 09/20/2010 |
| | Office Hobbs PETROLEUM ENGINEER SEP 27 2010 | |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****