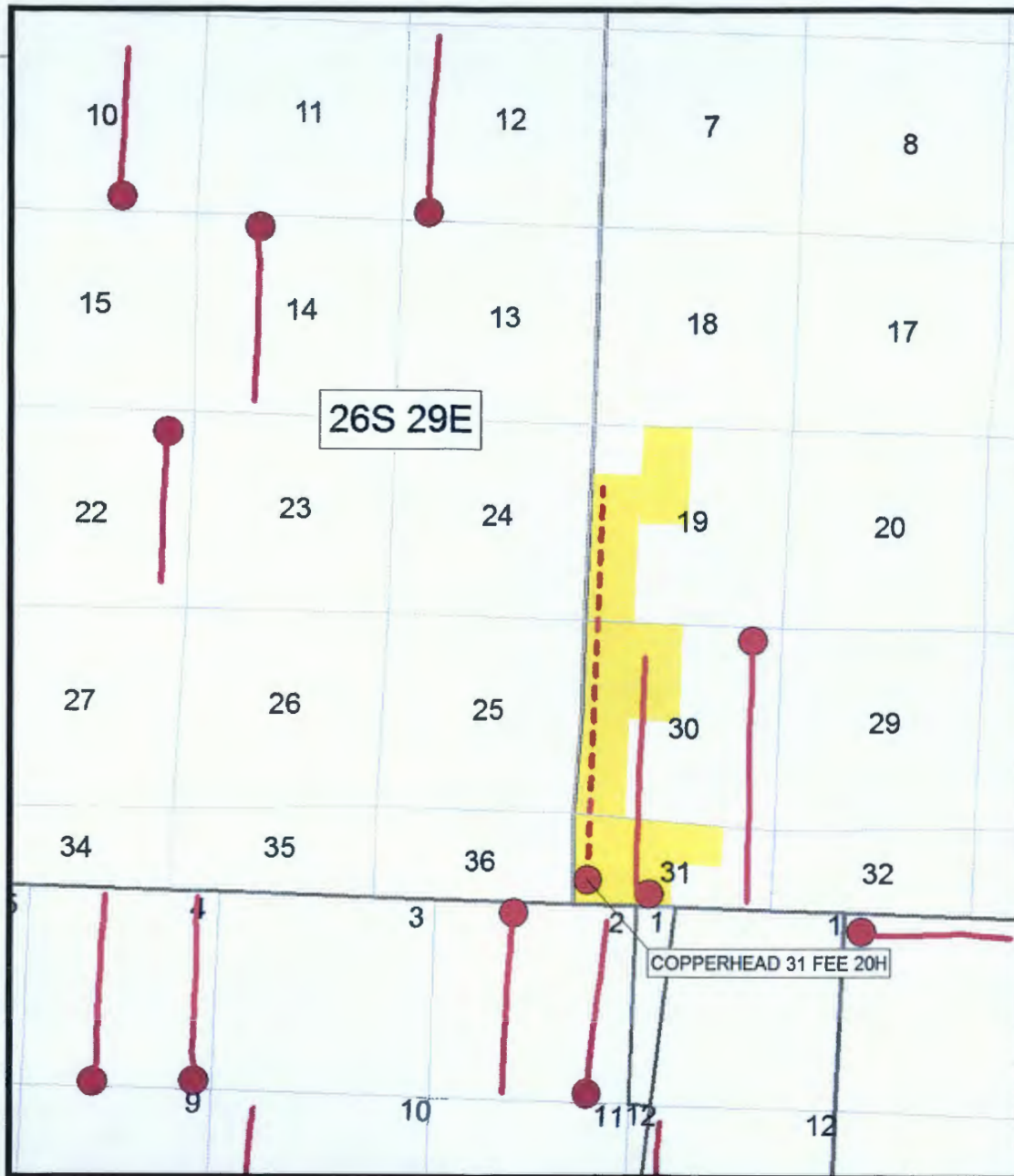


COG OPERATING
Exhibit #1

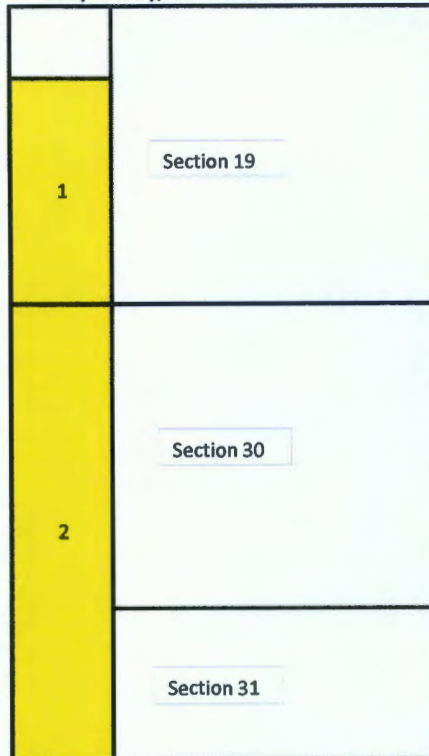
Wolfcamp Pool Copperhead 31 Fee 20H Location



Map Legend

- SHL ● COG - Horizontal Location
- BHL ●
- Producing Wolfcamp D Wells
- COG Acreage

Copperhead 31 Fee 20H
Township 26 South, Range 29 East
Section 19: Lots 2-4, Section 30: Lots 1-4 and Section 31: Lots 1 & 2
Eddy County, New Mexico



Tract 1: Lots 2-4 of Section 19

COG Operating LLC	26.289063%
Concho Oil & Gas LLC	1.2500%
COG Production LLC	25.0000%
MRC Permian Company	25.0000%
Beacon E & P Resources, LLC	21.766493%
Marathon Oil Permian LLC	0.694444%
	<u>100.00000%</u>

Tract 2: Lots 1-4 of Section 30 and Lots 1 & 2 of Section 31

COG Operating LLC	26.798122%
COG Production LLC	33.738657%
COG Acreage LP	1.080316%
Oxy USA Inc.	34.818974%
Chevron U.S.A. Inc.	3.563931%
	<u>100.000%</u>

Unit Working Interest

COG Operating LLC	26.620264%
Concho Oil & Gas LLC	0.436732%
COG Production LLC	30.685499%
COG Acreage LP	0.702869%
MRC Permian Company	8.734633%
Beacon E & P Resources, LLC	7.604893%
Marathon Oil Permian LLC	0.242629%
Oxy USA Inc.	22.653736%
Chevron U.S.A. Inc.	2.318746%
	<u>100.00000%</u>

Uncommitted Working Interest Owners

OCD Case No. 15857

**COG OPERATING
Exhibit #3**



Copy

August 7, 2017

Via Electronic and Certified Mail, Return Receipt Requested
WORKING INTEREST OWNERS ON ATTACHED EXHIBIT "A"

Re: **Copperhead 31 Fee #20H**
Lots 2-4 of 19-T26S-R29E
Lots 1-4 of 30-T26S-R29E
Lots 1-2 of 31-T26S-R29E
Eddy County, New Mexico

Dear Sirs:

COG Operating, LLC ("COG") hereby proposes the drilling of the above-referenced horizontal well. The Copperhead 31 Fee Com #20H well will be drilled to a depth sufficient to adequately test the Wolfcamp formation at a total measured depth of approximately 21,245'. The surface location for this well is proposed at a legal location in Lot 2, Section 31-T26S-R29E with a bottom hole location at a legal location in Lot 2, Section 19, T26S-R29E, with the dedicated project area being Lots 2, 3, and 4 of Section 19, Lots 1, 2, 3, and 4 of Section 30, and Lots 1 and 2 of Section 31, Township 26 South, Range 29 East, Eddy County, New Mexico.

Included herewith is our Authority for Expenditure ("AFE") for the Copperhead 31 Fee Com #20H in the gross amount of \$13,205,800, being the total estimated cost to drill and complete said well.

COG is proposing to drill this well under a new Operating Agreement which will supersede any currently existing Operating Agreements. The new Operating Agreement will follow shortly under separate cover.

If we do not reach an agreement within 30 days of the date of this letter, COG will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well.

Please indicate your participation elections in the space provided below, sign and return this letter, along with a signed copy of the enclosed AFEs and a copy of your geologic requirements, to my attention at the letterhead address or by email to aroush@concho.com. Should you have any questions, please do not hesitate to contact me at 432.818.2358.

Sincerely,

COG Operating LLC

A handwritten signature in cursive script that reads "Ashley Roush".

Ashley Roush, RPL
Landman

AR:bh
Enc

OCD Case No. 15857

**COG OPERATING
Exhibit #4**

August 7, 2017
Page 2

_____ I/We hereby elect to participate in the Copperhead 31 Fee Com #20H.

_____ I/We hereby elect not to participate in the Copperhead 31 Fee Com #20H.

Company: _____

By: _____

Name: _____

Title: _____

Date: _____

Confirmation Services	Package ID 9171999991703607616796	Electronic Certified
	Destination ZIP Code 77046	First Class Large Envelope
	Customer Reference:	
	Recipient: OXY USA INC	PBP Account # 41592288
	Address	Serial # 1396235
		AUG 07 2017 4 32 PM

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Copperhead 31 Fec 20H Well Prop</p> <p>OXY USA INC. 5 Greenway Plaza, Suite 110 Houston, TX 7746 Attn: New Mexico - Land Manager</p>		<p>A. Signature <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) S. B. S. S. C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>2. Article Number (Transfer from service label)</p> <p>91 7199</p> <p>PS Form 3811, July 2</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Return Receipt for Merchandise</p>	

Confirmation Services	Package ID 9171999991703607616802	Electronic Certified
	Destination ZIP Code 76102	First Class Large Envelope
	Customer Reference:	
	Recipient: CHEVRON USA INC	PBP Account # 41592288
	Address:	Serial # 1396235
		AUG 07 2017 4 30 PM

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Copperhead 31 Fec * 20H Well Prop</p> <p>CHEVRON U.S.A. INC. 1400 Smith Street Houston, TX 77002 Attn: Brandon South</p>		<p>A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>2. Article Number (Transfer from service label)</p> <p>91 7199 9991 7036 0761 6802</p> <p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	

Domestic Return Receipt

Confirmation Services	Package ID 9171999991703607616819	Electronic Certified
	Destination ZIP Code 75248	First Class Large Envelope
	Customer Reference:	
	Recipient: <u>MRC Permian Company</u>	PBP Account # 41592288
	Address:	Serial # 1396235
		AUG 07 2017 4 27 PM

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <u>[Signature]</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>[Signature]</u> C. Date of Delivery <u>8/9/17</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p><u>Copperhead 31 Fee 20H</u> <u>Well Prop</u></p> <p>MRC PERMIAN COMPANY One Lincoln Center 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>
<p>91 7199 9991 7036 0761 6819</p>	<p>Restricted Delivery</p>
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

Confirmation Services	Package ID 9171999991703607616826	Electronic Certified
	Destination ZIP Code 80202	First Class Large Envelope
	Customer Reference:	
	Recipient: <u>Beacon E&P Resources</u>	PBP Account # 41592288
	Address:	Serial # 1396235
		AUG 07 2017 4 28 PM

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <u>[Signature]</u> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>[Signature]</u> C. Date of Delivery <u>8-16-17</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p><u>Copperhead 31 Fee 20H</u> <u>Well Prop</u></p> <p>BEACON E&P RESOURCES, LLC Attn: Andrew Voelker 1600 Broadway, Suite 1800 Denver, CO 80202</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>
<p>91 7199 9991 7036 0761 6826</p>	<p>Restricted Delivery</p>
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

Confirmation Services	Package ID 9171999991703607616833	Electronic Certified
	Destination ZIP Code 76102	First Class Large Envelope
	Customer Reference	PBP Account #: 41592288
	Recipient <u>Black Mountain Oil & Gas</u>	Serial #: 1396235
	Address _____	AUG 07 2017 4 29 PM

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY													
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p><u>Copperhead 31 Fee #20H</u> <u>Well Prop</u></p> <p>BLACK MOUNTAIN OIL & GAS, LLC Attn: Land Department 500 Main Street, Suite 500 Fort Worth, TX 76102</p>		<p>A. Signature X <u>[Signature]</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ C. Date of Delivery <u>8/19/17</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below: _____</p>													
<p>2. Article Number (Transfer from service label)</p> <p><u>91 7199 9991 7036 0761 6833</u></p>		<p>3. Service Type</p> <table border="0"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input checked="" type="checkbox"/> Return Receipt for Merchandise</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> </table>		<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input checked="" type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®														
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™														
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery														
<input type="checkbox"/> Certified Mail Restricted Delivery	<input checked="" type="checkbox"/> Return Receipt for Merchandise														
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™														
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery														
<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>		<p>Domestic Return Receipt</p>													



HINKLE SHANOR LLP

ATTORNEYS AT LAW

PO BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER

Gary W. Larson,
Partner

glarson@hinklelawfirm.com

September 29, 2017

VIA CERTIFIED MAIL

Beacon E&P Resources, LLC
Attn: Andrew Voelker
1600 Broadway, Suite 1800
Denver, CO 80202

Re: COG Operating LLC NMOCD Application

Dear Mr. Voelker:

Enclosed is a copy of an application for approval of a 343.26-acre, more or less, non-standard spacing and proration unit and compulsory pooling that COG Operating LLC ("COG") has filed with the New Mexico Oil Conservation Division ("the Division"). The proposed non-standard spacing and proration unit is comprised of Lots 2, 3, and 4 in Section 19, Lots 1, 2, 3, and 4 in Section 30, and Lots 1 and 2 in Section 31, Township 26 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, October 26, 2017 in Porter Hall at the Division's offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Beacon E&P Resources, LLC ("Beacon") is not required to attend this hearing, but as an owner of an interest that may be affected by COG's application, it may appear at the hearing and present testimony. If Beacon does not appear at that time and become a party of record, it will be precluded from contesting the matter at a later date.

A party appearing in a Division case is required by the Division's Rules to file a Pre-Hearing Statement, which in this matter must be filed no later than Thursday, October 19, 2017. The Pre-Hearing Statement must be filed with the Division's Santa Fe office at the address above, and should include: the name of the party and the party's attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate amount of time the party will need to present the party's case; and an identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to me.

Thank you for your attention to this matter.

Very truly yours,

Gary W. Larson

GWL:sm
Enclosure

OCD Case No. 15857

**COG OPERATING
Exhibit #5**

PO BOX 10
ROSWELL, NEW MEXICO 88202
575-622-6510
(FAX) 575-623-9332

PO BOX 1720
ARTESIA, NEW MEXICO 88210
575-622-6510
(FAX) 575-746-6316

PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554
(FAX) 505-982-8623

SENDER: COMPLETE THIS SECTION

- Complete Items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Beacon E&P Resources, LLC
Attn: Andrew Voelker
1600 Broadway, Suite 1800
Denver, CO 80202



9590 9402 2874 7069 5549 17

2. Article Number (Transfer from service label)

7015 0640 0001 6338 8567

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

I Restricted Delivery

Domestic Return Receipt

U.S. Postal Service™

CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy)
☐ Return Receipt (electronic)
☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery

Postage

\$

Total Postage and Fees

\$

Sent To

Shvron U.S.A. Inc.
Street and Apt. No., or PO Box No. 1400 Smith Street
City, State, ZIP+4® Houston, TX 77002

PS Form 3800, April 2015 PSN 7530-02-000-6047

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete Items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Marathon Oil Permian
Attn: Jessica Gorman
5555 San Felipe St.
Houston, TX 77056



9590 9402 2874 7069 5549 31

2. Article Number (Transfer from service label)

7015 0640 0001 6339 2687

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

II Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

MRC Permian Company
One Lincoln Center
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240



9590 9402 2874 7069 5549 48

2. Article Number (Transfer from service label)

7012 0470 0001 5955 8154

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

10/04/17

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes☐ No

3. Service Type

☐ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☐ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Insured Mail

Restricted Delivery

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

OXY USA Inc.
Attn: New Mexico Land Manager
5 Greenway Plaza, Suite 110
Houston, TX 77046



9590 9402 2874 7069 5548 18

2. Article Number (Transfer from service label)

7012 0470 0001 5955 8147

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes☐ No

3. Service Type

☐ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☐ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Insured Mail

Restricted Delivery

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

Copperhead 31 Fee #20H
Offset Owners

NM-12559, Lessee:
-Oxy USA Inc., PO Box
27570, Houston, TX
77227 &
5 Greenway Plaza, Ste.
110, Houston, TX

Multiple Fee Leases:
-Beacon E&P
Resources, LLP, 1600
Broadway Ste 1800,
Denver, CO 80202
-COG Prod/OP
-Marathon Oil
Permian, 5555 San
Felipe St., Houston, TX
77056

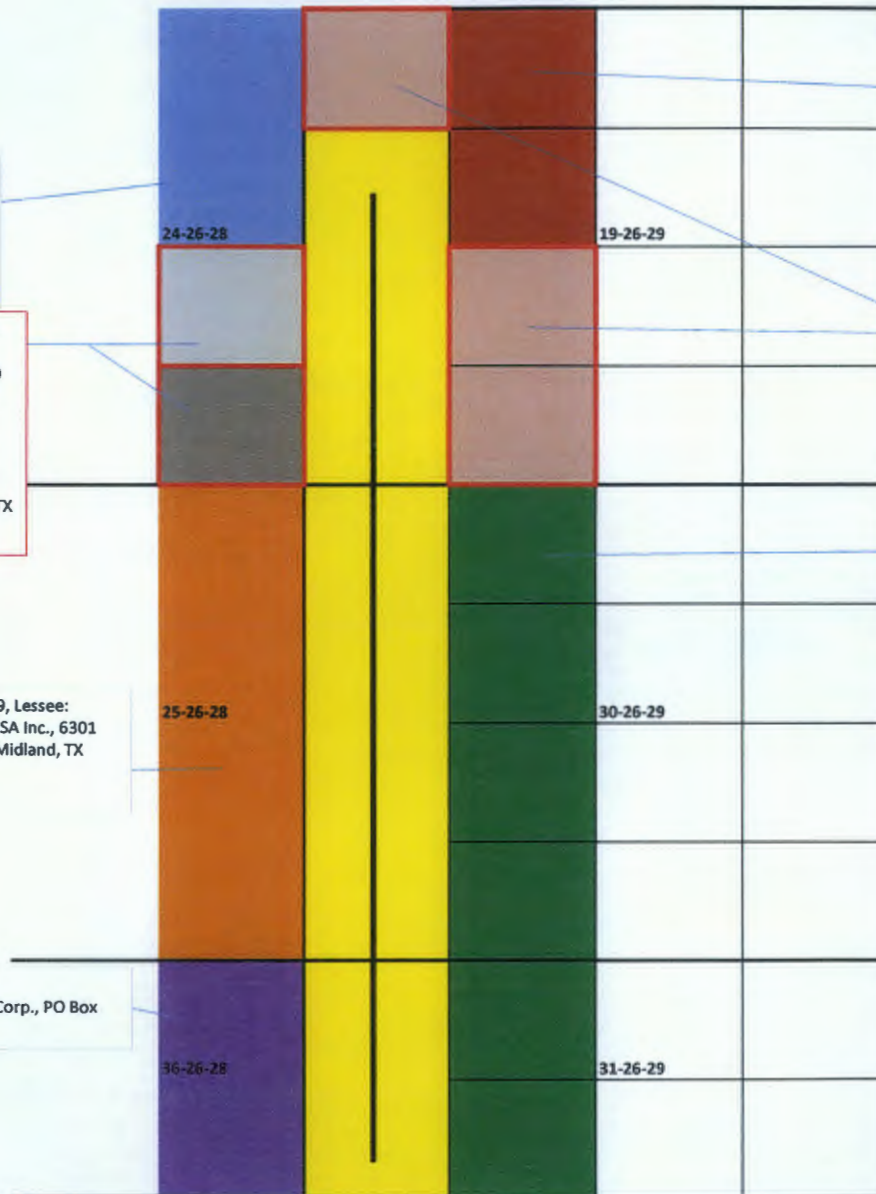
NM-117119, Lessee:
-Chevron USA Inc., 6301
Deauville, Midland, TX
79706

VB-0679, Lessee:
-Featherstone Development Corp., PO Box
429, Roswell, NM 88202

Multiple Fee Leases, Lessees:
-COG Operating / Concho Oil & Gas/ COG
Production
-Featherstone Development Corp., PO Box 429,
Roswell, NM 88202
-Beacon E&P Resources, LLP, 1600 Broadway Ste
1800, Denver, CO 80202
-Marathon Oil Permian, 5555 San Felipe St.,
Houston, TX 77056

Unleased Federal Lease:
BLM, 301 Dinosaur Trail, Santa Fe, NM
87508

COG is Operator of Copperhead Fee A
4H well
WI Owners:
-Chevron USA Inc., 1400 Smith Street,
Houston, TX 77002
-Oxy USA Inc, 5 Greenway Plaza, Ste.
110, Houston, TX 77046



TEXAS

TEXAS

TEXAS

TEXAS

TEXAS

OCD Case No. 15857
COG OPERATING
Exhibit #6



HINKLE SHANOR LLP

ATTORNEYS AT LAW

PO BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER

Gary W. Larson,
Partner

glarson@hinklelawfirm.com

October 3, 2017

VIA CERTIFIED MAIL

Chevron USA Inc.
6301 Deauville
Midland, TX 79706

Re: COG Operating LLC NMOCD Application

Dear Sir or Madam:

Enclosed is a copy of an application for approval of a 343.26-acre, more or less, non-standard spacing and proration unit and compulsory pooling that COG Operating LLC ("COG") has filed with the New Mexico Oil Conservation Division ("the Division").

The proposed non-standard spacing and proration unit is comprised of Lots 2, 3, and 4 in Section 19, Lots 1, 2, 3, and 4 in Section 30, and Lots 1 and 2 in Section 31, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico. The location of the proposed project area is orthodox. Chevron USA Inc.'s ("Chevron") interests are not being pooled, but as the owner of an interest in an offsetting tract, it is entitled to receive notice of COG's application.

This matter (Case No. 15857) is scheduled for hearing at 8:15 a.m. on Thursday, October 26, 2017 in Porter Hall at the Division's offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. Chevron is not required to attend this hearing, but as an owner of an interest in an offset tract, it has the right to appear at the hearing and present testimony. If Chevron does not appear at the hearing it will be precluded from contesting the matter at a later date.

A party appearing in the case is required by the Division's Rules to file a Pre-Hearing Statement, which in this matter must be filed no later than Thursday, October 19, 2017. The Pre-Hearing Statement must be filed with the Division's Santa Fe office at the address above, and should include: the name of the party and the party's attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate amount of time the party will need to present the party's case; and an identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to me.

Thank you for your attention to this matter.

Very truly yours,

Gary W. Larson

OCD Case No. 15857

**COG OPERATING
Exhibit #7**

GWL:sm
Enclosure

PO BOX 10
ROSWELL, NEW MEXICO 88202
575-622-6510
(FAX) 575-623-9332

PO BOX 1720
ARTESIA, NEW MEXICO 88210
575-622-6510
(FAX) 575-746-6316

PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554
(FAX) 505-982-8623

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Chevron USA Inc.
6301 Deauville
Midland, TX 79706



9590 9402 2874 7069 5548 32

2. Article Number (Transfer from service label)

7017 0660 0000 6478 3166

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail | |
| <input type="checkbox"/> Insured Mail Restricted Delivery | |

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Land Management
Carlsbad Field Office
620 E. Greene Street
Carlsbad, NM 88220-6292



9590 9402 2874 7069 5548 25

2. Article Number (Transfer from service label)

7017 0660 0000 6478 3159

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail | |
| <input type="checkbox"/> Insured Mail Restricted Delivery | |

Domestic Return Receipt

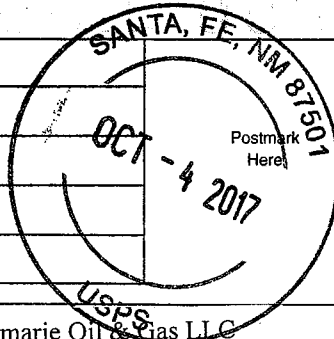
U.S. Postal Service™

CERTIFIED MAIL™ RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To

Street, Apt. No.,

or PO Box No.

City, State, ZIP+4

Camarie Oil & Gas LLC

2502 Camarie

Midland, TX 79705

PS Form 3800, August 2006

See Reverse for Instructions

7012 3050 0001 2935 2349

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy)

☐ Return Receipt (electronic)

☐ Certified Mail Restricted Delivery

☐ Adult Signature Required

☐ Adult Signature Restricted Delivery

Postage

\$

Total Postage and Fees

\$

Sent To

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

EOG Resources Assets, LLC

105 S. 4th Street

Artesia, NM 88210

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

EOG Resources, Inc.

105 S. 4th Street

Artesia, NM 88210



9590 9402 2874 7069 5548 94

2. Article Number (Transfer from service label)

7015 0640 0001 6339 2809

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☒ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Restricted Delivery

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Featherstone Development Corp.

P.O. Box 429

Roswell, NM 88202



9402 2874 7069 5548 56

2. Article Number (Transfer from service label)

7017 0660 0000 6478 3180

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☒ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Restricted Delivery

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Chevron USA Inc.
P.O. Box 27570
Houston, TX 77227



9590 9402 2874 7069 5548 49

2. Article Number (Transfer from service label)

7017 0660 0000 6478 3173

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

EOG Resources, Inc.
105 S. 4th Street
Artesia, NM 85210



9590 9402 2874 7069 5548 63

2. Article Number (Transfer from service label)

7015 0640 0001 6339 2779

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

EOG Resources, Inc.
105 S. 4th Street
Artesia, NM 88210



9590 9402 2874 7069 5548 70

2. Article Number (Transfer from service label)

7015 0640 0001 6339 2786

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501



9590 9402 2874 7069 5539 34

2. Article Number (Transfer from service label)

7012 0470 0001 5955 8024

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

OCT 10 2017

SANTA FE
MAIN POST OFFICE

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com.

7012 3050 0001 2935 2325

Postage \$

Certified Fee

Return Receipt Fee
(Endorsement Required)Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$

Sent To

OXY Company

Street, Apt. No.,
or PO Box No.

P.O. Box 4294

City, State, ZIP+4

Houston, TX 77210-4294

PS Form 3800, August 2006

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Sharbro Energy, LLC
P.O. Box 840
Artesia, NM 88201-840



9590 9402 2874 7069 5539 58

2. Article Number (Transfer from service label)

7012 3050 0001 2935 2332

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Danny Fletcher, being first duly
sworn, on oath says:

That he is the Publisher of the
Carlsbad Current-Argus, a
newspaper published daily at the
City of Carlsbad, in said county of
Eddy, state of New Mexico and of
general paid circulation in said
county; that the same is a duly
qualified newspaper under the laws
of the State wherein legal notices
and advertisements may be
published; that the printed notice
attached hereto was published in the
regular and entire edition of said
newspaper and not in supplement
thereof on the date as follows, to wit:

October 10 2017

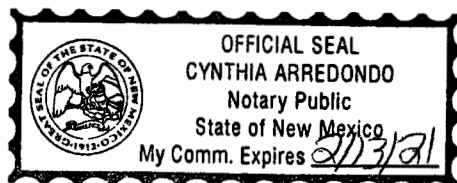
That the cost of publication is
\$102.16 and that payment thereof
has been made and will be
assessed as court costs.

Subscribed and sworn to before me
this 19 day of October, 2017

Cynthia Arredondo

My commission Expires 2/13/21

Notary Public



October 10, 2017

This is to notify all interested parties, including OXY USA Inc., Beacon E&P Resources, LLC, Chevron U.S.A. Inc., Marathon Oil Permian, MRC Permian Company, Featherstone Development Corporation, the Bureau of Land Management, the New Mexico State Land Office, EOG Y Resources, Inc., EOG A Resources, Inc., EOG M Resources, Inc., EOG Resources Assets, LLC, Camarie Oil & Gas LLC, Sharbro Energy, LLC, and OXY Y-1 Company and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by COG Operating LLC (Case No. 15857) at 8:15 a.m. on October 26, 2017 in Porter Hall at 1220 South St. Francis Drive, Santa Fe, New Mexico. COG Operating LLC seeks an order (i) creating a 343.26-acre, more or less, non-standard oil spacing and proration unit (project area) comprised of Lots 2, 3, and 4 in Section 19, Lots 1, 2, 3, and 4 in Section 30, and Lots 1 and 2 in Section 31, Township 26 South, Range East, NMPM, in Eddy County, and (ii) pooling all uncommitted mineral interests in the Wolfcamp formation underlying this acreage. The project area is to be dedicated to the Copperhead 31 Fee #20H horizontal well, which will have a surface location in Lot 2 of Section 31 and a bottom hole location in Lot 2 of Section 19, Township 26 South, Range 29 East. The completed interval for the well will be within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of COG Operating LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately fifteen (15) miles south of Malaga, New Mexico.

OCD Case No. 15857

**COG OPERATING
Exhibit #8**

COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete

Well Name **COPPERHEAD 31 FEE 20H**
SHL SEC 31: 670 FS & 400 FW
BHL SEC 19: 1650 FNL & 375 PVL
Formation **WOLFCAMP**
Legal **28S 29E 31**
AFE Numbers **9478**

Prospect **#717049 ATLAS 2629**
State & County **NEW MEXICO, EDDY**
Objective **Drill & Complete**
Depth **TVD**
21,245
10804

Cost Description	Code	Cost	Revision	Total
Tangible Costs				
D-Surface Casing	401	\$48,000.00	\$0.00	\$48,000.00
D-Intermed Csg	402	\$381,000.00	\$0.00	\$381,000.00
D-Production Casing/Liner	403	\$412,000.00	\$0.00	\$412,000.00
D-Wellhead Equip	405	\$40,000.00	\$0.00	\$40,000.00
C-Tubing	504	\$47,300.00	\$0.00	\$47,300.00
C-Wellhead Equip	505	\$27,500.00	\$0.00	\$27,500.00
PEQ-Pumping Unit	506	\$96,000.00	\$0.00	\$96,000.00
PEQ-Rods	508	\$40,000.00	\$0.00	\$40,000.00
TB-Flowlines/Pipelines	511	\$35,000.00	\$0.00	\$35,000.00
TB-Hr Trt/Sprlr	512	\$105,000.00	\$0.00	\$105,000.00
TB-Electrical System/Equipment	513	\$40,000.00	\$0.00	\$40,000.00
C-Pckrs/Anchors/Hgns	514	\$6,000.00	\$0.00	\$6,000.00
TB-Couplings/Fittings/Valves	515	\$150,000.00	\$0.00	\$150,000.00
TB-Gas Lift/Compression	516	\$25,000.00	\$0.00	\$25,000.00
TB-Meters/Lacts	525	\$30,000.00	\$0.00	\$30,000.00
C-Gas Lift/Compression	527	\$15,000.00	\$0.00	\$15,000.00
PEQ-Instrumentation/SCADA/POC	529	\$7,000.00	\$0.00	\$7,000.00
PEQ-Tubing	530	\$5,000.00	\$0.00	\$5,000.00
PEQ-Wellhead Equipment	531	\$3,000.00	\$0.00	\$3,000.00
PEQ-Pumps	532	\$5,000.00	\$0.00	\$5,000.00
PEQ-Electrical System	533	\$15,000.00	\$0.00	\$15,000.00
PEQ-Packers/Anchors/Hangers	534	\$2,000.00	\$0.00	\$2,000.00
PEQ-Miscellaneous	535	\$3,000.00	\$0.00	\$3,000.00
Total Tangible Costs		\$1,537,800.00	\$0.00	\$1,537,800.00

Intangible Costs				
PS-Title/Permits	201	\$11,000.00	\$0.00	\$11,000.00
D-Insurance	202	\$4,000.00	\$0.00	\$4,000.00
PS-Damages/ROW	203	\$5,000.00	\$0.00	\$5,000.00
PS-Survey/Stake Lctn	204	\$6,000.00	\$0.00	\$6,000.00
D-Lctn/Pits/Roads	205	\$125,000.00	\$0.00	\$125,000.00
D-Drilling Overhead	206	\$9,000.00	\$0.00	\$9,000.00
D-Daywork Contract	209	\$770,000.00	\$0.00	\$770,000.00
D-Directional Drig Services	210	\$300,000.00	\$0.00	\$300,000.00
D-Fuel & Power	211	\$160,000.00	\$0.00	\$160,000.00
D-Water	212	\$55,000.00	\$0.00	\$55,000.00
D-Bits	213	\$109,000.00	\$0.00	\$109,000.00
D-Mud & Chemicals	214	\$275,000.00	\$0.00	\$275,000.00
D-Cement Surface	217	\$30,000.00	\$0.00	\$30,000.00
D-Cement Intermed	218	\$85,000.00	\$0.00	\$85,000.00
D-Prod-2nd Int Cmt	219	\$110,000.00	\$0.00	\$110,000.00
D-Float Equipment & Centralizers	221	\$40,000.00	\$0.00	\$40,000.00
D-Csg Crews & Equip	222	\$50,000.00	\$0.00	\$50,000.00
D-Contract Labor	225	\$6,500.00	\$0.00	\$6,500.00
D-Company Sprvsn	226	\$72,000.00	\$0.00	\$72,000.00
D-Contract Sprvsn	227	\$116,000.00	\$0.00	\$116,000.00
D-Tstg Csg/Tbg	228	\$30,000.00	\$0.00	\$30,000.00
D-Mud Logging Unit	229	\$41,000.00	\$0.00	\$41,000.00
D-Perf/Wireline Svc	231	\$4,000.00	\$0.00	\$4,000.00
D-Rentals-Surface	235	\$160,000.00	\$0.00	\$160,000.00
D-Rentals-Substrc	236	\$160,000.00	\$0.00	\$160,000.00
D-Trucking/Forklift/Rig Mob	237	\$150,000.00	\$0.00	\$150,000.00
D-Welding Services	238	\$3,500.00	\$0.00	\$3,500.00
D-Contingency	243	\$49,000.00	\$0.00	\$49,000.00
D-Envmntl/Cisl Loop	244	\$280,000.00	\$0.00	\$280,000.00
C-Lctn/Pits/Roads	305	\$10,000.00	\$0.00	\$10,000.00
C-Fuel & Power	311	\$5,000.00	\$0.00	\$5,000.00
C-Water	312	\$1,150,000.00	\$0.00	\$1,150,000.00
C-Bits	313	\$9,000.00	\$0.00	\$9,000.00
C-Mud & Chemicals	314	\$25,000.00	\$0.00	\$25,000.00
C-Contract Labor	325	\$8,200.00	\$0.00	\$8,200.00
C-Company Sprvsn	326	\$30,000.00	\$0.00	\$30,000.00
C-Contract Sprvsn	327	\$134,000.00	\$0.00	\$134,000.00
C-Tstg Csg/Tbg	328	\$5,000.00	\$0.00	\$5,000.00
C-Perf/Wireline Svc	331	\$490,000.00	\$0.00	\$490,000.00
C-Stimulation/Treating	332	\$4,800,000.00	\$0.00	\$4,800,000.00
C-Completion Unit	333	\$60,000.00	\$0.00	\$60,000.00
C-Rentals-Surface	335	\$196,000.00	\$0.00	\$196,000.00
C-Rentals-Substrc	336	\$65,000.00	\$0.00	\$65,000.00
C-Trucking/Forklift/Rig Mob	337	\$22,500.00	\$0.00	\$22,500.00
C-Welding Services	338	\$5,000.00	\$0.00	\$5,000.00
C-Water Disposal	339	\$60,000.00	\$0.00	\$60,000.00
C-Contingency	343	\$250,000.00	\$0.00	\$250,000.00
C-Envmntl/Cisl Loop	344	\$5,000.00	\$0.00	\$5,000.00
C-Dyed Diesel	345	\$469,000.00	\$0.00	\$469,000.00
C-Coil Tubing	346	\$285,000.00	\$0.00	\$285,000.00
C-Flowback Crews & Equip	347	\$98,000.00	\$0.00	\$98,000.00
TB-Location/Pits/Roads	353	\$50,000.00	\$0.00	\$50,000.00
TB-Contract Labor	356	\$55,000.00	\$0.00	\$55,000.00
TB-Water Disposal	362	\$135,000.00	\$0.00	\$135,000.00
PEQ-Contract Labor	374	\$6,500.00	\$0.00	\$6,500.00
PEQ-Contract Supervision	376	\$5,000.00	\$0.00	\$5,000.00
PEQ-Completion Unit	381	\$8,800.00	\$0.00	\$8,800.00
PEQ-Rentals-Surface	383	\$7,000.00	\$0.00	\$7,000.00
PEQ-Trkg/Forklift/Rig Mobilization	385	\$3,000.00	\$0.00	\$3,000.00
Total Intangible Costs		\$11,668,000.00	\$0.00	\$11,668,000.00
Total Gross Cost		\$13,205,800.00	\$0.00	\$13,205,800.00

Note: The above costs are estimates only. Actual costs will be billed as incurred.

COG Operating LLC

By: _____

Date Prepared: _____

We approve:
% Working Interest

COG Operating LLC

By: _____

Company:
By: _____

Printed Name: _____
Title: _____
Date: _____

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.