

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
DRILLING**

WELL NAME:	Pan Head Fee 2H	PROSPECT NAME:	NM Shelf
SHL:	330' FNL & 990' FWL (Sec. 11)	STATE & COUNTY:	New Mexico, Lea
BHL:	968' FNL & 986' FWL (Sec. 14)	OBJECTIVE:	60' Frac Spacing Yeso Horizontal
FORMATION:	YESO	DEPTH:	11,550
LEGAL:	Sec. 11, T17S, R32E (Unit D)	TVD:	5,825

INTANGIBLE COSTS

		BCP	ACP	TOTAL
Title/Curative/Permit	201	11,000		11,000
Insurance	202	22,000	302 0	22,000
Damages/Right of Way	203	15,000	303 0	15,000
Survey/Stake Location	204	7,000	304 0	7,000
Location/Pits/Road Expense	205	80,000	305 25,000	105,000
Drilling / Completion Overhead	206	5,000	306 2,000	7,000
Turnkey Contract	207		307	0
Footage Contract	208		308	0
Daywork Contract (0 days f/spud-ris @ \$0)	209	218,000	309 29,000	247,000
Directional Drilling Services (0 dir days @ \$0)	210	130,000	310	130,000
Fuel & Power	211	57,000	311 8,000	65,000
Water	212	39,000	312 180,000	219,000
Bits	213	54,500	313 5,000	59,500
Mud & Chemicals	214	32,000	314 0	32,000
Drill Stem Test	215		315 0	0
Coring & Analysis	216			0
Cement Surface	217	40,000		40,000
Cement Intermediate	218	18,000		18,000
Cement 2nd Intermediate/Production	218	0	319 101,000	101,000
Cement Squeeze & Other (Kickoff Plug)	220		320 0	0
Float Equipment & Centralizers	221	2,000	321 20,000	22,000
Casing Crews & Equipment	222	5,000	322 12,000	17,000
Fishing Tools & Service	223		323	0
Geologic/Engineering	224	2,000	324	2,000
Contract Labor	225	39,000	325 21,000	60,000
Company Supervision	226	2,000	326 2,000	4,000
Contract Supervision	227	26,000	327 40,000	66,000
Testing Casing/Tubing	228	3,000	328 5,000	8,000
Mud Logging Unit	229	20,000	329	20,000
Logging	230	20,000	330	20,000
Perforating/Wireline Services	231	3,500	331 260,000	263,500
Stimulation/Treating			332 2,360,000	2,360,000
Completion Unit			333 45,000	45,000
Swabbing Unit			334	0
Rentals-Surface	235	24,000	335 300,000	324,000
Rentals-Subsurface	236	44,000	336 50,000	94,000
Trucking/Forklift/Rig Mobilization	237	47,000	337 40,000	87,000
Welding Services	238	5,000	338 2,500	7,500
Water Disposal	239	0	339 30,000	30,000
Plug to Abandon	240	0	340 0	0
Seismic Analysis	241	0	341 0	0
Closed Loop & Environmental	244	98,000	344 0	98,000
Miscellaneous	242	0	342 0	0
Contingency 10%	243	107,000	343 354,500	461,500
TOTAL INTANGIBLES		1,176,000	3,892,000	5,068,000

TANGIBLE COSTS

Surface Casing (13 3/8" 48# H40 STC)	401	41,000		41,000
Intermediate Casing(1800' 9 5/8" 40# J55 LTC)	402	66,000	503 0	66,000
Production Casing (7" 26# & 5 1/2" 17# L80)			503 273,000	273,000
Tubing			504 31,000	31,000
Wellhead Equipment	405	6,000	505 20,000	26,000
Pumping Unit			506 80,000	80,000
Prime Mover			507 20,000	20,000
Rods			508 12,000	12,000
Pumps			509 10,000	10,000
Tanks			510 21,000	21,000
Flowlines			511 12,000	12,000
Heater Treater/Separator			512 33,000	33,000
Electrical System			513 20,000	20,000
Packers/Anchors/Hangers	414	0	514 2,500	2,500
Couplings/Fittings/Valves	415	500	515 40,000	40,500
Gas Compressors/Meters			516 5,000	5,000
Dehydrator			517	0
Injection Plant/CO2 Equipment			518	0
Miscellaneous	419	500	519 4,000	4,500
Contingency	420	6,000	520 30,500	36,500
TOTAL TANGIBLES		120,000	614,000	734,000
TOTAL WELL COSTS		1,296,000	4,506,000	5,802,000

COG Operating LLC

By: Carl Bird

We approve:

_____% Working Interest

Company:

By:

Printed Name:

Title:

Date:

Date Prepared: 10/23/2014

TC 10/29/2014

COG Operating LLC

By:

BEFORE THE OIL CONVERSATION
DIVISION

Santa Fe, New Mexico

Exhibit No. 6

Submitted by: COG OPERATING LLC

Hearing Date: February 5, 2015

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