



Sent Certified Mail
Receipt No. 91-7199-9991-7033-2264-5835

February 25, 2015

Yates Petroleum Corporation
105 South 4th Street
Artesia, NM 88210-2177
Attn: Ms. Janet Richardson

RE: Lee 3 Fee #1H

Operating Agreement dated January 1, 2014 between COG Operating LLC, as Operator and Yates Petroleum Corp., et al, as Non-Operators
T19S - R26E - Sec 3: W2W2
Eddy County, New Mexico

Dear Working Interest Owner:

COG Operating LLC (COG) respectfully requests your acceptance and approval of the following, enclosed revisions to the subject Operating Agreement:

- Revision dated 2/24/15 to page 5 of the subject OA.
- Revision dated 2/24/15 to Exhibit "A" of the subject OA.

The revisions to the exhibits referenced above were made to reflect the change in ownership due to an expired lease. The revision to page 5 is to extend the deadline for the drilling of the initial well which is scheduled to be spud April 7, 2015. COG respectfully requests that you acknowledge receipt of and approval of the revised exhibits by signing below and returning a copy of this letter to the undersigned.


If you do not wish to participate in the Operation, COG would like to acquire a Term Assignment of your interest for the following general terms:

- Three year primary term
- 1.0% ORRI, proportionately reduced
- \$150 per net acre bonus consideration

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.

Yours truly,

COG Operating LLC


Stuart A. Dirks, CPL
Senior Landman
432-685-4354

BEFORE THE OIL CONSERVATION
DIVISION
Santa Fe, New Mexico
Exhibit No. 5
Submitted by: COG Operating LLC
Hearing Date: April 2, 2015

Yates Petroleum Corporation

February 25, 2015

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I/We hereby consent to the aforementioned revisions, dated 2/24/15, to page 5 and to Exhibit "A" to that certain Operating Agreement dated January 1, 2014, between COG Operating LLC, as Operator, and Yates Petroleum Corp., et al, as Non-Operators, covering the W2W2 of Section 3, Township 19 South, Range 26 East, Eddy County, New Mexico.

By: _____

Name: _____

Company: _____

Title: _____

Date: _____