



Jeff Lierly, RPL
Landman
COG Operating LLC
One Concho Center
600 W. Illinois Ave
Midland, Texas 79701
jlirly@concho.com
(432) 221-0485

June 11, 2014

Sent Via Certified Mail

Working Interest Owners Listed on Attached Exhibit "A"

Re: Tomcat Fee #1H ~ Joint Operating Agreement: W/2 W/2 Section 8, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico

Dear Working Interest Owner:

COG Operating LLC ("COG") previously proposed the Tomcat Fee #1H well (the "Well") as a horizontal well to test the 3rd Bone Spring Sand formation with a total measured depth of approximately 15,220' via letter dated February 19, 2014. COG proposes to drill the Well under the terms of a modified 1989 AAPL 610 Model Form Joint Operating Agreement (the "JOA"), a copy of which is enclosed for your review and execution. The JOA will have a Contract Area governing the W/2 W/2 of Section 8, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico and the following general terms.

- 100% / 300% / 300% Non-consent penalty
- \$7,000 / \$700 Drilling and Producing overhead rates
- COG named as Operator for the Contract Area

If you haven't done so yet, please indicate your decision to participate as a Working Interest owner in the Well, execute, notarize and return copies of the JOA signature and notary pages to the letterhead address at your earliest convenience. Please be advised that COG will be applying for a Compulsory Pooling order on June 26, 2014 for all uncommitted interests within the Contract Area to create a non-standard 160 acre oil spacing and proration unit in the Bone Spring formation to protect correlative rights and prevent waste. Therefore, your hasty response is much appreciated. Please feel free to contact me with any comments, questions or concerns.

Respectfully,

COG Operating LLC

Jeff Lierly, RPL
Landman

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 6

Submitted by: COG OPERATING LLC

Hearing Date: June 26, 2014

Enclosures

_____ I/We hereby elect to participate in the Tomcat Fee #1H

_____ I/We hereby elect not to participate in the Tomcat Fee #1H

Company: _____
By: _____
Name: _____
Title: _____
Date: _____

Exhibit "A"

Certified Tracking # 9171999991703324068991
Featherstone Development Corporation
Prospector, LLC
Big Three Energy Group, LLC
P. O. Box 429
Roswell, New Mexico 88202
Attn: Olin F. Featherstone III – Vice President

Certified Tracking # 9171999991703324068984
Davis Partners, Ltd.
P. O. Box 271
Midland, Texas 79702
Attn: F. Ferrell Davis, Manager

Certified Tracking # 9171999991703324068977
James H. Chandler
P. O. Box 613
Midland, Texas 79702

Certified Tracking # 9171999991703324068960
Paul Davis, Ltd.
P. O. Box 871
Midland, Texas 79702

Certified Tracking # 9171999991703324068953
Nuevo Seis Limited Partnership
P. O. Box 2588
Roswell, New Mexico 88202

Certified Tracking # 9171999991703324068946
Bank of America, N.A. Trustee of the Robert O. Erwin
and Virginia Erwin Revocable Trust Agreement
dated February 4, 1988
P. O. Box 830308
Dallas, Texas 75283-0308

Certified Tracking # 9171999991703324068939
First National Bank and Trust Company of Okmulgee,
Oklahoma as successor Trustee of the Patricia Boyle
Young Trust under agreement dated June 28, 1989
P. O. Box 1037
Okmulgee, Oklahoma 74447

Certified Tracking # 9171999991703324068922
Richard D. Jones, Jr.
200 North Gaines Road
Cedar Creek, Texas 78612

Certified Tracking # 9171999991703324068915
Estate of Catherine H. Ragsdale
c/o Douglas Nichols
4713 Chiappero Trail
Austin, Texas 78731

Certified Tracking # 9171999991703324068908
Elizabeth Reymond
13357 Forest Drive SE
Lowell, Michigan 49331

Certified Tracking # 9171999991703324068892
Frederic D. Brownell
11703 Neering Drive.
Dallas, Texas 75218

Certified Tracking # 9171999991703324068885
William S. Deniger, Jr.
6432 Walnut Hill Lane
Dallas, Texas 75218

Certified Tracking # 9171999991703324068878
David B. Deniger
3730 Armstrong Avenue
Dallas, Texas 75205

Certified Tracking # 9171999991703324068861
John D. McCall, Jr.
6641 Wakefield Drive, Apt. 513
Alexandria, Virginia 22307

Certified Tracking # 9171999991703324068854
Thomas Screven McCall
4913 Pine Knoll Drive
Tyler, Texas 75703

Certified Tracking # 9171999991703324068847
Randolph D. McCall
3204 Drexel
Dallas, Texas 75205

Exhibit "A"

Certified Tracking # 9171999991703324068830
Heirs and/or Devisees of Mrs. Mary Hampton Elliott
c/o Lauren Knapp
5701 Island Road
Hillsborough, North Carolina 27278

Certified Tracking # 9171999991703324068823
Rebecca McCall Landis Baird
332 East Terra Alta
San Antonio, Texas 78209

Certified Tracking # 9171999991703324068816
The Allar Company
P. O. Box 1567
Graham, Texas 76450

Certified Tracking # 9171999991703324068809
Texas Vanguard Oil Company
P. O. Box 202650
Austin, Texas 78720

Certified Tracking # 9171999991703324068793
Gene L. Dalmont
1498 Scipio Land
McAlester, Oklahoma 74501

Certified Tracking # 9171999991703324068786
Patricia Wallace
111 Ellis Street, 5th Floor
San Francisco, California 94102

**COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
DRILLING**

WELL NAME:	TOMCAT FEE #1H	PROSPECT NAME:	ZEUS 1835 (717154)
SHL:	190 FNL & 760 FWL	STATE & COUNTY:	New Mexico, Lea
BHL:	330 FSL & 660 FWL	OBJECTIVE:	DRILL & COMPLETE
FORMATION:	3RD BSS	DEPTH:	15,220
LEGAL:	8-19S-35E	TVD:	10,675

INTANGIBLE COSTS		BCP	ACP	TOTAL
Title/Curative/Permit	201	11,000		11,000
Insurance	202	5,000	302	5,000
Damages/Right of Way	203	15,000	303	15,000
Survey/Stake Location	204	7,000	304	7,000
Location/Pits/Road Expense	205	100,000	305 25,000	125,000
Drilling / Completion Overhead	206	8,000	306	8,000
Turnkey Contract	207	0	307	0
Footage Contract	208	0	308	0
Daywork Contract	209	525,000	309	525,000
Directional Drilling Services	210	188,000	310	188,000
Fuel & Power	211	149,000	311 10,000	159,000
Water	212	100,000	312 210,000	310,000
Bits	213	69,000	313 4,500	73,500
Mud & Chemicals	214	80,000	314	80,000
Drill Stem Test	215	0	315	0
Coring & Analysis	216	0		0
Cement Surface	217	40,000		40,000
Cement Intermediate	218	100,000		100,000
Cement 2nd Intermediate/Production	218	0	319 110,000	110,000
Cement Squeeze & Other (Kickoff Plug)	220	0	320	0
Float Equipment & Centralizers	221	35,000	321 20,000	55,000
Casing Crews & Equipment	222	20,000	322 20,000	40,000
Fishing Tools & Service	223	0	323	0
Geologic/Engineering	224	0	324	0
Contract Labor	225	10,000	325 125,000	135,000
Company Supervision	226	0	326	0
Contract Supervision	227	35,000	327 50,000	85,000
Testing Casing/Tubing	228	7,000	328	7,000
Mud Logging Unit	229	30,000	329	30,000
Logging	230	50,000	330 10,000	60,000
Perforating/Wireline Services	231	15,000	331 150,000	165,000
Stimulation/Treating		0	332 2,100,000	2,100,000
Completion Unit		0	333 125,000	125,000
Swabbing Unit		0	334	0
Rentals-Surface	235	125,000	335 250,000	375,000
Rentals-Subsurface	236	120,000	336 65,000	185,000
Trucking/Forklift/Rig Mobilization	237	200,000	337 25,000	225,000
Welding Services	238	5,000	338 7,500	12,500
Water Disposal	239	0	339 150,000	150,000
Plug to Abandon	240	0	340	0
Seismic Analysis	241	0	341	0
Closed Loop & Environmental	244	160,000	344 10,000	170,000
Miscellaneous	242	0	342	0
Contingency	243	111,000	343 50,000	161,000
TOTAL INTANGIBLES		2,316,000	3,517,000	5,833,000

TANGIBLE COSTS				
Surface Casing	401	58,000		58,000
Intermediate Casing	402	144,000	503	144,000
Production Casing		0	503 244,000	244,000
Tubing		0	504 65,000	65,000
Wellhead Equipment	405	20,000	505 35,000	55,000
Pumping Unit		0	506 115,000	115,000
Prime Mover		0	507 20,000	20,000
Rods		0	508 55,000	55,000
Pumps		0	509 75,000	75,000
Tanks		0	510 75,000	75,000
Flowlines		0	511 30,000	30,000
Heater Treater/Separator		0	512 80,000	80,000
Electrical System		0	513	0
Packers/Anchors/Hangers	414	0	514 10,000	10,000
Couplings/Fittings/Valves	415	0	515 135,000	135,000
Gas Compressors/Meters		0	516 8,100	8,100
Dehydrator		0	517	0
Injection Plant/CO2 Equipment		0	518	0
Miscellaneous	419	0	519	0
Contingency	420	12,000	520 48,900	60,900
TOTAL TANGIBLES		234,000	998,000	1,230,000
TOTAL WELL COSTS		2,550,000	4,515,000	7,063,000

COG Operating LLC

Date Prepared: 2/13/2014

We approve:
_____% Working Interest

COG Operating LLC

By: SETH WILD AW

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.