

FEDERAL EXPRESS

June 26, 2014

ConocoPhillips Company
[Successor-in-Interest to Burlington Resources]
600 N. Dairy Ashford
Houston, TX 77079
Attention: Mr. Renaldo Works

Re: Well Proposal - Goldfinger 17 Federal Com #3H

W/2E/2 of Section 17, T24S-R32E: Unit Area

SHL: 190' FSL & 1980' FEL, or a legal location in Unit O BHL: 330' FNL & 1980' FEL, or a legal location in Unit B

Lea County, New Mexico

Gentlemen:

COG Operating LLC ("COG"), as Operator, proposes to drill the Goldfinger 17 Federal Com #3H well as a horizontal well at the above-captioned location to a TVD of approximately 8,480' and a MD of approximately 13,078' to test the Brushy Canyon (Delaware) Formation ("Operation"). The total cost of the Operation is estimated to be \$5,629,000.00 and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

COG proposes forming a Working Interest Unit covering the E/2 and E/2W/2 Section 17, T24S-R32E, Lea Co., NM. COG proposes to form this Working Interest Unit under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. It has the following general provisions:

- 100/300 Non-consenting penalty
- \$7,000/\$700 Drilling and Producing rates
- COG Operating LLC named as Operator

If you do not wish to participate in the Operation, COG would like to acquire your leasehold via farmout or some other type of mutual agreement. This offer is subject to the approval of COG's management and verification of title.

Please indicate your participation election in the space provided below. Please sign and return this letter, along with a signed copy of the enclosed AFE, a signed copy of the JOA and a copy of your geologic well requirements to my attention at the letterhead address. You may also fax your response to (432) 221-0856 or by email to mwallace@concho.com.

If you have any questions, please do not hesitate to contact me at (432) 221-0465.

Sincere ...

Mike Wallace

Sr. Landman

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 11

Submitted by: COG OPERATING LLC

Hearing Date: July 24, 2014

CORPORATE ADDRESS: One Concho Center 600 W Illinois Avenue Midland, Texas 79701 Phone 432.683.7443 Fax 432.683.7441

ConocoPhillips Company June 26, 2014 Page 2

	I/We hereby elect to participate in the Goldfinger 17 Federal Com #3H.
· · · · · · · · · · · · · · · · · · ·	I/We hereby elect <u>not</u> to participate in the Goldfinger 17 Federal Com #3H.
Company: _	
By:	· · · · · · · · · · · · · · · · · · ·
Title: Date:	

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING

WELL NAME: .GOLDFINGER 17 FED COM #3H .		PROSPECT NAME: BULLDOG2432	
SHL: 2007, 30027, 190 FSL & 1980 FEL 444, 170200 A	V' -	STATE & COUNTY: New Mexico, Lea	
	12.	 OBJECTIVE: ADRILL AND COMPLET 	E AABERT WILL
FORMATION: BRUSHY	3 6.	DEPTH: 近海州 13,078分 (2)分别 (2)	2- 2 - 2 - 12 - 12 - 1
LEGAL: 6187 117-245-32E 2 14 14 14 14 14 14 14 14 14 14 14 14 14	17,	TVD() x(3) x(5) x(5) (8,480°、、(3) (5) (7) (7)	MESTAGATAGE :
INTANGIBLE COSTS	•		المسهومة أما أنافي
Title/Curative/Permit	20	<u>BCP</u>	TOTAL
Insurance WCV 2.47.	20:		
Damages/Right of Way			(1955年) 5,00
Survey/Stake Location	20-	7,000 304	23/2/24/5/15,00 23/2/24/5/17,00
Location/Pits/Road Expense	20:		125.00
Drilling / Completion Overhead / 2 1 44 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	208		40 6,00
Turrikey Contract 19 19 19 19 19 19 19 19 19 19 19 19 19	207	# 150 0 x307 (17) #3 1 17	A. THE LANDY
Footage Contract Ass.			7 3 3 6 4 4 5 5 5 1
Daywork Contract 2075	209		385,00
Directional Drilling Services	210		i, dis ⊊3 8 178,00
Fuel & Power 別様によって名。 こうこうしょう さっぷい マンスン Water で発いたとうによった。 シュー・ストーランドのみょうこと エ	211		WF\$66868 95,00
Basican and a second a second and a second and a second and a second and a second a	212		245,00
Mud & Chemicals	213		82,50
Drill Stem Test 47 2.	215		5 65,00
Coring & Analysis 1997	216		- <u>1.25% % % % % % % % % % % % % % % % % % % </u>
Cement Surface	217		∑./. ₹35,00
Cement intermediate 1.1.4.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1	218		: 52,57, ±35,00
Cement 2nd Intermediate/Production	218		100,00
Cement Squeeze & Other (Kickoff Plug)	220	t is more thanks 0 320 Bay 154 Trails.	20 - 10 mm 2 10 m
Float Equipment & Centralizers	221	15,000 321 W - 77,015,000	30,00
Casing Crews & Equipment 18 (2014) in a line of the Section of the Fishing Tools & Service 10, then I Provide the Address Technology of the Control of the C	222	TALK 5 - 220,000 € 322 NOVEMBER 10 20,000	40,00
Geologic/Engineering シャック・ウィーストラング データーの かんしょう	223	25 - 75 - 75 - 75 - 75 - 75 - 75 - 75 -	(\$100) (\$100) (\$100) (\$100)
Contract Labor Vindows 13 To 19 To 1	225	* 15,000 325 - 17 125,000 .	140,000
Company Supervision	226	1 1 12 14명이는 0 326 무상 및 11 4 및 1호 호	75 - Law 1607
Contract Supervision	227	41,600 - 327 - 50,000	್. r∈n n ⊈ 91,500
Mud Logging Unit	228 229	2. 4 (21,000 329 23 27 27 24 25 27 27 24 25 27 27 27 27 27 27 27 27 27 27 27 27 27	7,000
Logging State State Committee of the Com	230	75/ 3 475,000 : 330 5 7 3 4 10,000	21,000
Perforating/Wireline Services	231	5,000, 331 5 5 co.120,000	125,000
Stimulation/Treating Completion Unit 2 at 2		332 1,400,000	1.7.3-11,400,000
Completion Unit 1992 by The Secretary State of the Secretary Swabbing Unit 1992 by The Secretary		4.3 4410 88862 01333 80 11 8 50,000	A. N. S. 4 50,000
Rentals-Surface of Garage States and American	235	85,000 335	3 - 7 - 75 - 7 - 7 - 7 - 7 - 7 - 7 - 7 -
Rentals-Substitlace স্কৃতিৰ কৰি কৰিছে ব্যৱস্থা কৰিছে	236	25,000 x 25,000 336 (xxx) xxx x 25,000 x	120,96,747-97 130,000
Trucking/Forkitt/Rig Mobilization	237	25 . A 125,000 3337 127 TOMEN 25,000	4.150.000
Welding Services and the service was the servi	238 239	7,500 338 32 55 150 7,500	# ## 12,500
Plug to Abandon See and the control of the control	240	*** (大型) *** (150,060) *** (150,060) *	150,000
	-241	1 20 0 - 341 at 12 2 - 4, part	- 1. m -
Closed Loop & Environmental > 100 A	244		190,000
Miscellaneous 1 tang 1 to 1 t	242 243	21 - 3095 0 342 X - 1033	
TOTAL INTANGIBLES A STATE OF THE STATE OF TH	243	90,400 343 50,000 1,885,000 2,622,000	/ ± 140,400
CONTRACTOR OF THE STATE OF THE		19 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	3. 3. 4,301,000
TANGIBLE COSTS			
Surface Casing 19 April 19	401	.39,000	<u>/</u>
ntermediate Casing 1966 The Ca	402	G. 14 77 116,000, 503 77 77 77 78 78	.6 see - 116,000
Fubling = SMARRON STR 19		208,000 504 1 144,000	#1 (11/19) 44,000
Velifiead Equipment and the second and a second a second and a second	405	** 255: 15,000 - 505 **** ** 35,000	5 -44,000 5 -45 -50,000
Prime Mover A 199	•	→ 3 → 45 年 0 506 マル ロッタ 115,000	115,000
Rods access to the second seco		50,507 h c 20,000	T ≈ 20,000
umps to see the see that the see the see that the see the see the see that the see the see that	•	3	40,000
anks @ skylender of the service of t		510 m. 10 75,000	75,000
leater Treater/Separator		511 × 70,000	. 😘 🦫 🛩 ~70,000
lectrical System with the property of the prop		512 54 65,000 512 54 65,000 513 55 55 55 55 55 55 55 55 55 55 55 55 55	- 1. C. 65,000
ackers/Anchors/Hangers (** ** ** ** ** ** ** ** ** ** ** ** **	414	513 - 10 10 10 10 10 10 10 10 10 10 10 10 10	25.5 54.6 3.10,000
ouplings/Fittings/Valves マイカー・ナギイン・サンバーなど・サイン	415	25 to 26 to 26 to 515 per 1 1555 170,000	3 × 1 170,000
ehydrator (28 Augustus 2004)		- 10 516 MX 10 8,100	*\\``\`\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\
ection Plant/CO2 Equipment		20 50 50 7 April 0 517 April 1 2 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4)
iscellaneous なかたいとう とうしゅう みつい かっかい	419	7/2:0 519 WAY 0 147	State of the segment O
TOTAL TANCIDLES	420	/ 9,000 .520 > /	থ 54,900
TOTAL TANGIBLES		132 3179,000 3 3 3 4 1943,000	1,122,000
TO SECTION AND ASSESSMENT OF THE PROPERTY OF T		2,064,000 3,565,000	<u>- (2% - 5,529,000</u>
La grant from the			
OG Operating LLC			
to be a selected as a selected		Dale Prepared: 4/16/2014	
Control of the contro		The grant of the second of the second	•
long = 1		COG Operating LLC	
approve:			
% Working Interest		By: Tim Smith	<u>.</u> .
xipany.			•
Backman with an analysis of the second of		**	
The supervision of the supervisi		-	
inled Name:			
ther with the second of the se		This AFE is only an estimate. By signing you agree	to pay your share
Was at Washington		of the actual costs incurred.	1
•			