



FEDERAL EXPRESS

August 4, 2015

Working Interest Owners
Listed on Exhibit "A"

Re: **Well Re-Proposal – Resolver Fed Com 1H**
Sec 12: W/2 W/2 - T23S-R32E
SHL: 190' FNL/380' FWL, or a legal location in Sec 12 (Unit D)
BHL: 330' FSL/380' FWL, or a legal location in Sec 12 (Unit M)
Lea County, New Mexico

Dear Sir/Madam:

COG Operating LLC ("COG") hereby retracts and rescinds the captioned well proposal, dated July 31, 2015 regarding the Resolver Fed Com No. 1H. Please disregard the subject proposal, as the planned well was proposed with a pilot hole. A corrected well proposal is detailed below. Please contact the undersigned if you have any questions and/or concerns.

COG Operating LLC (COG), as Operator, hereby proposes to drill the Resolver Fed Com No. 1H well as a horizontal well at the above-captioned location, or at a legal location as approved by the governing regulatory agency, to a TVD of approximately 9,776' and a MD of 14,300' to test the Bone Spring Formation ("Operation"). The total cost of the Operation is estimated to be \$5,749,590.00 and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

COG is proposing to drill this well under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The Operating Agreement covers Sec 12: W/2 - T23S-R32E. It has the following general provisions:

- 100/300 Non-Consenting Penalty
- \$7,000/\$700 Drilling and Producing Rate
- COG Operating LLC named as Operator

Please indicate your participation election in the space provided below, sign and return this letter, along with a signed copy of the enclosed AFE and a copy of your geologic well requirements. A self-addressed, postage paid envelope is enclosed for your convenience. If you do not wish to participate, COG proposes to acquire your interest via term assignment.

If you have any questions, please do not hesitate to contact the undersigned at 432-685-2514.

Respectfully,

Andrew Wenzel
Landman

Cc: Mike Wallace

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701 | P 432 683 7443 | F 432.683.7441

OCD Case No. 15380
COG OPERATING
Exhibit #4



_____ I/We hereby elect to participate in the Resolver Fed Com No. 1H.

_____ I/We hereby elect not to participate in the Resolver Fed Com No. 1H.

Company or
Individual Name: _____

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

Exhibit "A"

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701 | P 432 683 7443 | F 432 683 7441



COG Operating LLC
600 West Illinois Ave
Midland, TX 79701

ConocoPhillips Company
600 North Dairy Ashford
Houston, TX 77079
Attention: Andy Harmon