

Oil and Gas Exploration P O Box 823085 5447 Glen Lakes Drive Dalles Texas 75382-3085 214-739-1778 FAX 214-739-4819

August 17, 2015

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Ms Judy Moreland
Land Administration Manager
COG Operating LLC
One Concho Center
600 W Illinois
Midland, TX 79701

Re Revocation of Division Orders for the following wells SRO State Unit #1H, #2H, #3H, #4H, #5H #6H, #7H, #8H, #9H, #10H, #11H, #13H, #14H, #15H, #17H, #18H and #31H (the 'SRO Wells")

Dear Ms Moreland

Nearburg Exploration Company, L L C ("Nearburg") hereby revokes all division orders it has previously executed for the SRO Wells effective March 1, 2014, which is the date the SRO State Exploratory Unit expired Accordingly and effective March 1, 2014, Nearburg no longer has an override in the SRO Wells Emily Sharp, Nearburg's Controller, previously advised your office per her letters of July 14, 2015 and again on July 31, 2015 to suspend future payments of these overrides, but COG Operating LLC ("COG") has continued to send payments that Nearburg has returned to COG

For the COG revenue distribution detail received by Nearburg on August 11, 2015, it was noted that COG reduced Nearburg's override on the SRO State Unit #15H well retroactive to the date of first production COG did this without notifying Nearburg as to why it made this change nor sending Nearburg a revised division order I would appreciate an explanation

If you have any questions or comments, or should you need anything further in regard to this matter, please do not hesitate to contact Randy Howard at (432) 818-2914 or via email at rhoward@nearburg.com

Sincerely,

Nearburg Exploration Company, L L C

Duane A Davis

Chief Operating Officer/Chief Financial Officer

ce Aaron Myers, COG Operating LLC, Midland, TX

