



April 22, 2010

HAND DELIVERY

Cimarex Energy Co.
600 N. Marienfeld, Suite 600
Midland, TX 79701
Attention: Hayden Tresner

RE: Turkey Track Prospect (720018)
Leo 3 Fed Com #1H
S2S2 of Section 3-T15S-R31E
Chaves County, New Mexico

Dear Hayden:

COG Operating LLC (COG) hereby proposes the drilling of a horizontal well to a depth sufficient to adequately test the Lower Abo/Wolfcamp formation at an anticipated total vertical depth of 8775' and total measured depth being approximately 13,450'. The surface location for this well is proposed at 660' FSL & 430' FEL with a bottomhole location situated at 660' FSL & 330' FWL with the dedicated project area being the S2S2 of Section 3, Township 15 South, Range 31 East, Chaves County, New Mexico. Included herein is our AFE dated April 20, 2010, as well as our proposed form of Operating Agreement.

We ask that you join COG to the full extent of your interest in the drilling, testing and completing of this proposed well by indicating your acceptance in the space provided.

However, in the event you do not wish to participate, COG respectfully requests that you consider as an alternative either of the below proposals:

Proposal 1:

COG would be interested in purchasing, subject to reaching mutually agreeable price and terms, all of Cimarex Energy Co.'s or its entity's of record contractual and leasehold interests situated in Section 3-T15S-R31E, Chaves County, New Mexico.

Proposal 2:

Cimarex Energy Co.'s or its entity of record will farmout all of its contractual and leasehold interests in Section 3-T15S-R31E, Chaves County, New Mexico, retaining an overriding royalty interest equal to the difference between existing lease burdens and 80%, proportionately reduced and will retain the right to convert said overriding royalty interest to a twenty percent (20%) proportionately reduced working interest in subsequent proration units drilled in said section.

**NMOCD CASE 14500
COG EXH. 4**

Please indicate below the option of your choice below, sign and return this letter at your earliest convenience to my attention by any of the following methods:

- US Mail – 550 West Texas Avenue, Suite 100, Midland, Texas 79701
- Fax – 432.685.4398
- Email – Jspradlin@conchoresources.com

Should you have any questions, please do not hesitate to contact me at 432.683.7443.

Very truly yours,

COG Operating LLC



Jan Preston Spradlin, CPL
Senior Landman

- _____ I/We hereby elect to participate in the Leo 3 Fed Co #1H
- _____ I/We hereby elect **not** to participate in the Leo 3 Fed Com #1H
- _____ I/We hereby elect to pursue Proposal 1
- _____ I/We hereby elect to pursue Proposal 2

CIMAREX ENERGY CO.

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

HAND DELIVERY

Cimarex Energy Co.
600 N. Marienfeld, Suite 600
Midland, TX 79701
Attention: Hayden Tresner

Turkey Track Prospect (720018)
Leo 3 Fed Com #1H Well Proposal
S2S2 of Section 3-T15S-R31E
Chaves County, New Mexico

RECEIVED this 27 day of April, 2010.

By: *Ladio Garza*



April 22, 2010

VIA CERTIFIED MAIL

Chisos, Ltd.
1221 Lamar, Suite 1600
Houston, TX 77010
Attention: Sue Ann Craddick

RE: Turkey Track Prospect (720018)
Leo 3 Fed Com #1H
S2S2 of Section 3-T15S-R31E
Chaves County, New Mexico

Dear Sue Ann:

COG Operating LLC (COG) hereby proposes the drilling of a horizontal well to a depth sufficient to adequately test the Lower Abo/Wolfcamp formation at an anticipated total vertical depth of 8775' and total measured depth being approximately 13,450'. The surface location for this well is proposed at 660' FSL & 430' FEL with a bottomhole location situated at 660' FSL & 330' FWL with the dedicated project area being the S2S2 of Section 3, Township 15 South, Range 31 East, Chaves County, New Mexico. Included herein is our AFE dated April 20, 2010, as well as our proposed form of Operating Agreement.

We ask that you join COG to the full extent of your interest in the drilling, testing and completing of this proposed well by indicating your acceptance in the space provided.

However, in the event you do not wish to participate, COG respectfully requests that you consider entering into an Oil and Gas Lease on a mutually agreeable lease form for a term of 1 year, 1/5th royalty and \$500 per acre bonus.

Please indicate below the option of your choice below, sign and return this letter at your earliest convenience to my attention by any of the following methods:

- US Mail – 550 West Texas Avenue, Suite 100, Midland, Texas 79701
- Fax – 432.685.4398
- Email – Jspradlin@conchoresources.com

Should you have any questions, please do not hesitate to contact me at 432.683.7443.

Very truly yours,

COG Operating LLC



Jan Preston Spradlin, CPL
Senior Landman

_____ I/We hereby elect to participate in the Leo 3 Fed Com #1H
_____ I/We hereby elect **not** to participate in the Leo 3 Fed Com #1H
_____ I/We hereby elect to enter into a mutually agreeable Oil and Gas Lease with COG

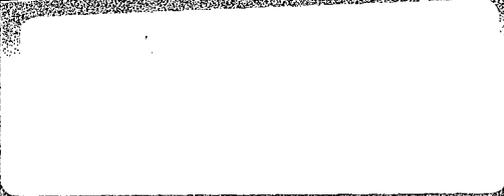
CHISOS, LTD.

By: _____

Name: _____

Title: _____

Date: _____



CONCHO
 550 West Texas Avenue, Suite 100
 Midland, Texas 79701

Chisos, Ltd.
 670 Dona Ana Road SW
 Deming, New Mexico 88030
 Attn: Sue Ann Craddick

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:
 Chisos, Ltd.
 670 Dona Ana Road SW
 Deming, New Mexico 88030
 Attn: Sue Ann Craddick

2. Article N° (Transfer) *91 7108 2133 3937 3749 5328*

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
Sherril Hoskins

B. Received by (Printed Name) C. Date of Delivery
SHERRI HOSKINS 4/26

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

PS Form 3811, February 2004 Domestic Return Receipt 102395-02-M-1540

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:
 Chisos, Ltd.
 670 Dona Ana Road SW
 Deming, New Mexico 88030
 Attn: Sue Ann Craddick

91 7108 2133 3937 3749 5328

2. Article N° (Transfer)

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
Sherril Hoskins

B. Received by (Printed Name) C. Date of Delivery
SHERRI HOSKINS 4/26

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes



April 29, 2010

Via FedEx
~~VIA CERTIFIED MAIL~~

The Blanco Company
110 2nd Street, SW
Albuquerque, NM 87102

RE: Turkey Track Prospect (720018)
Leo 3 Fed Com #1H
S2S2 of Section 3-T15S-R31E
Chaves County, New Mexico

Gentlemen:

COG Operating LLC (COG) hereby proposes the drilling of a horizontal well to a depth sufficient to adequately test the Lower Abo/Wolfcamp formation at an anticipated total vertical depth of 8775' and total measured depth being approximately 13,450'. The surface location for this well is proposed at 660' FSL & 430' FEL with a bottomhole location situated at 660' FSL & 330' FWL with the dedicated project area being the S2S2 of Section 3, Township 15 South, Range 31 East, Chaves County, New Mexico. Included herein is our AFE dated April 20, 2010, as well as our proposed form of Operating Agreement.

We ask that you join COG to the full extent of your interest in the drilling, testing and completing of this proposed well by indicating your acceptance in the space provided.

However, in the event you do not wish to participate, COG respectfully requests that you consider entering into an Oil and Gas Lease on a mutually agreeable lease form for a term of 1 year, 1/5th royalty and \$500 per acre bonus.

Please indicate below the option of your choice below, sign and return this letter at your earliest convenience to my attention by any of the following methods:

- US Mail – 550 West Texas Avenue, Suite 100, Midland, Texas 79701
- Fax – 432.685.4398
- Email – Jspradlin@conchoresources.com

Should you have any questions, please do not hesitate to contact me at 432.683.7443.

Very truly yours,

COG Operating LLC



Jan Preston Spradlin, CPL
Senior Landman

_____ I/We hereby elect to participate in the Leo 3 Fed Com #1H
_____ I/We hereby elect not to participate in the Leo 3 Fed Com #1H
_____ I/We hereby elect to enter into a mutually agreeable Oil and Gas Lease with COG

THE BLANCO COMPANY

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



April 22, 2010

VIA CERTIFIED MAIL

The Blanco Company
P. O. Box 3010
Ruidoso, NM 88355

RE: Turkey Track Prospect (720018)
Leo 3 Fed Com #1H
S2S2 of Section 3-T15S-R31E
Chaves County, New Mexico

Gentlemen:

COG Operating LLC (COG) hereby proposes the drilling of a horizontal well to a depth sufficient to adequately test the Lower Abo/Wolfcamp formation at an anticipated total vertical depth of 8775' and total measured depth being approximately 13,450'. The surface location for this well is proposed at 660' FSL & 430' FEL with a bottomhole location situated at 660' FSL & 330' FWL with the dedicated project area being the S2S2 of Section 3, Township 15 South, Range 31 East, Chaves County, New Mexico. Included herein is our AFE dated April 20, 2010, as well as our proposed form of Operating Agreement.

We ask that you join COG to the full extent of your interest in the drilling, testing and completing of this proposed well by indicating your acceptance in the space provided.

However, in the event you do not wish to participate, COG respectfully requests that you consider entering into an Oil and Gas Lease on a mutually agreeable lease form for a term of 1 year, 1/5th royalty and \$500 per acre bonus.

Please indicate below the option of your choice below, sign and return this letter at your earliest convenience to my attention by any of the following methods:

- US Mail – 550 West Texas Avenue, Suite 100, Midland, Texas 79701
- Fax – 432.685.4398
- Email – Jspradlin@conchoresources.com



April 22, 2010

VIA CERTIFIED MAIL

Thomas E. Jennings
P. O. Box 1797
Roswell, NM 88201

RE: Turkey Track Prospect (720018)
Leo 3 Fed Com #1H
S2S2 of Section 3-T15S-R31E
Chaves County, New Mexico

Gentlemen:

COG Operating LLC (COG) hereby proposes the drilling of a horizontal well to a depth sufficient to adequately test the Lower Abo/Wolfcamp formation at an anticipated total vertical depth of 8775' and total measured depth being approximately 13,450'. The surface location for this well is proposed at 660' FSL & 430' FEL with a bottomhole location situated at 660' FSL & 330' FWL with the dedicated project area being the S2S2 of Section 3, Township 15 South, Range 31 East, Chaves County, New Mexico. Included herein is our AFE dated April 20, 2010, as well as our proposed form of Operating Agreement.

We ask that you join COG to the full extent of your interest in the drilling, testing and completing of this proposed well by indicating your acceptance in the space provided.

However, in the event you do not wish to participate, COG respectfully requests that you consider as an alternative either of the below proposals:

Proposal 1:

COG would be interested in purchasing, subject to reaching mutually agreeable price and terms, all of Thomas E. Jennings' contractual and leasehold interests situated in Section 3-T15S-R31E, Chaves County, New Mexico.

Proposal 2:

Thomas E. Jennings will farmout all of his contractual and leasehold interests in Section 3-T15S-R31E, Chaves County, New Mexico, retaining an overriding royalty interest equal to the difference between existing lease burdens and 80%, proportionately reduced and will retain the right to convert said overriding royalty interest to a twenty percent (20%) proportionately reduced working interest in subsequent proration units drilled in said section.

Please indicate below the option of your choice below, sign and return this letter at your earliest convenience to my attention by any of the following methods:

- US Mail – 550 West Texas Avenue, Suite 100, Midland, Texas 79701
- Fax – 432.685.4398
- Email – Jspradlin@conchoresources.com

Should you have any questions, please do not hesitate to contact me at 432.683.7443.

Very truly yours,

COG Operating LLC



Jan Preston Spradlin, CPL
Senior Landman

- _____ I/We hereby elect to participate in the Leo 3 Fed Co #1H
- _____ I/We hereby elect **not** to participate in the Lea 3 Fed Com #1H
- _____ I/We hereby elect to pursue Proposal 1
- _____ I/We hereby elect to pursue Proposal 2

By: _____

THOMAS E. JENNINGS

Date: _____



April 22, 2010

VIA CERTIFIED MAIL

First Roswell Company
c/o J F Management Company
111 South Kentucky Ave.
P. O. Box 1797
Roswell, NM 88202-1797

RE: Turkey Track Prospect (720018)
Leo 3 Fed Com #1H
S2S2 of Section 3-T15S-R31E
Chaves County, New Mexico

Gentlemen:

COG Operating LLC (COG) hereby proposes the drilling of a horizontal well to a depth sufficient to adequately test the Lower Abo/Wolfcamp formation at an anticipated total vertical depth of 8775' and total measured depth being approximately 13,450'. The surface location for this well is proposed at 660' FSL & 430' FEL with a bottomhole location situated at 660' FSL & 330' FWL with the dedicated project area being the S2S2 of Section 3, Township 15 South, Range 31 East, Chaves County, New Mexico. Included herein is our AFE dated April 20, 2010, as well as our proposed form of Operating Agreement.

We ask that you join COG to the full extent of your interest in the drilling, testing and completing of this proposed well by indicating your acceptance in the space provided.

However, in the event you do not wish to participate, COG respectfully requests that you consider entering into an Oil and Gas Lease on a mutually agreeable lease form for a term of 1 year, 1/5th royalty and \$500 per acre bonus.

Please indicate below the option of your choice below, sign and return this letter at your earliest convenience to my attention by any of the following methods:

- US Mail – 550 West Texas Avenue, Suite 100, Midland, Texas 79701
- Fax – 432.685.4398
- Email – Jspradlin@conchoresources.com

Should you have any questions, please do not hesitate to contact me at 432.683.7443.

Very truly yours,

COG Operating LLC



Jan Preston Spradlin, CPL
Senior Landman

_____ I/We hereby elect to participate in the Leo 3 Fed Com #1H
_____ I/We hereby elect **not** to participate in the Leo 3 Fed Com #1H
_____ I/We hereby elect to enter into a mutually agreeable Oil and Gas Lease with COG

FIRST ROSWELL COMPANY

By: _____

Name: _____

Title: _____

Date: _____



CONCHO
 550 West Texas Avenue, Suite 100
 Midland, Texas 79701

First Roswell Company
 c/o J F Management Company
 111 South Kentucky Ave.
 P. O. Box 1797
 Roswell, NM 88202-1797

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

First Roswell Company
 c/o J F Management Company
 111 South Kentucky Ave.
 P. O. Box 1797
 Roswell, NM 88202-1797

2. Art. No. 91 7108 2133 3937 3795 5501

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 x Ray Snada Agent Addressee

B. Received by (Printed Name) Ray Snada C. Date of Delivery 4-21-10

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

1. Article Addressed to:
 First Roswell Company
 c/o J F Management Company
 111 South Kentucky Ave.
 P. O. Box 1797
 Roswell, NM 88202-1797

2. Art. No. 91 7108 2133 3937 3795 5501

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) Addressee

C. Date of Delivery

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below: