



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Pecos District
Carlsbad Field Office

620 E. Greene
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm

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2014 NOV 15 P 3: 50

3180 (P0220)
NM72262

Reference:
Designation of Successor Operator
Communitization Agreement No. NM72262 (SCR368)
Eddy County, New Mexico

CERTIFIED—RETURN RECEIPT REQUESTED
7008 3230 0002 0987 6742

NOV 03 2014

COG Operating, LLC
600 West Illinois Avenue
Midland, TX 88220-6292

Gentlemen:

This office has received and reviewed your Designation of Successor Operator in which your company has agreed to assume all rights, duties, and obligations as the operator of the Communitization Agreement No. NM72262 (SCR368) covering N/2 sec. 12, T. 24 S., R. 28 E., NMPM, Eddy County, New Mexico. The instruments are executed by COG Operating, LLC as operator of the communitized area.

The designation of COG Operating, LLC as successor operator of the communitized area effective November 15, 2011 is hereby approved.

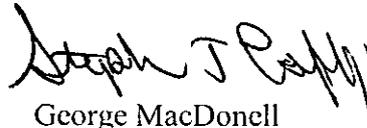
In accordance with this approval, COG Operating, LLC is responsible for all operations and the reporting of all production from the communitized area. Well signs should also reflect COG Operating, LLC as operator. Please inform all interested principles of such approval.

In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approvals that would entitle it to conduct operations under Communitization Agreement No. NM72262 (SCR368)

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

If you have any questions regarding this letter, please contact Edward G. Fernandez, Petroleum Engineer at the Division of Lands and Minerals at (575) 234-2220.

Sincerely,

A handwritten signature in black ink, appearing to read "George MacDonell".

George MacDonell
Associate Field Manager,
Lands and Minerals

1 Enclosure

cc:

ONRR, Denver

NMOCD-Santa Fe

NM (P0221), CFO I&E

NM (P0220), CFO