

May 25, 2011,

U.S. Certified Mail Return Receipt Requested

Burnett Oil Company Burnett Plaza, Unit 9 801 Cherry Street, Suite 1500 Fort Worth, Texas 76102

RE:

New Well Proposal

Puckett "24" Federal #6H

SHL: 75' FSL & 1,650' FEL (Unit P) of Section 24, T17S, R31E BHL: 330' FNL & 1,650' FEL, (Unit A) of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

COG Operating LLC ("COG") proposes to drill the Puckett "24" Federal #6H, with pilot hole to approximately 6,800' TD, as a triple lateral well at the captioned location, or a legal location within said Unit M, to depth's of approximately 5,500' TVD (Paddock lateral), 6,100' TVD (Upper Blinebry lateral), and 6,600' TVD (Lower Blinebry lateral) TVD, each to approximately 11,021' MD, to test the Yeso Formation ("Operation"). The total cost of the Operation is estimated to be \$11,517,000.00 and a detailed description of such cost is set out in the enclosed Authority for Expenditure ("AFE").

Also enclosed is COG's proposed form of Operating Agreement ("OA"). A completed version of the Exhibit "A" to be incorporated into the OA will follow under separate cover, accompanied by a fully executed set of signature pages.

If you elect to participate in the subject well, please sign and return a copy of the AFE to the below letterhead address.

If you desire to receive well information regarding the subject operations please return a Well Information Requirements list to COG. Technical questions should be directed to Carl Bird at 432-686-3057 and land questions to the undersigned at 432-818-2298.

Yours truly,

COG Operating LLC

David R. Evans

New Mexico Shelf, Land Lead

David P. Evans

Enclosure (s)

DRE/rc

Corporate Address: Fasken Center, Tower 550 West Texas Avenue, Suite 100 Midland, Texas 79701 PHONE 432,683.7443 FAX 432.683.7441



WELL NAME: *Puckett "24" Federal #6H*SHL:75' FSL & 1,650' FEL, Sec. 24-17S-31E
BHL: 330' FNL & 1,650' FEL, Sec. 24, 17S-31E
Pilot- 160 Acre PROSPECT NAME: Tamano (Mack) 720017
COUNTY & STATE: Eddy Co, NM
OBJECTIVE: YESO (11, 021' MD) (6100' TVD) Upper Blinebry

INTANGIBLE COSTS		<u>BCP</u>		<u>ACP</u>	<u>TOTAL</u>
Title/Curative/Permit	201	10,000			10,000
Insurance	202 .	22,000	302		22,000
Damages/Right of Way	203	15,000	303		15,000
Survey/Stake Location Location/Pits/Road Expense	204	3,000	304		3,000
Drilling / Completion Overhead	205 206	40,000 5,000	305 306	1,000	105,000
Turnkey Contract	— 207 ·	3,000	307	1,000	- 0,000
Footage Contract	208		308		
Daywork Contract 20:2 @ \$13000/day	209	260,000	309	26,000	286,000
Directional Drilling Services, With RS	- 210	400,000	310		400,000
Fuel & Power	211 -	112,500	,311	, 11,250	123,750
Water	212	30,000	312	75,000	105,000
Bits Mud & Chemicals	— 213 214 -	45,000	313	1,000	46,000
Drill Stem Test	— 214 ···-	25,000	314 315		25,000
Coring & Analysis	216 -		313		
Cement Surface		16,000			16,000
Cement Intermediate	218	16,000			16,000
Cement Production 7"x5.5"	218	5,7%	319	70,000	70,000
Cement Squeeze & Other (NO Kickoff Plug)	220	y training from	320	and the second second second	, 0
Float Equipment & Centralizers	221	3,500	321	15,000	18,500
Casing Crews & Equipment	222	7,000	322	13,000	20,000
Fishing Tools & Service Geologic/Engineering	223 224	10,000	323 324	4 000	11.000
Contract Labor	224 - 225 -	10,000	325	1,000 30,000	11,000 40,000
Company Supervision	— ²²⁵ -	2,000	326	2,000	4,000
Contract Supervision	227	28,000	327	4,000	32,000
Testing Casing/Tubing		4,000	328	1,500	5,500
Mud Logging Unit	229	16,000	329		16,000
Logging	230	. 0	330	5,000	5,000
Perforating/Wireline Services	231	3,500	331	125,000	128,500
Stimulation/Treating			332	760,000	760,000
Completion Unit			333	40,000	40,000
Swabbing Unit		20.000	334	400,000	120,000
Rentals-Surface Rentals-Subsurface	235 236	20,000 30,000	335 336	100,000	40,000
Trucking/Forklift/Rig Mobilization	— ²³⁰ -	40,000	337	100,000	140,000
Welding Services	— ₂₃₈ -	3,000	338	1,500	4,500
Water Disposal	239	· · · · · · · · · · · · · · · · · · ·	339	25,000	25,000
Plug to Abandon	240		340		0
Selsmic Analysis	241		341		0
Closed Loop & Environmental	244 _	120,000	344	·	120,000
Miscellaneous	242 -	5,000	342	1,000	6,000
Contingency	243 -	131,500	343	149,750	281,250
TOTAL INTANGIBLES		1,433,000		1,633,000	3,066,000
TANGIBLE COSTS			5, 5		
Surface Casing 550' 13 3/8"	401	20,000		se a la company	1,200
Intermediate Casing 1850' 9 5/8"	402	48,000	503	Javan et al. 1	48,000
Production Casing/Liner 6900' - 7", 4200' - 5.5"			503	260,000	260,000
Tubing 6200' 2 7/8"		3	504	38,000	38,000
Wellhead Equipment	405	30,000	505	18,000	48,000
Pumping Unit			506	97,000	97,000
Prime Mover			507 508	39,000	39,000
Pumps 2	, , -		509	4,500	4,500
Tanks	 -		510	20,000	20,000
Flowlines			511	15,000	15,000
Heater Treater/Separator	_ ,-		512	25,000	25,000
Electrical System			513		0
Packers/Anchors/Hangers	414	·	514		0
Couplings/Fittings/Valves	415	2,000	515	25,000	27,000 4,000
Gas Compressors/Meters			516 517	4,000	4,000
Dehydrator Injection Plant/CO2 Equipment			517 518		
Miscellaneous	— ₄₁₉ -	1,000	519	1,000	2,000
Contingency	- 420 -	11,000		55,500	66,500
TOTAL TANGIBLES		112,000		602,000	714,000
TOTAL WELL COSTS		1,545,000		2,235,000	3,780,000
	_				
COG Operating LLC					
			-1401	14	
By: J. Coffman / C. Bird		Date Prepared:	5/16/1	<u> </u>	

_% Working Interest Company: By: Printed Name: Title:

Date:

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

WELL NAME: *Puckett "24" Federal #6H*SHL:75' FSL & 1,650' FEL, Sec. 24-17S-31E
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COUNTY & STATE: Eddy Co, NM

OBJECTIVE: YESO (11, 021' MD) (6100' TVD) Upper Blinebry

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Drilling / Completion Overhead	206	5,000	306		6,000
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Bits	213	45,000	313		46,000
Mud & Chemicals	214	25,000	314		25,000
Drill Stern Test	215		315		. 0
Coring & Analysis	216	45.000			0
Cement Surface	217	16,000			16,000
Cement Intermediate Cement Production 7"x5.5"	218 218	16,000	319	70,000	16,000
Cement Production 7 x5,5 Cement Squeeze & Other (NO Kickoff Plug)	220		319		70,000
Float Equipment & Centralizers	221	3,500	321	15,000	18,500
Casing Crews & Equipment	222	7,000	321		20,000
Fishing Tools & Service	223	7,000	323		20,000
Geologic/Engineering	224	10,000	324		11,000
Contract Labor	225	10,000	325		40,000
Company Supervision	226	2,000	326		4,000
Contract Supervision	227	28,000	327	4,000	32,000
Testing Casing/Tubing	228	4,000	328	1,500	5,500
Mud Logging Unit	229	16,000	329		16,000
Logging	230	0	330	5,000	5,000
Perforating/Wireline Services	231	3,500	331	125,000	128,500
Stimulation/Treating		Visit Control of the	332	760,000	760,000
Completion Unit	139	Special Annalysis 112	333	40.000	40,000
Swabbing Unit		1917	334		. 0
Rentals-Surface	235	20,000	335	100,000	120,000
Rentals-Subsurface	236	30,000	336	* -	40,000
Trucking/Forklift/Rig Mobilization	237	40,000	337	100,000	140,000
Welding Services	238	3,000	338		4,500
Water Disposal	239	7 <u>. 27.343.</u>	339	25,000	25,000
Plug to Abandon	240	(340		
Seismic Analysis	241	,	341		120,000
Closed Loop & Environmental	244	120,000	344		6,000
Miscellaneous	242	5,000	342 343		281,250
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Tubing 6200' 2 7/8"	,	·	504	38,000	38,000
Wellhead Equipment	405	30,000	505		48,000
Pumping Unit	400		506		97,000
Prime Mover		-	507		0
Rods			508	39.000	39,000
Pumps			509	4,500	4,500
Tanks			510	20,000	20,000
Flowlines			511	15,000	15,000
Heater Treater/Separator			512	25,000	25,000
Electrical System			513		0
Packers/Anchors/Hangers	414	.,,,	514		0
Couplings/Fittings/Valves	415	2,000	515		27,000
Gas Compressors/Meters			516	4,000	4,000
Dehydrator	1 75	1 137 1	517	<u> </u>	0
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Injection Plant/CO2 Equipment					
Miscellaneous	419	1,000	519		2,000
Miscellaneous Contingency	419 420	11,000	519 520	55,500	66,500
Miscellaneous					

COG	Opera	iting L	LC
e. '	•		x 44.

Date:

5/16/11

We approve:
_____% Working Interest Printed Name Title:

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 Tamano (Mack) 720017

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Tubing 6200 2 7/8"		1 41 4 4 5 5 4 7	504	38,000	38,000
Wellhead Equipment	405	30,000	505	18,000	48,000
Pumping Unit	_		506	97,000	97,000
Prime Mover		#	507	4.57	C
Rods	<u> </u>	142	508	39,000	39,000
Pumps		1.	509	4,500	4,500
Tanks			510	20,000	20,000
Flowlines			511	15,000	15,000
Heater Treater/Separator		1. 1.4%	512	25,000	25,000
Electrical System	<u> </u>	<u> </u>	513		*0
Packers/Anchors/Hangers	414	2.2.000	514	25,000	27,000
Couplings/Fittings/Valves	415	2,000			4,000
Gas Compressors/Meters		- 1	516	4,000	4,000
Dehydrator	— , j		517 518	A CONTRACTOR OF THE PARTY OF TH	
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Miscellaneous	419 · · · · · · · · · · · · · · · · · · ·	11,000	520	55,500	66,500
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TOTAL WELL COSTS	.	1,545,000	,	2,235,000	3,780,000
		,			

COG Operating LLC

Date:

By: J. Coffman / C. Bird Date Prepared: 5/16/11

We approve:
____% Working Interest

Company:
By:

Printed Name:
Title:

This AFE is only an estimate: By signing you agree to pay your share of the actual costs incurred.

1

Package ID: 9171999991703005145645
Destination ZIP Code: 76102
Customer Reference:
Recipient:
Address:

Electronic Certified Priority Envelope or package CBP

> PBP Account #: 41592288 Serial #::1364097 MAY 25 2011 4:34pm

ENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete Items 1, 2, and 3. Also complete item— Item—It Restricted Delivery is desired. Pri. Jur name and address on the reverse so that we carrietum the card to you. Attach this card to the back of the mailpleoe, or on the front if space permits.	૽૽ૼ૽૽
Article Addressed to: Burnett Oil Company	D. is delivery address different from Item 17. Unives
Burnett Plaza, Unit 9 801 Cherry Street, Suite 1500 Fort Worth, TX 76102 Puckett "24" Federal #6H	Service Type. Securitied Mail. Registered. Registered. C.O.O.
91 7199	4. Restricted Delivery/ (Erns Fee) © 168. 9991, 7030 051,4 5645
S Form: 3811, February 2004 Domestic Re	Domestic Return Receipt
91. 7199 9991 7030 0514 5645 (azsss-az-#-1540)	Article number 91 7199 9991 7 (mansfer from service lebel) 91 7199 9991 7 Form 3811 February 2004 Domestic Return Receipt
3. Service Type Certified Matl	Street, Suite 15 , TX 76102 t" Federal #&H

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.

Article Addressed to:

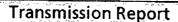
Burnett Oil Company
Burnett Plaza, Unit 9

801 Cherry Street, Suite 1500
Fort Worth, TX 76102
Puckett "24" Federal ##H

Fort Worth TY Pucket Worth Type

Fort Worth TY





Date/Time Local ID 1

05-25-2011 4326863000

02:58:48 p.m.

Transmit Header Text Local Name 1.

This document: Failed (reduced sample and details below) Document size: 8.5"x14"



FAX COVER SHEET

PAGE _1_ OF 5_ PAGES

DATE: May 25, 2011

TO:

Burnett Oil Company-Attn: Land Manager

(817) 332-7832 FAX:

NOTICE: T

Robya Cummins 7
Concho Resources Inc. - COG Oil & Gas LF / COG Operating LLC
550 West Texas Avenue, Suite 100, Midland, Texas 79701-4210

PHONE:

(432) 818-2324

FAX: (432) 686 3000

New Well Proposal Puckett "24" Federal 6-H

Total Pages Scanned: 5

Total Pages Confirmed: 0

No.	Job	Remote Station	Start Time	Duration	Pages :	Line	Mode	Job Type	Results
001	176	818173327832	02:56:09 p.m. 05-25-2011	00:00:00	0/5	1	1	HS	FA

Abbreviations: HS: Host send

HR: Host receive

PL: Polled local

MP: Mailbox print

CP: Completed

TS: Terminated by system

WS: Waiting send

PR: Polled remote MS: Mallbox save

RP: Report FF: Fax Forward FA: Fall TU: Terminated by user G3: Group 3 **EC: Error Correct**



FAX COVER SHEET

PAGE _1_ OF _5_ PAGES

DATE: May 25, 2011

TO: Burnett Oil Company-Attn: Land Manager

FAX: (817) 332-7832

NOTICE: This facsimile message contains PRIVILEGED and CONFIDENTIAL information and is intended only for the use of the specific individual or individuals to which it is addressed. If you are not an intended recipient of this facsimile, you are hereby notified that any unauthorized use, dissemination or copying of this facsimile or the information contained herein or attached hereto is strictly prohibited. If you receive this facsimile in error, please notify the sender named below by telephone and/or reply facsimile and destroy the facsimile received in error. Thank you.

FROM: Robyn Cummins

Concho Resources Inc. - COG Oil & Gas LP / COG Operating LLC 550 West Texas Avenue, Suite 100, Midland, Texas 79701-4210

Re: New Well Proposal Puckett "24" Federal 6-H

Lisa Wilson

From:

Lisa Wilson

Sent:

Wednesday, May 25, 2011 4:26 PM 'dsrhodes@burnettoil.com'

To:

Cc:

David Evans

Subject:

Tracking:

Puckett Well Proposals

Attachments:

Burnett_Puckett 24 Fed 2H.pdf; Burnett_Puckett 24 Fed 6H.pdf; Burnett_Puckett 12 Fed 7H.pdf; Burnett_Puckett 12 Fed 9H.pdf; Burnett_Puckett 13 Fed 1H.pdf; Burnett_Puckett 13 Fed 7H.pdf

Recipient

Delivery

Read

'dsrhodes@burnettoil.com'

David Evans

Delivered: 5/25/2011 4:26 PM

Read: 5/25/2011 4:27 PM

Mr. Rhodes,

Attached are scanned copies of 6 Puckett Well Proposals. The originals are being sent today via U.S. Certified Mail.

Thank you,

Lisa Wilson (Oetting) **Land Assistant COG OPERATING LLC** 550 W. Texas Avenue, Suite 100 Midland, Texas 79701 p.432.685.4366 f.432.686.3000



Lisa Wilson

From: To: Sent: Subject: David Rhodes [dsrhodes@burnettoil.com] Lisa Wilson Wednesday, May 25, 2011 4:29 PM Read: Puckett Well Proposals

Your message was read on Wednesday, May 25, 2011 4:28:31 PM (GMT-06:00) Central Time (US & Canada).



May 25, 2011

U.S. Certified Mail Return Receipt Requested

Javalina Partners 616 Texas Street Fort Worth, TX 76102

RE:

New Well Proposal

Puckett "24" Federal #6H

SHL: 75' FSL & 1,650' FEL (Unit P) of Section 24, T17S, R31E BHL: 330' FNL & 1,650' FEL, (Unit A) of Section 24, T17S, R31E

Eddy County, New Mexico

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Yours truly,

COG Operating LLC

David R. Evans

New Mexico Shelf, Land Lead

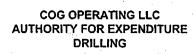
David REvans

Enclosure (s) DRE/rc

Corporate Address: Fasken Center, Tower 118 550 West Texas Avenue, Suite 100

- Midland, Texas 79701-

FAX 432.683.7441



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the state of the s	201	10,000			10,000
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Fuel & Power	211	112,500	311	11,250	123,750
Water Bits	_ 212 _	30,000	312	75,000	105,000
Mud & Chemicals	$ \frac{213}{214}$ $-$	45,000	313	1,000	46,000
Drill Stem Test	- 214 215	25,000	314 315	·	25,000
Coring & Analysis	- 216 -	·	315		0
Cement Surface	- 210 -	16,000			16,000
Cement Intermediate	$-\frac{217}{218}$ $-$	16,000			16,000
Cement Production 7"x5.5"	- 218	10,000	319	70,000	70,000
Cement Squeeze & Other (NO Kickoff Plug)	– 220 –		320		0,000
Float Equipment & Centralizers	- 221 -	3,500	321	15,000	18,500
Casing Crews & Equipment		7,000	322	13,000	20,000
Fishing Tools & Service	223	.,	323		0
Geologic/Engineering	_ 224 _	10,000	324	1,000	11,000
Contract Labor	225	10,000	325	30,000	40,000
Company Supervision	_ 226 _	2,000	326	2,000	4,000
Contract Supervision	227	28,000	327	4,000	32,000
Testing Casing/Tubing	228	4,000	328	1,500	5,500
Mud Logging Unit	229	16,000	329		16,000
Logging	230	0	330	5,000	5,000
Perforating/Wireline Services	231	3,500	331	125,000	128,500
Stimulation/Treating		·	332	760,000	760,000
Completion Unit	- 1		333	40,000	40,000
Swabbing Unit	-		334	100.000	0
Rentals-Surface	235	20,000	335	100,000	120,000
Rentals-Subsurface Trucking/Forklift/Rig Mobilization	236	30,000	336 337	10,000	40,000
TOTAL CONTROL OF THE		40,000 3,000	338	1,500	4,500
Welding Services Water Disposal	_ 238 *	3,000	339	25,000	25,000
Plug to Abandon	- ²³⁹ -		340	23,000	23,000
Seismic Analysis	- 240 -		341		
Closed Loop & Environmental	- ₂₄₄ -	120,000	344		120,000
Miscellaneous	- ₂₄₂ -	5,000	342	1,000	6,000
Contingency	243	131,500	343	149,750	281,250
TOTAL INTANGIBLES	-	1,433,000	- :	1,633,000	3,066,000
	_				
TANGIBLE COSTS				,	
Surface Casing 550' 13 3/8"	401	20,000			1,200
Intermediate Casing 1850' 9 5/8"	402	48,000	503		48,000
Production Casing/Liner 6900' - 7", 4200' - 5.5"	41		503	260,000	260,000
Tubing 6200' 2 7/8"			504	38,000	38,000
Wellhead Equipment	405	30,000	505	18,000	48,000
Pumping Unit			506	97;000	97,000
Prime Mover	· ·		507		0
Rods			508	39,000	39,000
Pumps			509	4,500	4,500
Tanks			510	20,000	20,000
Flowlines	_ · ·		511	15,000	15,000 25,000
Heater Treater/Separator			512 513	25,000	25,000
Electrical System Packers/Acchess/Hangers	_ 414	 	514		0
Packers/Anchors/Hangers Couplings/Fittings/Valves	$-\frac{414}{415}$ $-$	2,000	515	25,000	27,000
Gas Compressors/Meters	- ''' -	2,000	516	4,000	4,000
Dehydrator Dehydrator			517	117-2	0
Injection Plant/CO2 Equipment		 	518		0
Miscellaneous A Color of the Co	419	1,000	519	1,000	2,000
The second secon	- 420 -	11,000	0.1972	55,500	66,500
Contingency	720				
Contingency TOTAL TANGIBLES		112,000		602,000	714,000
				602,000 2,235,000	714,000 3,780,000

We approve:			
% wo	rking Interest		
		. •	
Company:			
Ву:			
Printed Name	a:		

COG Operating LLC

By: J. Coffman / C. Bird

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

5/16/11

Date Prepared:



WELL NAME: Puckett "24" Federal #6H SHL:75' FSL & 1,650' FEL, Sec. 24-17S-31E BHL: 330' FNL & 1,650' FEL, Sec. 24, 17S-31E Pilot- 160 Acre

Printed Name:

Title:

PROSPECT NAME: Tamano (Mack) 720017 COUNTY & STATE: Eddy Co, NM OBJECTIVE: YESO (11, 021' MD) (5500' TVD) Paddock

Pilot- 160 Acre		_			
INTANGIBLE COSTS	,	BCP		ACP	TOTAL
Title/Curative/Permit	201	10,000			10,000
Insurance	202	22,000	302		22,000
Damages/Right of Way	203	15,000	303		15,000
Survey/Stake Location	204	3,000	304		3,000
Location/Pits/Road Expense Drilling / Completion Overhead	205 206	40,000	305 306		105,000 6,000
Turnkey Contract	207	3,000	307		0,000
Footage Contract	208	· · · ·	308	*	0
Daywork Contract 20:2 @ \$13000/day	209	260,000	309		286,000
Directional Drilling Services, With RS Fuel & Power	210 211	400,000 112,500	310 311	11,250	400,000 123,750
Water	212	30,000	312		105,000
Bits	213	45,000	313		46,000
Mud & Chemicals	214	25,000	314		25,000
Drill Stem Test Coring & Analysis	215 216		315		0
Cement Surface	217	16,000			16,000
Cement Intermediate	218	16,000			16,000
Cement Production 7"x5.5"	218		319		70,000
Cement Squeeze & Other (NO Kickoff Plug)	220		320		0
Float Equipment & Centralizers Casing Crews & Equipment	221 222	7,000	321 322	15,000 13,000	18,500 20,000
Fishing Tools & Service	223	7,000	323	10,000	20,000
Geologic/Engineering	224	10,000	324		11,000
Contract Labor	225	10,000	325	30,000	40,000
Company Supervision Contract Supervision	226	2,000	326 327	2,000 4,000	4,000 32,000
Testing Casing/Tubing	227 228	4,000	328	1,500	5,500
Mud Logging Unit	229	16,000	329		16,000
Logging	230	0	330	5,000	5,000
Perforating/Wireline Services	231	3,500	331	125,000	128,500
Stimulation/Treating Completion Unit			332 333	760,000 40,000	760,000 40,000
Swabbing Unit			334	40,000	0
Rentals-Surface	235	20,000	335	100,000	120,000
Rentals-Subsurface	236	30,000	336	10,000	40,000
Trucking/Forklift/Rig Mobilization Welding Services	237 238	40,000 3,000	337 338	100,000	140,000 4,500
Water Disposal	239	3,000	339		25,000
Plug to Abandon	240		340		0
Seismic Analysis	241		341		0
Closed Loop & Environmental	244	120,000 5,000	344 342	1,000	120,000 6,000
Miscellaneous Contingency	242	131,500	343		281,250
TOTAL INTANGIBLES	2.0	1,433,000		1,633,000	3,066,000
				1 20 4	
TANGIBLE COSTS					. 4 200
Surface Casing 550' 13 3/8" Intermediate Casing 1850' 9 5/8"	401 402	20,000	503		1,200 48,000
Production Casing/Liner 6900' - 7", 4200' - 5.5"	402	40,000	503		260,000
Tubing 6200' 2 7/8"			504		38,000
Wellhead Equipment	405	30,000	505		48,000
Pumping Unit		- 5,22	506 507	97,000	97,000
Prime Mover Rods			508		39,000
Pumps		100	509		4,500
Tanks		7 2	510		20,000 15,000
Flowlines Hantor Tractor/Seconder			511 512	15,000 25,000	25,000
Heater Treater/Separator Electrical System			513		0
Packers/Anchors/Hangers	414	i Vita	514	, 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	0
Couplings/Fittings/Valves	415	2,000	515		27,000
Gas Compressors/Meters			516 517		4,000
Dehydrator Injection Plant/CO2 Equipment			518		0
Miscellaneous	419	1,000	519		2,000
Contingency	420	11,000	520	55,500 602,000	66,500 714,000
TOTAL TANGIBLES TOTAL WELL COSTS		112,000 1,545,000		2;235,000	3,780,000
TOTAL WELL GOOTS		1,040,000			
COG Operating LLC			`	**	
			. ,		
By: J. Coffman / C. Bird		Date Prepared:	5/16	/11	
We approve:	• ,				
% Working Interest				, ,	
Company:					
By:					

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.



DRILLING

WELL NAME: Puckett "24" Federal #6H SHL:75' FSL & 1,650' FEL, Sec. 24-17S-31E BHL: 330' FNL & 1,650' FEL, Sec. 24, 17S-31E Pilot- 160 Acre PROSPECT NAME: Tamano (Mack) 720017 COUNTY & STATE: Eddy Co, NM OBJECTIVE: YESO (11, 021' MD) (5500' TVD) Paddock

INTANGIBLE COSTS	i gray	BCP		<u>ACP</u>	TOTAL
Title/Curative/Permit	201	10,000			10,000
Insurance	202	22,000	302		22,000
Damages/Right of Way	203	15,000	303	<u> </u>	15,000
Survey/Stake Location	204	'≟3,000	304		3,000
Location/Pits/Road Expense	205	40,000	305	65,000	105,000
Drilling / Completion Overhead	206	5,000	306	1,000	6,000
Turnkey Contract	207⊹	<u></u>	307		0
Footage Contract	208		308		0
Daywork Contract 20:2 @ \$13000/day	209	260,000	309	26,000	286,000
Directional Drilling Services, With RS	210	400,000	310		400,000
Fuel & Power	211	112,500	311	11,250	123,750
Water Bits	212	30,000	312	75,000	105,000
Mud & Chemicals	213	45,000 25,000	· 313	1,000	46,000
Drill Stem Test	214 215	25,000	315		25,000
Coring & Analysis	216				
Cement Surface	217	16,000			16,000
Cement Intermediate	218	16,000		, , , , , , , , , , , , , , , , , , , ,	16,000
Cement Production 7"x5.5"	218		319	70,000	70,000
Cement Squeeze & Other (NO Kickoff Plug)	220		320		0
Float Equipment & Centralizers	221	3,500	321	15,000	18,500
Casing Crews & Equipment	222	7,000	322	13,000	20,000
Fishing Tools & Service	223	5.4%	323		0
Geologic/Engineering	224	10,000	324	1,000	11,000
Contract Labor	225	10,000	325	30,000	40,000
Company Supervision	226	2,000	326	2,000	4,000
Contract Supervision	. 227	28,000	327	4,000	32,000
Testing Casing/Tubing Mud Logging Unit	- 228 229	16,000	328 329		5,500 16,000
Logging Unit	230	, 10,000, (0)	330	5,000	5,000
Perforating/Wireline Services	231	3,500	331	125,000	128,500
Stimulation/Treating	- 201	0,000	332	760,000	760,000
Completion Unit	•		333	40,000	40,000
Swabbing Unit	• .		334		0
Rentals-Surface	235	20,000	335	100,000	120,000
Rentals-Subsurface	236	30,000	336	10,000	40,000
Trucking/Forklift/Rig Mobilization	237	40,000	337	100,000	140,000
Welding Services	238	3,000	338	1,500	4,500
Water Disposal	239	VA V.	339	25,000	25,000
Plug to Abandon	240	· · · · · · · · · · · · · · · · · · ·	340		0
Seismic Analysis	241	400,000	341		120,000
Closed Loop & Environmental Miscellaneous	. 244 242	120,000 5,000	344 342	1,000	120,000 6,000
Contingency	242	131,500	343	149,750	281,250
TOTAL INTANGIBLES	. 243	1,433,000	040	1,633,000	3,066,000
TO THE INTERIOR OF THE INTERIO	•	- 1, 100,000			***************************************
TANGIBLE COSTS					
Surface Casing 550' 13 3/8"	401	20,000			1,200
Intermediate Casing 1850' 9 5/8"	402	48,000	503		48,000
Production Casing/Liner 6900' - 7", 4200' - 5.5"	•		503	260,000	260,000
Tubing 6200' 2 7/8"	•		504	38,000	38,000
Wellhead Equipment	405	30,000	505	18,000	48,000
Pumping Unit			506	97,000	97,000
Prime Mover	•		507		
Rods			508	39,000	39,000
Pumps			509	4,500	4,500
Tanks	•		510	20,000	20,000
Flowlines	-		511 512	<u>15,000</u> 25,000	25,000
Heater Treater/Separator	•		513	23,000	25,000
Electrical System Packers/Anchors/Hangers	414		514		
Couplings/Fittings/Valves	415	2,000	515	25,000	27,000
Gas Compressors/Meters		2,000	516	4,000	4,000
Dehydrator	• .		517		0
Injection Plant/CO2 Equipment	•		518		0
Miscellaneous	419	1,000	519	1,000	2,000
Contingency	420	11,000	520	55,500	66,500
TOTAL TANGIBLES	•	112,000		602,000	714,000
TOTAL WELL COSTS	-	1,545,000		2,235,000	3,780,000

COG Operating LLC

Date:

By: J. Coffman / C. Bird	Date Prepared: 5/16/11	
We approve:% Working Interest		

Printed Name: Title:

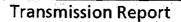
This AFE is only an estimate. By signing you ag of the actual costs incurred.

■ Complete items 1, 2, and 3 Also complete item 4 if Restricted Delivery is desired. PS Form 3811, February 2004 Article Number Article Addressed to: 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 malipiece, or on the front if space permits. (Transfer from service label) Puckett "24" Federal #6H Fort Worth, TX 76102 616 Texas Street Javelina Partners Domestic Return Recelpt 7199 991 7030 0514 5744 A. Signature COMPLETE THIS SECTION ON DELIVERY D. Is delivery address different from Item 1? I Yes
If YES, enter delivery address below: I No B. Received by (Printed Name) 4. Restricted Delivery? (Extra Fee) 3. Service Type 回 Certified Mail ☐ Registered
☐ Insured Mail If YES, enter delivery address below: ☐ Express Meil

☐ Return Receipt for Merchandise
☐ C.O.D. C. Date of Delivery ☐ Agent ☐ Addressee 102595-02-M-1540 **□** ′68

53



Date/Time Local ID 1 05-25-2011 4326863000 03:37:42 p.m.

Transmit Header Text Local Name 1

Land

This document: Confirmed (reduced sample and details below)

Document size: 8.5"x14"



FAX COVER SHEET

PAGE_I_OF_5_PAGES

DATE:

May 25, 2011

TO:

Javelina Partners-Mr. E. Randali Hudson III

FAX:

(817) 334-0442

NOTICE: This factimite message contains PRIVILEGED and CONFIDENTIAL information and is lotested only for the use of the specific individual or individuals to which it is addressed. If you are not an intraded recipient of this factimine, you are not an intraded recipient of this factimine, or are hereby notified that any samulto-right way, discerning the complete of this factimine or the information contained hereto or altached hereto is strictly prohibited. If you receive this faccimile to error, pieses notify the sender amond below by telephone and/or reply faccimine and deriver the facingle received in error. Thus, you.

FROM

Robyn Cummins
Concho Resources Inc. - COG Oil & Gas LP / COO Operating LLC
550 West Texas Avenue, Suite 100, Midland, Texas 79701-4210

(432) 818-2324

FAX:

(432) 686 3000

PHONE:

New Well Proposal Puckett "24" Federal 6-H

Total Pages Scanned: 5

Total Pages Confirmed: 5

No.	Job	Remote Station	Start Time	Duration	Pages	Line	Mode	Job Type	Results
001	172	8173340442	02:35:47 p.m. 05-25-2011	00:05:09	5/5	1	EC	HS	CP4800

Abbreviations:

HS: Host send HR: Host receive WS: Waiting send PL: Polled local PR: Polled remote MS: Mailbox save MP: Mailbox print RP: Report FF: Fax Forward CP: Completed FA: Fail TU: Terminated by user TS: Terminated by system G3: Group 3 EC: Error Correct



FAX COVER SHEET

PAGE _1_ OF _5_ PAGES

DATE:

May 25, 2011

TO:

Javelina Partners-Mr. E. Randall Hudson III

FAX:

(817) 334-0442

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FROM:

Robyn Cummins

Concho Resources Inc. - COG Oil & Gas LP / COG Operating LLC 550 West Texas Avenue, Suite 100, Midland, Texas 79701-4210

PHONE:

(432) 818-2324

FAX:

(432) 686 3000

Re:

New Well Proposal Puckett "24" Federal 6-H



May 25, 2011

U.S. Certified Mail Return Receipt Requested

Zorro Partners 616 Texas Street Fort Worth, TX 76102

RE:

New Well Proposal

Puckett "24" Federal #6H

SHL: 75' FSL & 1,650' FEL (Unit P) of Section 24, T17S, R31E BHL: 330' FNL & 1,650' FEL, (Unit A) of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

COG Operating LLC ("COG") proposes to drill the Puckett "24" Federal #6H, with pilot hole to approximately 6,800' TD, as a triple lateral well at the captioned location, or a legal location within said Unit M, to depth's of approximately 5,500' TVD (Paddock lateral), 6,100' TVD (Upper Blinebry lateral), and 6,600' TVD (Lower Blinebry lateral) TVD, each to approximately 11,021' MD, to test the Yeso Formation ("Operation"). The total cost of the Operation is estimated to be \$11,517,000.00 and a detailed description of such cost is set out in the enclosed Authority for Expenditure ("AFE").

Also enclosed is COG's proposed form of Operating Agreement ("OA"). A completed version of the Exhibit "A" to be incorporated into the OA will follow under separate cover, accompanied by a fully executed set of signature pages.

If you elect to participate in the subject well, please sign and return a copy of the AFE to the below letterhead address.

If you desire to receive well information regarding the subject operations please return a Well Information Requirements list to COG. Technical questions should be directed to Carl Bird at 432-686-3057 and land questions to the undersigned at 432-818-2298.

Yours truly,

COG Operating LLC

David Pr Evans

David R. Evans New Mexico Shelf, Land Lead

Enclosure (s) DRE/rc

Corporate Address: Fasken Center, Tower II 550 West Texas Avenue, Suite 100 Midland, Texas 79701 PHONE 432.683.7443



WELL NAME: **Puckett "24" Federal #6H**SHL:75' FSL & 1,650' FEL, Sec. 24-17S-31E
BHL: 330' FNL & 1,650' FEL, Sec. 24, 17S-31E
Pilot- 160 Acre PROSPECT NAME: Tamano (Mack) 720017
COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 11, 021' MD (6600' TVD) Lower Blinebry

INTANGIBLE COSTS		BCP		ACP	TOTAL
Title/Curative/Permit	201	10,000			. 10,000
Insurance	202	22,000	302		22,000
Damages/Right of Way	203	15,000	303		15,000
Survey/Stake Location	204	3,000	304	**	
Location/Pits/Road Expense	205	40,000	305	<u> </u>	3,000
Drilling / Completion Overhead	206			65,000	105,000
Turnkey Contract	207	5,000	306	1,000	6,000
Footage Contract	208		307		0
Daywork Contract 24:2 @ \$13000/day		240.000	308	20.000	0
	209	312,000	309	26,000	. 338,000
Directional Drilling Services, With RS Fuel & Power	210	400,000	310		400,000
	211	135,000		11,250	146,250
Water	212	34,000	312	75,000	109,000
Bits	213	45,000	313	1,000	46,000
Mud & Chemicals	214	25,000	314		25,000
Drill Stem Test	215	A. C.	315	<u> </u>	. 0
Coring & Analysis	216	Sandridge San	1.	(k	- 0
Cement Surface	217	16,000			16,000
Cement Intermediate	218	16,000			16,000
Cement Production 7"x5.5"	218		319	70,000	70,000
Cement Squeeze & Other (Kickoff Plug)	220	25,000	320		25,000
Float Equipment & Centralizers	221	3,500	321	15,000	18,500
Casing Crews & Equipment	222	7,000	322	13,000	20.000
Fishing Tools & Service	223		323	V (0
Geologic/Engineering	224	10,000	324	1,000	11,000
Contract Labor	225	10,000	325	30,000	40,000
Company Supervision	226	2,000	326	2,000	4,000
Contract Supervision	227	28,000	327	4,000	32,000
Testing Casing/Tubing	228	4,000	328	1,500	5,500
Mud Logging Unit	229	20,000	329		20,000
Logging	230	30,000	330	5,000	35,000
Perforating/Wireline Services	231	3,500	331	125,000	128,500
Stimulation/Treating			332	760,000	760,000
Completion Unit			333	40,000	40,000
Swabbing Unit			334		0
Rentals-Surface	235	24,000	335	100,000	124,000
Rentals-Subsurface	236	35,000	336	10,000	45,000
Trucking/Forklift/Rig Mobilization	237	40,000	337	100,000	140,000
Welding Services	238	3,000	338	1,500	4,500
Water Disposal	239		339	25,000	25,000
Plug to Abandon	240		340		0
Seismic Analysis	241		341		0
Closed Loop & Environmental	244	135,000	344		135,000
Miscellaneous	242	5,000	342	1,000	6,000
Contingency	243	147,000	343	149,750	296,750
TOTAL INTANGIBLES		1,610,000		1,633,000	3,243,000
TANGIBLE COSTS				·	
Surface Casing 550' 13 3/8"	401	20,000			1,200
Intermediate Casing 1850' 9 5/8"	402	48,000	503		48,000
Production Casing/Liner 6900' - 7", 4200' - 5.5"			503	260,000	260,000
Tubing 6200' 2 7/8"			504	38,000	38,000
Wellhead Equipment	405	30,000	505	18,000	48,000
Pumping Unit			506	97,000	97,000
Prime Mover			507		0
Rods	٧.	X 128	508	39,000	39,000
Pumps	, ,	No. of the state o	509	4,500	4,500
Tanks			510	20,000	20,000
Flowlines		- X - X - X - X - X - X - X - X - X - X	511	15,000	15.000
Heater Treater/Separator			512	25,000	25,000
Electrical System	,		513	1 1/2	0
Packers/Anchors/Hangers	414	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	514		0 07 000
Couplings/Fittings/Valves	415	2,000	188.46	25,000	27,000
Gas Compressors/Meters	٠,	Supplied the supplied the supplied to	516	4.000	4,000
Dehydrator		Sand Branch	517	<u> </u>	0
Injection Plant/CO2 Equipment			518		3,000
Miscellaneous	419		519	1,000	2,000
Contingency	420	11,000	520	55,500	714,000
TOTAL TANGIBLES	,	112,000		602,000	
TOTAL WELL COSTS	÷	1,722,000	er je i	2,235,000	3,957,000
				* · · · · · · · · · · · · · · · · · · ·	
		, ,		. *	
COG Operating LLC					
, si con a con			_,_	,	
By: J. Coffman / C. Bird	•	Date Prepared:	5/24/	11	
We approve:				•	•
% Working Interest				*	
67 8				*	

Printed Name: Title:

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.



WELL NAME: *Puckett "24" Federal #6H*SHL:75' FSL & 1,650' FEL, Sec. 24-17S-31E

BHL: 330' FNL & 1,650' FEL, Sec. 24, 17S-31E

Pilot- 160 Acre

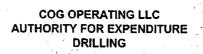
PROSPECT NAME: Tamano (Mack) 720017.
COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 11, 021' MD (6600' TVD) Lower Blinebry

INTANGIBLE COSTS		BCP		<u>ACP</u>	TOTAL
Title/Curative/Permit	201	10,000		a maria	
Insurance Advisor Advisor		22,000	- 302	A. V. 2 (2002) - 1 - 1 - 2 - 2	10,000
Damages/Right of Way			, -		22,000
		15,000	303		15,000
Survey/Stake Location	204	3,000	304		3,000
Location/Pits/Road Expense	205	40,000	305		105,000
Drilling / Completion Overhead	206	5,000	306	1,000	6,000
Turnkey Contract	207		307		0
Footage Contract	208		308		0
Daywork Contract 24:2 @ \$13000/day	209	312,000	309	26,000	338,000
Directional Drilling Services, With RS	210	400,000	310		400,000
Fuel & Power	211	135,000	311	11,250	146,250
Water	212	34,000	312	75,000	109,000
Bits	213	45,000	313	1,000	46,000
Mud & Chemicals	214	25,000	314		25,000
Drill Stem Test	215		315		0
Coring & Analysis	216		•		0
Cement Surface	217	16,000			16,000
Cement Intermediate	218	16,000			16,000
Cement Production 7"x5.5"	218		319	70,000	70,000
Cement Squeeze & Other (Kickoff Plug)	220	25,000	320		25,000
Float Equipment & Centralizers	221	3,500	321	15,000	18,500
Casing Crews & Equipment	222	7,000	322	13,000	20,000
Fishing Tools & Service	223		323	1. p 1. m	0
Geologic/Engineering	224	10,000	324	1,000	11,000
Contract Labor	225	10,000	325	30,000	40,000
Company Supervision	226	2,000	326	2,000	4,000
Contract Supervision	227	28,000	327	4,000	32,000
Testing Casing/Tubing	228	4,000	328	1,500	5,500
Mud Logging Unit	229	20,000	329	- G	20,000
Logging	230	30,000	330	5,000	35,000
Perforating/Wireline Services	231	3,500	331	125,000	128,500
Stimulation/Treating	_	- · · · · · · · · · · · · · · · · · · ·	332	760,000	760,000
Completion Unit		*** ** * * * * * * * * * * * * * * * *	333	40,000	40,000
Swabbing Unit	- 4 5	right and the second	334	The state of the s	0
Rentals-Surface	235	24,000	335	100,000	124,000
Rentals-Subsurface	236	35,000	336	10,000	45,000
Trucking/Forklift/Rig Mobilization	— ₂₃₇	40,000	337	100,000	140,000
Welding Services	238	3,000	338	1,500	4,500
Water Disposal	— ₂₃₉	# T	339	25,000	25,000
Plug to Abandon			340		0
Seismic Analysis	241		341		0
Closed Loop & Environmental	— ₂₄₄	135,000	344	· wa 11 212	135,000
Miscellaneous	242	5,000	342	1,000	6,000
Contingency	243	147,000	343	149,750	296,750
TOTAL INTANGIBLES	- -	1,610,000		1,633,000	3,243,000
TOTAL INTANOBLES					
TANGIBLE COSTS					
Surface Casing 550' 13 3/8"	401	20,000	. *		1,200
Intermediate Casing 1850' 9 5/8"	402		503	,	48,000
Production Casing/Liner 6900' - 7", 4200' - 5.5"	402	40,000	503	260,000	260,000
	_		504	38,000	38,000
Tubing 6200' 2 7/8"	405	30,000	505	18,000	48,000
Wellhead Equipment	_ ****		506	97,000	97,000
Pumping Unit			507		0
Prime Mover			508	39,000	39,000
Rods	_		509	4,500	4,500
Pumps			510	20,000	20,000
Tanks	_		511	15,000	15,000
Flowlines	_		512	25,000	25,000
Heater Treater/Separator	::		513	25,000	0
Electrical System			514		
Packers/Anchors/Hangers	414 	2,000	515	25,000	27,000
Couplings/Fittings/Valves	415	2,000	516	4,000	4,000
Gas Compressors/Meters			517	4,000	0
Dehydrator	· ·		518		
Injection Plant/CO2 Equipment	- ,,,	1,000	519	1,000	2,000
Miscellaneous	419	11,000		55,500	66,500
Contingency	420	112,000	520	602,000	714,000
TOTAL TANGIBLES		1,722,000		2,235,000	3,957,000
TOTAL WELL COSTS		1,722,000		2,200,000	2,00.,000
			4.		*
COG Operating LLC					
		Date Prepared:	5/24	M11 · · · ·	,
By: J. Coffman / C. Bird		Date Liebaien'			

COG Operating LLC			
By: J. Coffman / C. Bird		Date Prepared:	5/24/11
			- 14 A
		,	
We approve:	1.5		S. Carlotte
% Working Interest			
		•	
A			

Printed Name: Title:

This AFE is only an estimate. By signing you agree to pay your share



WELL NAME: *Puckett "24" Federal #6H*SHL:75' FSL & 1,650' FEL, Sec. 24-17S-31E
BHL: 330' FNL & 1,650' FEL, Sec. 24, 17S-31E
Pilot- 160 Acre PROSPECT NAME: Tamano (Mack) 720017 COUNTY & STATE: Eddy Co, NM OBJECTIVE: 11, 021 MD (6600 TVD) Lower Blinebry

Pilot- 160 Acre				-	
INTANGIBLE_COSTS		BCP		ACP	TOTAL
Title/Curative/Permit	201	10,000		<u></u>	10,000
Insurance	202	22,000	302		22,000
Damages/Right of Way	203	15,000	303		15,000
Survey/Stake Location	204	3,000	304		3,000
Location/Pits/Road Expense	205	40,000	305	65,000	105,000
Drilling / Completion Overhead	206	5,000	306	1,000	6,000
Tumkey Contract	207		307	1,000	0,000
Footage Contract	208		308		0
Daywork Contract 24:2 @ \$13000/day	209	312,000	309	26,000	338,000
Directional Drilling Services, With RS	210	400,000	310		400,000
Fuel & Power	211	135,000	311	11,250	146,250
Water	212	34,000	312	75,000	109,000
Bits	213	45,000	313	1,000	46,000
Mud & Chemicals	214	25,000	314		25,000
Drill Stem Test	215	_	315	,	· · · · · · · · · · · · · · · · · · ·
Coring & Analysis	216			·	0
Cement Surface	217	16,000			16,000
Cement Intermediate	218	16,000			16,000
Cement Production 7"x5.5"	218		319	70,000	70,000
Cement Squeeze & Other (Kickoff Plug)	220	25,000	320		25,000
Float Equipment & Centralizers	221	3,500	321	15,000	18,500
Casing Crews & Equipment	222	7,000	322	13,000	20,000
Fishing Tools & Service	223		323	<u> </u>	0
Geologic/Engineering	224	10,000	324	1,000	11,000
Contract Labor	225		325	30,000	40,000
Company Supervision	226	2,000 3	326	2,000	4,000
Contract Supervision Testing Cosing/Tubing	227		327	4,000	32,000
Testing Casing/Tubing Mud Logging Unit	228 229		328 329	1,500	5,500
Logging Unit	⇒229 - 230		329 330	5,000	20,000 35,000
Perforating/Wireline Services	231		331	125,000	128,500
Stimulation/Treating	231	> 0,300	332	760,000	760,000
Completion Unit			333	40,000	40,000
Swabbing Unit			334		0
Rentals-Surface	235	24,000	335	100,000	124,000
Rentals-Subsurface	236		336	10,000	45,000
Trucking/Forklift/Rig Mobilization	237		337	100,000	140,000
Welding Services	238		338	1,500	4,500
Water Disposal	239		339	25,000	25,000
Plug to Abandon	240		340		. 0
Seismic Analysis	241		341		0
Closed Loop & Environmental	244		344		135,000
Miscellaneous	242		342	1,000	6,000
Contingency	243		343	149,750	296,750
TOTAL INTANGIBLES		1,610,000		1,633,000	3,243,000
TANCIDI E COSTS					
TANGIBLE COSTS		00.000			4.000
Surface Casing 550' 13 3/8"	401	20,000	cán		1,200 48,000
Intermediate Casing 1850' 9 5/8"	402		503	260,000	260,000
Production Casing/Liner 6900' - 7", 4200' - 5.5" Tubing 6200' 2 7/8"			503 504	260,000 38,000	38,000
Wellhead Equipment	405		505	18,000	48,000
Pumping Unit	403		506	97,000	97,000
Prime Mover			507	37,000	97,000
Rods			508	39,000	39,000
Pumps			509	4,500	4,500
Tanks			510	20,000	20,000
Flowlines			511	15,000	15,000
Heater Treater/Separator			512	25,000	25,000
Electrical System			513	5 (1 2 h 1	0
Packers/Anchors/Hangers	414	7 7 7 7	514		С
Couplings/Fittings/Valves	415		515	25,000	27,000
Gas Compressors/Meters			516	4,000	4,000
Dehydrator			517		0
Injection Plant/CO2 Equipment			518.	4.000	0.000
Miscellaneous	419		519	1,000	2,000
Contingency	420		520	55,500 602,000	66,500 714,000
TOTAL TANGIBLES		112,000		2,235,000	3,957,000
TOTAL WELL COSTS		1,722,000		2,233,000	5,557,000
	Α,				
COG Operating LLC			1	die .	
OOO Operating ELO		*			
By: J. Coffman / C. Bird		Date Prepared: 5	/24/	<u></u>	
		<u> </u>			
We approve:					
% Working Interest					
Company:		·		•	
By:					
7.1					
Printed Name:					
Title:		•		ate. By signing you agree	to pay your snare
Date:		of the actual costs in	curre	ea.	
·					

PBP Account # 41592288 Recipient Serial # 1364097. MAY 25 2011 4/38pm Address: PS Form 3811, February 2004 Article Number PS Form 3811, February 2004 Fort Worth, TX 76102 616 Texas Street Zorro Partners 616 Texas Street Puckett "24" Federal #6H Fort Worth, TX 76102 Attach this card to the back of the maliplece, or on the front if space permits. Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Puckett "24" Federal #6H Zorro Partners Prin. Jour name and address on the reverse so that we can return the card to you. Correte items 1, 2, and 3, Also complete item 1, 2, and 3, Also complete Article Addressed to: 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. Print your name and address on the reverse firansfer from service labe. (Transfer from service labe. 급 و 1 7199 7199 9991 7030 0514 5546 Domestic Return Receipt Domestic Return Receipt

4. Restricted Delivery? (Extra Fee)

□ ₩

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102595-02-M-1540

Service Type

Certified Mail Depress Mail

Registered Fetum Receipt for Merchandise

Insured Mail C.O.D.

Electronic Certified

COMPLETE THIS SECTION ON DELIVERY

A. Signature

D. Is delivery address different from item 1?

□ □ % %

If YES, enter delivery address below:

Received by (Printed Name)

C. Date of Delivery ☐ Agent ☐ Addressee

Priority Envelope or package CBP

Package ID: 9171999964-203005145546

Destination ZIP Code:

Customer Reference:

Confirmation

9455 KTS0 0E02 TE66

4. Restricted Delivery? (Extra Fee)

□ Yes

. Service Type

Mar Certified Mail

□ Registered
□ Insured Mail

If YES, enter delivery address below: delivery address different from item 1? Jed by (Printed Marne)

□ □ ਲ਼ ਲ਼

☐ Agent ☐ Addres



Transmission Report



Date/Time Local ID 1 05-25-2011 4326863000 02:55:48 p.m.

Transmit Header Text Local Name 1

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This document: Confirmed (reduced sample and details below)

Document size: 8.5"x14"



FAX COVER SHEET

PAGE_1_OF_5_PAGES

DATE:

May 25, 2011

TO:

Zorro Partners-Mr. William A. Hudson II

FAX:

(817) 334-0442

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FROM

Robyn Cummins
Concho Resources Inc. - COG Oil & Gas LP / COG Operating LLC
550 West Texas Avenue, Suite 100, Midland, Texas 79701-4210

FAX:

(432) 686 3000

PHONE:

(432) 818-2324

Total Pages Scanned: 5

Total Pages Confirmed: 5

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Abbreviations:

HS: Host send

PL: Polled local

MP: Mailbox print

CP: Completed

TS: Terminated by system

HR: Host receive NS: Waiting send PR: Polled remote MS: Mailbox save

RP: Report FF: Fax Forward FA: Fall TU: Terminated by user G3: Group 3 EC: Error Correct



FAX COVER SHEET

PAGE __1_ OF _5_ PAGES

DATE:

May 25, 2011

TO:

Zorro Partners-Mr. William A. Hudson II

FAX:

(817) 334-0442

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FROM:

Robyn Cummins

Concho Resources Inc. - COG Oil & Gas LP / COG Operating LLC 550 West Texas Avenue, Suite 100, Midland, Texas 79701-4210

PHONE:

(432) 818-2324

FAX:

(432) 686 3000

Re:

New Well Proposal Puckett "24" Federal 6-H



August 3, 2011

U.S. Certified Mail Return Receipt Requested

Burnett Oil Company Burnett Plaza, Unit 9 801 Cherry Street, Suite 1500 Fort Worth, Texas 76102

RE:

New Well Proposal

Puckett "24" Federal #7H

SL: 890' FSL & 1190' FEL (Unit P) of Section 24, T17S, R31E BHL: 330' FNL & 990' FEL, (Unit A) of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

COG Operating LLC ("COG") proposes to drill the Puckett "24" Federal #7H, as a triple lateral well at the captioned location, or at an approved surface location within said Unit P, to depths of approximately 5,500' TVD, 9,900' MD for a Paddock lateral; 6,100' TVD, 10,500' MD for an Upper Blinebry lateral; and 6,600' TVD, 11,021' MD for a Lower Blinebry lateral ("Operation"). The total cost of the Operation is estimated to be \$9,648,000.00 and a detailed description of such cost is set out in the enclosed Authority for Expenditure ("AFE").

Also enclosed is COG's proposed form of Operating Agreement ("OA"). A completed version of the Exhibit "A" to be incorporated into the OA will follow under separate cover, accompanied by a fully executed set of signature pages.

If you elect to participate in the subject well, please sign and return a copy of the AFE to the below letterhead address.

If you desire to receive well information regarding the subject operations please return a Well Information Requirements list to COG. Technical questions should be directed to Carl Bird at 432-686-3057 and land questions to the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL Senior Landman

Enclosure (s)

WELL NAME: Puckett."24" Federal #7H
Surf. Loc: 890' FSL, 1190' FEL, Sec 24, 17S-31E
BHL: 330' FNL, 990' FEL, Sec 24, 17S-31E PROSPECT NAME: Puckett COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 9900' MD (5500' TVD) Paddock WO/Pilot, 160 Acre **INTANGIBLE COSTS BCP** ACP **TOTAL** 201 10,000 10,000 Title/Curative/Permit 202 22,000 302 22,000 203 303 0 Damages/Right of Way 0 Survey/Stake Location 204 Location/Pits/Road Expense 205 10,000 305 10,000 20,000 5,000 306 Drilling / Completion Overhead 206 1,000 6.000 Turnkey Contract 207 307 208 308 Footage Contract 156,000 195,000 Daywork Contract 12:3 @ \$13000/day 209 309 39,000 Directional Drilling Services, With RS 210 350,000 310 350,000 Fuel & Power 211 68,000 311 17.000 85,000 Water 212 25,000 312 75.000 100,000 31,000 213 30,000 313 Bits 1,000 15,000 Mud & Chemicals 214 15,000 314 **Drill Stem Test** 215 315 0 Coring & Analysis 216 0 217 ō Cement Surface 0 Cement Intermediate 218 Cement 2nd Intermediate 7' 218 319 0 Cement Squeeze & Other (NO Kickoff Plug) 220 320 0 Float Equipment & Centralizers 221 321 0 Casing Crews & Equipment 222 13,000 13,000 322 Fishing Tools & Service 223 100,000 100,000 Geologic/Engineering 224 10,000 324 1,000 11,000 Contract Labor 225 10.000 325 30.000 40.000 Company Supervision
Contract Supervision 226 2,000 326 2,000 4,000 227 17,000 327 4,200 21,200 Testing Casing/Tubing 228 4,000 328 1,500 5,500 Mud Logging Unit 229 12,000 329 12,000 230 Logging 330 27,500 Perforating/Wireline Services 231 15,000 12,500 331 Stimulation/Treating 950,000 950,000 Completion Unit 12,000 333 45,000 57,000 Swabbing Unit 334 0 60,000 235 15,000 335 45,000 Rentals-Surface 236 60,000 70,000 Rentals-Subsurface 10,000 20,000 Trucking/Forklift/Rig Mobilization 237 40,000 337 60,000 Welding Services 238 3,000 338 1.500 4.500 239 339 Water Disposal 25,000 25,000 Plug to Abandon 240 340 0 Seismic Analysis 241 341 Closed Loop & Environmental 244 50,000 344 50,000 242 5.000 Miscellaneous 342 1,000 6,000 243 131,300 105,000 343 236,300 TOTAL INTANGIBLES 1,151,000 1,436,000 2,587,000 **TANGIBLE COSTS** Surface Casing 401 1,200 Intermediate Casing 402 503 0 Production Casing/Liner 4200' - 4.5" 503 51,000 51.000 Tubing 504 0 Wellhead Equipment 405 505 0 Pumping Unit 506 Ö Prime Mover 507 0 Rods 508 0 Pumps 0 Tanks 510 0 Flowlines 511 0 Heater Treater/Separator 512 0 Electrical System 0 Packers/Anchors/Hangers 414 514 230,000 230,000 Couplings/Fittings/Valves 415 2,000 515 25,000 27,000 Gas Compressors/Meters 516 4,000 4,000 Dehydrator 517 Injection Plant/CO2 Equipment 518 n 419 1,000 519 Miscellaneous 2,000 1,000 420 1,000 520 32,000 33,000 TOTAL TANGIBLES 4.000 343,000 347,000 TOTAL WELL COSTS 1,155,000 1,779,000 2.934.000 COG Operating LLC By: J. Coffman / C. Bird Date Prepared: 5/17/11 We approve: % Working Interest Company: Ву: Printed Name: This AFE is only an estimate. By signing you agree to pay your share Date of the actual costs incurred.

PROSPECT NAME: Puckett
COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 10500' MD (6100' TVD) Upper Blinebry WELL NAME: Puckett "24" Federal #7H Surf. Loc: 890' FSL, 1190' FEL, Sec 24, 17S-31E BHL: 330' FNL, 990' FEL, Sec 24, 17S-31E WO/Pilot, 160 Acre **INTANGIBLE COSTS BCP ACP TOTAL** 10,000 Title/Curative/Permit 201 10.000 202 22,000 302 22,000 Insurance 203 303 0 Damages/Right of Way Survey/Stake Location 204 304 0 20.000 205 10.000 305 Location/Pits/Road Expense 10.000 Drilling / Completion Overhead 5,000 306 206 1,000 6,000 307 Turnkey Contract 207 Footage Contract 208 308 0 39,000 156,000 195.000 Daywork Contract 12:3 @ \$13000/day 209 309 310 350,000 Directional Drilling Services, With RS 210 350,000 Fuel & Power 211 68,000 311 17,000 85,000 212 25,000 312 75,000 Water 100,000 Bits 213 30,000 313 1,000 31,000 Mud & Chemicals 214 15,000 314 15,000 315 **Drill Stem Test** 215 216 0 Coring & Analysis Cement Surface 217 0 Cement Intermediate 218 0 0 Cement 2nd Intermediate 7 218 319 Cement Squeeze & Other (NO Kickoff Plug) 220 320 Ö Float Equipment & Centralizers 221 321 0 13,000 Casing Crews & Equipment 222 322 13,000 Fishing Tools & Service 100,000 223 323 100,000 Geologic/Engineering 224 10,000 324 11,000 Contract Labor 225 10,000 325 30,000 40,000 Company Supervision 226 2.000 326 2,000 4.000 Contract Supervision 227 17,000 327 4,200 21,200 Testing Casing/Tubing 228 4,000 328 1,500 5,500 Mud Logging Unit 229 12,000 329 12,000 Logging 230 330 Perforating/Wireline Services 12,500 231 15,000 331 27.500 Stimulation/Treating 950,000 950,000 332 Completion Unit 12,000 333 45,000 57,000 Swabbing Unit 334 Rentals-Surface 235 15,000 335 45,000 60,000 Rentals-Subsurface 236 70,000 60,000 336 10,000 Trucking/Forklift/Rig Mobilization 237 40,000 20,000 60,000 Welding Services 238 3,000 338 1,500 4,500 Water Disposal 239 339 25,000 25,000 Plug to Abandon 240 340 0 Seismic Analysis 241 Closed Loop & Environmental 244 50,000 344 50,000 Miscellaneous 242 5.000 342 1.000 6,000 Contingency 243 131,300 105,000 343 236,300 TOTAL INTANGIBLES 1,151,000 2,587,000 1,436,000 **TANGIBLE COSTS** Surface Casing Intermediate Casing 401 1,200 402 503 n Production Casing/Liner 4200' - 4.5" 503 51,000 51,000 Tubing 504 0 Wellhead Equipment 405 505 0 Pumping Unit 506 O Prime Mover 507 0 Rods 0 Pumps 509 0 Tanks 510 0 Flowlines 511 0 Heater Treater/Separator 512 0 Electrical System 0 Packers/Anchors/Hangers 414 514 230,000 230,000 Couplings/Fittings/Valves 2,000 415 515 25,000 27,000 Gas Compressors/Meters 516 4,000 4,000 Dehydrator 517 Injection Plant/CO2 Equipment 518 0 Miscellaneous 419 1,000 519 1.000 2.000 Contingency 420 1,000 520 32,000 33,000 TOTAL TANGIBLES 4.000 343,000 347,000 TOTAL WELL COSTS 1,779,000 1,155,000 2,934,000 COG Operating LLC By: J. Coffman / C. Bird Date Prepared: 5/17/11 We approve: _% Working Interest Company: Ву: Printed Name

Date

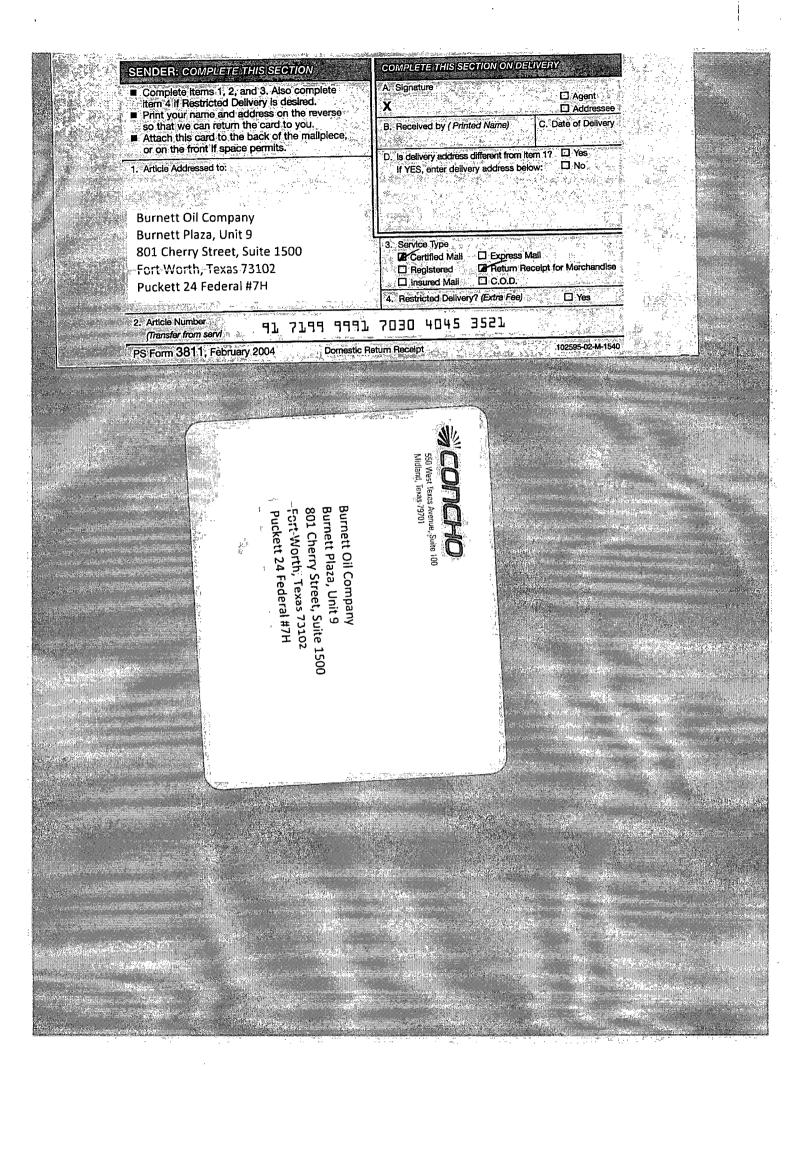
This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

WELL NAME: Puckett "24" Federal #7H PROSPECT NAME: Puckett
Surf. Loc: 890' FSL, 1190' FEL, Sec 24, 17S-31E COUNTY & STATE: Eddy Co, NM

INTANGIBLE COSTS		BCP		<u>ACP</u>	TOTAL
itle/Curative/Permit	201	10,000			10,00
surance	202	22,000	302		22,0
amages/Right of Way	203 _	15,000	303 —		15,0
urvey/Stake Location ocation/Pits/Road Expense	204 205	3,000 40,000	304 305	65,000	3,0 105,0
rilling / Completion Overhead	205 206	5,000	306 —	1,000	6,0
urnkey Contract	— ²⁰⁰ –	3,000	307	1,000	0,0
potage Contract	208		308		
aywork Contract 20:2 @ \$13000/day	209	260,000	309	26,000	286,0
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uel & Power	211	112,500	311	11,250	123,7
ater -	212 _	30,000	312 —	75,000	105,0
ts ud & Chemicals	213 214	45,000 25,000	$\frac{313}{314}$ —	1,000	46,0 25,0
rill Stem Test	214	25,000	315		20,0
oring & Analysis					
ement Surface	217	16,000	_		16,0
ement Intermediate	218	16,000	_		16,0
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oat Equipment & Centralizers	221	3,500 7,000	321 —	15,000	18,5
esing Crews & Equipment shing Tools & Service	²²² _	7,000	322 323 —	13,000	20,0
eologic/Engineering	— 223 —	10,000	324	1,000	11,0
ontract Labor	225	10,000	325	30,000	40,0
ompany Supervision	226	2,000	326	2,000	4,0
ontract Supervision	227	28,000	327	4,000	32,0
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ud Logging Unit	229	16,000	329 _		16,0
ogging erforating/Wireline Services	230 _	3,500	330 —	5,000	5.0
timulation/Treating	231 _	3,500	³³¹ —	125,000 760,000	128,5 760,0
ompletion Unit			333 —	40,000	40,0
wabbing Unit			334	40,000	
entals-Surface		20,000	335	100,000	120,0
entals-Subsurface	236	30,000	336	10,000	40,0
rucking/Forklift/Rig Mobilization	237	40,000	337	100,000	140,0
elding Services	238	3,000	338	1,500	4,5
/ater Disposal	239 _		339	25,000	25,0
lug to Abandon eismic Analysis	²⁴⁰ -		340 —		
losed Loop & Environmental	241 -	120,000	³⁴¹ —		120,0
liscellaneous	— ₂₄₂ —	5,000	342	1,000	6,00
ontingency	243	131,500	343	149,750	281,25
TOTAL INTANGIBLES		1,433,000	_	1,633,000	3,066,00
ANGIBLE COSTS					
urface Casing 550' 13 3/8"	401	20,000			1,20
termediate Casing 1850' 9 5/8"	402	48,000	503		48,00
roduction Casing/Liner 6900' - 7", 4200' - 5.5"			503	260,000	260,00
ubing 6200' 2 7/8" ellhead Equipment		20.000	504 —	38,000	38,00
umping Unit	405	30,000	⁵⁰⁵ —	18,000	48,00 97,00
ime Mover		· · · · · · · · · · · · · · · · · · ·	507 —	97,000	97,00
ods			508	39,000	39,00
ımps	_		509	4,500	4,50
nks			510	20,000	20,00
owlines	_		511	15,000	15,00
eater Treater/Separator			512	25,000	25,00
ectrical System ackers/Anchors/Hangers	- ,,, -		513		
ouplings/Fittings/Valves	414 415	2,000	514 515	25,000	27,00
as Compressors/Meters		2,000	516	4,000	4,00
hydrator			517	.,	
ection Plant/CO2 Equipment	_		518		
scellaneous	419	1,000	519	1,000	2,00
ontingency	420	11,000	520	55,500	66,50
TOTAL WELL COSTS		112,000		602,000	714,00
TOTAL WELL COSTS		1,545,000		2,235,000	3,780,00
OG Operating LLC		.`			
y: J. Coffman / C. Bird	Da	ate Prepared: 5	5/16/11		

Company: By: Printed Name: Title: Date:

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.





August 3, 2011

U.S. Certified Mail Return Receipt Requested

Javalina Partners 616 Texas Street Fort Worth, TX 76102

RE:

New Well Proposal

Puckett "24" Federal #7H

SL: 890' FSL & 1190' FEL (Unit P) of Section 24, T17S, R31E BHL: 330' FNL & 990' FEL, (Unit A) of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

COG Operating LLC ("COG") proposes to drill the Puckett "24" Federal #7H, as a triple lateral well at the captioned location, or at an approved surface location within said Unit P, to depths of approximately 5,500' TVD, 9,900' MD for a Paddock lateral; 6,100' TVD, 10,500' MD for an Upper Blinebry lateral; and 6,600' TVD, 11,021' MD for a Lower Blinebry lateral ("Operation"). The total cost of the Operation is estimated to be \$9,648,000.00 and a detailed description of such cost is set out in the enclosed Authority for Expenditure ("AFE").

Also enclosed is COG's proposed form of Operating Agreement ("OA"). A completed version of the Exhibit "A" to be incorporated into the OA will follow under separate cover, accompanied by a fully executed set of signature pages.

If you elect to participate in the subject well, please sign and return a copy of the AFE to the below letterhead address.

If you desire to receive well information regarding the subject operations please return a Well Information Requirements list to COG. Technical questions should be directed to Carl Bird at 432-686-3057 and land questions to the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL Senior Landman

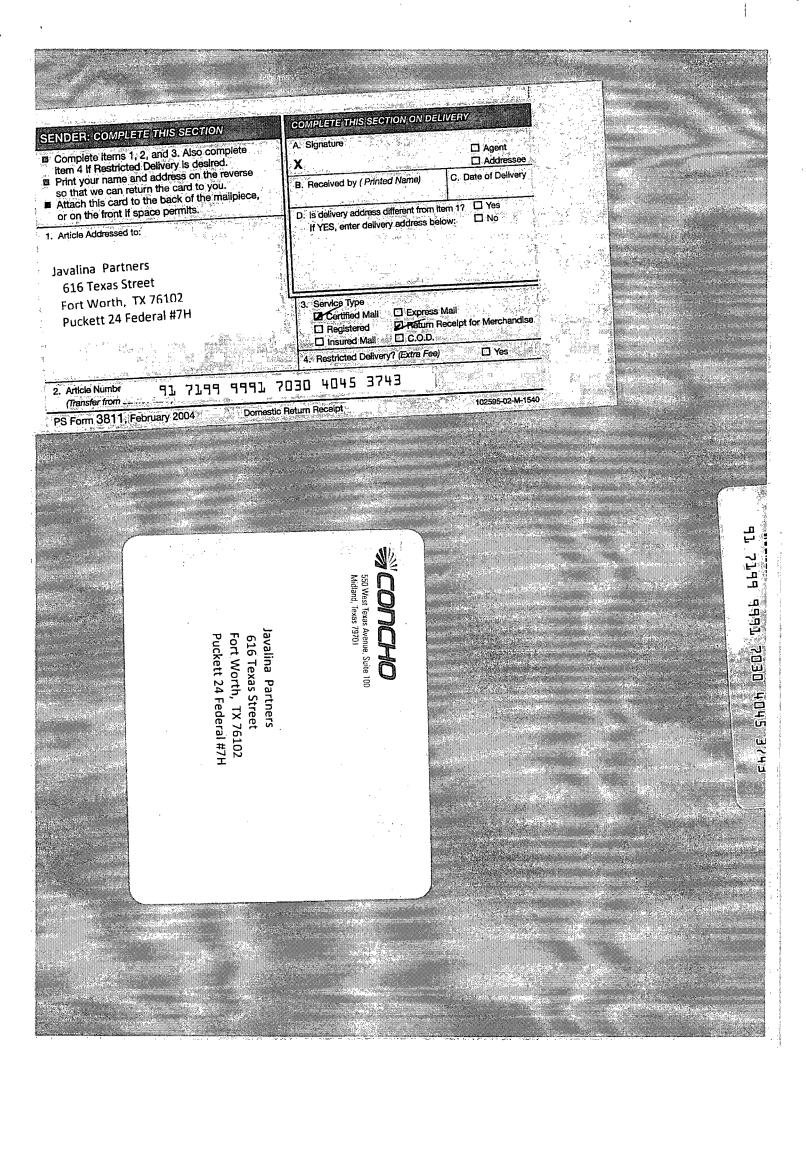
Enclosure (s)

Corporate Address: Fasken Center, Tower II 550 West Texas Avenue, Suite 100 Midland, Texas 79701 PHONE 432.683.7443 FAX 432.683.7441

WELL NAME: Puckett "24" Federal #7H	PROSPECT NAME: Puckett						
Surf. Loc: 890' FSL, 1190' FEL, Sec 24, 1 BHL: 330' FNL, 990' FEL, Sec 24, 17S-31		31E COUNTY & STATE: Eddy Co, NM OBJECTIVE: 9900' MD (5500' TVD) Paddock					
WO/Pilot, 160 Acre	-	OBJECTIVE	3300	1 MD (3300 1 VD)1	Budock		
TO THOU TO THE	· '\$		٠				
INTANGIBLE COSTS	¥	<u>BCP</u>		<u>ACP</u>	<u>TOTAL</u>		
Title/Curative/Permit	201	10,000			10,000		
Insurance	202	22,000	302		22,000		
Damages/Right of Way	203		303		0		
Survey/Stake Location	204		304		0		
Location/Pits/Road Expense	. 205	10,000	305	10,000	20,000		
Drilling / Completion Overhead	206	5,000	306	1,000	6,000		
Turnkey Contract	207		307		0		
Footage Contract	. 208	450,000	308	20.000	105 000		
Daywork Contract 12:3 @ \$13000/day Directional Drilling Services, With RS	209 210	156,000 350,000	309 310	39,000	195,000 350,000		
Fuel & Power	211	68,000	311	17,000	85,000		
Water	212	25,000	312	75,000	100,000		
Bits	213	30,000	313	1,000	31,000		
Mud & Chemicals	214	15,000	314		15,000		
Drill Stem Test	215		315		0		
Coring & Analysis	216	~			0		
Cement Surface	217				0		
Cement Intermediate	218	7,0			0		
Cement 2nd Intermediate 7"	. 218		319		0		
Cement Squeeze & Other (NO Kickoff Plug)	. 220		320		0		
Float Equipment & Centralizers	. 221		321	12.000	13,000		
Casing Crews & Equipment Fishing Tools & Service	. 222 223	100,000	322 323	13,000	100,000		
Geologic/Engineering	223	10,000	324	1,000	11,000		
Contract Labor	225	10,000	325	30,000	40,000		
Company Supervision	226	2,000	326	2,000	4,000		
Contract Supervision	227	17,000	327	4,200	21,200		
Testing Casing/Tubing	228	4,000	328	1,500	5,500		
Mud Logging Unit	229	12,000	329		12,000		
Logging	230		330		0		
Perforating/Wireline Services	231	15,000	331	12,500	27,500		
Stimulation/Treating			332	950,000	950,000		
Completion Unit		12,000	333	45,000	57,000		
Swabbing Unit		45.000	334	45.000	0		
Rentals-Surface	235	15,000	335	45,000	60,000		
Rentals-Subsurface Trucking/Forklift/Rig Mobilization	. 236 237	60,000 40,000	336 337	10,000 20,000	70,000 60,000		
Welding Services	238	3,000	338	1,500	4,500		
Water Disposal	239	3,000	339	25,000	25,000		
Plug to Abandon	240		340	20,020	0		
Seismic Analysis	241		341				
Closed Loop & Environmental	244	50,000	344		50,000		
Miscellaneous	242	5,000	342	1,000	6,000		
Contingency	243	105,000	343	131,300	236,300		
TOTAL INTANGIBLES		1,151,000		1,436,000	2,587,000		
- 							
TANGIBLE COSTS	/: ***						
Surface Casing	401		500		1,200		
Intermediate Casing Production Casing/Liner 4200' - 4.5"	402		503	E4 000	<u>0</u>		
Tubing			503 504	51,000	51,000		
Wellhead Equipment	405		505				
Pumping Unit			506				
Prime Mover		_	507				
Rods			508				
Pumps			509		0		
Tanks			510		. 0		
Flowlines			511		0		
Heater Treater/Separator			512		0		
Electrical System	44.4		513	600.000	222 222		
Packers/Anchors/Hangers Couplings/Fittings/Valves	414 415	2,000	514	230,000	230,000		
Gas Compressors/Meters	413	2,000	515 516	25,000 4,000	27,000 4,000		
Dehydrator		· · · · · · · · · · · · · · · · · · ·	517	4,000			
Injection Plant/CO2 Equipment	i		518		0		
Miscellaneous	419	1,000	519	1,000	2,000		
Contingency	420	1,000	520	32,000	33,000		
TOTAL TANGIBLES		4,000		343,000	347,000		
TOTAL WELL COSTS		1,155,000		1,779,000	2,934,000		
			,				
COG Operating LLC							
and absorbing rea							
By: J. Coffman / C. Bird		Date Prepared:	5/17/1	1			
We approve:							
% Working Interest							
_							
Company:							
Ву:							
Printed Name:				•			
Title:		This AFE is only an	estima	ate. By signing you agre	e to pay your share		
Date:		of the actual costs in			יייייייייייייייייייייייייייייייייייייי		

WELL NAME: Puckett "24" Federal #7H PROSPECT NAME: Puckett Surf. Loc: 890' FSL, 1190' FEL, Sec 24, 17S-31E BHL: 330' FNL, 990' FEL, Sec 24, 17S-31E COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 10500' MD (6100' TVD) Upper Blinebry WO/Pilot, 160 Acre **INTANGIBLE COSTS** <u>BCP</u> **ACP TOTAL** Title/Curative/Permit 201 10,000 10,000 202 22,000 302 22,000 203 303 0 Damages/Right of Way 0 204 304 Survey/Stake Location Location/Pits/Road Expense 205 10,000 305 10,000 20,000 Drilling / Completion Overhead 206 5,000 306 1,000 6.000 207 307 **Turnkey Contract** 208 308 Footage Contract Daywork Contract 12:3 @ \$13000/day 209 156,000 39,000 195,000 Directional Drilling Services, With RS 210 350,000 310 350,000 17,000 Fuel & Power 211 68,000 311 85,000 Water 25.000 75.000 212 312 100,000 30,000 31,000 313 1,000 213 Bits Mud & Chemicals 15,000 214 15,000 314 Drill Stem Test 215 315 0 Coring & Analysis 216 0 217 0 Cement Surface Cement Intermediate 218 0 Cement 2nd Intermediate 7 218 319 ō Cement Squeeze & Other (NO Kickoff Plug) 220 320 0 321 Float Equipment & Centralizers 221 0 Casing Crews & Equipment 222 322 13,000 Fishing Tools & Service 223 100,000 323 100,000 Geologic/Engineering 224 10,000 324 1.000 11.000 225 Contract Labor 325 10,000 30,000 40,000 Company Supervision 226 326 4,000 2,000 2,000 227 17,000 327 21,200 Contract Supervision Testing Casing/Tubing 228 4,000 328 1,500 5.500 Mud Logging Unit 229 12,000 329 12,000 230 330 Logging Perforating/Wireline Services 231 15,000 331 12,500 27,500 Stimulation/Treating 332 950,000 950,000 12,000 Completion Unit 333 45,000 57,000 Swabbing Unit 334 Rentals-Surface 235 15,000 335 45,000 60,000 Rentals-Subsurface 236 60,000 336 10,000 70,000 Trucking/Forklift/Rig Mobilization 237 40,000 337 20,000 60,000 Welding Services 238 3,000 338 1,500 4.500 Water Disposal 239 339 25,000 25,000 Plug to Abandon 240 340 Seismic Analysis 241 341 n Closed Loop & Environmental 244 50.000 344 50.000 Miscellaneous 242 342 1,000 5,000 6,000 243 105,000 343 131,300 236,300 TOTAL INTANGIBLES 2,587,000 1,436,000 **TANGIBLE COSTS** Surface Casing 401 1,200 Intermediate Casing 402 503 Production Casing/Liner 4200' - 4.5" 503 51,000 51,000 Tubing 504 Wellhead Equipment 405 505 0 Pumping Unit 506 0 Prime Mover 507 0 Rods 508 0 Pumps 509 0 Tanks 510 ō 511 0 Heater Treater/Separator 0 **Electrical System** 513 0 Packers/Anchors/Hangers 414 514 230,000 230,000 Couplings/Fittings/Valves 415 2,000 515 25,000 27,000 Gas Compressors/Meters 516 4,000 Dehydrator 517 Injection Plant/CO2 Equipment 518 1,000 519 1,000 2,000 Contingency
TOTAL TANGIBLES 420 1,000 520 32,000 33,000 4.000 343.000 347,000 TOTAL WELL COSTS 1,155,000 1,779,000 2,934,000 COG Operating LLC By: J. Coffman / C. Bird Date Prepared: 5/17/11 We approve: % Working Interest Company: By: Printed Name Title: This AFE is only an estimate. By signing you agree to pay your share Date of the actual costs incurred.

PROSPECT NAME: Puckett Puckett "24" Federal #7H WELL NAME Surf. Loc: 890' FSL, 1190' FEL, Sec 24, 17S-31E COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 11021' MD (6600' TVD) Lower Blinebry 330' FNL, 990' FEL, Sec 24, 17S-31E BHL: WO/Pilot, 160 Acre **INTANGIBLE COSTS BCP ACP TOTAL** 10.000 Title/Curative/Permit 201 10.000 202 22,000 302 22,000 Insurance 203 15.000 Damages/Right of Way 15,000 303 Survey/Stake Location 204 3.000 304 3 000 Location/Pits/Road Expense 65.000 205 40.000 305 105,000 5,000 306 6,000 206 **Drilling / Completion Overhead** 1,000 207 307 Turnkey Contract 308 0 Footage Contract 208 Daywork Contract 20:2 @ \$13000/day 209 260,000 309 26,000 286,000 400,000 112,500 Directional Drilling Services, With RS 210 310 400,000 123,750 Fuel & Power 11,250 211 311 Water 30,000 312 75,000 105,000 212 213 45,000 313 1,000 46,000 Mud & Chemicals 214 25,000 314 25,000 **Drill Stem Test** 215 315 Coring & Analysis 216 0 Cement Surface 217 16,000 16,000 Cement Intermediate 218 16,000 16,000 Cement Production 7"x5.5" 218 319 70,000 70,000 Cement Squeeze & Other (NO Kickoff Plug) 220 320 18,500 3,500 321 15,000 Float Equipment & Centralizers 221 Casing Crews & Equipment 222 7,000 322 13,000 20,000 Fishing Tools & Service 223 323 Geologic/Engineering 224 10 000 324 1.000 11.000 10,000 40,000 Contract Labor 225 325 30,000 2,000 Company Supervision 226 2,000 326 4,000 28,000 4,000 Contract Supervision 227 327 32,000 Testing Casing/Tubing 228 4,000 328 1,500 5.500 16,000 329 16,000 Mud Logging Unit 229 5,000 5,000 230 0 330 Logging 128,500 Perforating/Wireline Services 3,500 331 125,000 Stimulation/Treating 332 760,000 760,000 Completion Unit 333 40.000 40,000 Swabbing Unit 334 Rentals-Surface 235 20,000 335 100,000 120,000 Rentals-Subsurface 30,000 336 10,000 40,000 Trucking/Forklift/Rig Mobilization 237 40,000 337 100,000 140,000 Welding Services 238 3,000 338 1.500 4.500 Water Disposal 239 339 25,000 25,000 Plug to Abandon 240 340 Seismic Analysis 241 341 0 120.000 344 120,000 Closed Loop & Environmental 244 242 5,000 342 1,000 6,000 Miscellaneous Contingency 131,500 281,250 TOTAL INTANGIBLES 1,433,000 1,633,000 3,066,000 TANGIBLE COSTS Surface Casing 550' 13 3/8"
Intermediate Casing 1850' 9 5/8" 401 20,000 1,200 402 48,000 503 48,000 Production Casing/Liner 6900' - 7", 4200' - 5.5' 503 260,000 260,000 Tubing 6200' 2 7/8" 504 38,000 38,000 30,000 Wellhead Equipment 405 505 18 000 48,000 **Pumping Unit** 506 97.000 97,000 Prime Mover 507 Rods 508 39,000 39,000 Pumps 509 4.500 4.500 Tanks 510 20,000 20,000 511 Heater Treater/Separator 512 25,000 25,000 **Electrical System** 513 Packers/Anchors/Hangers 0 Couplings/Fittings/Val-415 2,000 515 25,000 27,000 Gas Compressors/Meters 516 4,000 4,000 517 Dehydrator 0 Injection Plant/CO2 Equipment Miscellaneous 419 1,000 519 1,000 2,000 55,500 Contingency 420 11,000 520 66.500 112,000 602,000 714,000 2,235,000 TOTAL WELL COSTS 1,545,000 3,780,000 COG Operating LLC By: J. Coffman / C. Bird Date Prepared: 5/16/11 We approve _% Working Interest Company: Ву: Printed Name: Title This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred. Date





U.S. Certified Mail Return Receipt Requested

Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102

RE:

New Well Proposal

Puckett "24" Federal #7H

SL: 890' FSL & 1190' FEL (Unit P) of Section 24, T17S, R31E BHL: 330' FNL & 990' FEL, (Unit A) of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

COG Operating LLC ("COG") proposes to drill the Puckett "24" Federal #7H, as a triple lateral well at the captioned location, or at an approved surface location within said Unit P, to depths of approximately 5,500' TVD, 9,900' MD for a Paddock lateral; 6,100' TVD, 10,500' MD for an Upper Blinebry lateral; and 6,600' TVD, 11,021' MD for a Lower Blinebry lateral ("Operation"). The total cost of the Operation is estimated to be \$9,648,000:00 and a detailed description of such cost is set out in the enclosed Authority for Expenditure ("AFE").

Also enclosed is COG's proposed form of Operating Agreement ("OA"). A completed version of the Exhibit "A" to be incorporated into the OA will follow under separate cover, accompanied by a fully executed set of signature pages.

If you elect to participate in the subject well, please sign and return a copy of the AFE to the below letterhead address.

If you desire to receive well information regarding the subject operations please return a Well Information Requirements list to COG. Technical questions should be directed to Carl Bird at 432-686-3057, and land questions to the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL Senior Landman

Enclosure (s)

PROSPECT NAME: Puckett
COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 9900' MD (5500' TVD) Paddock WELL NAME: Puckett "24" Federal #7H Surf. Loc: 890' FSL, 1190' FEL, Sec 24, 17S-31E BHL: 330' FNL, 990' FEL, Sec 24, 17S-31E WO/Pilot, 160 Acre **INTANGIBLE COSTS ACP TOTAL BCP** Title/Curative/Permit 201 10,000 10,000 Insurance 202 22,000 302 22,000 303 Damages/Right of Way 203 0 Survey/Stake Location 204 304 0 205 10,000 20,000 Location/Pits/Road Expense 10,000 305 Drilling / Completion Overhead 306 6,000 206 5,000 1,000 Turnkey Contract 207 307 208 308 ō Footage Contract Daywork Contract 12:3 @ \$13000/day 209 156,000 309 39,000 195,000 Directional Drilling Services, With RS 210 350,000 310 350,000 17,000 85,000 Fuel & Power 211 68,000 311 Water 212 25,000 312 75,000 100,000 Bits 213 30,000 313 31,000 1,000 Mud & Chemicals 214 15,000 314 15,000 **Drill Stem Test** 215 315 0 0 Coring & Analysis 216 Cement Surface 0 Cement Intermediate 218 0 Cement 2nd Intermediate 7 218 319 0 Cement Squeeze & Other (NO Kickoff Plug) 320 220 0 Float Equipment & Centralizers 221 321 0 Casing Crews & Equipment 222 322 13,000 13,000 100,000 Fishing Tools & Service 223 323 100,000 1.000 Geologic/Engineering 224 10,000 324 11,000 30,000 Contract Labor 225 10,000 325 40,000 2,000 Company Supervision 226 326 2,000 4,000 Contract Supervision 227 17,000 327 4 200 21,200 Testing Casing/Tubing 228 4,000 328 1.500 5,500 Mud Logging Unit 229 12,000 329 12,000 Logging 230 330 27.500 Perforating/Wireline Services 12 500 15,000 331 231 Stimulation/Treating 950,000 950,000 332 Completion Unit 12,000 333 45,000 57,000 Swabbing Unit Rentals-Surface 235 15,000 335 45,000 60,000 Rentals-Subsurface 236 60,000 336 10,000 70,000 Trucking/Forklift/Rig Mobilization 237 337 40,000 20,000 60,000 Welding Services 238 3,000 338 1,500 4,500 Water Disposal 239 339 25,000 25,000 Plug to Abandon 240 340 n Seismic Analysis 241 341 Closed Loop & Environmental 244 50,000 50,000 Miscellaneous 242 5,000 342 1,000 6,000 Contingency
TOTAL INTANGIBLES 243 105.000 343 131,300 236,300 2.587,000 1,151,000 1,436,000 **TANGIBLE COSTS** Surface Casing 401 1,200 Intermediate Casing 402 503 Production Casing/Liner 4200' - 4.5" 51,000 51,000 503 Tubing 504 0 Wellhead Equipment 405 505 0 Pumping Unit 506 0 Prime Mover 507 0 Rods 0 508 Pumps 509 0 Tanks 510 0 Flowlines 511 0 Heater Treater/Separator 512 0 Electrical System 513 ō Packers/Anchors/Hangers 514 230,000 230,000 Couplings/Fittings/Valves 415 2,000 515 25,000 27.000 Gas Compressors/Meters 516 4,000 4,000 Dehydrato Q Injection Plant/CO2 Equipment 518 Miscellaneous 419 1.000 519 1,000 2,000 Contingency 420 1,000 520 32,000 33,000 TOTAL TANGIBLES 4,000 343,000 347,000 TOTAL WELL COSTS 1,155,000 2,934,000 1,779,000 COG Operating LLC By: J. Coffman / C. Bird Date Prepared: 5/17/11 % Working Interest Company: By: Printed Name: Title: This AFE is only an estimate. By signing you agree to pay your share Date: of the actual costs incurred.

PROSPECT NAME: Puckett
COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 10500' MD (6100' TVD) Upper Blinebry WELL NAME: Puckett "24" Federal #7H Surf. Loc: 890' FSL, 1190' FEL, Sec 24, 17S-31E BHL: 330' FNL, 990' FEL, Sec 24, 17S-31E WO/Pilot, 160 Acre **ACP TOTAL INTANGIBLE COSTS** 201 10,000 10,000 Title/Curative/Permit 22,000 202 22,000 302 Insurance 203 303 0 Damages/Right of Way 0 204 304 Survey/Stake Location Location/Pits/Road Expense 205 10,000 305 10,000 20,000 Drilling / Completion Overhead 5,000 306 1,000 6,000 206 Turnkey Contract 207 307 o Footage Contract 208 308 0 39,000 195,000 Daywork Contract 12:3 @ \$13000/day 156,000 309 209 350,000 350,000 Directional Drilling Services, With RS 210 310 68,000 311 17,000 85,000 Fuel & Power Water 212 25,000 312 75,000 100,000 Bits 213 30,000 313 1,000 31,000 Mud & Chemicals 214 15,000 314 15,000 215 315 **Drill Stem Test** Coring & Analysis 216 0 Cement Surface 217 0 Cement Intermediate 218 ō 319 Cement 2nd Intermediate 7 218 0 Cement Squeeze & Other (NO Kickoff Plug) 220 320 Float Equipment & Centralizers 321 221 Casing Crews & Equipment 222 322 13,000 13.000 Fishing Tools & Service 223 100,000 323 100,000 Geologic/Engineering 224 324 1.000 11,000 10.000 Contract Labor 225 10,000 325 30,000 40,000 2,000 326 2,000 4,000 Company Supervision 226 Contract Supervision 227 17,000 327 4,200 21,200 Testing Casing/Tubing 228 4,000 328 1,500 5.500 12,000 329 Mud Logging Unit 229 12,000 Logging 330 27,500 Perforating/Wireline Services 231 15,000 331 12,500 Stimulation/Treating 332 950,000 950,000 12,000 333 57,000 Completion Unit 45,000 Swabbing Unit Rentals-Surface 235 15,000 335 45,000 60,000 Rentals-Subsurface 236 60,000 336 10,000 70,000 Trucking/Forklift/Rig Mobilization 237 40,000 337 20,000 60,000 Welding Services 238 3,000 338 1,500 4,500 Water Disposal 239 339 25,000 25,000 Plug to Abandon 240 340 n Seismic Analysis 241 341 0 Closed Loop & Environmental 50,000 344 50,000 244 Miscellaneous 242 5,000 342 1,000 6,000 Contingency
TOTAL INTANGIBLES 243 105,000 131,300 236,300 1,151,000 1,436,000 2.587,000 **TANGIBLE COSTS** 401 Surface Casing 1,200 503 402 Production Casing/Liner 4200' - 4.5" 51,000 503 51,000 Tubing 504 0 Wellhead Equipment 405 505 0 Pumping Unit 506 0 Prime Mover 507 0 Rods 508 0 Pumps 509 0 Tanks 510 0 Flowlines 511 0 Heater Treater/Separator 512 0 Electrical System 513 0 Packers/Anchors/Hangers 230,000 230,000 Couplings/Fittings/Valves 415 2,000 515 25,000 27,000 Gas Compressors/Meters 516 4,000 4,000 Dehydrator 517 0 Injection Plant/CO2 Equipment 518 2,000 1,000 519 1,000 Miscellaneous 419 Contingency
TOTAL TANGIBLES 420 1,000 520 32,000 33,000 4,000 343,000 347,000 TOTAL WELL COSTS 1,155,000 1,779,000 2,934,000 COG Operating LLC By: J. Coffman / C. Bird Date Prepared: 5/17/11 % Working Interest Company: Printed Name: Title: This AFE is only an estimate. By signing you agree to pay your share Date of the actual costs incurred.

 WELL NAME:
 Puckett "24" Federal #7H
 PROSPECT NAME:
 Puckett

 Surf. Loc:
 890' FSL, 1190' FEL, Sec 24, 17S-31E
 COUNTY & STATE:
 Eddy Co, NM

 BHL:
 330' FNL, 990' FEL, Sec 24, 17S-31E
 OBJECTIVE: 11021' MD (6600' TVD) Lower Blinebry

 WO/Pilot, 160 Acre
 ACR
 TOTAL

	ВСР		ACP	TOTAL
201				10,000
		302	·	22,000
		-		15,000
				3,000
			65.000	105,000
			1,000	6,000
207		307		0
208		308		0
209	260,000	309	26,000	286,000
210	400,000	310		400,000
				123,750
				105,000
			1,000	46,000 25,000
	25,000		***	25,000
		٠.		
	16.000			16,000
218		-		16,000
218		319	70,000	70,000
220		320	*:	0
221	3,500	321	15,000	18,500
	7,000	322	13,000	20,000
- -				0
				11,000
		-		40,000
		-		4,000 32,000
		-		5,500
			1,500	16,000
			5.000	5,000
231	3,500	331	125,000	128,500
		332	760,000	760,000
		333	40,000	40,000
		334		0
235	20,000	335	100,000	120,000
			10,000	40,000
				140,000
	3,000	-		4,500
			25,000	25,000
		-		0
	120,000	_		120,000
242		_	1,000	6,000
243		343		281,250
	1,433,000	-	1,633,000	3,066,000
		-		
	20,000	_		1,200
_ 402 _	48,000	-		48,000
		-		260,000
- 405 -	20.000			38,000
_ 405	30,000	-		48,000 97,000
		_	37,000	000,78
		_	39.000	39,000
		_		4,500
_		510	20,000	20,000
		511	15,000	15,000
		512	25,000	25,000
		513		0
414		514		0
_ 415 _	2,000	515		27,000
	-		4,000	4,000
		_		0
- 410	1.000	_	1 000	2,000
		_		66,500
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	208 — 209 — 211 — 212 — 213 — 215 — 216 — 227 — 222 — 223 — 224 — 225 — 227 — 228 — 229 — 230 — 231 — 240 — 241 — 244 — 242 — 243 — 244 — 242 — 243 — 241 — 244 — 242 — 243 — 241 — 244 — 242 — 243 — 241 — 244 — 242 — 243 — 241 — 244 — 242 — 243 — 244 — 242 — 243 — 246 — 247 — 246 — 247 — 247 — 248 —	202	201 10,000 202 22,000 302 203 15,000 303 204 3,000 304 205 40,000 305 206 5,000 306 207 307 307 208 308 209 260,000 309 210 400,000 310 211 112,500 311 212 30,000 312 213 45,000 314 215 315 216 315 216 217 16,000 218 319 220 321 319 322 323 321 319 322 323 322 322 321 3,500 321 323 323 323 323 323 322 322 324 10,000 324 325 326 226 2,000 326 227 28,000 327 228 4,000 328 329 333 333 333 <td< td=""><td> 201</td></td<>	201

By: J. Coffman / C. Bird Date Prepared: 5/16/11

____% Working Interest

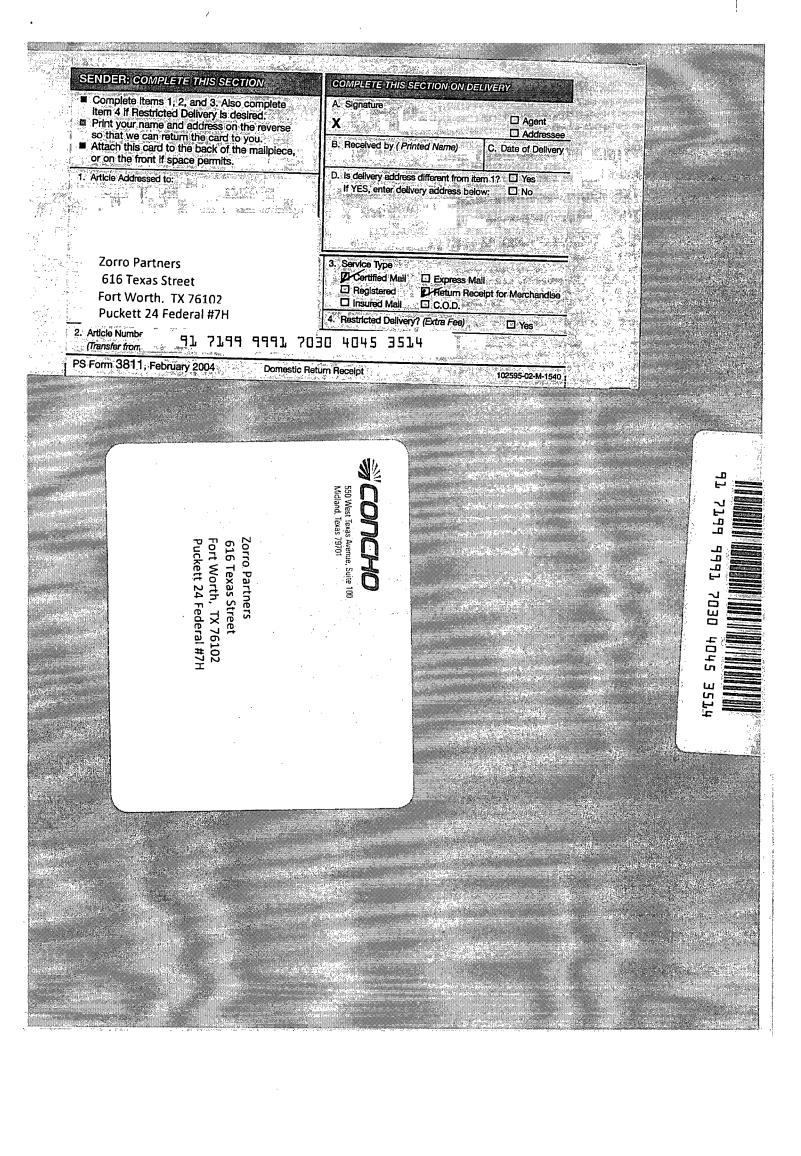
Company:

By:

Printed Name:

Title:

Date:





U.S. Certified Mail Return Receipt Requested

Burnett Oil Company Burnett Plaza, Unit 9 801 Cherry Street, Suite 1500 Fort Worth, Texas 76102

RE: Amendment to New Well Proposal

Puckett "24" Federal #7H

SL: 135' FNL & 1190' FEL (Unit A) of Section 25, T17S, R31E BHL: 330' FNL & 990' FEL (Unit A) of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

Reference is made to our letter to you dated August 3, 2011 proposing the subject well. Please note the following correction:

• The well will be drilled at an approved surface location within location unit letter A in Section 25.

If you have any questions, please do not hesitate to contact the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL Senior Landman

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired. Print your name and address on the reverse	A. Signature Agent Addressee
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.	B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from Item 17. ☐ Yes If YES, enter delivery address below: ☐ No
Burnett Oil Company	
Burnett Plaza, Unit 9	
801 Cherry Street, Suite 1500 Fort Worth, Texas 73102	3. Service Type ☐ Certified Mail ☐ Express Mail
Pachett 24 Fed # 7H	☐ Registered
	4. Restricted Delivery? (Extra Fee) Yes
2. Article Number (Transfer from service labs 91 7199 99	391 7030 4047 A470



U.S. Certified Mail
Return Receipt Requested

Zorro Partners. Ltd. 616 Texas Street Fort Worth, Texas 76102

RE: Amendment to New Well Proposal

Puckett "24" Federal #7H

SL: 135' FNL & 1190' FEL (Unit A) of Section 25, T17S, R31E BHL: 330' FNL & 990' FEL (Unit A) of Section 24, T17S, R31E Eddy County, New Mexico

Dear Sirs:

Reference is made to our letter to you dated August 3, 2011 proposing the subject well. Please note the following correction:

• The well will be drilled at an approved surface location within location unit letter A in Section 25.

If you have any questions, please do not hesitate to contact the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL

Senior Landman



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
■ 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.	A. Signature X	
Or on the front if space permits.	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No	
Zorro Partners 616 Texas Street		
Fort Worth, TX 76102 Packett 24 Fed#7H	3. Service Type Questified Mail Express Mail Registered Feturn Receipt for Merchandise Insured Mail C.O.D.	
2: Article Number 91 7199 999	4. Restricted Delivery? (Extra Fee) ☐ Yes 1 7030 4047 8463	
PS Form 3811, February 2004 Domestic R	eturn Receipt 102595-02-M-1540	



U.S. Certified Mail Return Receipt Requested

Javelina Partners 616 Texas Street Fort Worth, Texas 76102

RE: Amendment to New Well Proposal

Puckett "24" Federal #7H

SL: 135' FNL & 1190' FEL (Unit A) of Section 25, T17S, R31E BHL: 330' FNL & 990' FEL (Unit A) of Section 24, T17S, R31E Eddy County, New Mexico

Dear Sirs:

Reference is made to our letter to you dated August 3, 2011 proposing the subject well. Please note the following correction:

• The well will be drilled at an approved surface location within location unit letter A in Section 25.

If you have any questions, please do not hesitate to contact the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL Senior Landman THORITION OF HOUSENING ASSERTING THOUSAND ASSERTING TO THE PROPERTY OF THE PRO

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DE	1017-617
Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired. Print your name and address on the reverse	A Signature	☐ Agent ☐ Addressee
so that we can return the card to you. ■ Attach this card to the back of the malipiece, or on the front if space permits.	B. Received by (Printed Name)	C. Date of Delivery.
1. Article Addressed to:	D. Is delivery address different from it if YES, enter delivery address be	
Javalina Partners 616 Texas Street		
Fort Worth, TX 76102 Packett 24 Fed # 174	3. Service Type Directified Mall Express M Registered Peturn Re	fail celpt for Merchandise
	4. Restricted Delivery? (Extra Fee)	□ Yes
<u>t es anits wither title fit yang s</u>		280786

COMPLETE THIS SECTION ON DELIVERY
A Signature Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Addresser Address
3. Service Type 2. Certified Mail
4. Restricted Delivery? (Extra Fee)
991 7030 4047 8470

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 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 malipiece, or on the front if space permits. 	A. Signature X
1. Article Addressed to: Javalina Partners 616 Texas Street	D. Is delivery address different from Item 17.*
Fort Worth, TX 76102	3. Service Type
Puckett 24 Fed # 7H	IZP Certified Mail
Property and the second	4: Restricted Delivery? (Extra Fee) Yes
2. Article Numbe 91, 7199 9991 70	30 4047 8487

NDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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 mallplece, or on the front if space permits.	A. Signature A. Address A. Address A. Address A. Address A. Signature A. Address A. Addre
Zorro Partners	If YES, enter delivery address below:
516 Texas Street	3. Service Type
Fort Worth, TX 76102	☐ Registered ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchan
	☐ Insured Mail ☐ C.O.D.
ackett 24 Fed#7H	4. Restricted Delivery? (Extra Fee)
Article Number 91 7199 999	1.7030.4047 8463
Form 3811, February 2004 Domestic F	Return Receipt 102595-02-N

*(**)

U.S. Certified Mail Return Receipt Requested

Burnett Oil Company Burnett Plaza, Unit 9 801 Cherry Street, Suite 1500 Fort Worth, Texas 76102

RE:

New Well Proposal

Puckett "24" Federal #8H

SHL: 170' FNL & 440' FEL of Section 25, T17S, R31E BHL: 330' FNL & 330 FEL, of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

COG Operating LLC ("COG") proposes to drill the Puckett "24" Federal #8H, as a triple lateral well to penetrate the Yeso Formation at a legal location within Unit Letter P of Section 24, to depths of approximately 5,500' TVD, 9.900' MD for a Paddock lateral; 6,100' TVD, 10,500' MD for an Upper Blinebry lateral; and 6,600' TVD, 11,021' MD for a Lower Blinebry lateral ("Operation"). The total cost of the Operation is estimated to be \$9,648,000.00 and a detailed description of such cost is set out in the enclosed Authority for Expenditure ("AFE").

Also enclosed is COG's proposed form of Operating Agreement ("OA"). A completed version of the Exhibit "A" to be incorporated into the OA will follow under separate cover, accompanied by a fully executed set of signature pages.

If you elect to participate in the subject well, please sign and return a copy of the AFE to the below letterhead address.

If you desire to receive well information regarding the subject operations please return a Well Information Requirements list to FOG. Technical questions should be directed to Carl Bird at 432-686-3057 and land questions to the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL Senior Landman

Confirmation

Services

Enclosure (s) DRE/rc

Package ID: 9171999991703040428383

Destination ZIP Code: 76102

Customer Reference: Recipient: Durnel

Address

Electronic Certified First Class Large Envelope

PBP Account #: 41592288 Serial #: 1364097 JUN 20 2011 4:09 PM

NDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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 malipiece, or on the front if space permits.	B. Richelyer of Printed Maryle C. Gate of Delivery
Aricie Addressed to: Burnett Oil Company Burnett Plaza, Unit 9	D is delivery address diffelent from term ? ☐ Yes If YES, enter delivery address below: ☐ No
801 Cherry Street, Suite 1500 Fort worth, Texas 76102 Puckett 24 Federal #8H	3. Sewice Type D. Certified Mall
	4. Restricted Delivery? (Extra Fee) Yes
Article Number (Transfer from service label)	9 9991 7030 4042 8239





 WELL NAME:
 Puckett "24" Federal #8H
 PROSPECT NAME:
 Puckett

 Surf. Loc:
 170' FNL, 440' FEL, Sec 25, 17S-31E
 COUNTY & STATE:
 Eddy Co, NM

 BHL:
 330' FNL, 330' FEL, Sec 24, 17S-31E
 OBJECTIVE: 11021' MD (6600' TVD) Lower Blinebry

 WO/Pilot, 160 Acre
 OBJECTIVE: 11021' MD (6600' TVD)

INTANGIBLE COSTS		BCP		ACP	TOTAL
Title/Curative/Permit	201	10,000		<u> </u>	10,000
Insurance	201	22,000	302		22,000
Damages/Right of Way	203	15,000	303		15,000
	203	3,000	304		3,000
Survey/Stake Location Location/Pits/Road Expense	205	40,000	305	65,000	105,000
Drilling / Completion Overhead	206	5,000	306	1,000	6,000
Turning Oracles 1	207	- 0,000	307	1,000	0
Footage Contract	208		308		0
Daywork Contract 20:2 @ \$13000/day	209	260,000	309	26,000	286,000
Directional Drilling Services, With RS	210	400,000	310		400,000
Fuel & Power	211	112,500	311	11,250	123,750
Water	212	30,000	312	75,000	105,000
Bits	213	45,000	313	1,000	46,000
Mud & Chemicals	214	25,000	314		25,000
Drill Stem Test	215		315		0
Coring & Analysis	216				0
Cement Surface	217	16,000			16,000
Cement Intermediate	218	16,000			16,000
Cement Production 7"x5.5"	218		319	70,000	70,000
Cement Squeeze & Other (NO Kickoff Plug)	220		320		. 0
Float Equipment & Centralizers	221	3,500	321	15,000	18,500
Casing Crews & Equipment	222	7,000	322	13,000	20,000
Fishing Tools & Service	223		323		0
Geologic/Engineering	224	10,000	324	1,000	11,000
Contract Labor	225	10,000	325	30,000	40,000
Company Supervision	226	. 2,000	326	2,000	4,000
Contract Supervision	227	28,000	327	4,000	32,000
Testing Casing/Tubing	228	4,000	328	1,500	5,500
Mud Logging Unit	229	16,000	329		16,000
Logging	230	0	330	5,000	5,000
Perforating/Wireline Services	231	3,500	331	760,000	128,500
Stimulation/Treating Completion Unit			332 333	The state of the s	760,000 40,000
Swabbing Unit			334	40,000	40,000
Rentals-Surface	235	20,000	335	100,000	120,000
Rentals-Subsurface	236	30,000	336	10,000	40,000
Trucking/Forklift/Rig Mobilization	237	40,000	337	100,000	140,000
Welding Services	238	3,000	338	1,500	4,500
Water Disposal	-239		339	25,000	25,000
Plug to Abandon	240		340		0
Seismic Analysis	241		341		0
Closed Loop & Environmental	244	120,000	344		120,000
Miscellaneous	242	5,000	342	1,000	6,000
Contingency	243	131,500	343	149,750	281,250
TOTAL INTANGIBLES		1,433,000		1,633,000	3,066,000
TANGIBLE COSTS		Ly.			
Surface Casing 550' 13 3/8"	401	20,000			1,200
Intermediate Casing 1850' 9 5/8"	402	48,000	503		48,000
Production Casing/Liner 6900' - 7", 4200' - 5.5"			503	260,000	260,000
Tubing 6200' 2 7/8"			504	38,000	38,000
Wellhead Equipment	405	30,000	505	18,000	48,000
Pumping Unit			506	97,000	97,000
Prime Mover			507		0
Rods			508	39,000	39,000
Pumps Tanks			509	4,500	4,500
Flowlines			510	20,000 15,000	20,000
Heater Treater/Separator			511 512		15,000 25,000
Electrical System			513	25,000	23,000
Packers/Anchors/Hangers	414	447774	514	1.	0
Couplings/Fittings/Valves	414	2,000	515	25,000	27,000
Gas Compressors/Meters	415	2,000	516	4,000	4,000
Dehydrator			517	-1,000	4,000
Injection Plant/CO2 Equipment			518		0
Miscellaneous	419	1,000	519	1,000	2,000
Contingency	420	11,000	520	55,500	66,500
TOTAL TANGIBLES		112,000		602,000	714,000
TOTAL WELL COSTS		1,545,000		2,235,000	3,780,000
				· — 	

COG Operating LLC

Date:

By:	J. Coffman / C. Bird	Date Prepared:	5/16/11	•

We approve:% Working Interest	
Company:	
Ву:	
Printed Name:	
Title:	



Printed Name:

Date

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING



1

PROSPECT NAME: Puckett WELL NAME: Puckett "24" Federal #8H COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 10500' MD (6100' TVD) Upper Blinebry Surf. Loc: 170' FNL, 440' FEL, Sec 25, 17S-31E BHL: 330' FNL, 330' FEL, Sec 24, 17S-31E WO/Pilot, 160 Acre **ACP INTANGIBLE COSTS TOTAL BCP** 10.000 Title/Curative/Permit 201 10,000 22,000 302 22,000 Insurance 202 Damages/Right of Way 203 303 0 Survey/Stake Location 204 304 0 10.000 Location/Pits/Road Expense 205 305 10.000 20.000 6,000 206 306 1,000 Drilling / Completion Overhead 5,000 Turnkey Contract 207 307 Footage Contract 208 ō 308 156,000 195,000 Daywork Contract 12:3 @ \$13000/day 209 309 39,000 210 Directional Drilling Services, With RS 350,000 310 350,000 211 68,000 311 17,000 85,000 Fuel & Power Water 212 25,000 312 75,000 100,000 Bits 213 30,000 313 1,000 31,000 Mud & Chemicals 214 15,000 314 15,000 215 315 **Drill Stem Test** 0 Coring & Analysis 216 0 Cement Surface 217 0 0 Cement Intermediate 218 Cement 2nd Intermediate 7 218 319 Cement Squeeze & Other (NO Kickoff Plug) 0 220 320 221 321 Float Equipment & Centralizers Casing Crews & Equipment 222 322 13,000 13,000 100.000 Fishing Tools & Service 223 323 100,000 1,000 Geologic/Engineering 224 324 11,000 10,000 Contract Labor 10,000 30,000 40,000 225 2,000 Company Supervision 226 326 2,000 4.000 17,000 21,200 Contract Supervision 227 327 4,200 Testing Casing/Tubing 1,500 5,500 4,000 328 228 Mud Logging Unit 229 12,000 12,000 230 330 Logging Perforating/Wireline Services 15,000 12,500 27,500 231 331 Stimulation/Treating 950,000 332 950,000 Completion Unit 12,000 333 45,000 57,000 Swabbing Unit 60,000 Rentals-Surface 235 15,000 335 45,000 Rentals-Subsurface 236 60,000 336 10,000 70,000 Trucking/Forklift/Rig Mobilization 237 40,000 337 20,000 60,000 Welding Services 238 3,000 338 1,500 4,500 Water Disposal 239 330 25,000 25,000 Plug to Abandon 240 340 Seismic Analysis 241 341 244 50,000 344 50,000 Closed Loop & Environmental Miscellaneous 242 5,000 342 1,000 6,000 Contingency
TOTAL INTANGIBLES 243 105,000 343 131,300 236.300 1,151,000 1,436,000 2,587,000 **TANGIBLE COSTS** Surface Casing 401 1,200 Intermediate Casing 402 503 51,000 51,000 Production Casing/Liner 4200' - 4.5' 503 Tubing 504 0 Wellhead Equipment 405 505 0 Pumping Unit 506 0 Prime Mover 507 n Rods 508 0 Pumps 509 Tanks 510 0 Flowlines 511 ō Heater Treater/Separator 512 0 Electrical System 513 0 Packers/Anchors/Hangers 514 230,000 230,000 2,000 Couplings/Fittings/Valves 415 515 25.000 27.000 Gas Compressors/Meters 516 4,000 4,000 Dehydrator Injection Plant/CO2 Equipment 518 n 1.000 519 1.000 Miscellaneous 419 2,000 1,000 520 32,000 33,000 420 TOTAL TANGIBLES 4,000 343,000 347,000 TOTAL WELL COSTS 1.155,000 1.779.000 2.934.000 COG Operating LLC By: J. Coffman / C. Bird Date Prepared: 5/17/11 % Working Interest Company: Ву





WELL NAME: Puckett "24" Federal #8H
Surf. Loc: 170' FNL, 440' FEL, Sec 25, 17S-31E
BHL: 330' FNL, 330' FEL, Sec 24, 17S-31E
WO/Pilot, 160 Acre

PROSPECT NAME: Puckett
COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 9900' MD (5500' TVD) Paddock

INTANGIBLE COSTS		BCP		ACP	TOTAL
Title/Curative/Permit	_ 201 _	10,000	-		10,000
Insurance	_ 202 _	22,000	302 _	16.	22,00
Damages/Right of Way	203		303 _		
Survey/Stake Location	204 _		304 _		(
Location/Pits/Road Expense	_ 205 _	10,000	305 _	10,000	20,000
Drilling / Completion Overhead	_ 206 _	5,000	306 _	1,000	6,000
Turnkey Contract	_ 207 _		307 _		
Footage Contract	$-{208\atop 209}$ $-$	156,000	308 309	39,000	195,000
Daywork Contract 12:3 @ \$13000/day Directional Drilling Services, With RS	- 209 - 210	350,000	310	39,000	350,000
Fuel & Power	- 210 -	68,000	311	17,000	85,000
Water	- 211 -	25,000	312	75,000	100,000
Bits	- 212 -	30,000	313	1,000	31,000
Mud & Chemicals	- ₂₁₄ -	15,000	314		15,000
Drill Stem Test	215		315		
Coring & Analysis	_ ₂₁₆ _		-		(
Cement Surface	_ ₂₁₇ _		-		
Cement Intermediate	218				(
Cement 2nd Intermediate 7"	218		319		
Cement Squeeze & Other (NO Kickoff Plug)	220		320		
Float Equipment & Centralizers	221		321		(
Casing Crews & Equipment	222		322	13,000	13,000
Fishing Tools & Service	223	100,000	323 _		100,000
Geologic/Engineering	224	10,000	324 _	1,000	11,000
Contract Labor	225	10,000	325 _	30,000	40,000
Company Supervision	_ 226 _	2,000	326 _	2,000	4,000
Contract Supervision	_ 227 _	17,000	327 _	4,200	21,200
Testing Casing/Tubing	_ 228 _	4,000	328 _	1,500	5,500
Mud Logging Unit	_ 229 _	12,000	329 -		12,000
Logging Port Adjustics Seeding	_ 230	15,000	330 _	12 500	27,500
Perforating/Wireline Services	_ 231 _	15,000	331 332	12,500 950,000	950,000
Stimulation/Treating Completion Unit	_ <i>_</i>	12,000	333 -	45,000	57,000
Swabbing Unit		12,000	334	45,000	37,000
Rentals-Surface	- ₂₃₅ -	15,000	335	45,000	60,000
Rentals-Subsurface	- ²³⁶ -	60,000	336	10,000	70,000
Trucking/Forklift/Rig Mobilization	237	40,000	337	20,000	60,000
Welding Services	- 238 -	3,000	338	1,500	4,500
Water Disposal	239		339 -	25,000	25,000
Plug to Abandon	240		340	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	0
Seismic Analysis	241		341		0
Closed Loop & Environmental	244	50,000	344		50,000
Miscellaneous	242	5,000	342	1,000	6,000
Contingency	243	105,000	343	131,300	236,300
TOTAL INTANGIBLES		1,151,000	_	1,436,000	2,587,000
TANGIBLE COSTS					
Surface Casing	401		_	 	1,200
Intermediate Casing	402		503		0
Production Casing/Liner 4200' - 4.5"			503 _	51,000	51,000
Tubing	—		504 _		0
Wellhead Equipment	405		505 _		
Pumping Unit			506 _	· · · · · · · · · · · · · · · · · · ·	0
Prime Mover			507		0
Rods		 	508 _		0
Pumps Tanks			509 _		0
Flowlines	_		⁵¹⁰ –		
Heater Treater/Separator			512		
Electrical System			513		
Packers/Anchors/Hangers	- ₄₁₄		514	230,000	230,000
Couplings/Fittings/Valves	415	2,000	515	25,000	27,000
Gas Compressors/Meters			516	4,000	4,000
Dehydrator		····	517		
Injection Plant/CO2 Equipment	_		518		0
Miscellaneous	419	1,000	519	1,000	2,000
Contingency	420	1,000	520	32,000	33,000
TOTAL TANGIBLES		4,000	_	343,000	347,000
TOTAL WELL COSTS		1,155,000		1,779,000	2,934,000
COG Operating LLC					

COG	Ope	aung	LLC

Printed Name: Title: Date:

We approve: _% Working Interest Ву:

U.S. Certified Mail Return Receipt Requested

Javalina Partners 616 Texas Street Fort Worth, TX 76102

RE:

New Well Proposal

Puckett "24" Federal #8H

SHL: 170' FNL & 440' FEL of Section 25, T17S, R31E BHL: 330' FNL & 330 FEL, of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

COG Operating LLC ("COG") proposes to drill the Puckett "24" Federal #8H, as a triple lateral well to penetrate the Yeso Formation at a legal location within Unit Letter P of Section 24, to depths of approximately 5,500' TVD, 9.900' MD for a Paddock lateral; 6,100' TVD, 10,500' MD for an Upper Blinebry lateral; and 6,600' TVD, 11,021' MD for a Lower Blinebry lateral ("Operation"). The total cost of the Operation is estimated to be \$9,648,000.00 and a detailed description of such cost is set out in the enclosed Authority for Expenditure ("AFE").

Also enclosed is COG's proposed form of Operating Agreement ("OA"). A completed version of the Exhibit "A" to be incorporated into the OA will follow under separate cover, accompanied by a fully executed set of signature pages.

If you elect to participate in the subject well, please sign and return a copy of the AFE to the below letterhead address.

If you desire to receive well information regarding the subject operations please return a Well Information Requirements list to COG. Technical questions should be directed to Carl Bird at 432-686-3057 and land questions to the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL (Senior Landman

Enclosure (s) DRE/rc

Package ID 9171999991703040428369
Destination ZIP Code, 76102
Customer Reference:
Recipient: Javalina
Address
Address

Electronic Certified First Class Large Envelope

PBP Account #, 41592288 Serial #[1364097] JUN 20 2011 4:10 PM

tach this card to the back of the mallpiece. on the front if space permits. D. is de	elved by (Printe		☐ Agent ☐ Addressee C. Date of Delivery \[\(\begin{array}{c} \ C - \ Z - \ Z - \end{array} \]
tach this card to the back of the maliplece, on the front if space permits.	UVA Nivery address d		A CONTRACTOR OF THE PARTY OF TH
D. Is de	AND THE PROPERTY OF THE PARTY O	lifferent from Ite	
	.S, enter deliver	y address belo	A
avalina Partners 16 Texas Street			
rt Worth, TX 76102			
ickett 24 Federal #8H	ice Type ertified Mail egistered	☐ Express Ma	الا elpt for Merchandise
	sured Mall	□ C.O.D.	
4. Rest	ricted Delivery?	(Extra Fee)	☐ Yes

15. 15.





WELL NAME: Puckett "24" Federal #8H

Surf. Loc: 170' FNL, 440' FEL, Sec 25, 17S-31E

BHL: 330' FNL, 330' FEL, Sec 24, 17S-31E

WO/Pilot, 160 Acre PROSPECT NAME: Puckett
COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 11021' MD (6600' TVD) Lower Blinebry

INTANGIBLE COSTS Title/Curative/Permit	201	BCP 10,000		ACP	<u>TOTAL</u> 10,000
Insurance	_ 202	22,000	302		22,000
Damages/Right of Way	203	15,000	303		15,000
Survey/Stake Location	204	3,000	304		3,000
Location/Pits/Road Expense	205	40,000	305	65,000	105,000
Drilling / Completion Overhead	206	5,000	306	1,000	6,000
Turnkey Contract			307		
Footage Contract	208		308		en (
Daywork Contract 20:2 @ \$13000/day	209	260,000	309	26,000	286,000
Directional Drilling Services, With RS	210	400,000	310		400,000
Fuel & Power	211	112,500	311	11,250	123,750
Water	212	30,000	312	75,000	105,000
Bits	213	45,000	313	1,000	46,000
Mud & Chemicals	214	25,000	314		25,000
Drill Stem Test	215		315		
Coring & Analysis	216	40.000		····	16.000
Cement Surface	— ²¹⁷	16,000			16,000
Cement Intermediate Cement Production 7"x5.5"	— 218 218	16,000	319	70,000	70,000
Cement Squeeze & Other (NO Kickoff Plug)	— 210 220		320	70,000	70,000
Float Equipment & Centralizers	- 221	3,500	321	15,000	18,500
Casing Crews & Equipment		7,000	322	13,000	20,000
Fishing Tools & Service			323	10,000	
Geologic/Engineering		10,000	324	1,000	11,000
Contract Labor	225	10,000	325	30,000	40,000
Company Supervision	— ₂₂₆	. 2,000	326	2,000	4,000
Contract Supervision	227	28,000	327	4,000	32,000
Testing Casing/Tubing	228	4,000	328	1,500	5,500
Mud Logging Unit	229	16,000	329		16,000
Logging	230	0	330	5,000	5,000
Perforating/Wireline Services	231	3,500	331	125,000	128,500
Stimulation/Treating			332	760,000	760,000
Completion Unit			333	40,000	40,000
Swabbing Unit	_		334		0
Rentals-Surface	235	20,000	335	100,000	120,000
Rentals-Subsurface	236	30,000	336	10,000	40,000
Trucking/Forklift/Rig Mobilization	— ²³⁷	40,000	337	100,000	140,000
Welding Services	238	3,000	338	1,500	4,500 25,000
Water Disposal Plug to Abandon	·239 240		340	25,000	25,000
Seismic Analysis	— ²⁴⁰		341		
Closed Loop & Environmental	244	120,000	344		120,000
Miscellaneous	242	5,000	342	1,000	6,000
Contingency	243	131,500	343	149,750	281,250
TOTAL INTANGIBLES		1,433,000		1,633,000	3,066,000
TANGIBLE COSTS					
Surface Casing 550' 13 3/8"	401	20,000			1,200
Intermediate Casing 1850' 9 5/8"	402	48,000			48,000
Production Casing/Liner 6900' - 7", 4200' - 5.5"	-		503	260,000	260,000
Tubing 6200' 2 7/8" Wellhead Equipment		30,000	504	38,000	38,000
Pumping Unit	405	30,000	505 506	3. <u>18,000</u> 97,000	48,000 97,000
Prime Mover			507	97,000	000,00
Rods	_		508	39,000	39,000
Pumps			509	4,500	4,500
Tanks	_		510	20,000	20,000
Flowlines		• • • • • • • • • • • • • • • • • • • •	511	15,000	15,000
Heater Treater/Separator	_		512	25,000	25,000
Electrical System			513		0
Packers/Anchors/Hangers	414		514		0
Couplings/Fittings/Valves	415	2,000	515	25,000	27,000
Gas Compressors/Meters			516	4,000	4,000
Dehydrator			517	·	0
Injection Plant/CO2 Equipment			518		0
Miscellaneous	419		519	1,000	2,000
TOTAL TANGIBLES	420		520 _	55,500	66,500
TOTAL WELL COSTS	_	112,000 1,545,000	-	602,000 2,235,000	714,000 3,780,000
TOTAL WELL COSTS		1,545,000	-	2,233,000	3,780,000
COG Operating LLC					
By: J. Coffman / C. Bird		Date Prepared: 5	/16/1	1	
We approve:					
% Working Interest					
Company:	_				
Ву:					*
Printed Name:					
Title:		-		te. By signing you agre	e to pay your share
Date:	_	of the actual costs inc	urred	Ι.	
					



Title: Date:

COG OPERATING LLC AUTHORITY FOR EXPENDITURE DRILLING



200

WELL NAME: Puckett "24" Federal #8H PROSPECT NAME: Puckett Surf. Loc: 170' FNL, 440' FEL, Sec 25, 17S-31E COUNTY & STATE: Eddy Co, NM OBJECTIVE: 10500' MD (6100' TVD) Upper Blinebry BHL: 330' FNL, 330' FEL, Sec 24, 17S-31E WO/Pilot, 160 Acre **ACP** TOTAL **INTANGIBLE COSTS BCP** 10,000 Title/Curative/Permit 201 10,000 22,000 22,000 302 202 Insurance 0 Damages/Right of Way 203 303 Survey/Stake Location 204 304 0 10.000 10.000 20,000 Location/Pits/Road Expense 205 305 6,000 206 306 1,000 Drilling / Completion Overhead 5,000 307 207 **Turnkey Contract** Footage Contract 208 308 n 195,000 Daywork Contract 12:3 @ \$13000/day 209 156,000 309 39,000 350,000 Directional Drilling Services, With RS 210 350,000 310 85,000 17,000 68,000 311 Fuel & Power 211 Water 212 25,000 312 75,000 100,000 Bits 213 30,000 313 1,000 31,000 Mud & Chemicals 214 15,000 314 15,000 **Drill Stem Test** 215 315 0 216 Coring & Analysis 0 217 Cement Surface Cement Intermediate 218 0 ō Cement 2nd Intermediate 7 218 319 Cement Squeeze & Other (NO Kickoff Plug) 0 220 320 0 Float Equipment & Centralizers 321 221 322 13,000 13,000 Casing Crews & Equipment 222 Fishing Tools & Service 223 100,000 323 100,000 Geologic/Engineering 224 10.000 324 1,000 11,000 30,000 40,000 225 10,000 325 Contract Labor 2,000 4,000 Company Supervision 226 2,000 326 Contract Supervision 227 17,000 327 4,200 21,200 Testing Casing/Tubing 228 4.000 328 1,500 5,500 229 12,000 329 12,000 Mud Logging Unit Logging 27,500 Perforating/Wireline Services 231 15,000 331 12,500 950.000 Stimulation/Treating 332 950,000 12,000 Completion Unit 333 45,000 57,000 Swabbing Unit Rentals-Surface 235 15,000 45,000 60,000 Rentals-Subsurface 236 60,000 336 10,000 70,000 Trucking/Forklift/Rig Mobilization 237 40,000 337 20,000 60,000 1,500 4,500 338 Welding Services 238 3,000 Water Disposal 239 339 25,000 25,000 Plug to Abandon 240 340 Seismic Analysis 241 341 0 Closed Loop & Environmental 244 50,000 50,000 344 Miscellaneous 242 5,000 1,000 6,000 Contingency
TOTAL INTANGIBLES 105,000 131,300 236,300 1,151,000 1,436,000 2,587,000 **TANGIBLE COSTS** Surface Casing Intermediate Casing 401 1,200 402 503 Production Casing/Liner 4200' - 4.5' 51,000 503 51,000 Tubing 504 0 Wellhead Equipment 405 505 0 506 **Pumping Unit** 0 Prime Move 507 Rods 508 0 Pumps 509 0 Tanks 510 0 511 0 Heater Treater/Separator 512 0 Electrical System 513 0 Packers/Anchors/Hangers 230,000 230,000 25,000 Couplings/Fittings/Val 415 2,000 515 27,000 Gas Compressors/Meters 516 4,000 4,000 517 Dehydrator 0 Injection Plant/CO2 Equipment 518 2,000 Miscellaneous 419 1,000 519 1,000 Contingency
TOTAL TANGIBLES 1.000 520 420 32,000 33,000 4,000 343,000 347,000 TOTAL WELL COSTS 1,155,000 1,779,000 2,934,000 COG Operating LLC By: J. Coffman / C. Bird Date Prepared: 5/17/11 % Working Interest Company: Ву: Printed Name:





 WELL NAME: Puckett "24" Federal #8H
 PROSPECT NAME: Puckett

 Surf. Loc: 170' FNL, 440' FEL, Sec 25, 17S-31E
 COUNTY & STATE: Eddy Co, NM

 BHL: 330' FNL, 330' FEL, Sec 24, 17S-31E
 OBJECTIVE: 9900' MD (5500' TVD) Paddock

 WO/Pilot, 160 Acre
 OBJECTIVE: 9900' MD (5500' TVD)

WO/Pilot, 160 Acre					
INTANGIBLE COSTS		ВСР		ACP	TOTAL
	201	10,000		<u> </u>	10,000
Title/Curative/Permit Insurance	201	22,000	302		22,000
Damages/Right of Way	203	22,000	303		0
			304		,
Survey/Stake Location	²⁰⁴ 205	10,000	305	10,000	20,000
Location/Pits/Road Expense Drilling / Completion Overhead	— 205 206	5,000	306	1,000	6,000
Turnkey Contract	207	- 0,000	307	1,000	0
Footage Contract	208		308		0
Daywork Contract 12:3 @ \$13000/day	209	156,000	309	39,000	195,000
Directional Drilling Services, With RS	210	350,000	310		350,000
Fuel & Power	211	68,000	311	17,000	85,000
Water	212	25,000	312	75,000	100,000
Bits	213	30,000	313	1,000	31,000
Mud & Chemicals	— ₂₁₄	15,000	314		15,000
Drill Stem Test	215		315		0
Coring & Analysis	216				0
Cement Surface	217				0
Cement Intermediate	218				0
Cement 2nd Intermediate 7"	218		319		0
Cement Squeeze & Other (NO Kickoff Plug)	220		320		0
Float Equipment & Centralizers	221		321		0
Casing Crews & Equipment	222		322	13,000	13,000
Fishing Tools & Service	223	100,000	323		100,000
Geologic/Engineering	224	10,000	324	1,000	11,000
Contract Labor	225	10,000	325	30,000	40,000
Company Supervision	226	2,000	326	2,000	4,000
Contract Supervision	227	17,000	327	4,200	21,200
Testing Casing/Tubing	228	4,000	328	1,500	5,500
Mud Logging Unit	229	12,000	329		12,000
Logging	230		330	40.500	0 0 0
Perforating/Wireline Services	231	15,000	331	12,500	27,500
Stimulation/Treating	_	12,000	332	950,000	950,000 57,000
Completion Unit Swabbing Unit		12,000	333 334	45,000	000,70
Rentals-Surface	— ₂₃₅	15,000	335	45,000	60,000
Rentals-Subsurface	- ²³⁵	60,000	336	10,000	70,000
Trucking/Forklift/Rig Mobilization	— 230 237	40,000	337	20,000	60,000
Welding Services	— ₂₃₈	3,000	338	1,500	4,500
Water Disposal	- 239	0,000	339	25,000	25,000
Plug to Abandon	240		340		0
Seismic Analysis	241		341		
Closed Loop & Environmental	244	50,000	344		50,000
Miscellaneous	242	5,000	342	1,000	6,000
Contingency	243	105,000	343	131,300	236,300
TOTAL INTANGIBLES	_	1,151,000		1,436,000	2,587,000
				•	
TANGIBLE COSTS	3				
Surface Casing	401				1,200
Intermediate Casing 4	402		503		0
Production Casing/Liner 4200' - 4.5"			503	51,000	51,000
Tubing			504		0
Wellhead Equipment	405		505		0
Pumping Unit	- 4		506		0
Prime Mover	_		507		0
Rods	_		508		0
Pumps Tanks			509 510		0
Flowlines	_				0
Heater Treater/Separator			511 512		0
Electrical System			513		
Packers/Anchors/Hangers	414		514	230,000	230,000
Couplings/Fittings/Valves	- 415	2,000	515	25,000	27,000
Gas Compressors/Meters	- ''		516	4,000	4,000
Dehydrator			517	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	0
Injection Plant/CO2 Equipment	_		518		0
Miscellaneous	419	1,000	519	1,000	2,000
Contingency	420	1,000	520	32,000	33,000
TOTAL TANGIBLES	_	4,000		343,000	347,000
TOTAL WELL COSTS	_	1,155,000		1,779,000	2,934,000
		_			
COC 0					
COG Operating (LEC)					
By: J. Coffman / C. Bird		Date Prepared: 5	5/17/1	1	
-,	_	_ x			
We approve:					
% Working Interest					
•					
Company:					
Ву:					

Printed Name: Title: Date:

U.S. Certified Mail Return Receipt Requested

Zorro Partners 616 Texas Street Fort Worth, TX 76102

RE:

New Well Proposal

Puckett "24" Federal #8H

SHL: 170' FNL & 440' FEL of Section 25, T17S, R31E BHL: 330' FNL & 330 FEL, of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

COG Operating LLC ("COG") proposes to drill the Puckett "24" Federal #8H, as a triple lateral well to penetrate the Yeso Formation at a legal location within Unit Letter P of Section 24, to depths of approximately 5,500' TVD, 9.900' MD for a Paddock lateral; 6,100' TVD, 10,500' MD for an Upper Blinebry lateral; and 6,600' TVD, 11,021' MD for a Lower Blinebry lateral ("Operation"). The total cost of the Operation is estimated to be \$9,648,000.00 and a detailed description of such cost is set out in the enclosed Authority for Expenditure ("AFE").

Also enclosed is COG's proposed form of Operating Agreement ("OA"). A completed version of the Exhibit "A" to be incorporated into the OA will follow under separate cover, accompanied by a fully executed set of signature pages.

If you elect to participate in the subject well, please sign and return a copy of the AFE to the below letterhead address.

If you desire to receive well information regarding the subject operations please return a Well Information Requirements list to COG. Technical questions should be directed to Carl Bird at 432-686-3057 and land questions to the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL Senior Landman

Confirmation

Services

Enclosure "

DRE/rc

N

Destination ZIP Code, 76102

Package ID: 9171999991703040428376

N N

Electronic Certified First Class Large Envelope PBP Account #: 41592288

Customer Reference: Recipient: 20 RED Address: 13 #8"

Serial #: 1364097 JUN 20 2011 4:09 PM

DER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
complete items 1, 2, and 3. Also complete em 4 if Restricted Delivery is desired. Irint your name and address on the reverse	A Signature	Agent Addressee
or that we can return the card to you. ttach this card to the back of the mallplece, ir on the front if space permits.	B. Ascelved by (Printed Name)	C: Date of Delivery
uticle Addressed to:	D. Is delivery address different from ite If YES, enter delivery address belo	
orro Partners 16 Texas Street	a character and a character an	es es bades. Alla establica
ort Worth, TX 76102 uckett 24 Federal #8H	3. SeMice Type M. Certified Mail Dopress M Registered P Return Re	all eipt for Merchandise
	4. Restricted Delivery? (Extra Fee)	☐ Yes
Article Number Transfer from service label 91 7199 9	991/7030 4042 8222	
Form 3811, February 2004 Domestic R	eturn Receipt	102595-02-M-154





PROSPECT NAME: Puckett WELL NAME Puckett "24" Federal #8H COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 11021' MD (6600' TVD) Lower Blinebry Surf. Loc: 170' FNL, 440' FEL, Sec 25, 17S-31E 330' FNL, 330' FEL, Sec 24, 17S-31E WO/Pilot, 160 Acre **BCP ACP** TOTAL **INTANGIBLE COSTS** 201 10,000 10,000 Title/Curative/Permit 22,000 302 22,000 202 Insurance 15,000 Damages/Right of Way 203 15,000 303 3,000 3,000 304 204 Survey/Stake Location 205 40,000 305 65,000 105,000 Location/Pits/Road Expense Drilling / Completion Overhead 5,000 306 1,000 6,000 206 **Turnkey Contract** 207 307 n Footage Contract 208 308 0 26,000 286,000 260,000 309 Daywork Contract 20:2 @ \$13000/day 209 400,000 Directional Drilling Services, With RS 400,000 310 210 11,250 123,750 211 112,500 Fuel & Power Water 212 30,000 312 75,000 105,000 Rits 213 45,000 313 1,000 46,000 Mud & Chemicals 25,000 314 25,000 214 215 **Drill Stem Test** Coring & Analysis 216 16,000 16,000 Cement Surface 217 16,000 Cement Intermediate 218 16,000 Cement Production 7"x5.5" 319 70,000 218 70,000 Cement Squeeze & Other (NO Kickoff Plug) 220 320 3,500 18.500 Float Equipment & Centralizers 221 321 15,000 7,000 20,000 Casing Crews & Equipment 222 322 13,000 323 Fishing Tools & Service 223 11,000 Geologic/Engineering 224 10,000 324 1,000 225 10,000 325 30,000 40,000 Contract Labor Company Supervision 226 2,000 326 2,000 4.000 327 Contract Supervision 227 28,000 4,000 32,000 Testing Casing/Tubing 228 4,000 328 1,500 5,500 329 16,000 16,000 Mud Logging Unit 229 5,000 230 330 5.000 128,500 3,500 331 Perforating/Wireline Services 125,000 231 760,000 760,000 Stimulation/Treating Completion Unit 333 40,000 40,000 Swabbing Unit 334 20,000 100,000 120,000 Rentals-Surface 235 335 40,000 30,000 Rentals-Subsurface 236 10,000 Trucking/Forklift/Rig Mobilization 237 40,000 337 100,000 140,000 Welding Services 238 3,000 338 1.500 4,500 -239 339 25,000 Water Disposal 25,000 Plug to Abandon 240 Seismic Analysis 241 341 Closed Loop & Environmental 244 120,000 344 120,000 342 1,000 242 Miscellaneous 5.000 6.000 243 131,500 149,750 TOTAL INTANGIBLES 1,433,000 1,633,000 3,066,000 **TANGIBLE COSTS** Surface Casing 550' 13 3/8" 401 20,000 1,200 Intermediate Casing 1850' 9 5/8 402 48,000 503 48,000 Production Casing/Liner 6900' - 7", 4200' - 5.5 260,000 260,000 Tubing 6200 2 7/8 504 38,000 38,000 Wellhead Equipment 30.000 405 505 18.000 48,000 Pumping Unit 506 97,000 97,000 Prime Mover 507 Rods 508 39,000 39,000 Pumps 509 4.500 4.500 Tanks 510 20,000 20,000 511 15,000 15,000 Heater Treater/Separator 512 25,000 25,000 Electrical System 513 0 Packers/Anchors/Hangers 514 0 515 Couplings/Fittings/Valves 2,000 25,000 27,000 Gas Compressors/Meters 516 4,000 4,000 Dehydrator 517 Injection Plant/CO2 Equipment 518 1,000 519 2,000 419 Contingency 420 11.000 520 55,500 66,500 TOTAL TANGIBLES 602,000 112,000 714,000 TOTAL WELL COSTS 1,545,000 3,780,000 2,235,000 COG Operating LLC By: J. Coffman / C. Bird 5/16/11 Date Prepared: We approve: By: Printed Name:

This AFE is only an estimate. By signing you agree to pay your share

of the actual costs incurred.

Title:

Date





PROSPECT NAME: Puckett
COUNTY & STATE: Eddy Co, NM
OBJECTIVE: 10500' MD (6100' TVD) Upper Blinebry WELL NAME: Puckett "24" Federal #8H Surf. Loc: 170' FNL, 440' FEL, Sec 25, 17S-31E 330' FNL, 330' FEL, Sec 24, 17S-31E WO/Pilot, 160 Acre <u>ACP</u> **INTANGIBLE COSTS BCP** TOTAL 10,000 10,000 201 Title/Curative/Permit 22,000 202 22,000 302 Insurance 303 Damages/Right of Way 203 0 304 0 Survey/Stake Location 204 Location/Pits/Road Expense 205 10,000 305 10,000 20,000 306 1,000 Drilling / Completion Overhead 5,000 6,000 207 307 0 **Turnkey Contract** Footage Contract 208 308 0 39,000 195,000 156,000 Daywork Contract 12:3 @ \$13000/day 309 209 310 350,000 350,000 Directional Drilling Services, With RS 210 68,000 311 17,000 85,000 Fuel & Power Water 212 25,000 312 75,000 100,000 Bits 213 30,000 313 1,000 31,000 314 15,000 Mud & Chemicals 214 15,000 315 **Drill Stem Test** 215 Coring & Analysis 216 0 Cement Surface 217 0 Cement Intermediate 218 0 319 0 Cement 2nd Intermediate 7 218 Cement Squeeze & Other (NO Kickoff Plug) 320 0 220 Float Equipment & Centralizers 321 221 13,000 13.000 Casing Crews & Equipment 222 322 Fishing Tools & Service 223 100,000 323 100,000 10,000 324 1,000 11,000 Geologic/Engineering 224 10,000 325 30,000 40,000 Contract Labor 225 Company Supervision 226 2,000 326 2,000 4,000 17,000 Contract Supervision 227 327 4.200 21 200 328 1,500 5,500 Testing Casing/Tubing 228 4,000 229 12,000 329 12,000 Mud Logging Unit 230 330 Logging 27,500 Perforating/Wireline Services 231 15,000 331 12,500 Stimulation/Treating 332 950,000 950,000 12,000 45,000 57,000 Completion Unit 334 Swabbing Unit 60.000 15,000 45,000 Rentals-Surface 235 335 336 Rentals-Subsurface 236 60,000 10,000 70,000 40,000 337 20,000 Trucking/Forklift/Rig Mobilization 237 60,000 Welding Services 238 3,000 338 1,500 4,500 Water Disposal 239 339 25,000 25,000 240 340 Plug to Abandon 341 Seismic Analysis 241 Closed Loop & Environmental 244 50,000 344 50,000 Miscellaneous 242 5,000 342 1,000 6,000 Contingency
TOTAL INTANGIBLES 343 236,300 243 105,000 131,300 1,151,000 2,587,000 1,436,000 **TANGIBLE COSTS** Surface Casing 401 1,200 Intermediate Casino 402 503 0 51,000 Production Casing/Liner 4200' - 4.5' 503 51,000 Tubing 504 0 Wellhead Equipment 0 405 505 506 Pumping Unit Prime Mover 507 508 0 Pumps 509 0 Tanks 510 n Flowlines 511 0 Heater Treater/Separato 512 0 Electrical System 513 0 Packers/Anchors/Hangers 414 514 230,000 230,000 2,000 515 Couplings/Fittings/Valves 415 25,000 27,000 Gas Compressors/Meters 516 4,000 Dehydrator 517 n Injection Plant/CO2 Equipment 518 419 1,000 519 1,000 2,000 Contingency 420 1,000 520 32,000 33,000 TOTAL TANGIBLES 347,000 4.000 343,000 TOTAL WELL COSTS 1,155,000 1,779,000 COG Operating LLC By: J. Coffman / C. Bird Date Prepared: 5/17/11 We approve % Working Interest Ву:

Title:





PROSPECT NAME: Puckett
COUNTY & STATE: Eddy Co, NM WELL NAME: Puckett "24" Federal #8H Surf. Loc: 170' FNL, 440' FEL, Sec 25, 17S-31E BHL: 330' FNL, 330' FEL, Sec 24, 17S-31E OBJECTIVE: 9900' MD (5500' TVD) Paddock WO/Pilot, 160 Acre **INTANGIBLE COSTS BCP** <u>ACP</u> **TOTAL** Title/Curative/Permit 201 10,000 10.000 302 Insurance 202 22,000 22,000 Damages/Right of Way 203 303 0 Survey/Stake Location 204 304 O Location/Pits/Road Expense 10.000 10.000 20,000 205 305 Drilling / Completion Overhead 206 5,000 306 1,000 6.000 Turnkey Contract 207 307 0 Footage Contract 208 Daywork Contract 12:3 @ \$13000/day 209 156,000 309 39,000 195,000 Directional Drilling Services, With RS 210 350,000 310 350 000 17,000 Fuel & Power 211 68.000 311 85,000 75,000 100,000 312 Water 212 25,000 Bits 213 30,000 313 1,000 31,000 Müd & Chemicals 214 15,000 314 15,000 **Drill Stem Test** 215 315 0 0 Coring & Analysis 216 0 Cement Surface 217 218 ብ Cement Intermediate Cement 2nd Intermediate 7 218 319 0 Cement Squeeze & Other (NO Kickoff Plug) 220 320 0 321 221 Float Equipment & Centralizers 13,000 Casing Crews & Equipment 222 322 13,000 Fishing Tools & Service 223 100,000 323 100,000 Geologic/Engineering 224 10,000 324 1 000 11,000 Contract Labor 225 10.000 325 30,000 40,000 226 2,000 326 2,000 4,000 Company Supervision 17,000 4,200 21,200 227 Contract Supervision Testing Casing/Tubing 228 4,000 328 1,500 5 500 Mud Lagging Unit 229 12,000 329 12,000 230 330 Logging 12,500 27,500 Perforating/Wireline Services 15,000 331 231 Stimulation/Treating 332 950,000 950,000 12,000 Completion Unit 333 45,000 57,000 Swabbing Unit 334 Rentals-Surface 15,000 45,000 335 235 Rentals-Subsurface 236 60,000 336 10,000 70,000 Trucking/Forklift/Rig Mobilization 237 40,000 337 20,000 60,000 Welding Services 238 3,000 338 1.500 4.500 Water Disposal 239 339 25,000 25,000 Plug to Abandon 340 240 241 341 Closed Loop & Environmental 244 50,000 344 50,000 Miscellaneous 242 5.000 342 1.000 6,000 Contingency
TOTAL INTANGIBLES 105,000 243 343 131,300 236,300 1,151,000 1,436,000 2,587,000 **TANGIBLE COSTS** Surface Casing 401 1,200 Intermediate Casing 402 503 51,000 Production Casing/Liner 4200' - 4.5" 503 51,000 Tubing 504 0 Wellhead Equipment 405 505 Pumping Unit 506 O 507 Prime Mover 0 0 Pumps 509 0 Tanks 510 n Flowlines 511 0 Heater Treater/Separato 512 0 Electrical System 513 0 Packers/Anchors/Hangers 230,000 230,000 414 514 Couplings/Fittings/Valves 2,000 25,000 27,000 415 515 Gas Compressors/Meters 4,000 516 4,000 Dehydrator 517 n Injection Plant/CO2 Equipment 518 0 1,000 1,000 Miscellaneous 419 519 Contingency
TOTAL TANGIBLES 420 1,000 520 32,000 33,000 343,000 4.000 347,000 TOTAL WELL COSTS 1,155,000 1,779,000 2,934,000 COG Operating LLC By: J. Coffman / C. Bird 5/17/11 Date Prepared: We approve: % Working Interest Company: By: Printed Name:

This AFE is only an estimate. By signing you agree to pay your share of the actual costs incurred.

Title

Date



U.S. Certified Mail Return Receipt Requested

Burnett Oil Company Burnett Plaza, Unit 9 801 Cherry Street, Suite 1500 Fort Worth, Texas 76102

RE: Amendment to New Well Proposal

Puckett "24" Federal #8H

SL: 170' FNL & 440' FEL of Section 25, T17S, R31E BHL: 330' FNL & 330 FEL, of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

Reference is made to our letter to you dated June 20, 2011 proposing the subject well. Please note the following correction:

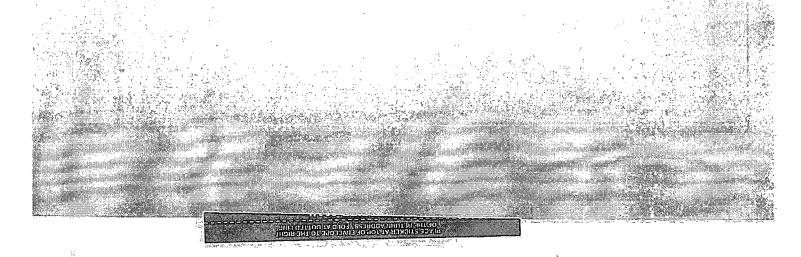
• The well will be drilled at an approved surface location within location unit letter A in Section 25.

If you have any questions, please do not hesitate to contact the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL Senior Landman



"HE " HEREOTERINATION "

102595-02-M-1540

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	COMPLETE THIS SECTION ON DEL	Agent ≥ײ
so that we can return the card to you. Attach this card to the back of the maliplece, or on the front if space permits.	B. Received by (Printed Name)	C. Date of Delivery
Burnett Oil Company Burnett Plaza, Unit 9	D. Is delivery address different from ite	m 1? □ Yes w: □ No
801 Cherry Street, Suite 1500 Fort Worth, Texas 73102 Puckett 24 Federal #8H	3. Seryice Type	lipt for Merchandise
2. Article Number 91 7199 9991 7030 4047 8180		



U.S. Certified Mail Return Receipt Requested

Javelina Partners 616 Texas Street Fort Worth, TX 76102

RE: Amendment to New Well Proposal

Puckett "24" Federal #8H

SL: 170' FNL & 440' FEL of Section 25, T17S, R31E BHL: 330' FNL & 330 FEL, of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

Reference is made to our letter to you dated June 20, 2011 proposing the subject well. Please note the following correction:

• The well will be drilled at an approved surface location within location unit letter A in Section 25.

If you have any questions, please do not hesitate to contact the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL Senior Landman OF THE BETWEEN ADDRESS, FOLD AF DOLLED LIKE HIGHT.

g.Barn.,

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
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.	A) Signature X □ Agent □ Addressee	
Attach this card to the back of the mailpiece or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery	
	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No	
Javalina Partners		
616 Texas Street		
Fort Worth, TX 76102	3. Service Type .	
Puckett 24 Federal #8H	Ø Certified Mall □ Express Mall □ Registered	
	4. Restricted Delivery? (Extra Fee)	
The commence of the commence o	2030 4047 8173	
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-15401		



U.S. Certified Mail Return Receipt Requested

Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102

RE: Amendment to New Well Proposal

Puckett "24" Federal #8H

SL: 170' FNL & 440' FEL of Section 25, T17S, R31E BHL: 330' FNL & 330 FEL, of Section 24, T17S, R31E

Eddy County, New Mexico

Dear Sirs:

Reference is made to our letter to you dated June 20, 2011 proposing the subject well. Please note the following correction:

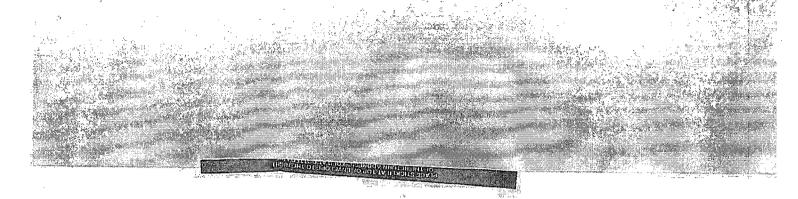
• The well will be drilled at an approved surface location within location unit letter A in Section 25.

If you have any questions, please do not hesitate to contact the undersigned at 432-685-4354.

Yours truly,

COG Operating LLC

Stuart A. Dirks, CPL Senior Landman



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse	A Signature X □ Agent Addressee
so that we can return the card to you. Attach this card to the back of the mallplece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery
Zorro Partners 616 Texas Street Fort Worth, TX 76102 Puckett 24 Federal #8H	D. Is delivery address different from item 17. Yes
	3. Service:Type Certified Mall: Express Mall: Registered Preturn Receipt for Merchandise: Insured Mall: C.O.D.
	4. Restricted Delivery? (Extra Fee) Yes

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

manufacture in	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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 maliplece, or on the front if space permits.	A Signature Agent Addressee B. Recovery by (Princed Neurle) 9. Date of Delivery D. Is delivery address different from item 1? 17 17 19 Yes
1. Article Addressed to: Burnett Oil Company Burnett Plaza, Unit 9	If YES, enter delivery address below:
801 Cherry Street, Suite 1500	3. Service Type
Fort Worth, Texas 73102 Puckett 24 Federal #8H	☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
20	4. Restricted Delivery? (Extra Fee)
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DC Form 3811 Fohrush 2004 Demostle B	otura Populat 102595-02-M-1540

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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 mailplece, or on the front if space permits.	A. Stonature X
Javalina Partners 616 Texas Street	
Fort Worth, TX 76102 Puckett 24 Federal #8H	3. Service Type 12 Certified Mail □ Express Mail □ Registered □ Return Receipt for Merchandise □ Insured Mail □ C.O.D.
	4. Restricted Delivery? (Extra Fee) Yes
2. Article Number 91.7199 9991	7030 4047 8173
PS Form 3811, February 2004 Domestic Ret	um Réceipt 102595-02-M-1640

SENDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. A. Slopeture 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 maliplece, AUG Pete of Deliver 11110 or on the front If space permits: 1. Article Addressed to: If YES, enter delivery address below:

No. Zorro Partners 616 Texas Street Service Type Fort Worth, TX 76102 Z Certified Mail D Express Mall Puckett 24 Federal #8H Return Receipt for Merchandise ☐ Registered ☐ Insured Mail ☐ C.O.D. 4. Restricted Delivery? (Extra Fee) 2. Article Number 7199 9991 7030 4047 8166 (Transfer from serv. PS Form 3811, February 2004 Domestic Return Receipt