

Clarification of the Vertical Depths of the Dodd Federal Unit

The vertical limits of the Dodd Federal Unit (the "Unit") are defined on page seven of New Mexico Oil Conservation Division (the "NMOCD") Order R-12228 and in Section 2(g) of the Unit Agreement for the Development and Operation of the Dodd Federal Unit (the "Unit Agreement"). The definition is as follows:

"The 'Unitized Formation' [for the Dodd Unit] shall comprise that interval underlying the Unit Area the vertical limits of which extend from the top of the Seven Rivers formation to the base of the Yeso/Paddock formation or 5,000 feet beneath the surface, whichever is less, as reflected on the Spectral Density Dual Spaced Neutron Log for the Marbob Energy Corporation's Mary Dodd "B" Deep Federal Well No. 2 (API No. 30-015-31041) located 1980 feet from the North line and 1295 feet from the East line (Unit H) of Section 14, Township 17 South, Range 29E, NMPM." (the "Definition")

Since the Definition is seen by some as being ambiguous, the Bureau of Land Management (the "BLM"), NMOCD and COG Operating LLC, as Unit Operator, (the "Parties") wish to clarify the Definition. The clarification is based upon evidence contained in the Unit Agreement itself, testimony before the NMOCD, and all Parties' past interpretation of the Unit boundaries.

Based upon the foregoing, the parties clarify that the Definition should be read to mean that the Unit extends from the top of the Seven Rivers formation to a subsurface depth of 5,000 feet.

The parties express their clarification by signing below and such signatures may be in counterparts..

Signed the 12<sup>th</sup> day of December, 2011

By Gabrielle A. Gerholt  
Gabrielle Gerholt,  
Assistant General Counsel  
New Mexico Oil Conservation Division

Signed the \_\_\_\_ day of December, 2011

By Wesley Ingram, Title  
Bureau of Land Management

Signed the \_\_\_\_\_ day of December, 2011

By \_\_\_\_\_  
for  
COG Operating LLC

Clarification of the Vertical Depths of the Dodd Federal Unit

The vertical limits of the Dodd Federal Unit (the "Unit") are defined on page seven of New Mexico Oil Conservation Division (the "NMOCD") Order R-12228 and in Section 2(g) of the Unit Agreement for the Development and Operation of the Dodd Federal Unit (the "Unit Agreement"). The definition is as follows:

"The 'Unitized Formation' [for the Dodd Unit] shall comprise that interval underlying the Unit Area the vertical limits of which extend from the top of the Seven Rivers formation to the base of the Yeso/Paddock formation or 5,000 feet beneath the surface, whichever is less, as reflected on the Spectral Density Dual Spaced Neutron Log for the Marbob Energy Corporation's Mary Dodd "B" Deep Federal Well No. 2 (API No. 30-015-31041) located 1980 feet from the North line and 1295 feet from the East line (Unit H) of Section 14, Township 17 South, Range 29E, NMPM." (the "Definition")

Since the Definition is seen by some as being ambiguous, the Bureau of Land Management (the "BLM"), NMOCD and COG Operating LLC, as Unit Operator, (the "Parties") wish to clarify the Definition. The clarification is based upon evidence contained in the Unit Agreement itself, testimony before the NMOCD, and all Parties' past interpretation of the Unit boundaries.

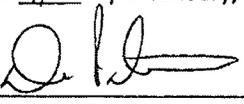
Based upon the foregoing, the parties clarify that the Definition should be read to mean that Unit extends from the top of the Seven Rivers formation to a subsurface depth of 5,000 feet.

The parties express their clarification by signing below and such signatures may be in counterparts..

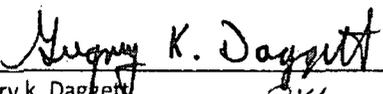
Signed the \_\_\_\_\_ day of December, 2011

By \_\_\_\_\_  
Gabrielle Gerholt  
Assistant General Counsel  
New Mexico Oil Conservation

Signed the 11<sup>th</sup> day of January, 2012

By   
James Stovall  
Field Manager, Carlsbad Field Office  
Bureau of Land Management

Signed the 18<sup>th</sup> day of January, 2012

By   
Gregory k. Daggett  
Land Manager  
COG Operating LLC  
BK6