



**Jimmy Wright**  
Independent Contractor  
On behalf of COG Operating LLC

May 13, 2014

*Via Certified Mail, Return Receipt Requested*

Lisa Crook Sinak  
3024 Hanover St  
Dallas, TX 75225

Re: Tomcat Fee #1H ("Well") – W/2W/2 Section 8, Township 19-S, Range 35-E, Lea County, New Mexico

Mrs. Sinak,

Thank you for speaking with me regarding your ~0.25 net mineral interest, more or less, in the Well. Pursuant to our phone conversation, you will find enclosed a lease covering these interests on the following terms:

- Three (3) year primary term
- Lease form attached hereto
- \$1,500.00 per net mineral acre bonus;
- 3/16<sup>ths</sup> royalty

Please execute the lease in the presence of a licensed notary and return it to me at 1608 Bedford, Midland, TX 79701. Unless we receive your executed lease prior to Friday May 23<sup>rd</sup>, a compulsory pooling hearing is scheduled for May 29<sup>th</sup>, 2014 under which your interests will be considered by the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico for inclusion into the Well.

Upon receipt of your executed lease, a check for \$375.00 will be issued to you. Again, thank you for working with us; you may email me at [jwright.landman@gmail.com](mailto:jwright.landman@gmail.com) or you may call me at 432-557-6311 with any questions.

Sincerely,

On behalf of COG Operating LLC

**Jimmy Wright**  
Independent Contractor

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 5

Submitted by: COG OPERATING LLC

Hearing Date: June 26, 2014



February 19, 2014

Via Certified Mail, Return Receipt Requested

**MINERAL-INTEREST-OWNERS LISTED ON ATTACHED EXHIBIT "A"**

Re: *Well Proposal and AFE*  
Tomcat Fee Com #1H ("Well")  
Section 8, T19S-R35E  
Lea County, New Mexico

Gentlemen,

COG Operating LLC ("COG") proposes the drilling of a horizontal Well to a depth sufficient to adequately test the 3<sup>rd</sup> Bone Spring formation at a total measured depth being approximately 15,220'. The surface location for the referenced horizontal Well is proposed at a legal location in Unit D and a bottom hole location is proposed at a legal location in Unit M, with the dedicated project area being the W/2 W/2 of Section 8, Township 19 South, Range 35 East, Lea County, New Mexico. Included herewith is our Authority for Expenditure ("AFE") in the gross amount of \$7,063,000.00, being the total estimated cost to drill and complete said Well.

COG is proposing to drill the Well under the terms of a modified 1989 A.A.P.L. Form 610 Model Form Operating Agreement. The Operating Agreement, which will be sent under separate cover, will have a Contract Area governing the W/2 W/2 of Section 8-T19S-R35E, Lea County, New Mexico, and the following general terms:

- 100% / 300% / 300% Non-consenting penalty
- \$7,000 / \$700 Drilling and Producing rate
- COG named as Operator.

Should you choose to participate in the proposed Well, please indicate your participation election in the space provided below, sign and return this letter, along with a signed copy of the enclosed AFE and a copy of your geologic requirements, to my attention at the letterhead address. You may also fax your response to 432.221.0856 or by email to chopson@concho.com.

If you do not wish to participate in the proposed Well, COG exhibits great interest in leasing your minerals for the purpose of investigating, exploring, prospecting, drilling, operating, producing and marketing oil, gas, and such other minerals and substances as may be produced incident to the production of oil and/or gas.

Through leasing, there is a great opportunity to utilize the minerals you own for additional income with absolutely no commitment to time, effort, or risk on your part. As payment for this privilege, COG is willing to engage in an oil and gas lease for the following general terms:

- 3 Year Primary Term
- \$1,500.00/net mineral acre bonus consideration
- 3/16<sup>th</sup> Royalty Interest.

Should the general lease terms above entertain your interest, please contact me direct at (432) 686-3049 to discuss in further detail.

CORPORATE ADDRESS: One Concho Center 600 W Illinois Avenue Midland, Texas 79701 Phone 432.683.7443 Fax 432.683.7441

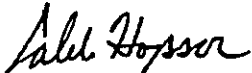
Well Proposal – Tomcat Fee Com #1H

February 19, 2014

The lease offer above is subject to COG's final management approval and the verification of title.

Sincerely,

COG Operating LLC



Caleb Hopson, RPL

Landman

CH/bh

Enc

\_\_\_\_\_ I/We hereby elect to participate in the Tomcat Fee Com #1H.

\_\_\_\_\_ I/We hereby elect not to participate in the Tomcat Fee Com #1H.

Company: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Well Proposal – Tomcat Fee Com #1H  
February 19, 2014

**EXHIBIT "A"**  
**WORKING INTEREST OWNERS**

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2354*

Bank of America, N.A., Trustee of the  
Robert O. Erwin and Virginia McKnight  
Erwin Trust a/k/a the Erwin Marital Trust  
P.O. Box 830308  
Dallas, Texas 75283-0308

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2057*

Katherine Hartig Elmore, Derill G. Elmore, Jr., and Frank H. Elmore, III, Trustees under the Will of  
Derrill G. Elmore, Deceased  
c/o Derrill G. Elmore, Jr.  
3414 Ridgecrest Drive  
Flower Mound, TX 75022

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2040*

Katherine Hartig Elmore, Derill G. Elmore, Jr., and Frank H. Elmore, III, Trustees under the Will of  
Derrill G. Elmore, Deceased  
c/o Derrill G. Elmore, Jr.  
616 Cotton Exchange Blvd  
Dallas, TX 75201

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2033*

Katherine Hartig Elmore, Derill G. Elmore, Jr., and Frank H. Elmore, III, Trustees under the Will of  
Derrill G. Elmore, Deceased  
c/o Derrill G. Elmore, Jr.  
400 Elenburg Rd.  
Perrin, TX 76486

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2347*

Elizabeth Raymond a/k/a Betsy Raymond  
13357 Forest River Drive SE  
Lowell, MI 49331

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2330*

Frederic D. Brownell  
11703 Neering Drive  
Dallas, TX 75218

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2323*

William S. Deniger, Jr.  
4061 Mawr Drive  
Dallas, TX 75225

Well Proposal – Tomcat Fee Com #1H  
February 19, 2014

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2316*  
**William S. Deniger, Jr.**  
6432 Walnut Hill Lane  
Dallas, TX 75230

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2309*  
**David B. Deniger**  
3730 Armstrong Avenue  
Dallas, TX 75205

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2293*  
**David B. Deniger**  
3704 Cragmont Ave  
Dallas, TX 75205

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2286*  
**David B. Deniger**  
16479 Dallas Parkway, Suite 400  
Addison, TX 75001

*turned X*  
*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2279*  
**John T. McCall, Jr.**  
6641 Wakefield Drive, Apt. 513  
Alexandria, Virginia 22307

*turned X*  
*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2262*  
**Thomas Screven McCall, SSP**  
4913 Pine Knoll Drive  
Tyler, Texas 75703

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2255*  
**SDH 2009 Investments, L.P.**  
2906 University Blvd.  
Dallas, Texas 75205

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2248*  
**The Allar Company**  
P.O. Box 1567  
Graham, Texas 76450

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2231*  
**Bertha C. McCall and Belmont Trust**  
**Company, Co-Trustees of the Hobby H.**  
**McCall Living Trust**  
25 St. Laurent Place  
Dallas, Texas 75225

*Returned - UTF*

Well Proposal – Tomcat Fee Com #1H  
February 19, 2014

*Returned*  
Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2224  
Randolph D. McCall  
3204 Drexel  
Dallas, Texas 75205

*Returned*  
Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2217  
Rebecca McCall Landis Baird, SSP  
332 East Terra Alta  
San Antonio, Texas 78209

Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2354  
Nuevo Seis Limited Partnership  
P.O. Box 2588  
Roswell, New Mexico

Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2200  
Barbara E. Hannifan, SSP  
P.O. Box 182  
Roswell, New Mexico 88202

*Returned*  
Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2194  
Texas Vanguard Oil Company  
P.O. Box 50820  
Midland, Texas 79710

*Returned - see env.*

*Returned*  
Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2026  
Mrs. Mary Hampton Elliot  
c/o Logan Knapp  
2755 Shadowdale Drive  
Houston, TX 77043

*Returned*  
Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2187  
Joe J. Wallace and wife, Patricia Wallace  
Patricia Wallace  
111 Ellis St, 5<sup>th</sup> Floor  
San Francisco, CA 94102

*Returned - see env.*

Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2170  
Mary Iva Campbell Trust,  
Carol Anne Crook Kryder, Trustee  
5927 Hillcrest Avenue  
Dallas, Texas 75205

Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2163  
Baloney Feathers, Ltd.  
P.O. Box 1586  
Lubbock, Texas 79403

Well Proposal – Tomcat Fee Com #1H  
February 19, 2014

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2156*  
Richard D. Jones, Jr.  
200 North Gaines Road  
Cedar Creek, Texas 78612

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2149*  
Southard Properties, Ltd., whose Sole  
General Partner is Southard Management Co.  
1101 Scott Street, Suite 17  
Wichita Falls, Texas 76301

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2132*  
ChivoOil, LLC  
P.O. Box 3061  
Midland, Texas 79702

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2125*  
Paul Davis, Ltd.  
P.O. Box 871  
Midland, Texas 79702

participating

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2118*  
Gene L. Dalmont, SSP  
1498 Scipio Lane  
McAlester, OK 74501

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2101*  
Gene L. Dalmont, SSP  
Route 1 Box 193  
McAlester, OK 74501

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2095*  
Estate of Catherine H. Ragsdale  
c/o Douglass Nichols  
4713 Chiappero Trail  
Austin, TX 78731

*Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 2019*  
~~Peter B. Tyson, SSP~~  
~~c/o Tyson Properties, LLC~~  
~~P.O. Box 3786~~  
~~Midland, TX 79702~~

not participating

**COG OPERATING LLC  
AUTHORITY FOR EXPENDITURE  
DRILLING**

WELL NAME: TOMCAT FEE #1H	PROSPECT NAME: ZEUS 1835 (717154)
SHL: 190 FNL & 780 FWL	STATE & COUNTY: New Mexico, Lea
BHL: 330 FSL & 680 FWL	OBJECTIVE: DRILL & COMPLETE
FORMATION: 3RD BSS	DEPTH: 15,220
LEGAL: 8-19S-35E	TVD: 10,675

INTANGIBLE COSTS		BCP	ACP	TOTAL
Title/Curative/Permit	201	11,000		11,000
Insurance	202	5,000	302	5,000
Damages/Right of Way	203	15,000	303	15,000
Survey/Stake Location	204	7,000	304	7,000
Location/Pits/Road Expense	205	100,000	305 25,000	125,000
Drilling / Completion Overhead	206	6,000	306	6,000
Turnkey Contract	207	0	307	0
Footage Contract	208	0	308	0
Daywork Contract	209	525,000	309	525,000
Directional Drilling Services	210	186,000	310	186,000
Fuel & Power	211	149,000	311 10,000	159,000
Water	212	100,000	312 210,000	310,000
Bits	213	69,000	313 4,500	73,500
Mud & Chemicals	214	80,000	314	80,000
Drill Stem Test	215	0	315	0
Coring & Analysis	216	0		0
Cement Surface	217	40,000		40,000
Cement Intermediate	218	100,000		100,000
Cement 2nd Intermediate/Production	218	0	319 110,000	110,000
Cement Squeeze & Other (Kickoff Plug)	220	0	320	0
Float Equipment & Centralizers	221	35,000	321 20,000	55,000
Casing Crews & Equipment	222	20,000	322 20,000	40,000
Fishing Tools & Service	223	0	323	0
Geologic/Engineering	224	0	324	0
Contract Labor	225	10,000	325 125,000	135,000
Company Supervision	226	0	326	0
Contract Supervision	227	35,000	327 50,000	85,000
Testing Casing/Tubing	228	7,000	328	7,000
Mud Logging Unit	229	30,000	329	30,000
Logging	230	50,000	330 10,000	60,000
Perforating/Wireline Services	231	15,000	331 150,000	165,000
Stimulation/Treating		0	332 2,100,000	2,100,000
Completion Unit		0	333 125,000	125,000
Swabbing Unit		0	334	0
Rentals-Surface	235	125,000	335 250,000	375,000
Rentals-Subsurface	236	120,000	336 65,000	185,000
Trucking/Forklift/Rig Mobilization	237	200,000	337 25,000	225,000
Welding Services	238	5,000	338 7,500	12,500
Water Disposal	239	0	339 150,000	150,000
Plug to Abandon	240	0	340	0
Seismic Analysis	241	0	341	0
Closed Loop & Environmental	244	160,000	344 10,000	170,000
Miscellaneous	242	0	342	0
Contingency	243	111,000	343 50,000	161,000
<b>TOTAL INTANGIBLES</b>		<b>2,316,000</b>	<b>3,517,000</b>	<b>5,833,000</b>

TANGIBLE COSTS				
Surface Casing	401	58,000		58,000
Intermediate Casing	402	144,000	503	144,000
Production Casing		0	503 244,000	244,000
Tubing		0	504 65,000	65,000
Wellhead Equipment	405	20,000	505 35,000	55,000
Pumping Unit		0	506 115,000	115,000
Prime Mover		0	507 20,000	20,000
Rods		0	508 55,000	55,000
Pumps		0	509 75,000	75,000
Tanks		0	510 75,000	75,000
Flowlines		0	511 30,000	30,000
Heater Treater/Separator		0	512 80,000	80,000
Electrical System		0	513	0
Packers/Anchors/Hangers	414	0	514 10,000	10,000
Couplings/Fittings/Valves	415	0	515 135,000	135,000
Gas Compressors/Meters		0	516 8,100	8,100
Dehydrator		0	517	0
Injection Plant/CO2 Equipment		0	518	0
Miscellaneous	419	0	519	0
Contingency	420	12,000	520 48,900	60,900
<b>TOTAL TANGIBLES</b>		<b>234,000</b>	<b>998,000</b>	<b>1,230,000</b>
<b>TOTAL WELL COSTS</b>		<b>2,550,000</b>	<b>4,513,000</b>	<b>7,063,000</b>

COG Operating LLC

Date Prepared: 2/13/2014

We approve:  
\_\_\_\_\_% Working Interest

COG Operating LLC

By: SETH WILD AW

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.