



April 16, 2014

EOG Resources Inc.  
5509 Champions Drive  
Midland, Texas 79706

Attention: Mr. Matt Phillips

Re: Well Proposal – Goldfinger Fed Com #3H  
W/2E/2 of Section 17, T24S-R32E: Unit Area  
SHL: 190' FSL & 1980' FEL, or a legal location in Unit O  
BHL: 330' FNL & 1980' FEL, or a legal location in Unit B  
Lea County, New Mexico

Gentlemen:

COG Operating LLC ("COG"), as Operator, proposes to drill the Goldfinger Fed Com #4H well as a horizontal well at the above-captioned location to a TVD of approximately 8,520' and a MD of approximately 13,100' to test the Brushy Canyon (Delaware) Formation ("Operation"). The total cost of the Operation is estimated to be \$5,629,000.00 and a detailed description of the cost is set out in the enclosed Authority for Expenditure ("AFE").

COG proposes forming a Working Interest Unit covering the E/2 and E/2W/2 Section 17, T24S-R32E, Lea Co., NM. COG proposes to form this Working Interest Unit under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. It has the following general provisions:

- 100/300 Non-consenting penalty
- \$6,000/\$600 Drilling and Producing rates
- COG Operating LLC named as Operator

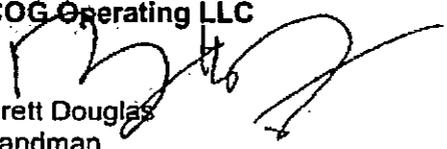
If you do not wish to participate in the Operation, COG would like to acquire your leasehold via farmout or some other type of mutual agreement. This offer is subject to the approval of COG's management and verification of title.

Please indicate your participation election in the space provided below. Please sign and return this letter, along with a signed copy of the enclosed AFE, a signed copy of the JOA and a copy of your geologic well requirements to my attention at the letterhead address. You may also fax your response to (432) 221-0856 or by email to [bdouglas@concho.com](mailto:bdouglas@concho.com).

If you have any questions, please do not hesitate to contact the undersigned at (432) 685-4380.

Sincerely,

COG Operating LLC

  
Brett Douglas  
Landman

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 8

Submitted by: COG OPERATING LLC

Hearing Date: July 24, 2014

\_\_\_\_\_ I/We hereby elect to participate in the Goldfinger Fed Com #3H.

\_\_\_\_\_ I/We hereby elect not to participate in the Goldfinger Fed Com #3H.

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

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

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

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

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

**COG OPERATING LLC  
AUTHORITY FOR EXPENDITURE  
DRILLING**

WELL NAME: GOLDFINGER 17 FED COM #3H	PROSPECT NAME: BULLDOG2432
SHL: 190 FSL & 1980 FEL	STATE & COUNTY: New Mexico, Lea
BHL: 330 FNL & 1980 FEL	OBJECTIVE: DRILL AND COMPLETE
FORMATION: BRUSHY	DEPTH: 13,100
LEGAL: 17-24S-32E	TVD: 8,520

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	209 385,000	309	385,000
Directional Drilling Services	210 178,000	310	178,000
Fuel & Power	211 85,000	311 10,000	95,000
Water	212 70,000	312 175,000	245,000
Bits	213 78,000	313 4,500	82,500
Mud & Chemicals	214 65,000	314	65,000
Drill Stem Test	215 0	315	0
Coring & Analysis	216 0		0
Cement Surface	217 35,000		35,000
Cement Intermediate	218 55,000		55,000
Cement 2nd Intermediate/Production	218 0	319 100,000	100,000
Cement Squeeze & Other (Kickoff Plug)	220 0	320	0
Float Equipment & Centralizers	221 15,000	321 15,000	30,000
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 15,000	325 125,000	140,000
Company Supervision	226 0	326	0
Contract Supervision	227 41,600	327 50,000	91,600
Testing Casing/Tubing	228 7,000	328	7,000
Mud Logging Unit	229 21,000	329	21,000
Logging	230 75,000	330 10,000	85,000
Perforating/Wireline Services	231 5,000	331 120,000	125,000
Stimulation/Treating	0	332 1,400,000	1,400,000
Completion Unit	0	333 50,000	50,000
Swabbing Unit	0	334	0
Rentals-Surface	235 85,000	335 250,000	335,000
Rentals-Subsurface	236 105,000	336 25,000	130,000
Trucking/Forklift/Rig Mobilization	237 125,000	337 25,000	150,000
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	244 180,000	344 10,000	190,000
Miscellaneous	242 0	342	0
Contingency	243 90,400	343 50,000	140,400
<b>TOTAL INTANGIBLES</b>	<b>1,885,000</b>	<b>2,622,000</b>	<b>4,507,000</b>

TANGIBLE COSTS			
Surface Casing	401 39,000		39,000
Intermediate Casing	402 116,000	503	116,000
Production Casing	0	503 208,000	208,000
Tubing	0	504 44,000	44,000
Wellhead Equipment	405 15,000	505 35,000	50,000
Pumping Unit	0	506 115,000	115,000
Prime Mover	0	507 20,000	20,000
Rods	0	508 40,000	40,000
Pumps	0	509 37,000	37,000
Tanks	0	510 75,000	75,000
Flowlines	0	511 70,000	70,000
Heater Treater/Separator	0	512 65,000	65,000
Electrical System	0	513	0
Packers/Anchors/Hangers	414 0	514 10,000	10,000
Couplings/Fittings/Valves	415 0	515 170,000	170,000
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