



February 26, 2015

Via Certified Mail, Return Receipt Requested

MINERAL INTEREST OWNERS LISTED ON ATTACHED EXHIBIT "A"

Re: Graham Nash State Com #6H
Sections 28 & 33, T26S, R28E
Eddy County, New Mexico

COPY

To Whom It May Concern:

On October 6, 2014, COG Operating LLC ("COG") spud the Graham Nash State Com #6H (the "Well") which is currently producing from the 2nd Bone Spring Sand Formation. The spacing unit, orientation and location information for the Well is described in further detail on the State of New Mexico Energy, Minerals & Natural Resources Department Form C-102 enclosed herewith.

Also enclosed herewith is a copy of the Offer to Lease ("Lease Offer") sent to your attention dated June 21, 2012, whereby COG offered to lease your minerals underlying the NW/4NE/4 Section 28, T26S, R28E, among other lands, which is part of the spacing unit for the Well.

The aforementioned Lease Offer made to you was accepted and payment for all of tracts listed therein was remitted to you in the amount of:

The Oil and Gas Lease (the "Lease") that was negotiated subject to the Lease Offer was recorded in the Official Public Records of Eddy County, New Mexico in Book 901, Page 702 of same. A copy of the Lease is enclosed herewith for your reference.

Following the recording of the Lease it has been discovered that the legal description in the Lease inadvertently failed to include the NW/4NE/4 Section 28, T26S, R28E, along with the NE/4NW/4 of Section 28, T26S, R28E (collectively the "Tracts"). Furthermore, the lands listed for Section 19 under the heading for Township 26 South, Range 28 East, should appear under the heading for Township 26 South, Range 29 East.

The inadvertent failure to include the Tracts on the Lease resulted in an overpayment of each being made with regard to the respective mineral interests intended to be covered by the Lease.

In an effort to resolve the above-described issues with the Lease Offer, subsequently recorded Lease, and the overpayment tendered for same, COG hereby proposes the following options:

- 1.) Amendment of the Lease to include the missing Tracts; or

OCD Case No. 15291

**COG OPERATING
Exhibit # 3**

- 2.) Participation in the Well with any applicable net revenue payable being offset by the amount equal to the overpayment tendered to you upon execution of the Lease.

An Amendment to Oil and Gas Lease (the "Amendment") is included herewith for your review. Should you elect to amend the Lease please indicate same in the space provided herein below and execute, notarize and return the copy of the enclosed Amendment along with your election to amend the Lease to my attention.

In the alternative, should you wish to participate in the Well please indicate your election to participate in the Well in the space provided for herein below along with an executed copy of the Authority for Expenditure that is enclosed herewith and return them to my attention. COG will provide under separate cover a 1989 A.A.P.L. Form 610 Model Form Operating Agreement governing operations for the Well for you to execute and return.

A response indicating your election to amend the Lease or to participate in the Well is due no later than thirty (30) days from the receipt of this letter.

Please be advised that a failure to respond to this letter will require COG to initiate compulsory pooling proceedings against your respective interests before the Oil Conservation Division of the State of New Mexico Energy Minerals & Natural Resources Department. Notice of the compulsory pooling proceedings will be sent to you in a separate letter.

Should you have any questions or need anything further please contact me at 432.688.6674 or via email at amyers@concho.com.

Sincerely,

COG Operating LLC



Aaron L. Myers
Senior Landman

Enclosures

COPY

_____ I/We hereby elect to amend the Lease.

_____ I/We hereby elect to participate in the Graham Nash State Com #6H.

By: _____

Name (printed): _____

Date: _____

COPY

EXHIBIT "A"

Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 1425
Edwin H. ("Trey") Fowlkes III
P.O. Box 23416
Waco, Texas 76702

Via Certified Mail, Return Receipt Requested No. 91 7199 9991 7033 2409 1449
Janet Renee Fowlkes Murrey
P.O. Box 417
Eddy, Texas 76524

COPY

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 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.

1. Article Addressed to:

James Rene Fawkes Murray
P.O. Box 417
Eddy, TX 76524

2. Article Number
(Transfer from service label)

91 7199 9991 7033 2409 1449

PS Form 3811, July 2013

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Day*

- ☐ Age
☐ Address

B. Received by (Printed Name)

Donna K. Miller

C. Date of Delivery

95

- D. Is delivery address different from item 1?** ☒ Yes
If YES, enter delivery address below: ☐ No

MAR 05 2015

3. Service Type

- ☒ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery

- 4. Restricted Delivery? (Extra Fee)** ☐ Yes

Domestic Return Receipt

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 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.

1. Article Addressed to:

Erwin H. Fawkes III
P.O. Box 23416
Waco, TX 76702

2. Article Number

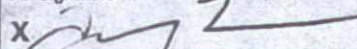
(Transfer from service label)

91 7199 9991 7033 2409 1425

PS Form 3811, July 2013

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X  ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☒ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee)

☐ Yes

Domestic Return Receipt