

PATRICK H. LYZZ DEC 14 COMMISSIONER

State of New Mexico PM Conquissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

December 12, 2006

COG Operating LLC 550 West Texas Suite 1300 Midland, Texas 79701

Attn:

Mr. David W. Copeland

Re:

Resignation/Designation of Successor Unit Operator

Grayburg Jackson West Cooperative Unit

Eddy County, New Mexico

Dear Mr. Copeland:

We are in receipt of your resignation/designation of successor unit operator, wherein Mack Energy Corporation has resigned as unit operator of the Grayburg Jackson West Cooperative Unit and designated COG Operating LLC as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation of Mack Energy Corporation and the designation of COG Operating LLC as the successor unit operator of this unit.

This change in operators is effective March 1, 2006. In accordance with this approval, COG Operating LLC is now responsible for all operations and the reporting of all production from these units.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director
Oil, Gas and Minerals Division

RP/JB/cpm

xc: Reader File

OCD

TRD

BLM

Mack Energy Corporation