

RECORDATION NOTICE AND
MEMORANDUM OF SURFACE USE AND COMPENSATION AGREEMENT

BOOK 0601 PAGE 1405

This Agreement entered into the 27 day of Sept, 2007, signed and executed by and between Billy R. and Donna K. Medlin, whose address is P. O. Box 50, Maljamar, New Mexico 88264, hereinafter referred to as Grantor and COG Operating LLC, whose address is 550 W. Texas Ave., Ste. 1300, Midland, Texas 79701, hereinafter referred to as Grantee.

WITNESSETH

1. In consideration of Ten Dollars (\$10.00) and other good and valuable consideration, cash in hand paid by Grantee to Grantor, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby grants unto Grantee the following:

- (a) The rights and privileges to use lands of Grantor as may be necessary or convenient to Grantee's operations under the Surface Use and Compensation Agreement executed by Grantor and Grantee of even date herewith covering Grantor's land situated in Chavez County, New Mexico as specifically described as follows to wit:

E/2 Section 9, W/2 Section 10, E/2E/2 Section 11, Section 12,
NE/4NE/4 and W/2 NE/4 Section 13, NE/4 Section 14 and W/2
Section 15, T-15-S, R-31-E County of Chaves, State of New Mexico

These rights and privileges shall be according to the terms and provisions of that certain "Surface Use and Compensation Agreement" which is executed on even date herewith between the parties hereto, which with all of its terms, covenants and other provisions, is hereby referred to and incorporated herein the same as if copied herein at this point.

IN WITNESS WHEREOF, the undersigned have executed this Recordation Notice and Memorandum of Surface Use and Compensation Agreement effective as of the date first above written.

GRANTOR

By: Billy R. Medlin
Billy R. Medlin
By: Donna K. Medlin
Donna K. Medlin

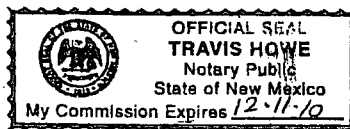
GRANTEE

COG OPERATING LLC

By: David M. Thomas, III
David M. Thomas, III
Title: Vice-President

ACKNOWLEDGEMENTS

STATE OF NEW MEXICO §
COUNTY OF LEA §



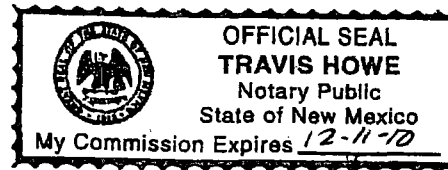
On this 27 day of Sept, 2007, Billy R. Medlin, personally appeared before me, who is personally known to me to be the signer of the foregoing document, and he/she acknowledged that he/she executed the same.

Travis Howe
NOTARY PUBLIC

My Commission Expires:
12-11-10

OCG 3
14253

STATE OF NEW MEXICO §
COUNTY OF LEA §



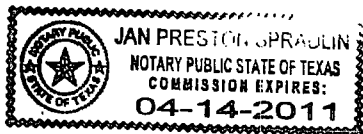
On this 27 day of Sept, 2007, Donna K. Medlin, personally appeared before me, who is personally known to me to be the signer of the foregoing document, and he/she acknowledged that he/she executed the same.

Travis Howe
NOTARY PUBLIC

My Commission Expires:
12-11-10

STATE OF TEXAS §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on 17th day of September, 2007, by David M. Thomas III as Vice President for COG OPERATING LLC, on behalf of said LLC.



Jan Preston Spradlin
NOTARY PUBLIC

My Commission Expires:
4/14/2011

STATE OF NEW MEXICO, COUNTY OF CHAVES, ss
FILE FOR RECORD Oct 24, 2007 at 12:03:30 o'clock PM
Receipt No. 297077 Fee \$ 11.00
Book 601 Page 1405 Pages 2

To Whom Returned: GRAY SURFACE SPECIALTIES
3106 N BIG SPRING STE 100
MIDLAND TX 79705

RHODA C. COAKLEY, COUNTY CLERK

By Grace Porter Deputy

