Case No. 20934 Order No. R-_____ Page 1 of 2

Exhibit "A"

Applicant: <u>COG Operating LLC</u>

Operator: COG Operating LLC (OGRID 229137)

Spacing Unit: <u>Horizontal Gas</u>

Building Blocks: <u>Half Section Equivalent</u>
Spacing Unit Size: 767.72 acres (more or less)

Orientation of Unit: North/South

Spacing Unit Description:

E/2 of Sections 22 and 27, and the N/2 NE/4 and Lots 3-4 (E/2 equivalent) of irregular Section 34, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Wolfcamp Formation

Depth Severance? (Yes/No): No

Pool: Purple Sage; Wolfcamp Gas (Pool code 98220)

Pool Spacing Unit Size: <u>Half Sections</u>

Governing Well Setbacks: Special Rules for the Purple Sage Gas Pool Apply

Pool Rules: <u>Purple Sage and Horizontal Well Rules</u>

Proximity Tracts: No

Monthly charge for supervision: While drilling: \$8000 While producing: \$800 As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Potato Baby State Com Well No. 701H, API No. 30-015-Pending

SHL: 330 feet from the North line and 1291 feet from the East line, (Unit A) of Section 22, Township 26 South, Range 28 East, NMPM. BHL: 330 feet from the South line and 330 feet from the East line, (Unit P) of Section 34, Township 26 South, Range 28 East, NMPM.

Completion Target: Wolfcamp A at approx 9560 feet TVD.

Well Orientation: North to South

Completion Location expected to be: standard

Potato Baby State Com Well No. 702H, API No. 30-015-Pending

SHL: 330 feet from the North line and 1321 feet from the East line, (Unit B) of Section 22, Township 26 South, Range 28 East, NMPM. BHL: 330 feet from the South line and 1254 feet from the East line, (Unit P) of Section 34, Township 26 South, Range 28 East, NMPM.

Case No. 20934 Order No. R-_____ Page 2 of 2

Completion Target: Wolfcamp A at approx 9540 feet TVD.

Well Orientation: North to South

Completion Location expected to be: standard

Potato Baby State Com Well No. 703H, API No. 30-015-Pending

SHL: 330 feet from the North line and 1351 feet from the East line, (Unit B) of Section 22, Township 26 South, Range 28 East, NMPM. BHL: 330 feet from the South line and 2178 feet from the East line, (Unit O) of Section 34, Township 26 South, Range 28 East, NMPM.

Completion Target: Wolfcamp A at approx 9520 feet TVD.

Well Orientation: North to South

Completion Location expected to be: standard