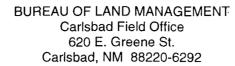
United States Department of the Interior





IN REPLY REFER TO: NM54291 NM104646 3162.4 (P0220)



August 23, 2012

COG Operating LLC 550 W. Texas Ave., Suite 100 Midland, TX 79701

Gentlemen:

Your Applications for Permit to Drill (APDs) the referenced wells have expired because drilling has not commenced within two years as per Onshore Order #1.

30-015-37839 NM54291 Gehrig Federal 3H, 2080'/S. & 10'/E., sec.9, T.26S., R.29E. APD Approved on April 28, 2010, APD expired on April 27, 2012

NM104646 Michalada Federal 7D, 2310'/S. & 330'/E., sec.3, T.22 S., R.25 E. 30-015-36284 APD EXT. Approved on July 30, 2010, APD expired on April 11, 2012

If a well has not been spud, but site construction activities have occurred please contact Jim Amos at (575) 234-5909 for surface reclamation instructions. If drilling operations have commenced on a well send all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies) to the BLM, so we may correct our records.

Sincerely,

Cor Don Peterson

Assistant Field Manager

2. D. Whitlorka

Lands & Minerals

P0221, I&E CFO NMOCD Artesia