



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Brett F. Woods, Ph.D.
Acting Cabinet Secretary

Daniel Sanchez
Acting Division Director
Oil Conservation Division



February 11, 2011

COG Operating, LLC
550 W. Texas
Suite 1300
Midland, TX 79701

Re: Cactus State #1B	Sec 5 T19S R28E	API # 30-015-35234
Crossman State Com #1	Sec 25 T25S R27E	30-015-35149
Dancer 16 State #2	Sec 16 T16S R29E	30-015-35834
Has been State #1	Sec 6 T24S R27E	30-015-35706
Jefe Grande State #1	Sec 2 T22S R28E	30-015-34619
Myox 31 State Com #2	Sec 31 T25S R28E	30-015-35148
Myox 31 State Com #3	Sec 31 T25S R28E	30-015-35151
Overlooked Fee Com #1	Sec 8 T17S R24E	30-015-34852
Twizzler State #1	Sec 36 T22S R27E	30-015-35698
Ugly Stik State #2	Sec 2 T19S R27E	30-015-35210 ←
Ugly Stik State #3	Sec 2 T19S R27E	30-015-35211
Ugly Stik State #4	Sec 2 T19S R27E	30-015-35212
Zebu State #2	Sec 2 T21S R24E	30-015-34813

To whom it may concern:

Please be advised that your permit(s) to drill the referenced well(s) have expired and have been cancelled. If drilling operations have commenced, you should contact this office immediately.

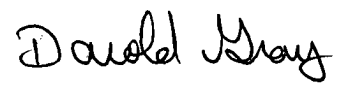
If you wish to drill these well(s) in the future, it will be necessary to submit new Form(s) C101, Application to Drill, and drilling package(s) for review and approval.



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Sincerely,

A handwritten signature in black ink that reads "Darold Gray". The signature is written in a cursive, slightly slanted style.

Darold Gray
Field Supervisor, District II