





IN REPLY REFER TO: NM118720 NM92771 3162.4 (P0220)

HOBBS OCD

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.

30-025-3896

NM118720 Patterson B-52 Federal 2H,330'/N. & 330'/E., sec.5, T.19 S., R.32 E. APD EXT. Approved on August 19, 2010, APD expired on June 5, 2012

30-025-39051

NM92771 King Air Federal #3, 660'/S. & 2310'/E., sec.8, T. 19S., R.32E. APD EXT. Approved on August 19, 2012, APD expired on July 2, 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,

Don Peterson

Assistant Field Manager

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Lands & Minerals

P0222, I&E HFS NMOCD Hobbs

AUG 2, 7 2012