

## Results of Directional Survey

|             |              |           |                   |
|-------------|--------------|-----------|-------------------|
| API number: | 30-025-39167 |           |                   |
| OGRID:      |              | Operator: | COG OPERATING LLC |
|             |              | Property: | J C FEDERAL # 29  |

|         |        |   |    |         |          |
|---------|--------|---|----|---------|----------|
| surface | ULSTR: | O | 21 | T 17S   | R 32E    |
|         |        |   |    | 720 FSL | 1890 FEL |

|        |        |        |     |         |          |
|--------|--------|--------|-----|---------|----------|
| BH Loc | ULSTR: | O      | 21  | T 17S   | R 32E    |
| 7134   | MD     | 7099.0 | TVD | 380 FSL | 2299 FEL |

|             |        |        |     |         |          |
|-------------|--------|--------|-----|---------|----------|
| Top Perf/OH | ULSTR: | O      | 21  | T 17S   | R 32E    |
| 5520        | MD     | 5487.8 | TVD | 438 FSL | 2229 FEL |

|             |        |        |     |         |          |
|-------------|--------|--------|-----|---------|----------|
| Bot Perf/OH | ULSTR: | O      | 21  | T 17S   | R 32E    |
| 6860        | MD     | 6825.4 | TVD | 387 FSL | 2289 FEL |

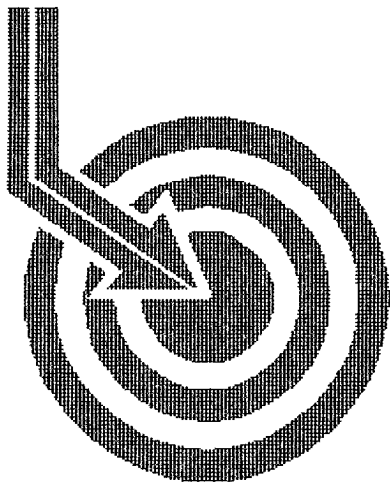
|              |      |         |         |         |
|--------------|------|---------|---------|---------|
|              | MD   | N/S     | E/W     | VD      |
|              | 5519 | -281.70 | -338.90 | 5486.8  |
| TOP PERFS/OH | 5520 | -281.73 | -338.96 | 5487.80 |
|              | 5614 | -284.80 | -344.70 | 5581.60 |
|              | 6841 | -332.60 | -398.10 | 6806.40 |
| BOT PERFS/OH | 6860 | -333.06 | -398.82 | 6825.38 |
|              | 6936 | -334.90 | -401.70 | 6901.30 |

|              |      |         |         |         |
|--------------|------|---------|---------|---------|
| NEXT TO LAST | 7031 | -337.10 | -405.30 | 6996.20 |
| LAST READING | 7086 | -338.40 | -407.50 | 7051.10 |
| TD           | 7134 | -339.53 | -409.42 | 7099.01 |

|                  |     |    |      |    |
|------------------|-----|----|------|----|
| Surface Location | 720 | FS | 1890 | FE |
| Projected BHL    | 380 | FS | 2299 | FE |
| Location of      |     |    |      |    |
| Top Perfs/OH     | 438 | FS | 2229 | FE |
| Bottom Perfs/OH  | 387 | FS | 2289 | FE |

### SUMMARY of Subsurface Locations

|                  |              |     |    |      |    |             |
|------------------|--------------|-----|----|------|----|-------------|
| Surface Location | O-21-17S-32E | 720 | FS | 1890 | FE | Vert. Depth |
|                  |              |     |    |      |    |             |
| Top Perfs/OH     | O-21-17S-32E | 438 | FS | 2229 | FE | 5487.80     |
| Bottom Perfs/OH  | O-21-17S-32E | 387 | FS | 2289 | FE | 6825.38     |
|                  |              |     |    |      |    |             |
| Projected TD     | O-21-17S-32E | 380 | FS | 2299 | FE | 7099.01     |



# Scientific Drilling

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## COG RESOURCES

Field: Maljamar  
Site: Lea County, NM  
Well: JC Federal #29  
Wellpath: DH - Job #32D0610416  
Survey: 06/02/10-06/09/10

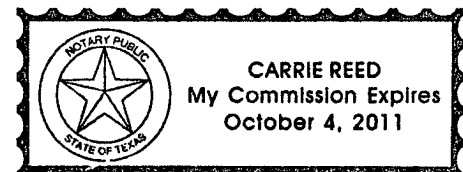
SUR @ O-21-17s-32e, 720/S & 1890/E  
BHL @ O-21-17s-32w, 380/S & 2299/E  
API # 30-025-39167

This survey is correct to the best of my knowledge and is supported by actual field data.

*[Signature]*  
Company Representative

Notarized this date 20th of July, 2010.

*Carrie Reed*  
Notary Signature  
County of Midland  
State of Texas





# Scientific Drilling International, Inc.

## Survey Report

Company: COG RESOURCES Date: 6/7/2010 Time: 14:53:12 Page: 1  
Field: Maljamar Co-ordinate(NE) Reference: Site: Lea County, NM, True North  
Site: Lea County, NM Vertical (TVD) Reference: SITE 0.0  
Well: JC Federal #29 Section (VS) Reference: Well (0.00N,0.00E,230.07Azi)  
Wellpath: VH - Job #32K0610414 Survey Calculation Method: Minimum Curvature Db: Sybase

Survey: 06/02/10 Start Date: 6/2/2010  
KSRG 0'-2100'  
Company: Scientific Drilling Internatio Engineer: Madrid/Rowe/Williams  
Tool: Keeper, Keeper Gyro Tied-to: From Surface

### Survey

| MD<br>ft | Incl<br>deg | Azim<br>deg | TVD<br>ft | VS<br>ft | N/S<br>ft | E/W<br>ft | DLS<br>deg/100ft | ClsD<br>ft | ClsA<br>deg |
|----------|-------------|-------------|-----------|----------|-----------|-----------|------------------|------------|-------------|
| 0.0      | 0.00        | 359.69      | 0.0       | 0.0      | 0.0       | 0.0       | 0.00             | 0.0        | 0.00        |
| 100.0    | 0.69        | 191.90      | 100.0     | 0.5      | -0.6      | -0.1      | 0.69             | 0.6        | 191.90      |
| 200.0    | 0.65        | 188.50      | 200.0     | 1.4      | -1.7      | -0.3      | 0.06             | 1.8        | 190.81      |
| 300.0    | 0.72        | 177.59      | 300.0     | 2.2      | -2.9      | -0.4      | 0.15             | 3.0        | 187.58      |
| 400.0    | 0.76        | 192.38      | 400.0     | 3.1      | -4.2      | -0.5      | 0.19             | 4.2        | 186.86      |
| 500.0    | 1.07        | 198.36      | 500.0     | 4.4      | -5.7      | -0.9      | 0.32             | 5.8        | 189.32      |
| 600.0    | 1.13        | 201.29      | 599.9     | 6.1      | -7.5      | -1.6      | 0.08             | 7.7        | 191.93      |
| 700.0    | 1.29        | 206.89      | 699.9     | 8.0      | -9.5      | -2.5      | 0.20             | 9.8        | 194.57      |
| 800.0    | 1.12        | 212.87      | 799.9     | 9.9      | -11.3     | -3.5      | 0.21             | 11.8       | 197.23      |
| 900.0    | 1.36        | 213.01      | 899.9     | 12.0     | -13.1     | -4.7      | 0.24             | 13.9       | 199.64      |
| 1000.0   | 1.26        | 217.41      | 999.9     | 14.2     | -15.0     | -6.0      | 0.14             | 16.1       | 201.81      |
| 1100.0   | 0.92        | 235.59      | 1099.8    | 16.1     | -16.3     | -7.3      | 0.48             | 17.9       | 204.19      |
| 1200.0   | 0.96        | 231.24      | 1199.8    | 17.7     | -17.3     | -8.6      | 0.08             | 19.3       | 206.56      |
| 1300.0   | 1.08        | 237.54      | 1299.8    | 19.5     | -18.3     | -10.1     | 0.16             | 20.9       | 208.85      |
| 1400.0   | 0.80        | 248.67      | 1399.8    | 21.1     | -19.1     | -11.5     | 0.33             | 22.3       | 211.16      |
| 1500.0   | 0.82        | 265.37      | 1499.8    | 22.3     | -19.4     | -12.9     | 0.24             | 23.3       | 213.64      |
| 1600.0   | 0.59        | 314.40      | 1599.8    | 23.0     | -19.1     | -14.0     | 0.62             | 23.7       | 216.22      |
| 1700.0   | 0.83        | 346.87      | 1699.8    | 22.7     | -18.0     | -14.5     | 0.46             | 23.1       | 218.85      |
| 1800.0   | 1.04        | 2.52        | 1799.8    | 21.7     | -16.4     | -14.6     | 0.33             | 22.0       | 221.74      |
| 1900.0   | 1.41        | 20.06       | 1899.7    | 20.1     | -14.3     | -14.2     | 0.52             | 20.2       | 224.66      |
| 2000.0   | 1.54        | 22.40       | 1999.7    | 17.8     | -11.9     | -13.2     | 0.14             | 17.8       | 227.95      |
| 2100.0   | 1.68        | 22.34       | 2099.7    | 15.3     | -9.3      | -12.2     | 0.14             | 15.3       | 232.48      |



# Scientific Drilling International, Inc.

## Survey Report

**Company:** COG RESOURCES  
**Field:** Maljamar  
**Site:** Lea County, NM  
**Well:** JC Federal #29  
**Wellpath:** DH - Job #32D0610416

**Date:** 6/18/2010  
**Co-ordinate(NE) Reference:** Site: Lea County, NM, True North  
**Vertical (TVD) Reference:** SITE 0.0  
**Section (VS) Reference:** Well (0.00N,0.00E,230.70Azi)  
**Survey Calculation Method:** Minimum Curvature  
**Db:** Sybase

**Page:** 1

**Survey:** 06/02/10-06/09/10  
**Start Date:** 6/2/2010  
**Company:** Scientific Drilling Internatio  
**Engineer:** Kriethe/Jones  
**Tool:** MWD,MWD  
**Tied-to:** From: Definitive Path

### Survey

| MD<br>ft | Incl<br>deg | Azim<br>deg | TVD<br>ft | VS<br>ft | N/S<br>ft | E/W<br>ft | DLS<br>deg/100ft | ClsD<br>ft | ClsA<br>deg |
|----------|-------------|-------------|-----------|----------|-----------|-----------|------------------|------------|-------------|
| 2100.3   | 1.68        | 22.34       | 2100.0    | 15.3     | -9.3      | -12.2     | 0.00             | 15.3       | 232.50      |
| 2202.0   | 2.16        | 28.31       | 2201.6    | 12.2     | -6.3      | -10.7     | 0.51             | 12.4       | 239.61      |
| 2234.0   | 2.00        | 28.89       | 2233.6    | 11.2     | -5.2      | -10.1     | 0.50             | 11.4       | 242.62      |
| 2297.0   | 1.12        | 18.78       | 2296.6    | 9.6      | -3.7      | -9.4      | 1.46             | 10.1       | 248.51      |
| 2360.0   | 0.45        | 268.18      | 2359.6    | 9.3      | -3.1      | -9.5      | 2.14             | 10.0       | 251.69      |
| 2423.0   | 1.55        | 237.60      | 2422.5    | 10.3     | -3.6      | -10.4     | 1.88             | 11.0       | 250.98      |
| 2486.0   | 2.69        | 227.87      | 2485.5    | 12.7     | -5.0      | -12.2     | 1.89             | 13.2       | 247.61      |
| 2549.0   | 3.77        | 233.80      | 2548.4    | 16.2     | -7.3      | -15.0     | 1.79             | 16.7       | 244.19      |
| 2613.0   | 5.18        | 235.70      | 2612.2    | 21.2     | -10.1     | -19.1     | 2.21             | 21.6       | 242.05      |
| 2675.0   | 6.30        | 237.00      | 2673.9    | 27.4     | -13.6     | -24.3     | 1.82             | 27.8       | 240.80      |
| 2737.0   | 7.02        | 232.60      | 2735.5    | 34.5     | -17.7     | -30.1     | 1.42             | 34.9       | 239.54      |
| 2801.0   | 8.08        | 233.71      | 2798.9    | 42.9     | -22.7     | -36.8     | 1.67             | 43.3       | 238.31      |
| 2864.0   | 9.82        | 233.96      | 2861.1    | 52.7     | -28.5     | -44.8     | 2.76             | 53.1       | 237.49      |
| 2958.0   | 10.73       | 229.93      | 2953.6    | 69.5     | -38.9     | -57.9     | 1.23             | 69.8       | 236.14      |
| 3053.0   | 9.71        | 228.59      | 3047.1    | 86.3     | -49.9     | -70.7     | 1.10             | 86.5       | 234.81      |
| 3147.0   | 8.99        | 226.33      | 3139.9    | 101.6    | -60.2     | -82.0     | 0.86             | 101.7      | 233.71      |
| 3242.0   | 9.64        | 227.69      | 3233.6    | 116.9    | -70.7     | -93.2     | 0.72             | 117.0      | 232.84      |
| 3336.0   | 9.32        | 225.85      | 3326.3    | 132.3    | -81.3     | -104.5    | 0.47             | 132.4      | 232.13      |
| 3430.0   | 9.59        | 230.64      | 3419.1    | 147.8    | -91.5     | -116.0    | 0.88             | 147.8      | 231.73      |
| 3523.0   | 9.11        | 230.70      | 3510.8    | 162.9    | -101.1    | -127.7    | 0.52             | 162.9      | 231.63      |
| 3618.0   | 8.75        | 229.90      | 3604.7    | 177.6    | -110.5    | -139.1    | 0.40             | 177.6      | 231.52      |
| 3714.0   | 8.57        | 227.90      | 3699.6    | 192.1    | -120.0    | -150.0    | 0.37             | 192.1      | 231.32      |
| 3808.0   | 9.71        | 230.70      | 3792.4    | 207.0    | -129.7    | -161.3    | 1.30             | 207.0      | 231.19      |
| 3903.0   | 9.53        | 230.11      | 3886.1    | 222.9    | -139.9    | -173.5    | 0.22             | 222.9      | 231.13      |
| 3998.0   | 9.49        | 229.46      | 3979.7    | 238.6    | -150.0    | -185.5    | 0.12             | 238.6      | 231.04      |
| 4092.0   | 9.21        | 228.36      | 4072.5    | 253.8    | -160.0    | -197.0    | 0.35             | 253.8      | 230.91      |
| 4188.0   | 9.20        | 230.59      | 4167.3    | 269.2    | -170.0    | -208.7    | 0.37             | 269.2      | 230.83      |
| 4282.0   | 8.87        | 229.79      | 4260.1    | 283.9    | -179.5    | -220.0    | 0.38             | 283.9      | 230.80      |
| 4376.0   | 8.52        | 227.25      | 4353.0    | 298.1    | -188.9    | -230.7    | 0.55             | 298.1      | 230.69      |
| 4472.0   | 8.67        | 230.46      | 4447.9    | 312.5    | -198.3    | -241.5    | 0.52             | 312.5      | 230.61      |
| 4566.0   | 8.37        | 229.02      | 4540.9    | 326.4    | -207.3    | -252.1    | 0.39             | 326.4      | 230.57      |
| 4660.0   | 7.87        | 226.50      | 4634.0    | 339.6    | -216.2    | -261.9    | 0.65             | 339.6      | 230.46      |
| 4755.0   | 7.64        | 228.82      | 4728.1    | 352.4    | -224.8    | -271.4    | 0.41             | 352.4      | 230.36      |
| 4849.0   | 7.78        | 227.99      | 4821.2    | 365.0    | -233.2    | -280.8    | 0.19             | 365.0      | 230.29      |
| 4951.0   | 7.49        | 225.30      | 4922.3    | 378.6    | -242.5    | -290.7    | 0.45             | 378.6      | 230.16      |
| 5046.0   | 7.29        | 230.50      | 5016.5    | 390.7    | -250.7    | -299.7    | 0.73             | 390.8      | 230.09      |
| 5141.0   | 6.65        | 229.55      | 5110.8    | 402.3    | -258.1    | -308.6    | 0.68             | 402.3      | 230.09      |
| 5235.0   | 6.33        | 229.34      | 5204.2    | 412.9    | -265.0    | -316.7    | 0.34             | 412.9      | 230.07      |
| 5330.0   | 6.39        | 231.30      | 5298.7    | 423.4    | -271.7    | -324.8    | 0.24             | 423.4      | 230.08      |
| 5425.0   | 5.38        | 233.47      | 5393.2    | 433.2    | -277.7    | -332.5    | 1.09             | 433.2      | 230.13      |
| 5519.0   | 3.99        | 244.06      | 5486.8    | 440.7    | -281.7    | -338.9    | 1.74             | 440.7      | 230.27      |
| 5614.0   | 3.87        | 239.70      | 5581.6    | 447.1    | -284.8    | -344.7    | 0.34             | 447.1      | 230.43      |
| 5708.0   | 3.62        | 243.40      | 5675.4    | 453.1    | -287.7    | -350.1    | 0.37             | 453.1      | 230.58      |
| 5802.0   | 3.47        | 246.90      | 5769.2    | 458.8    | -290.2    | -355.3    | 0.28             | 458.8      | 230.76      |
| 5897.0   | 3.68        | 245.50      | 5864.1    | 464.5    | -292.6    | -360.8    | 0.24             | 464.5      | 230.96      |
| 5991.0   | 3.58        | 243.05      | 5957.9    | 470.3    | -295.2    | -366.1    | 0.20             | 470.3      | 231.13      |
| 6084.0   | 3.78        | 219.60      | 6050.7    | 476.1    | -298.8    | -370.7    | 1.62             | 476.1      | 231.12      |
| 6179.0   | 3.72        | 219.90      | 6145.5    | 482.2    | -303.6    | -374.6    | 0.07             | 482.2      | 230.98      |
| 6272.0   | 3.69        | 221.90      | 6238.3    | 488.1    | -308.1    | -378.6    | 0.14             | 488.1      | 230.86      |



# Scientific Drilling International, Inc.

## Survey Report

Company: COG RESOURCES  
Field: Maljamar  
Site: Lea County, NM  
Well: JC Federal #29  
Wellpath: DH - Job #32D0610416

Date: 6/18/2010 Time: 09:22:13 Page: 2  
Co-ordinate(NE) Reference: Site: Lea County, NM, True North  
Vertical (TVD) Reference: SITE 0.0  
Section (VS) Reference: Well (0.00N,0.00E,230.70Azi)  
Survey Calculation Method: Minimum Curvature Db: Sybase

### Survey

| MD<br>ft | Incl<br>deg | Azim<br>deg | TVD<br>ft | VS<br>ft | N/S<br>ft | E/W<br>ft | DLS<br>deg/100ft | ClsD<br>ft | ClsA<br>deg |
|----------|-------------|-------------|-----------|----------|-----------|-----------|------------------|------------|-------------|
| 6367.0   | 3.87        | 221.30      | 6333.1    | 494.3    | -312.8    | -382.7    | 0.19             | 494.3      | 230.74      |
| 6461.0   | 4.11        | 218.16      | 6426.8    | 500.7    | -317.9    | -386.9    | 0.35             | 500.7      | 230.59      |
| 6557.0   | 2.62        | 215.81      | 6522.7    | 506.2    | -322.3    | -390.3    | 1.56             | 506.2      | 230.45      |
| 6652.0   | 2.46        | 214.63      | 6617.6    | 510.3    | -325.8    | -392.7    | 0.18             | 510.3      | 230.32      |
| 6746.0   | 2.79        | 210.17      | 6711.5    | 514.3    | -329.4    | -395.0    | 0.41             | 514.4      | 230.18      |
| 6841.0   | 2.64        | 238.12      | 6806.4    | 518.7    | -332.6    | -398.1    | 1.39             | 518.7      | 230.12      |
| 6936.0   | 2.58        | 237.49      | 6901.3    | 523.0    | -334.9    | -401.7    | 0.07             | 523.0      | 230.18      |
| 7031.0   | 2.52        | 239.59      | 6996.2    | 527.2    | -337.1    | -405.3    | 0.12             | 527.2      | 230.25      |
| 7086.0   | 2.66        | 239.42      | 7051.1    | 529.6    | -338.4    | -407.5    | 0.25             | 529.6      | 230.29      |