

MINERALS DEPARTMENT

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Ben ShellyPresident

December 05, 2011

Rex Lee Jim Vice-President

API#30-045-35334

Ms. Sharon Pinto Regional Director Navajo Region Bureau of Indian Affairs P.O. Box 1060 Gallup, New Mexico 87805

RCVD APR 17'12 OIL CONS. DIV. DIST. 3

RE: APPROVAL OF APPLICATION FOR PERMIT TO DRILL (APD) NO. CBM A POD 14
D #1, FOR THE NAVAJO NATION OIL AND GAS COMPANY EXPLORATION AND
PRODUCTION LLC (NNOGC E&P LLC) ON NAVAJO NATION TRUST LAND

Dear Ms. Pinto:

Pursuant to Resolution RDCJN-05-11 and the amended procedures for the review and approval of APDs approved by the Resources and Development Committee of the Navajo Nation Council on June 14, 2011, the Navajo Nation Minerals Department hereby approves the enclosed APD to construct, operate and maintain the "CBM A POD 14 D #1" well, pipelines and ancillary facilities submitted by NNOGC E&P LLC within Operating Agreement No. NO-G-1008-1773 on, over and across Navajo Nation Trust Lands, San Juan County, Navajo Nation (New Mexico), enclosed hereto as Exhibits "A" through "D". NNOGC E&P LLC is required to obtain a Finding of No Significant Impact from the U.S. Bureau of Indian Affairs prior to the commencement of any surface disturbing activities.

The Navajo Nation's approval of the APD to NNOGC E&P LLC is subject to, but not limited to, the terms and conditions contained in Exhibit "D" and the specific requirements imposed by the Navajo Nation Environmental Protection Agency and the Navajo Nation Department of Fish and Wildlife. If you have any questions, please call me at (928) 871-6587.

Sincerely,

Akhtar Zaman, Director Minerals Department

ENCLOSURE

Copy: W. Mike Halona, Program Director, Navajo Land Department, Division of Natural Resources Howard Draper, Project Review Office, Division of Natural Resources

Dave Evans, District Manager, U.S. Bureau of Land Management, Farmington, NM

Wilson Groen, CEO, Navajo Nation Oil & Gas Company