## Exhibit "A"

Applicant: Colgate Operating, LLC

Operator: Colgate Operating, LLC (OGRID 371449)

Spacing Unit: <u>Horizontal Oil</u>

Building Blocks: <u>quarter-quarter sections</u>
Spacing Unit Size: <u>320 acres, more or less</u>

Orientation of Unit: East to West

Spacing Unit Description:

N/2 S/2 of Section 34 and N/2 S/2 of Section 33,

Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation

Depth Severance? (Yes/No): No

Pool: Winchester; Bone Spring (Pool code 65010)

Pool Spacing Unit Size: <a href="quarter-quarter sections">quarter-quarter sections</a>
Governing Well Setbacks: <a href="Horizontal Oil Well Rules">Horizontal Oil Well Rules</a>
Pool Rules: <a href="Latest Horizontal Rules Apply">Latest Horizontal Rules Apply</a>.

Proximity Tracts: <u>None Included</u>

Monthly charge for supervision: While drilling: \$8000 While producing: \$800 As the charge for risk, 200 percent of reasonable well costs.

## **Proposed Well:**

## Dawson 34 Fed State Com 123H

SHL: 1505 feet from the South line and 715 feet from the East line, (Unit I) of Section 34, Township 19 South, Range 28 East, NMPM. BHL: 1650 feet from the South line and 10 feet from the West line, (Unit L) of Section 33, Township 19 South, Range 28 East, NMPM. Completion Target: 2nd Bone Spring Sand at approx 7500 feet TVD.

Well Orientation: East to West

Completion Location expected to be: standard

## Dawson 34 Fed State Com 133H

SHL: 1505 feet from the South line and 760 feet from the East line, (Unit I) of Section 34, Township 19 South, Range 28 East, NMPM. BHL: 1750 feet from the South line and 10 feet from the West line, (Unit L) of Section 34, Township 19 South, Range 28 East, NMPM. Completion Target: 3rd Bone Spring Sand at approx 8600 feet TVD.

Well Orientation: East to West

Completion Location expected to be: standard