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BP America Production Co.
North American Gas - San Juan
281-366-2761 (direct)
281-366-0700 (fax)

P.O. Box 3092
Houston, TX 77253-3092
501 West Lake Park Blvd.
Houston, TX 77079

May 16, 2013

Bureau of Land Management
Attn: Mr. Wayne Townsend
6251 College Blvd., Suite A
Farmington, NM 97402

Commissioner of Public Lands
Attn: Mr. Peter Martinez
State of New Mexico
P.O. Box 1148
Santa Fe, NM 87504-1148

State of New Mexico
Oil Conservation Division
Attn: Ms. Jamie Bailey – Director
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: GALLEGOS CANYON FEDERAL UNIT
Gallup "D" Participating Area
3rd Expansion – Effective 5/1/2012

Ladies & Gentleman:

Pursuant to Section 10 of that Gallegos Canyon Unit Agreement (I-Sec. No. 844) dated November 1, 1950, BP America Production Company ("BP"), as the Operator of the Gallegos Canyon Federal Unit, respectfully requests approval of the enclosed 3rd Expansion of the Gallegos Canyon Unit – Gallup "D" Participating Area.

The GCU 212 well located in the S/2 Section 32-T29N-R12W was recently recompleted to the Pinon Gallup zone and was approved as a commercially productive well per that BLM letter dated November 23, 2012 (attached). As required by Section 10 of the Gallegos Canyon Federal Unit Agreement, BP is proposing the expansion of the Gallup "D" Participating Area to include the GCU 212 well along with other adjacent lands that are regarded as being reasonably proved to be productive in paying quantities. BP believes that the Pinon Gallup Pool extends farther to the northwest to include the GCU 212 well and adjacent lands. Enclosed please find the following data to assist you in reviewing this expansion request.

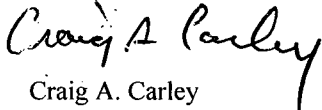
- 1) BLM Letter dated 11/23/2012 – Commerciality Determination
- 2) Schedule "B" – 3rd Revision to Gallup "D" Participating Area
- 3) Map depicting the expanded Gallup "D" Participating Area
- 4) Exhibit #1 – GCU Gallup Pools Map
- 5) Exhibit #2 – GCU Pinon Sand Thickness Map (Isopach)
- 6) Exhibit #3 – GCU Gallup Stratigraphic Strike Cross-Section (A-A')
- 7) Exhibit #4 – GCU Gallup Stratigraphic Dip Cross-Section (B-B')
- 8) Exhibit #5 – GCU Gallup Stratigraphic Dip Cross-Section (C-C')
- 9) Exhibit #6 – GCU Area Pinon Gallup Structure Map
- 10) Exhibit #7 – GCU Gallup Structural Strike Cross-Section (A-A')
- 11) Exhibit #8 – GCU Gallup Structural Dip Cross-Section (B-B')
- 12) Exhibit #9 – GCU Gallup Structural Dip Cross-Section (C-C')

If this proposed 3rd Expansion to the Gallup "D" Participating Area as set forth herein meets with your approval, please indicate such approval in the space provided on the attached sheet and return an approved copy to:

Mr. Craig Carley
BP America Production Company
501 Westlake Park Blvd.
Houston, TX 77079

Copies of this proposed Gallup "D" Participating Area expansion have been forwarded to the affected Working Interest owners shown on the attachment. If you have any questions please contact the undersigned at (281)-366-2761. If the question is technical in nature concerning the geology of the proposed expansion contact BP's Mr. Mark Durio at (281)-366-1642.

Sincerely,

A handwritten signature in cursive script that reads "Craig A. Carley".

Craig A. Carley
Sr. Land Negotiator – South San Juan Asset

enclosures

cc: Gallup "D" Working Interest Owners

Bureau of Land Management
Commissioner of Public Lands
Oil Conservation Commission

APPROVED _____ DATE _____

Assistant District Manager, Minerals
Bureau of Land Management
Subject to like approval by the Commissioner of Public Lands
And the Oil Conservation Commission

APPROVED _____ DATE _____

Commissioner of Public Lands
Subject to like approval by the Area Oil & Gas Supervisor
And the Oil Conservation Commission

APPROVED *Ed Martin* DATE 5/13/2013

Oil Conservation Commission
Subject to like approval by the Area Oil & Gas Supervisor
And the Commissioner of Public Lands

WORKING INTEREST OWNERS
GALLUP "D" PARTICIPATING AREA
&
3RD EXPANSION AREA

Burlington Resources Oil & Gas
&
Glacier Park Company
Attn: Mr. Terry Ruby
P.O. Box 4289
Farmington, New Mexico 87499-4289

BP America Production Company
501 Westlake Park Blvd.
Houston, TX 77079

TransRepublic Resources, Ltd.
P.O. Box 3638
Midland, TX 79702-3638

B. Charles Rogers Gas, Ltd.
500 West Texas, Suite 1420
Midland, TX 79701

Four Stars Oil & Gas
c/o Chevron USA, Inc.

Attn: Mr. Cody Cole
1400 Smith Street
Houston, TX 77002

Las Colinas Minerals
P.O. Box 14230
Odessa, TX 79768

George William Umbach
P.O. Box 1588
Tulsa, OK 74101

Robert Umbach Cancer Foundation
c/o Zia Data Search Corp-Agent
P.O. Box 2188
Roswell, NM 74101

Production Gathering Company
8080 North Central Expressway, Ste 100
Dallas, TX 75206

Energen Resources Corporation
David Poage – Dist. Landman
2010 Afton Place
Farmington, NM 87401-1601



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
6251 College Blvd - Suite A
Farmington, New Mexico 87402
www.blm.gov/nm



IN REPLY REFER TO:

Gallegos Canyon Unit Gallup/Mancos PA
3162.7 (F0111)

November 23, 2012

Mr. Craig A. Carley
BP America Production Co.
P.O. Box 3092
Houston, TX 77253-3092

RE: Gallegos Canyon Unit
Commerciality Determination
Mancos Formation
San Juan County, NM

Dear Mr. Carley:

In response to your letter dated October 11, 2012, the Farmington Field Office has reviewed the data you submitted for a commerciality determination for the following well completed in the Mancos formation.

Well Name & Number	Dedication	Lease	Completion Date	Determination
Gallegos Canyon Unit #212	S/2 Sec. 32, T29N, R12W	STATE	1/9/2012	Commercial

After completing our economic evaluation, we are in concurrence with the above determination.

The well was determined to be commercial in the Mancos formation and is to be included in the Gallup/Mancos participating area. It is required that a revision be submitted to include this well in the Gallegos Canyon Unit Gallup/Mancos Participating Area

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order(s) described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management (NM-92000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions concerning this matter, please contact Wayne Townsend at the above address or telephone (505) 564-7745.

Sincerely,

Wayne Townsend
Petroleum Engineer
Branch of Petroleum Management

BP AMERICA PRODUCTION COMPANY
SCHEDULE B
THIRD REVISION TO GALLUP "D" PARTICIPATING AREA
GALLEGOS CANYON UNIT, SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 5/1/2012

Federal, State, BIA or Patented Land	Unit Tract No.	Serial or Agency Number	Date of Lease	Tract Description	Number of Acres	Participation Factor	Committed/ Not Committed	Lessee of Record	Current Working Interest Owner	Type of Ownership	Gross Working Interest Percentage	Net Revenue Percentage
Federal	Pt 9	SF-078106	12/1/1947	NE/4, N/2SE/4, SE/4SE/4, E/2NW/4, W/2NW4 Sec. 15-T28N-R12W	440.00	11.419613	Committed	Glacier Park Co.	Glacier Park Co.	WI	100.00	87.50
										Royalty	00.00	12.50
										Orri	00.00	00.00
										Total	100.00	100.00
Federal	Pt 10	SF-078109	2/2/1948	Lots 1-4, S/2SE4, S/2SW/4 Sec. 10-T28N-R12W; Lots 3-4, S/2SW/4 Sec. 9-T28N-R12W; Lots 3-6 Sec. 33-T29N-R12W; Lots 5, 6, 11, 12, 13, 14, 19, 20 Sec. 31-T29N-R12W	880.94	22.863624	Committed	Glacier Park Co.	Glacier Park Co.	WI	100.00	87.50
										Royalty	00.00	12.50
										Orri	00.00	00.00
										Total	100.00	100.00
Federal	Pt 17	SF-078828	8/1/1949	NW/4NW/4 Sec. 23-T28N-R12W; SW/4NE/4 Section 14-T28N-R12W	80.00	2.076293	Committed	Burlington Resources Oil & Gas BP America Production Co.	Burlington Resources O & G BP America Production Co.	WI	25.00	21.375
										WI	75.00	64.125
										Royalty	0.00	12.50
										Orri	0.00	2.00
Federal	Pt 17-A	SF-078828-A	8/1/1949	SW/4 Sec. 14-T28N-R12W	160.00	4.152587	Committed	Burlington Resources Oil & Gas BP America Production Co.	Burlington Resources O & G BP America Production Co.	WI	25.00	21.375
										WI	75.00	64.125
										Royalty	0.00	12.50
										Orri	0.00	2.00
Federal	Pt 19	SF-078904	2/1/1948	NE/4NW/4, N/2NE/4, SE/4NE/4 Sec. 23-T28N-R12W; N/2, N/2SE/4, NE/4SW/4Sec. 24-T28N-R12W.	600.00	15.572201	Committed	Burlington Resources Oil & Gas BP America Production Co.	Burlington Resources O & G BP America Production Co.	WI	25.00	21.375
										WI	75.00	64.125
										Royalty	0.00	12.50
										Orri	0.00	2.00
Federal	Pt 20	SF-078905	7/1/1948	S/2SW/4, NW/4SW/4 Sec. 13-T28N-R12W; NW/4, SE/4 Sec. 14-T28N-R12W.	440.00	11.419613	Committed	Burlington Resources Oil & Gas BP America Production Co.	Burlington Resources O & G BP America Production Co.	WI	25.00	21.375
										WI	75.00	64.125
										Royalty	0.00	12.50
										Orri	0.00	2.00
Federal	Pt 20	SF-078905	7/1/1948	S/2SW/4, NW/4SW/4 Sec. 13-T28N-R12W; NW/4, SE/4 Sec. 14-T28N-R12W.	440.00	11.419613	Committed	Burlington Resources Oil & Gas BP America Production Co.	Burlington Resources O & G BP America Production Co.	Total	100.00	100.00

BP AMERICA PRODUCTION COMPANY
SCHEDULE B
THIRD REVISION TO GALLUP "D" PARTICIPATING AREA
GALLEGOS CANYON UNIT, SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 5/1/2012

Federal, State, BIA or Patented Land	Unit Tract No.	Serial or Agency Number	Date of Lease	Tract Description	Number of Acres	Participation Factor	Committed/ Not Committed	Lessee of Record	Current Working Interest Owner	Type of Ownership	Gross Working Interest Percentage	Net Revenue Percentage
Federal	Pt 35	SF-080844-A	10/1/1951	Lots 1-4, E/2NW/4, S/2NE/4, E/2SW/4, SE/4 Sec. 19-T28N-R11W.	555.84	14.426086	Committed	BP America Production Co.	BP America Production Co.	WI	100.00	82.50
										Royalty	0.00	12.50
										Orri	0.00	5.00
										Total	100.00	100.00
BIA	Pt 37	I-149-Ind-8474	5/29/1950	Lots 1 & 2, S/2SE/4 Sec. 9-T28N-R12W.	136.24	3.535928	Committed	TransRepublic Resources, Ltd. B. Charles Rogers Gas, Ltd.	TransRepublic Resources. B. Charles Rogers Gas, Ltd.	WI	50.00	43.75
										WI	50.00	43.75
										Royalty	12.50	12.50
										Orri	0.00	0.00
										Total	100.00	100.00
BIA	Pt 45	I-149-Ind-8486	5/29/1950	SW/4 Sec. 33-T29N-R12W.	160.00	4.152587	Committed	BP America Production Co.	Burlington Resources O & G BP America Production Co.	WI	25.00	21.875
										WI	75.00	65.625
										Royalty	0.00	12.50
										Orri	0.00	0.00
										Total	100.00	100.00
State	Pt 46	E-2447	2/10/1949	S/2SE/4 Sec. 13-T28N-R12W.	80.00	2.076293	Committed	Four Stars Oil & Gas	Four Stars Oil & Gas	WI	100.00	87.50
										Royalty	0.00	12.50
										Orri	0.00	00.00
										Total	100.00	100.00
State	Pt 46-A	E-2447	2/10/1949	NE/4SW/4 Sec. 32-T29N-R12W	40.00	1.038147	Committed	BP America Production Co.	Burlington Resources O & G BP America Production Co.	WI	25.00	21.875
										WI	75.00	65.625
										Royalty	0.00	12.50
										Orri	0.00	0.00
										Total	100.00	100.00
State	65	E-5462	8/10/1951	NW/4SW/4 Sec. 32-T29N-R12W.	40.00	1.038147	Committed	Glacier Park Co.	Glacier Park Co.	WI	100.00	87.50
										Royalty	00.00	12.50
										Orri	00.00	00.00
										Total	100.00	100.00
State	66	E-5462	8/10/1951	SE/4SW/4 Sec. 32-T29N-R12W.	40.00	1.038147	Committed	Glacier Park Co.	Glacier Park Co.	WI	100.00	87.50
										Royalty	00.00	12.50
										Orri	00.00	00.00
										Total	100.00	100.00

BP AMERICA PRODUCTION COMPANY
SCHEDULE B
THIRD REVISION TO GALLUP "D" PARTICIPATING AREA
GALLEGOS CANYON UNIT, SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 5/1/2012

Federal, State, BIA or Patented Land	Unit Tract No.	Serial or Agency Number	Date of Lease	Tract Description	Number of Acres	Participation Factor	Committed/ Not Committed	Lessee of Record	Current Working Interest Owner	Type of Ownership	Gross Working Interest Percentage	Net Revenue Percentage
State	67	B-11318	6/26/1954	SW/4SW/4 Sec. 32-T29N-R12W	40.00	1.038147	Committed	Energen Resources	BP America Production Co.	WI	56.250	49.21875
									Energen Resources	WI	25.875	22.187813
									Las Colina Minerals LP	WI	11.625	9.968437
									George William Umbach	WI	2.34375	2.050781
									Robert Umbach Cancer Fndn.	WI	2.34375	2.050781
									Production Gathering	WI	1.5625	1.367188
										Royalty	00.00	12.50
										Orri	00.00	0.65625
										Total	100.00	100.00
State	68	E-5462	8/10/1951	NW/4SE/4 Sec. 32-T29N-R12W.	40.00	1.038147	Committed	Glacier Park Co.	Glacier Park Co.	WI	100.00	87.50
										Royalty	00.00	12.50
										Orri	00.00	00.00
										Total	100.00	100.00
State	69	E-2754	7/8/1949	SW/4SE/4 Sec. 32-T29N-R12W	40.00	1.038147	Committed	BP America Production Co.	BP America Production Co.	WI	100.00	82.50
										Royalty	00.00	12.50
										Orri	00.00	5.00
										Total	100.00	100.00
State	70	B-10405	6/24/1943	NE/4SE/4 Sec. 32 - T29N-R12W	40.00	1.038147	Committed	BP America Production Co.	BP America Production Co.	WI	100.00	87.50
										Royalty	00.00	12.50
										Orri	00.00	00.00
										Total	100.00	100.00
State	71	B-10405	6/24/1943	SE/4SE/4 Sec. 32 - T29N-R12W.	40.00	1.038147	Committed	Energen Resources	BP America Production Co.	WI	56.250	49.21875
									Energen Resources	WI	25.875	22.187813
									Las Colina Minerals LP	WI	11.625	9.968437
									George William Umbach	WI	2.34375	2.050781
									Robert Umbach Cancer Fndn.	WI	2.34375	2.050781
									Production Gathering	WI	1.5625	1.367188
										Royalty	00.00	12.50
										Orri	00.00	0.65625
										Total	100.00	100.00

BP AMERICA PRODUCTION COMPANY
SCHEDULE B
THIRD REVISION TO GALLUP "D" PARTICIPATING AREA
GALLEGOS CANYON UNIT, SAN JUAN COUNTY, NEW MEXICO
EFFECTIVE 5/1/2012

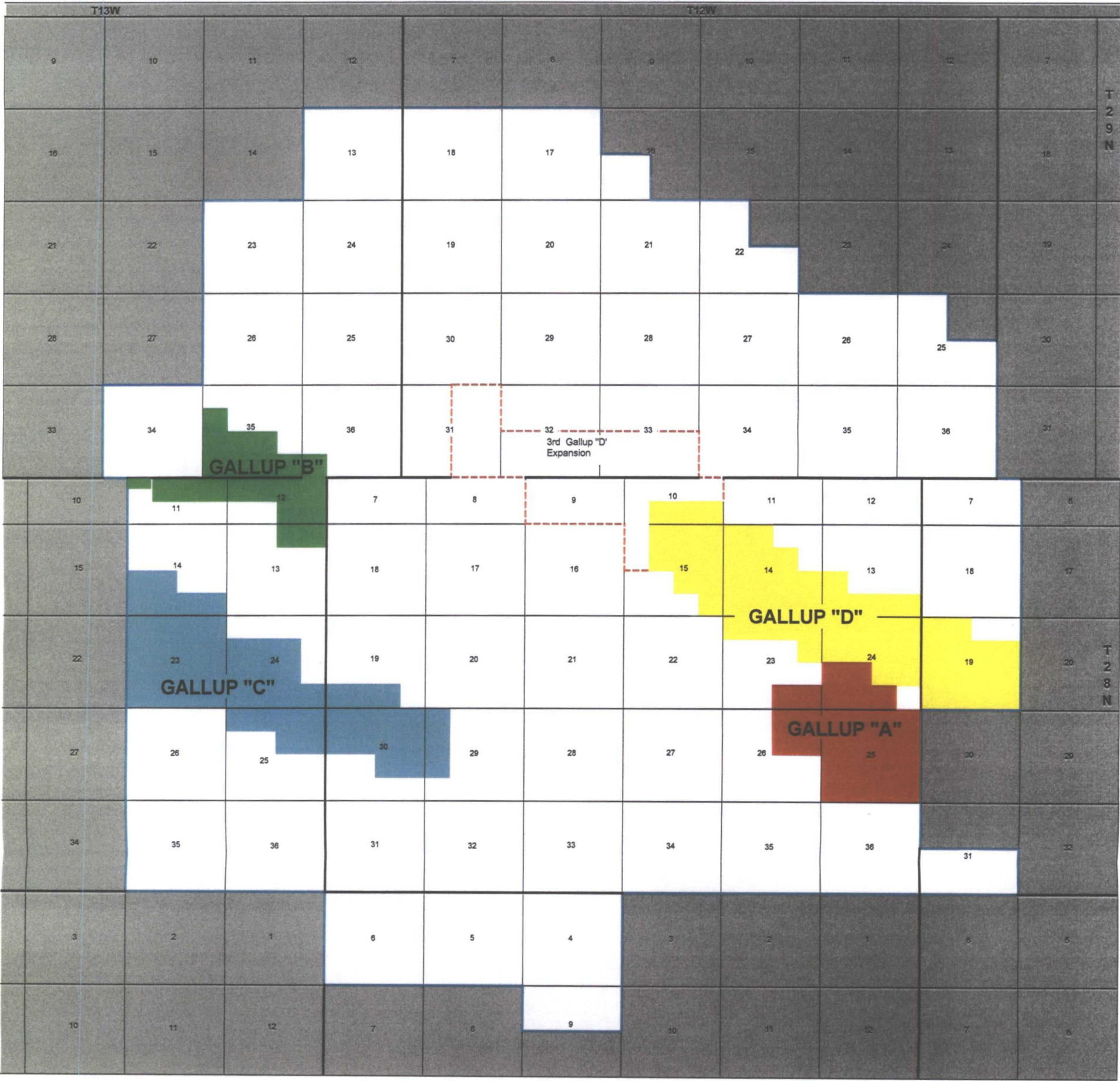
RECAPITULATION

<u>LANDS</u>	<u>COMMITTED ACREAGE</u>	<u>PERCENT PARTICIPATION</u>
TOTAL FEDERAL LAND -----	3156.78	81.930019%
TOTAL INDIAN LANDS -----	296.24	7.688514%
TOTAL STATE LANDS -----	400	10.381467%
	<u>3853.02</u>	<u>100.000000%</u>

WORKING INTERESTS

GLACIER PARK CO.	37.397678
BP AMERICA PRODUCTION CO.	46.478866
BURLINGTON RESOURCES OIL & GAS	9.602857
TRANSREPUBLIC RESOURCES	1.767964
B CHARLES ROGERS LTD	1.767964
FOUR STARS	2.076293
ENERGEN RESOURCES	0.537241
LAS COLINAS MINERALS	0.241369
GEORGE UMBACH	0.048663
ROBERT UMBACH CANCER FNDN	0.048663
PRODUCTION GATHERING	0.032442
	100.000000

3rd Revision - Gallup "D" Participating Area



Geological Exhibits for Pinon Pool Expansion

Exhibit #1: GCU Gallup Pools Map

This map is showing detail around the SE portion of the GCU (Gallegos Canyon Federal Unit) & identifies 5 major Gallup Pools. These pools generally are the surface reflection of the Gallup sand bodies that lie beneath each of the wells in the different trends.

All of the sand bodies were deposited during Mancos L. Gallup (K-90my) time at or just below the basal Niobrara. They are liner features that may have been deposited by longshore currents directly onto an erosional unconformity (absence of rock present in other areas of the basin). The orientation of the Pinon Sand is in a NW – SE direction (consistent with other Gallup Sands in the Area).

Exhibit #2: GCU Pinon Sand Thickness Map (Isopach)

This map is showing our mapping of the Pinon Gallup Sands thickness from the historical Pinon Pool in the SE & our interpretation of its expansion & termination 3 sections NW of this Pool. The tops & bases of the sand have been picked from log responses using GR, SP, RES, DEN & SONIC curves of all wells in the area that penetrate the Gallup (Dakota Wells for the most part).

The thickest portion of the Pinon sand is seen in the Historic Pinon Pool Area (around the GCU 250 well). Sand thinning is seen at the NW termination slightly beyond the GCU 172E – DK well. Sand to shale lithology change is seen at the SE termination of the Pinon Sand body trend near the Schlosser Federal #8E – DK well. The absence of infill Dakota wells NW of the GCU 208, 208E & GCU 252 stopped the historical Pinon Trend advancement; however fringe traces of the sand body can be seen in the GCU 206 (10ft) & in the GCU 195 (5ft). These wells are on the NE side of the sand body where the sand is thinning. The Dakota wells on the SW side of the sand body that lie between the GCU 208 & the GCU 212E also display traces of the sand body. These wells are the GCU 209E (7ft) & GCU 223 (9ft). Better Pinon Sand is then seen & correlated in the GCU 212E (2013 Recompletion Well), GCU 212 (2012 Recompletion Success), GCU 221 & GCU 221E wells as the definite extension of the Pinon Sands in the GCU 208 & GCU 250.

Exhibit #3: GCU Gallup Stratigraphic Strike Cross-Section (A – A')

This NW – SE Stratigraphic (Strike) Cross-Section is hung on a common datum labeled Mid-Gallup Shale Marker that is seen throughout the GCU area & is a very consistent easy pick. The Pinon sands for the most part are deposited directly above the Sanastee Unconformity & the same distance below the Mid-Gallup Shale Marker Datum. This section follows the linear axis of the elongated sand body from the GCU 172E (WNW) in section 25 thru the Lucerne D #1E (ESE) in section 21 nearly 9 miles away. The fact that the Sand is found in the same stratigraphic interval throughout the entire section is a key piece of evidence for calling this the same Pinon Sand Body.

Other evidence gathered that indicate similar sands is the reservoir pressure measured in the GCU 212– GLLP Recompletion & the GCU 208-GLLP Recompletion (both done in 2012 using similar techniques). These wells are nearly 2 miles apart from one another & yet had like pressures. GCU 212 was 1440psi & the GCU 208 was 1405psi.

The API Gravity of the oils in both wells are also identical. 42api.

Exhibit #4: GCU Gallup Stratigraphic Dip Cross-Section (B – B')

This SW – NE Stratigraphic Dip Cross-Section is also hung on the same common datum as the previous section, the Mid-Gallup Shale marker. B-B' goes thru the NW portion of the Mapped Pinon Sand-Body from the Totah Pool wells NW thru the Proposed Pinon Pool Expansion wells & finally out of the Pool. It is clear from this section that the Pinon Sand is older & deeper by approximately 50ft than its SW neighbor the Totah Sand.

Here the Pinon Sand is seen to terminate abruptly against the unconformity to the SW & gradually shale out to the NE as is drops down dip & into the basin (deeper water).

Exhibit #5: GCU Gallup Stratigraphic Dip Cross-Section (C – C')

This SW – NE Stratigraphic Dip Cross-Section is also hung on the same common datum as the previous section, the Mid-Gallup Shale marker. C-C' goes thru the Central SE portion of the current Pinon Sand-Body from the Simpson Pool wells NW thru the Pinon Pool wells & finally out of the Pool. It is clear from this section that the Pinon Sand is older & deeper by 35ft than it SW neighbor the Simpson Sand.

Here the Pinon Sand is seen to terminate abruptly against the unconformity to the SW & gradually shale out to the NE as is drops down dip & into the basin (deeper water).

Exhibit #6: GCU Area Pinon Gallup Structure Map

This is a map of the Top of the Gallup Pinon Sand in the GCU Area (limited within the bounds of the polygon) where the datum used here is Sea Level. The Pinon Sand body is seen as an overlay that is a stippled polygon. The contours Range from +115ft to -25ft (above & below sea level) & where the Pinon Sand is present have the depth labeled. Gentle NE dip is seen here as is prominent on the SW flank of the San Juan Basin.

Exhibit #7: GCU Gallup Structural Strike Cross-Section (A-A')

This NW – SE Structural (Strike) Cross-Section uses Sea Level as the common datum marker. The section follows the linear axis of the elongated sand body from the GCU 172E (WNW) in section 25 thru the Lucerne D #1E (ESE) in section 21 nearly 9 miles away. This Structural Cross-Section only shows 50-60ft of relief over the entire 9 miles. The highest structure is near the GCU 250 (110ft) & lowest near the GCU 212 (45ft).

Exhibit #8: GCU Gallup Structural Dip Cross-Section (B-B')

This SW – NE Structural Dip Cross-Section uses sea level as the datum. B-B' goes thru the NW portion of the Mapped Pinon Sand-Body from the Totah Pool wells NW thru the Proposed Pinon Pool Expansion wells & finally out of the Pool. It is clear from this section that the Pinon Sand is older & deeper by approximately 50ft than its SW neighbor the Totah Sand.

Here the Pinon Sand is seen to terminate abruptly against the unconformity to the SW around 50ft above sea level & shales out to the NE close to Sea Level. The Totah Sand is seen doing the same thing 30-35' higher.

Exhibit #9: GCU Gallup Structural Dip Cross-Section (C-C')

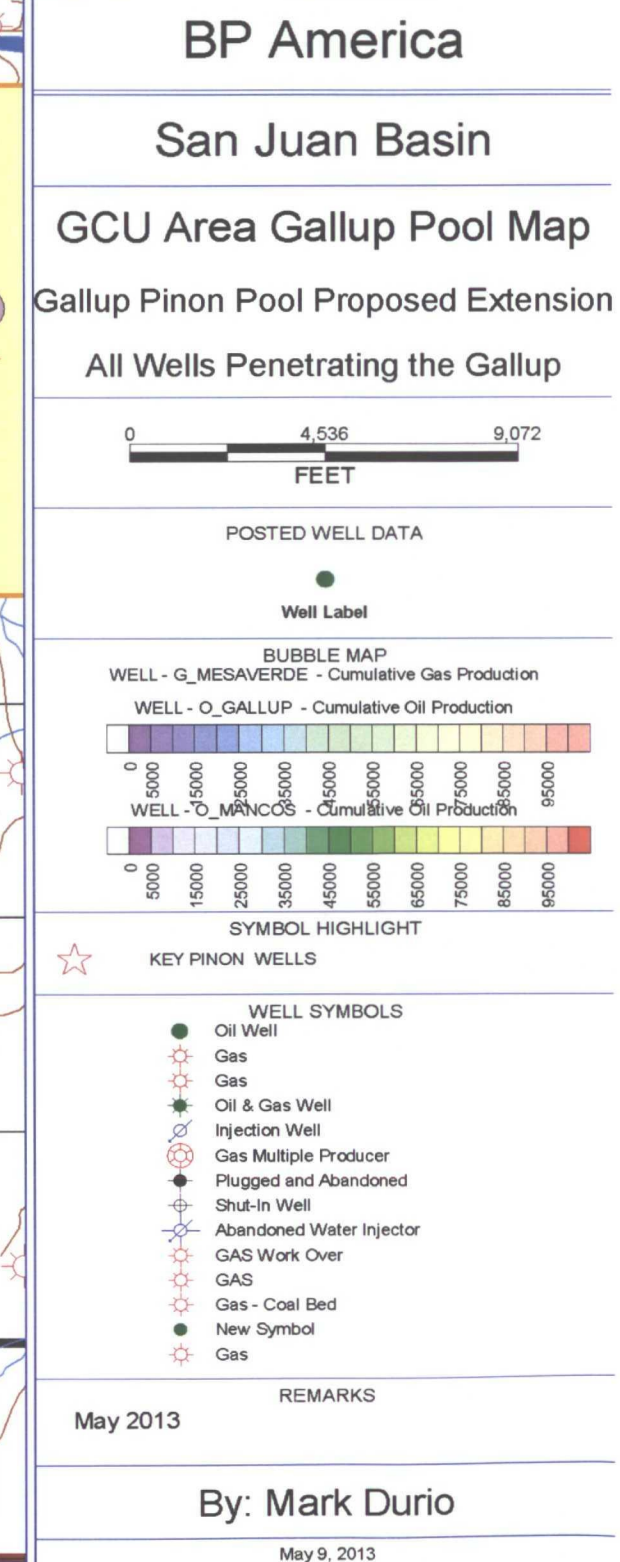
This SW – NE Structural Dip Cross-Section uses Sea Level as datum. C-C' goes thru the Central SE portion of the current Pinon Sand-Body from the Simpson Pool wells NW thru the Pinon Pool wells & finally out of the Pool. It is clear from this section that the Pinon Sand is older & deeper by 30ft than its SW neighbor the Simpson Sand.

Here the Pinon Sand is seen to terminate abruptly against the unconformity to the SW & gradually shale out to the NE as it drops down dip & into the basin (deeper water).

Pinon Gallup Pool Geologic Exhibits

Justification for Requesting Pinon Pool
Expansion within the Gallegos Canyon Unit to
accommodate the new GCU 212 Recompletion
Discovery to the Gallup-Pinon Sand

NAG Resource
unconventional rocks ... unlimited potential



NAG Resource
unconventional rocks ... unlimited potential

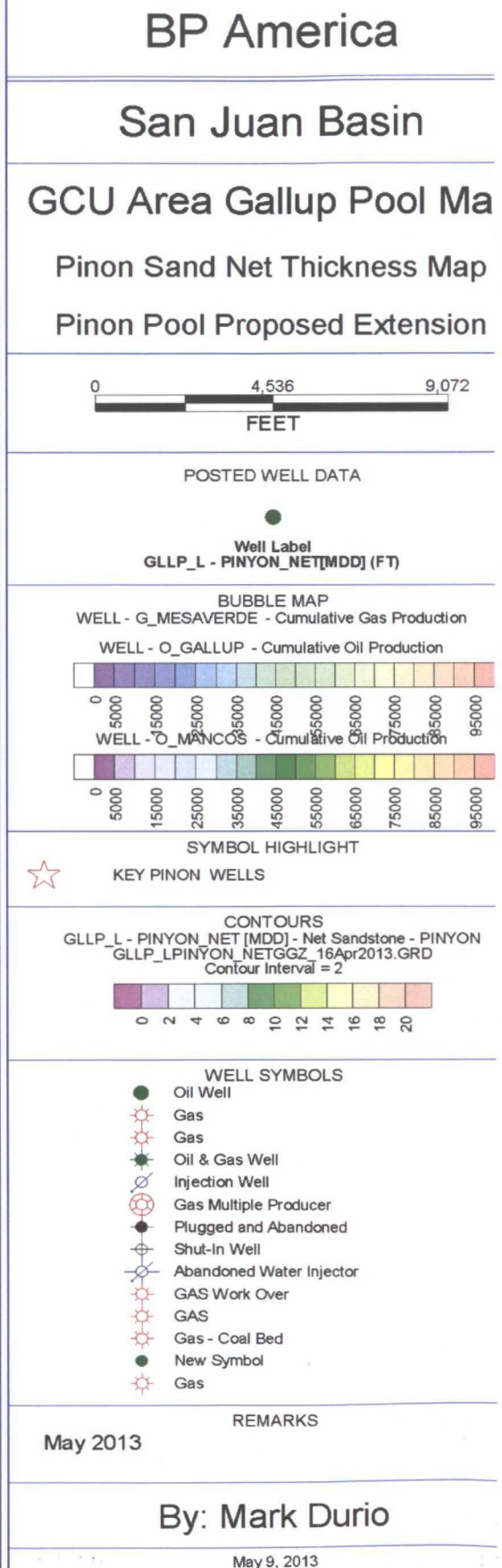


Exhibit #3: Pinon Gallup Stratigraphic Cross-Section A-A'

Datum is Mid-Gallup Shale Marker

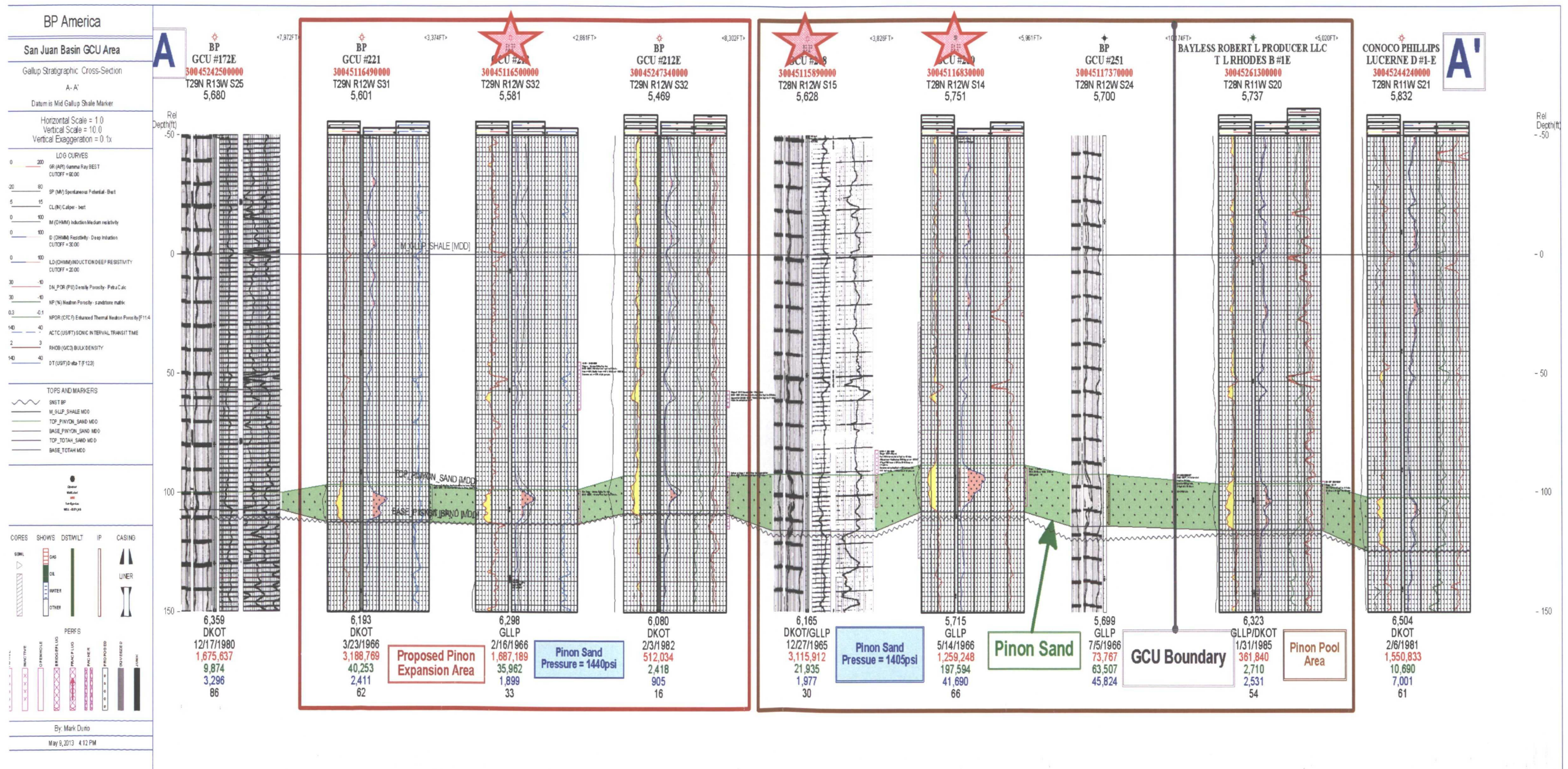


Exhibit #4: Gallup Stratigraphic Cross-Section B-B' Datum is Mid-Gallup Shale Marker

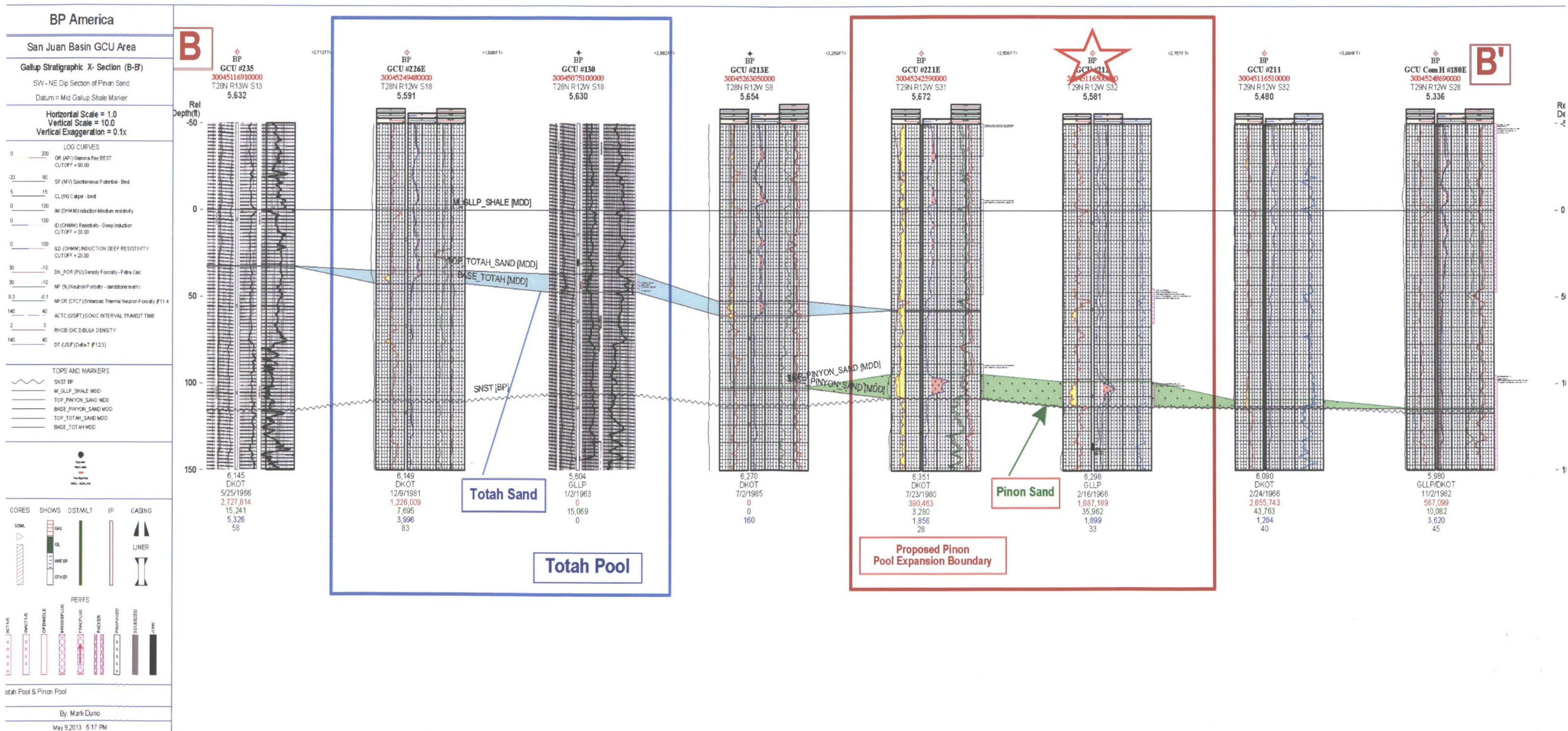


Exhibit #5: Gallup Stratigraphic Cross-Section C-C' Datum is Mid-Gallup Shale Marker

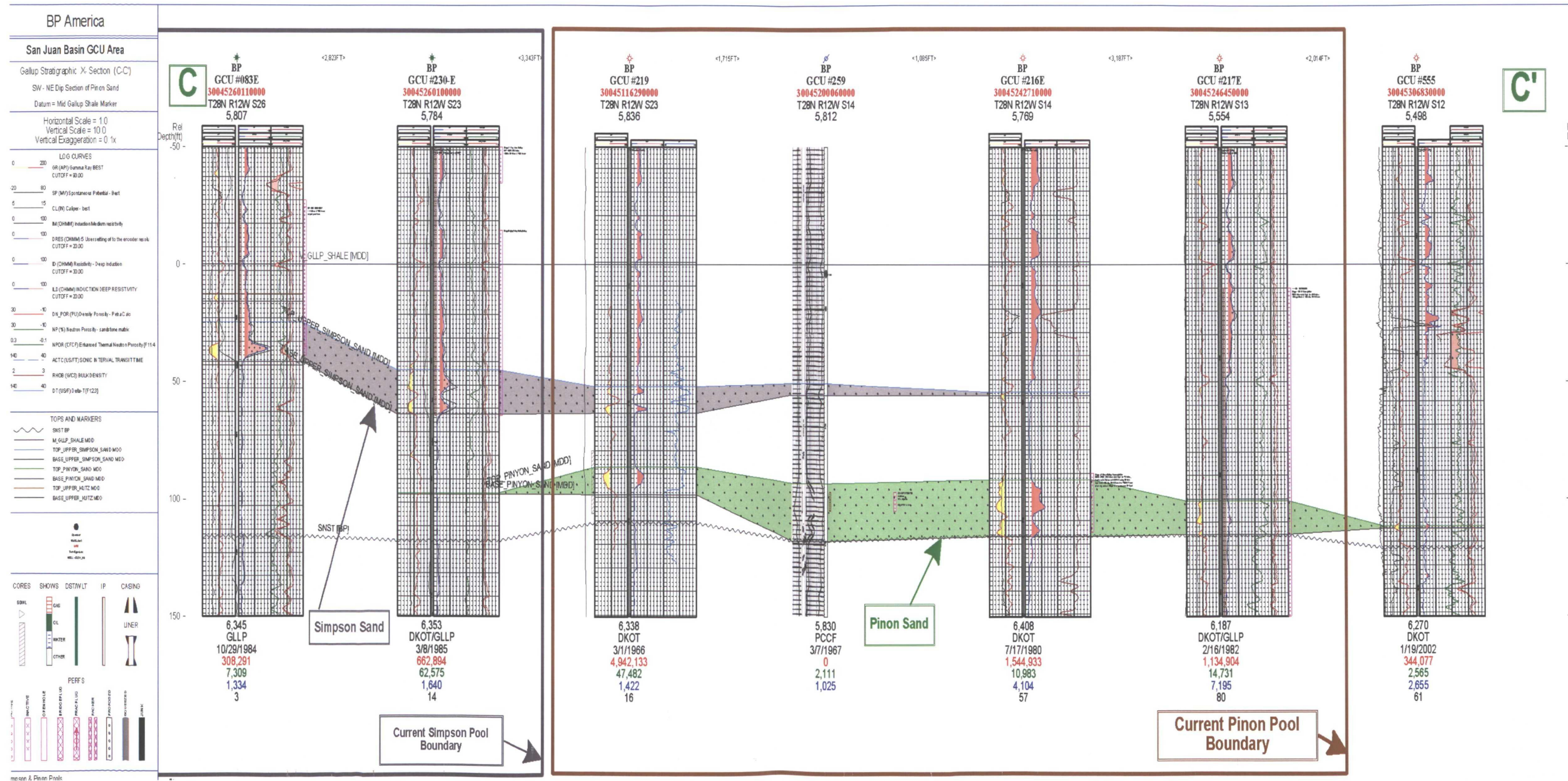


Exhibit #6: Gallup Pinon Sand Structure Map

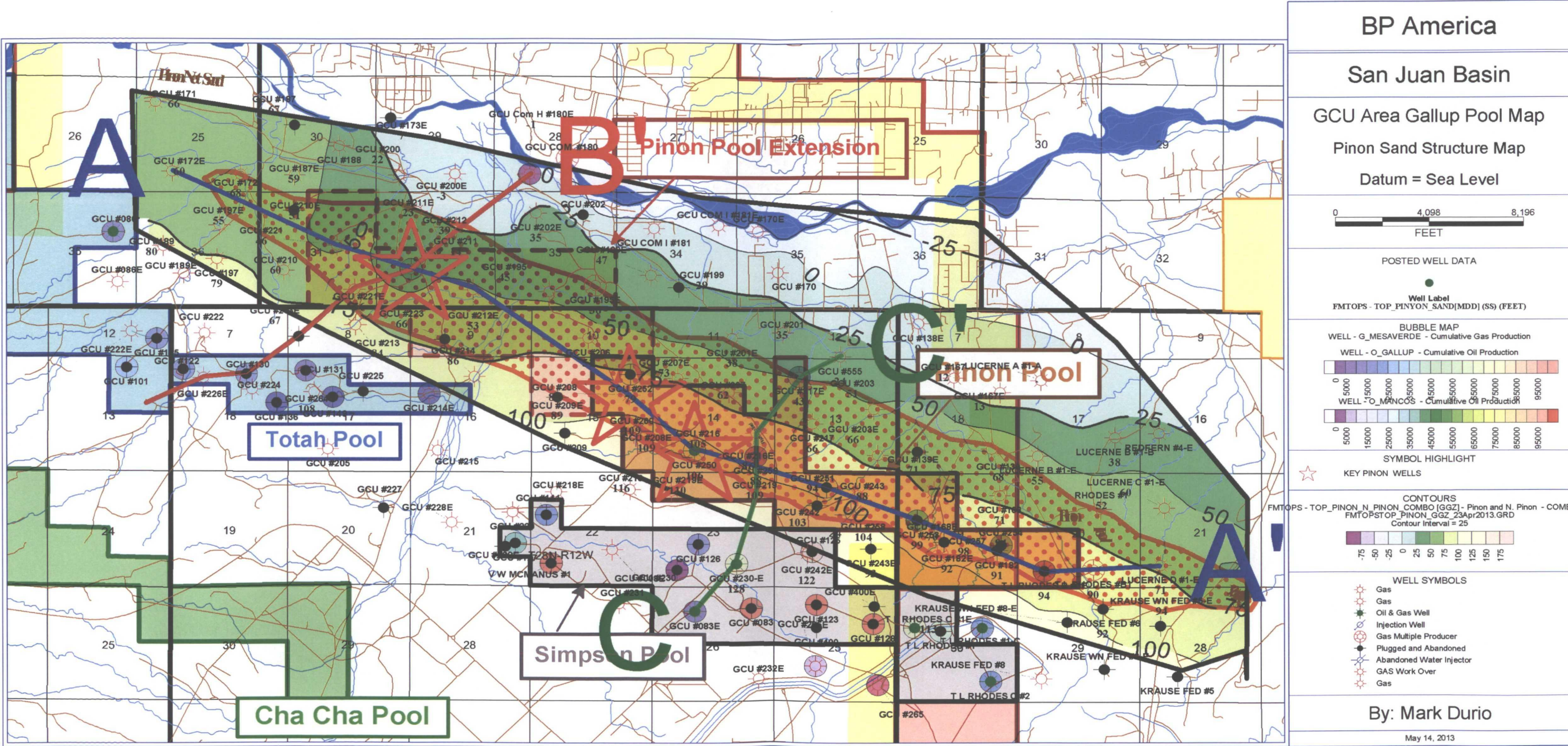
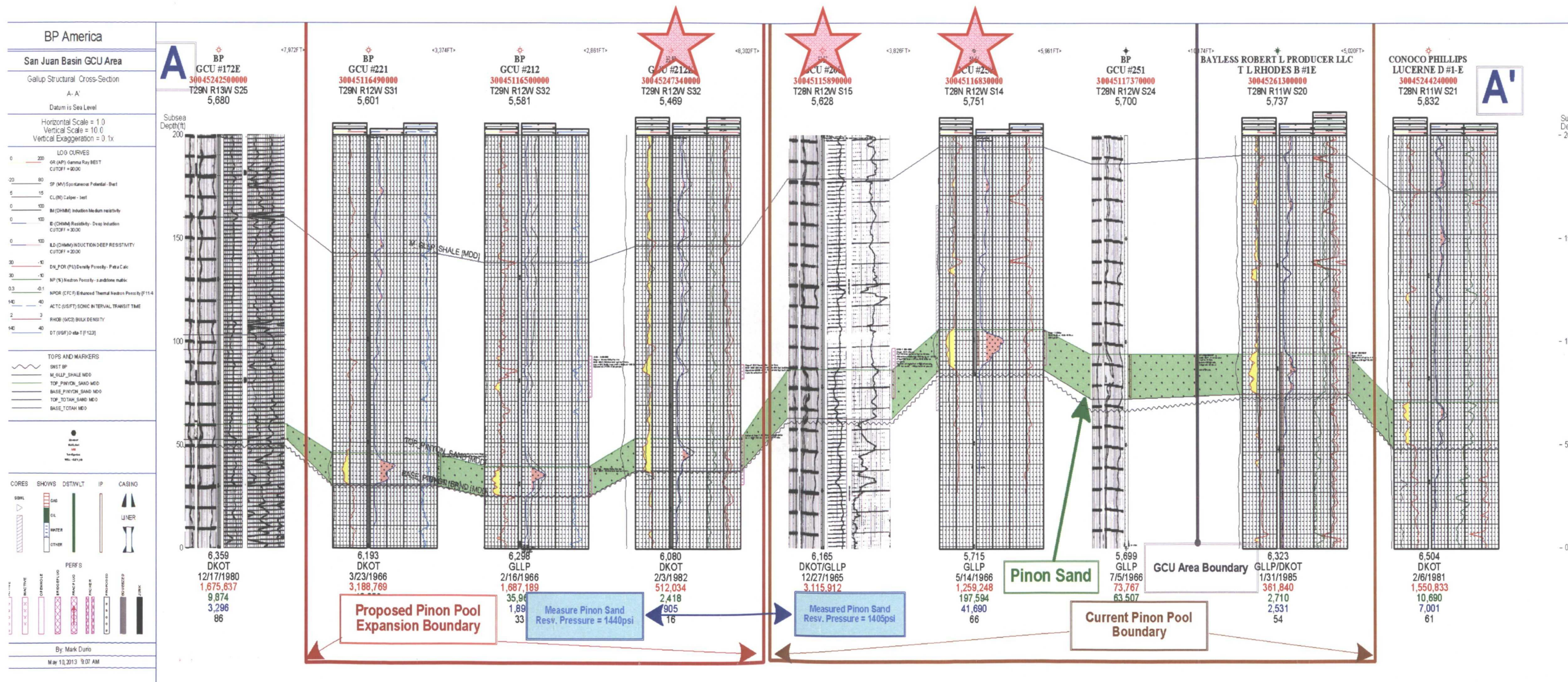


Exhibit #7: Pinon Gallup Structural Cross-Section A – A'

Datum is Sea Level



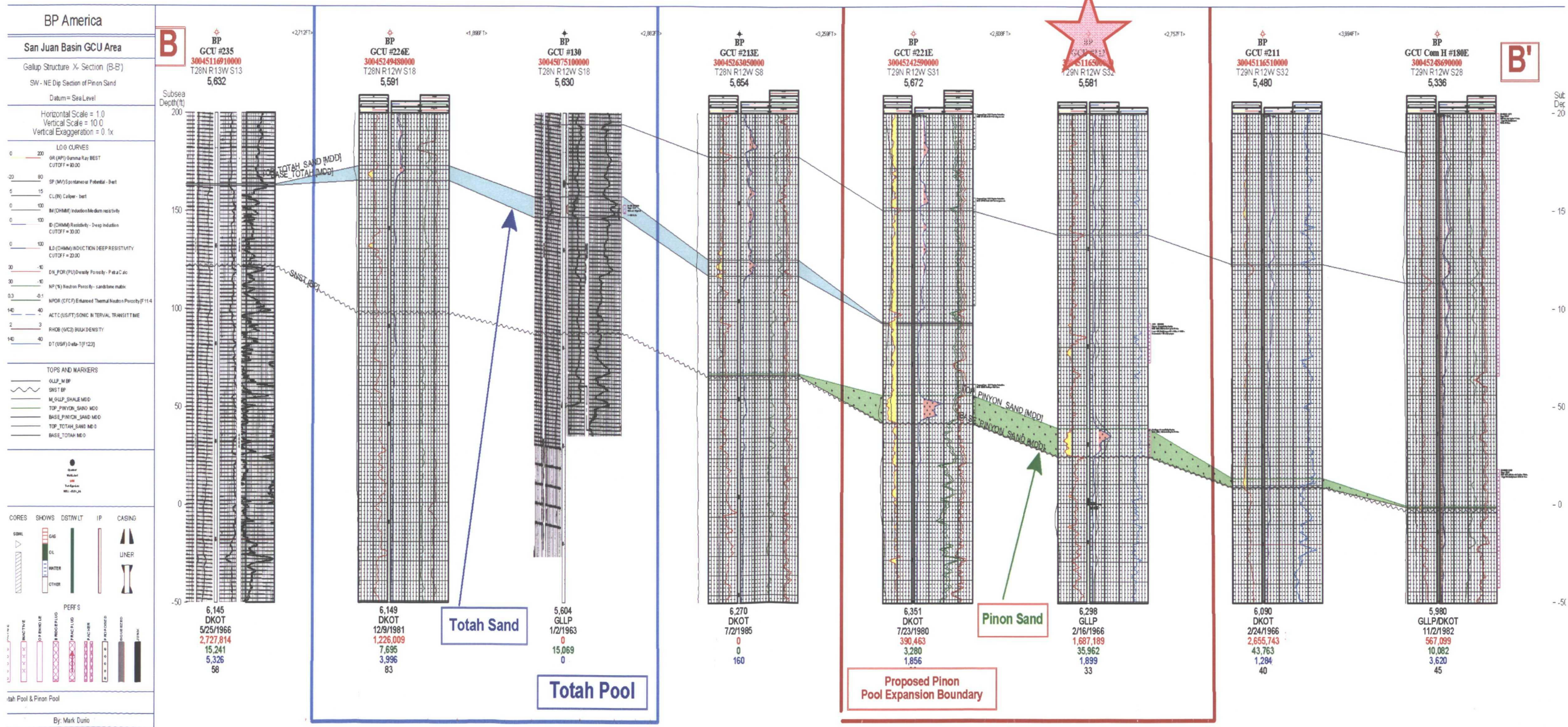


Exhibit #9: Gallup Structural Cross-Section C-C' Datum is Sea Level

