GOLDEN OIL HOLDING CORPORATION

2000 BERING DRIVE / SUITE 255 / HOUSTON, TEXAS 77057

(713) 626-1110

Monday October 24, 2011

By: Regular Mail

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 Attn: Mr. William Jones

RCVD OCT 27'11

OIL CONS. DIV. DIST. 3

Re: Salt Water Disposal Well Jicarilla 70 Well No. 7 API No. 30-039-21827

Dear Mr. Jones:

This letter addresses the questions your office had concerning the above referenced well. You asked us to verify that the "Point Lookout" and "Cliff House" members were non-productive. Based upon the geological well report, these formations had no indication of any oil or gas shows. Also, Mr. John Thompson of Walsh Engineering reviewed the Mud Log and Electric Logs and found no apparent shows of oil or gas. Enclosed is a copy of the original Well Completion Report that confirms our conclusions.

If you have further questions, please call me at (713) 626-1110.

Sincerely,

Melinda Billon

For: Golden Oil Holding Corporation

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Enclosures

cc: Mr. Charlie Perrin, District Manager

New Mexico Energy, Minerals and Natural Resources Dept.

Oil Conservation Division

Empilto US