

The proposed injection well will be used to dispose of produced water from the following leases. Water will be trucked from these properties to the injection well holding tanks at the Lindrith B 25. Rates are based on average

| Lease                | Zone      | Location        | Lease No.      | BWFO |          |           |   |
|----------------------|-----------|-----------------|----------------|------|----------|-----------|---|
| Cheney Federal       | PC,MV     | 8-26N-2W        | NM-046         | <1   |          |           |   |
|                      |           | 17-26N-2W       | NM-046         |      |          |           |   |
| Cullins Federal      | PC,DK     | 4-24N-3W        | SF-080472      | 3    |          |           |   |
| Federal 28714        | DK        | 31-24N-3W       | NM 28714       | <1   |          |           |   |
| Featherstone Federal | PC,MV     | 19-26N-2W       | NM 014733      | 1    |          |           |   |
| Jicarilla B          | PC,MV     | 17-26N-3W       | Jicarilla 98   | 1    |          |           |   |
|                      |           | 18-26N-3W       | Jicarilla 98   |      |          |           |   |
|                      |           | 17-26N-3W       | Jicarilla 98   |      |          |           |   |
|                      |           | 20-26N-3W       | Jicarilla 98   |      |          |           |   |
| Jicarilla C          | PC,MV     | W1/2 10-26N-3W  | Jicarilla 97   | <1   |          |           |   |
|                      |           | E1/2 11-26N-3W  | Jicarilla 97   |      |          |           |   |
| Jicarilla D          | PC,MV,BP  | 13-26N-3W       | Jicarilla 99   | 1    |          |           |   |
|                      |           | 14-26N-3W       | Jicarilla 99   |      |          |           |   |
|                      |           | 23-26N-3W       | Jicarilla 99   |      |          |           |   |
|                      |           | 24-26N-3W       | Jicarilla 99   |      |          |           |   |
| Jicarilla E          | PC,MV     | 11-27N-3W       | Jicarilla 89   | 8    |          |           |   |
|                      |           | 12-27N-3W       | Jicarilla 89   |      |          |           |   |
|                      |           | 13-27N-3W       | Jicarilla 89   |      |          |           |   |
|                      |           | 14-27N-3W       | Jicarilla 89   |      |          |           |   |
|                      |           | 15-27N-3W       | Jicarilla 89   |      |          |           |   |
| Jicarilla F          | PC,MV     | 22-27N-3W       | Jicarilla 94   | 9    |          |           |   |
|                      |           | 23-27N-3W       | Jicarilla 94   |      |          |           |   |
|                      |           | 24-27N-3W       | Jicarilla 94   |      |          |           |   |
|                      |           | 27-27N-3W       | Jicarilla 94   |      |          |           |   |
| Jicarilla G          | PC,MV     | 25-27N-3W       | Jicarilla 95   | 4    |          |           |   |
|                      |           | 26-27N-3W       | Jicarilla 95   |      |          |           |   |
|                      |           | 35-27N-3W       | Jicarilla 95   |      |          |           |   |
|                      |           | 36-27N-3W       | Jicarilla 95   |      |          |           |   |
| Jicarilla H          | PC,MV     | 1-26N-3W        | Jicarilla 96   | 10   |          |           |   |
|                      |           | 2-26N-3W        | Jicarilla 96   |      |          |           |   |
|                      |           | 11-26N-3W       | Jicarilla 96   |      |          |           |   |
|                      |           | 12-26N-3W       | Jicarilla 96   |      |          |           |   |
| Jillson Federal      | FD,DK     | 7-24N-3W        | SF-080472      | 1    |          |           |   |
| Lindrith B Unit      | DK        | 8-24N-3W        | SF-080472      | 100  |          |           |   |
|                      |           | 9-24N-3W        | Fee, SF-078910 |      |          |           |   |
|                      |           | 10-24N-3W       | SF-078912      |      |          |           |   |
|                      |           | 15-24N-3W       | SF-078913      |      |          |           |   |
|                      |           | 16-24N-3W       | SF-078913      |      |          |           |   |
|                      |           | 21-24N-3W       | SF-078913      |      |          |           |   |
|                      |           | 22-24N-3W       | SF-078913      |      |          |           |   |
|                      |           | 26-24N-3W       | SF-078914      |      |          |           |   |
|                      |           | 27-24N-3W       | SF-078914      |      |          |           |   |
|                      |           | 28-24N-3W       | SF-078914      |      |          |           |   |
|                      |           | 34-24N-3W       | SF-078915      |      |          |           |   |
|                      |           | Lindrith B Unit | BP             |      | 4-24N-2W | SF-078907 | 1 |
|                      |           |                 |                |      | 6-24N-2W | SF-078907 |   |
| 8-24N-2W             | SF-078908 |                 |                |      |          |           |   |
| 9-24N-2W             | SF-078908 |                 |                |      |          |           |   |
| W.O. Hughes          | PC,GF,DK  | 32-25N-2W       | SF-078907      | 3    |          |           |   |
|                      |           | 7-24N-3W        | SF-080472      |      |          |           |   |
|                      |           | 8-24N-3W        | SF-080472      |      |          |           |   |

