APPENDIX D

Demonstration of No Reasonable Hydrocarbons, Maljamar AGI #1 (September 25, 2012)

Form 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Operator Copy

FORM APPROVED
OM B No 1004-0135
Expires: January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
LC 029509BB

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No
N/A

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other

8. Well Name and No.
Maljamar AGI#1

2 Name of Operator Frontier Field Services

9. API Well No
30-025-40420

3a Address
4200 Skelly Dr , St. 700, Tulsa OK 7413N/A5

3b Phone No. *(include area code)*
918-384-8408

10. Field and Pool, or Exploratory Area
Exploratory (Lower Wolfcamp)

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
130'FSL, 1813'FEL Sec 2N/A1, T 17 S, R 32 E, NMPM, Lea Co. NM
Acid Gas Injection Well, Unorthodox Location

11 County or Parish, State
Lea

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other demonstration of no recoverable hydrocarbons
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The above-referenced AGI well (Maljamar AGI #1 (AGI # 30-025-40420) was drilled in March-June, 2012 at the approved location pursuant to an approved APD dated 1/3/2012 and NMOCD Order R-13443 The final perforation and completion of the well is scheduled to take place over the next three weeks in September-October 2012. After the well is perforated it will be tested and a sample of the formation fluid in the injection zone will be collected It is anticipated that injection operations will commence prior to year end.

The summary formation evaluation for the purpose of establishing that the zone is void of recoverable hydrocarbons is included as Attachment A As per your request, we have also included a copy of the log suite that was run across for the well including the mud log (Attachment B). Based on all of the attached information we are confident you will concur with our assessment that the pore space in the Lower Wolfcamp Formation at this location is wet and completely void of recoverable hydrocarbons

I hereby certify that the analysis of the NMOCD-approved injection zone within the Lower Wolfcamp in this well contains no recoverable hydrocarbons and that completion into this zone for acid gas injection is appropriate and should be permitted.

Operator to provide an analysis of the formation fluids to the BLM.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Alberto A Gutierrez, RG

Title Consultant to Frontier Field Services LLC and AkA Energy

Signature Digitally signed by Alberto A Gutierrez DN: cn=Alberto A Gutierrez, o=Geolex Inc., ou, email=agutierrez@geolex.com, c=US Date: 2012.09.24 10:39:56 -06'00'

Date 9/24/12 9/24/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED
SEP 25 2012
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

SEP 26 2012

ATTACHMENT A

FRONTIER field services, llc

EVALUATION OF GEOPHYSICAL LOGS, SIDEWALL CORE AND FORMATION MICROIMAGING RESULTS, AND INJECTION POTENTIALS: AKA ENERGY GROUP MALJAMAR AGI #1

Sec. 21-Twp. 17S-32E

Lea County, New Mexico

Prepared for
AKA Energy Group
Frontier Field Services, LLC

by
Geolex, Inc.
500 Marquette Avenue NW Suite 1350
Albuquerque, NM 87102

GEOLEX INCORPORATED

August 8, 2012

SUMMARY OF FACTORS TO CONSIDER IN RESERVOIR AND CAP ROCK EVALUATION

- The successful evaluation of reservoir and cap rock characteristics using sidewall cores requires the careful consideerations oof the limitations of the samples obtained since each actual sidewall is only representative of 1- 1 ½ inches of the sampled formation. The overall evaluation of the cap rock and reservoir requires the simultaneous consideration of various data types and sources in order to arrive at a reasonable conceptual model of predicted injection performance. These additional data types are evaluated and considered in this analysis and include the complete geophysical log suite for the well including the triple combo, porosity, resistivity and formation microimager (FMI) logs, mudlogs, drilling condition reports and on-site observations. The overall evaluation and recommendations included herein for completion is the result of the analyses and evaluation of these multiple data types.

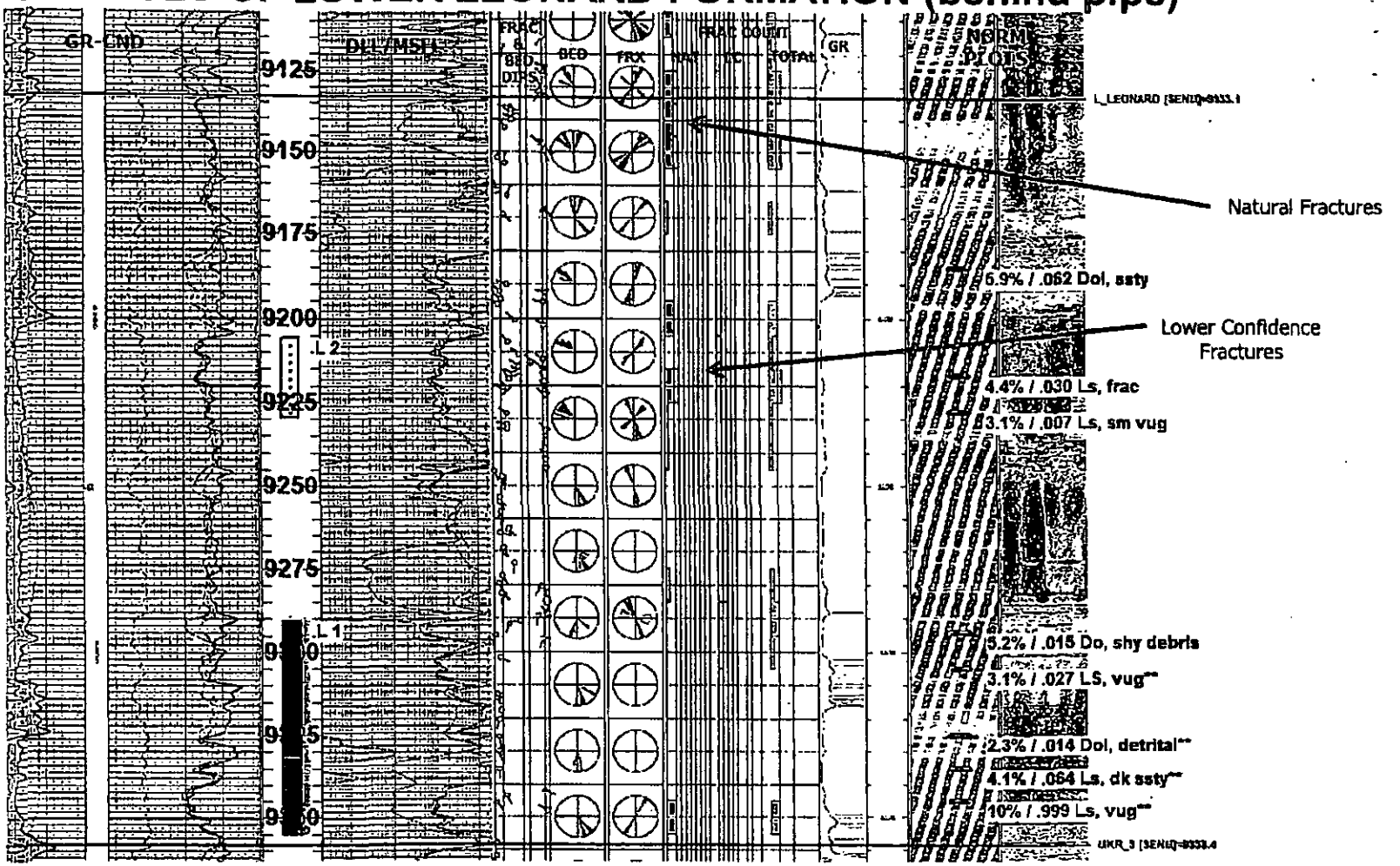
- The facies that were sampled in the lower Leonard to Wolfcamp are dominated by shelf margin detrital carbonates, which are variously composed of lithoclasts and bioclasts in either a carbonate or, more typically, shaley or silty matrix.

- Because of the nature of the facies being sampled, it is not always certain whether the sidewall core has sampled tighter clasts, the matrix, or a combination of both. Some of these detrital carbonates contain lithoclasts that are larger than the size of the sampled core, and porosity is more commonly found in the interparticle matrix.

- Therefore, porosity-permeability measurements of sidewall cores do not always "see" the true parameters of the rock being sampled, and generally result in pessimistically low porosity and permeability measurements when considered in isolation. For this reason it is equally important to consider the corresponding log signatures and drilling notes and experience. In addition, log-indicated porosity may be influenced by the directional nature of some porosity, like isolated vugs or fractures, and may not always read true on a single logging pass. This is aided by the utilization of the FMI log to evaluate strike and dip and fracture orientation.

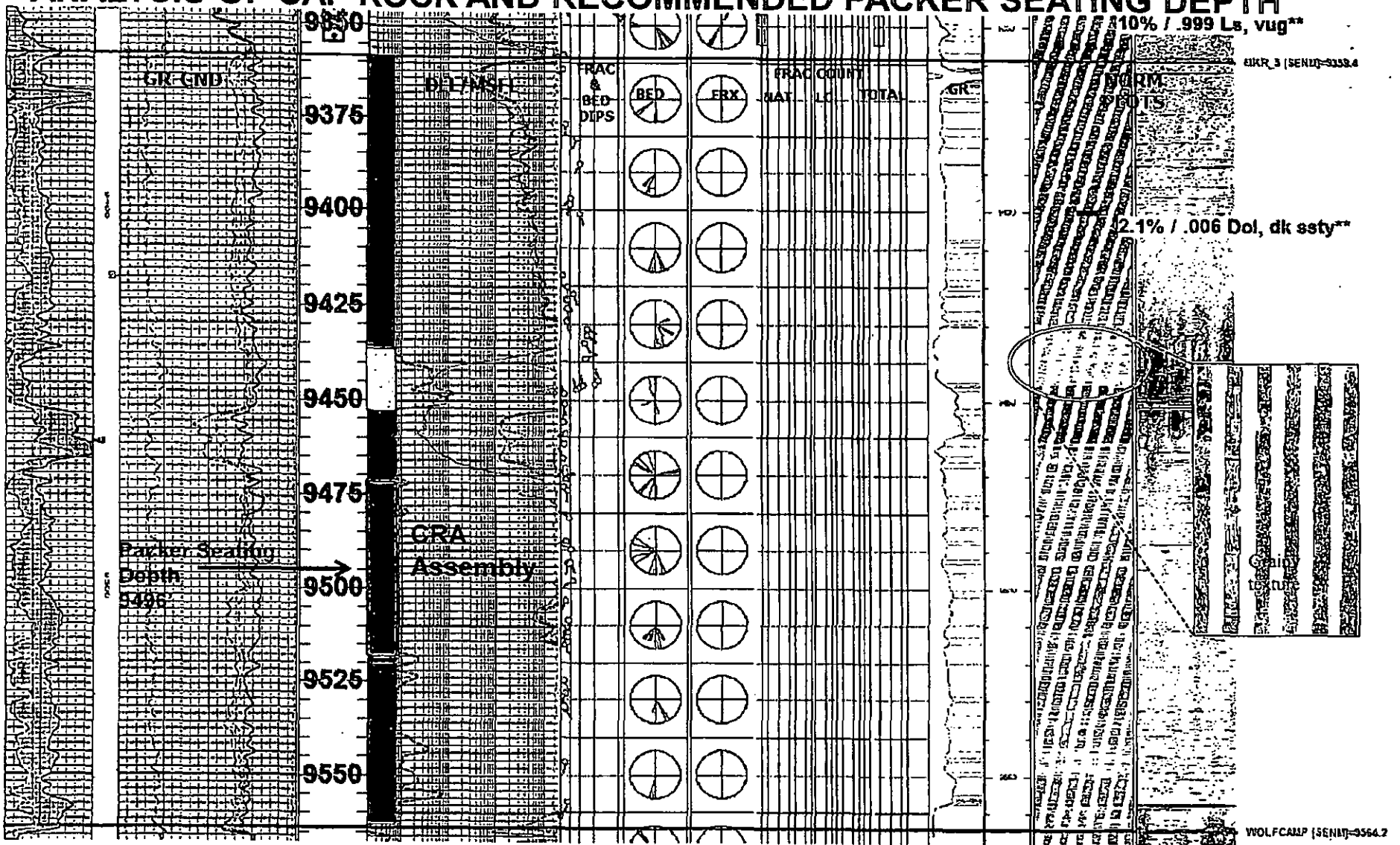
- In the following slides, I have indicated which core samples sampled obvious detrital carbonate, based upon the white and blue-light core photographs, direct examination and (to a lesser extent), the lithologic descriptions provided by Weatherford Labs. It is critical to note that this does not rule out the fact that other cores may include detrital carbonate since any particular sidewall core may have simply sampled only the tighter, clastic fraction of the rock, or perhaps, a locally tighter slope facies. The borehole image processed log is also included on each log composite, to identify major fractured zones. Its value in identifying rock textures is possible in most cases by examining the normalized image tracks.

ANALYSES OF LOWER LEONARD FORMATION (behind pipe)



On this and subsequent slides, yellow shading denotes porosity >5% in carbonates; the numbers and notations on the right refer to measured sidewall core porosity / permeability (% and md, respectively) and a brief lithologic description. Core points with double asterisks calculated Sws of greater than 40%, which is generally considered water productive in this area. The solid blue bars denote the preferred injection intervals. The lower part of the lower Leonard section (L1) reads almost consistently wet, with porosity up to 10%. Anything with porosity over 4% should be adequate for injection purposes. Some of the lower porosity rock may be in the clastic fraction of these detrital carbonates. This portion of the section will be behind pipe and not perforated. The CRA joint was set at 9474' and initial injection intervals will be below this level.

ANALYSIS OF CAP ROCK AND RECOMMENDED PACKER SEATING DEPTH



The intervals indicated by the brown bars appear to be dominated by dark, silty and shaley slope facies, with very low to trace permeability. The green bar denotes a tight lime grainstone, which can be seen on the image plot (green circle) This interval will make an excellent caprock for injection zones below which is why CRA assembly was set here and packer will be set at 9496'.

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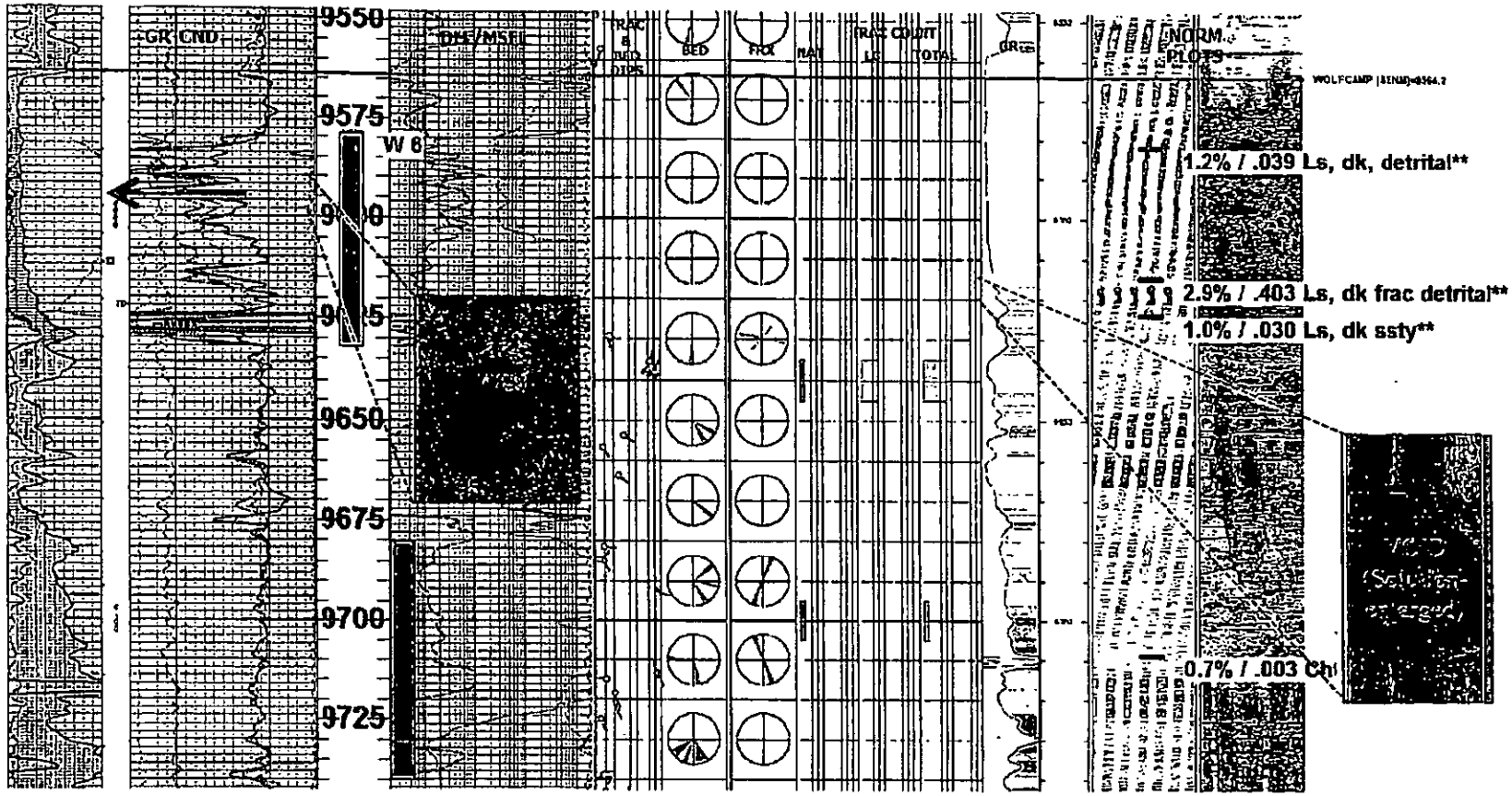
ANALYSIS OF UPPERMOST RECOMMENDED INJECTION ZONE – W 6



Upper Wolfcamp zone W6 is the uppermost recommended injection zone. This zone was washed out (see caliper log-blue arrow). The FMI image here indicates large voids (black) in the rock which could have caused it to slough. Tracking of the density and neutron curves support that interpretation because a simple washout would not cause the neutron log to go off-scale with the density log. One core sample through this interval recovered fractured (large fracture), detrital carbonate with good permeability, The image log there shows up as a large void, probably a solution-enlarged vug or small sinkhole. All the core samples calculated wet. The cherty zone below (brown bar) represents another caprock interval separating W6 from the underlying Wolfcamp zones.

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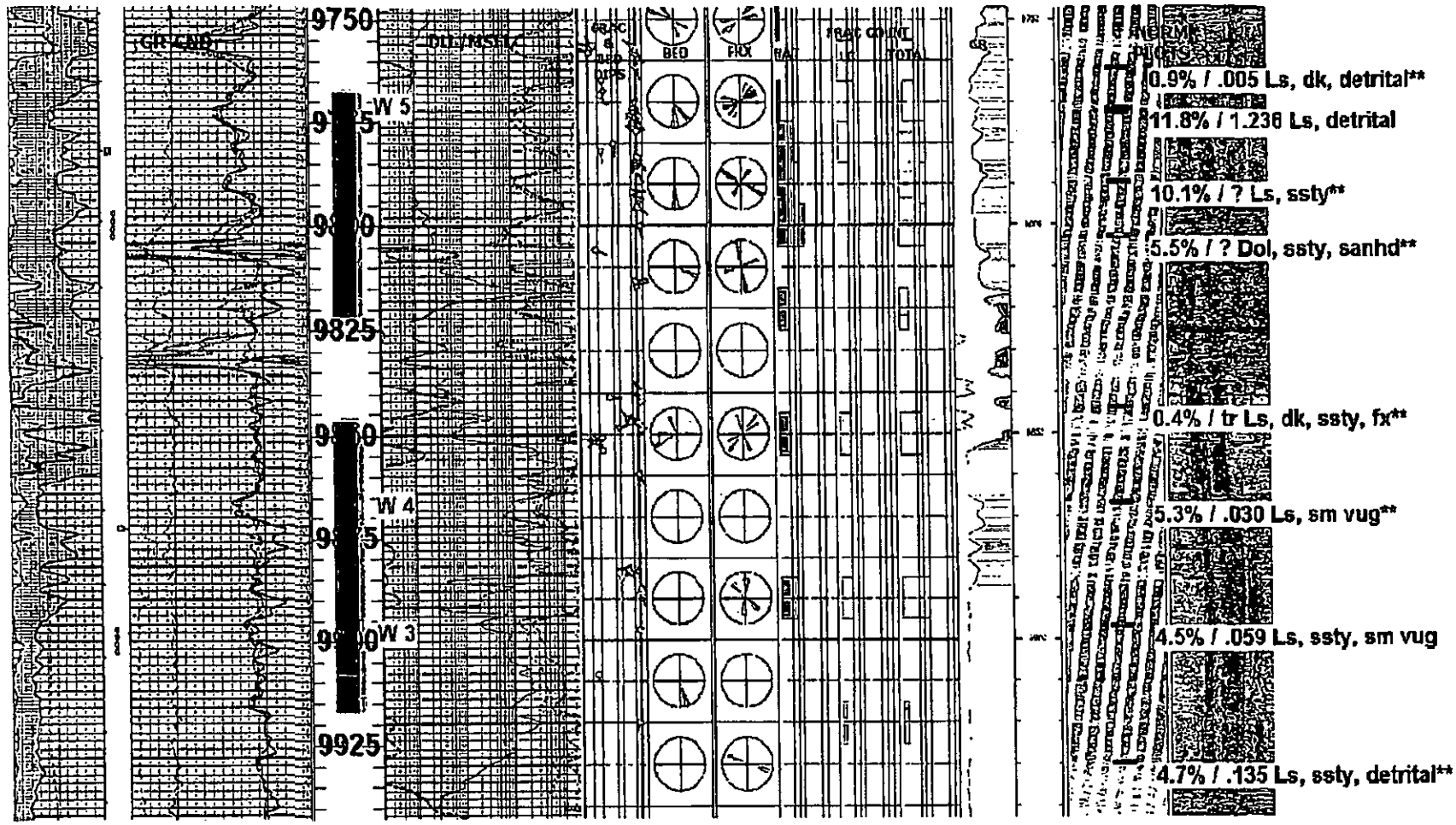
ANALYSIS OF MIDDLE RECOMMENDED INJECTION ZONES – W 5, W 4 AND W 3



Despite the apparent thinner-bedded nature of the porosity through these intervals, the core results here gave the best, consistent porosity readings over 4%. The FMI shows pervasive fracturing that ties the porous beds together. Zones W5, W4 and W3 should all be perforated by shooting across the entire intervals indicated in blue.

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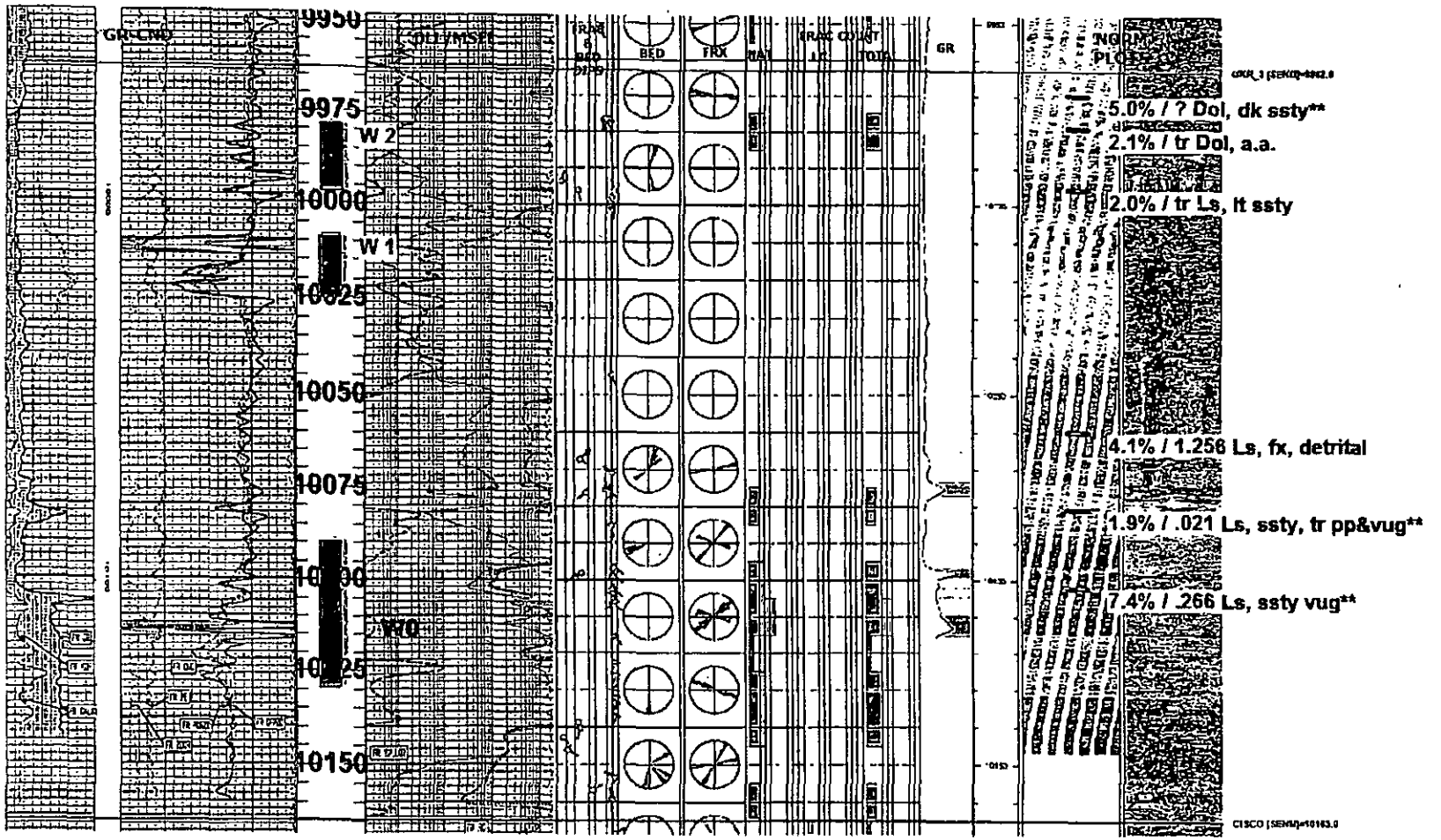
ANALYSIS OF LOWERMOST RECOMMENDED INJECTION ZONES – W 2, W 1, AND W 0



Similarly, these lower Wolfcamp zones should be perforated across the three intervals with the blue bars. The lowest recommended perforation interval (W0) has been added on the basis of the density of fracturing, and primary porosities in core up to 7.4%. The fractures would serve to effectively inter-connect porosity across the interval.

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SUMMARY OF RECOMMENDED PERFORATIONS

9579'-9632'	Upper Wolfcamp (W 6); good caprock
9768'-9821'	Middle Wolfcamp (W 5); good fracturing
9850'-9917'	Middle Wolfcamp (W 3, W 4); some fracturing
9979'-9997'	Middle Wolfcamp (W 2); some fracturing
10009'-10025'	Lower Wolfcamp (W 1); good primary porosity
10090'-10130'	Lowest Wolfcamp; (W 0); heavily fractured

All zones perforated 4spf at 90°

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CONCLUSIONS AND RECOMMENDATIONS

- Sidewall core results are expectedly mixed, but indicate that the predominant facies types over the intervals of interest are detrital carbonates with locally high matrix porosity and permeability and significant fracture porosity and permeability.
- Core measurements, compared with log-indicated porosity and permeability and FMI-measured fractures, indicate the following perforating and testing priority for the various units of the Wolfcamp. The lower Leonard will be left behind pipe as a potential injection zone if needed in the future:

1. The W3 through W5 intervals are the best overall, potential injection zones, and are capped by at least 75-85 feet of tight, shaley and cherty facies.

2. The lower Wolfcamp section, which includes zones W1 and W2 and W 0, could be added to the first intervals, and collectively perforated and tested.

3. Zone W6 is probably a sequence of solution-enlarged porosity, and should be perforated and used even if the first lower Wolfcamp zones test adequately for injection purposes in order to comply with OCD's requirement that the uppermost perforations be no more than 100' below the packer. It is capped by a suitably thick section of tight, shaley and silty carbonates.

END OF ATTACHMENT A

ATTACHMENT B MUDLOG 9000'-TD

McNEESE
FIELD SERVICES, INC.

Office 432-682-0990

Scale: 5" / 100'
Measured Depth Log

Well Name	MALJAMAR AGI #1A		
Location	130' FSL & 1813' FEL, SEC 21, T17S, R32E		
State	NM	**County**	LEA
Country	USA	**Rig**	UNITED DRILLING #41
API Number	30-025-40420		
		Field	WILDCAT
		Drilling Completed	06/09/2012
Ground Elevation	4016'	**K.B. Elevation**	4031'
Logged Interval	5461' To 10183'	**Total Depth**	10183'

Operator

Company PB ENERGY

Geologist

Name TOM SHARP

Company GEOLEX

Other

LOGGER - DJ JONES

JOB #805

djones@mfsinc-us.com
(361)728-4874

Dates Logged:
04/28/12 - 06/09/12

Rock Types

- UNKNOWN
- ANHYDRITE
- GYPSUM
- SALT
- SIDERITE or LIMONITE
- LIMESTONE
- DOLOMITE
- CHERT
- COAL
- MARLSTONE
- CLAYSTONE
- SHALE
- SHALE GRAY
- SHALE COLORED
- SILTSTONE
- SANDSTONE
- CONGLOMERATE
- BRECCIA
- TILL
- BENTONITE
- TUFF
- IGNEOUS
- METAMORPHIC

Accessories

Fossils

- ALGAE
- AMPHIPORA
- BELEMNITE
- BIOCLASTIC
- BRACHOPOD
- BRYOZOA
- CEPHALOPOD
- CORAL
- CRINOID
- ECHINOID
- FISH
- FORAMINIFERA
- FOSSIL
- GASTROPOD
- OOLITE
- OSTRACOD
- PELECYPOD
- PELLET
- PISOLITE
- PLANT REMAINS
- PLANT SPORES
- SCAPHOPOD
- STROMATOPOROID

Minerals

- ANHYDRITIC
- ARGILLACEOUS
- ARGILLITE GRAIN
- BENTONITE
- BITUMENOUS SUBSTANCE
- BRECCIA FRAGMENTS
- CALCAREOUS
- CARBONACEOUS FLAKES
- CHTDK
- CHTLT
- COAL - THIN BEDS
- DOLOMITIC
- FELDSPAR
- FERRUGINOUS PELLET
- FERRUGINOUS
- GLAUCONITE
- GYPSIFEROUS
- HEAVY MINERAL
- KAOLIN
- MARLSTONE
- MINERAL CRYSTALS
- NODULES
- PHOSPHATE PELLETS
- PYRITE
- SALT CAST
- SANDY
- SILICEOUS
- SILTY
- TUFFACEOUS

Stringer

- ANHYDRITE STRINGER
- BENTONITE STRINGER
- COAL STRINGER
- DOLOMITE STRINGER
- GYPSUM STRINGER
- LIMESTONE STRINGER
- MARLSTONE (CALC) STRG
- MARLSTONE (DOL) STRG
- SANDSTONE STRINGER
- SHALE STRINGER
- SILTSTONE STRINGER

Other Symbols

Oil Show

- DEAD
- EVEN
- QUESTIONABLE
- SPOTTED STAINING

Porosity

- EARTHY
- FENESTRAL
- FRACTURE
- INTERCRYSTALLINE
- INTEROOLITIC
- MOLDIC
- ORGANIC
- PINPOINT
- VUGGY

Engineering

- BIT
- CONNECTION (LEFT)
- CONNECTION (RIGHT)
- CONNECTION GAS
- CORE - LOST
- CORE - RECOVERED
- DST INTERVAL
- FAULT
- FORMATION TOP
- GAS SHOW
- MN DEPTH
- NORMAL FAULT
- OIL SHOW
- OVERTURNED STRATA
- REVERSE FAULT
- SIDEWALL CORE (LEFT)
- SIDEWALL CORE (RIGHT)
- SLIDE
- SURVEY
- TRIP GAS
- WIRELINE TESTED - LEFT
- WIRELINE TESTED - RT

Rounding

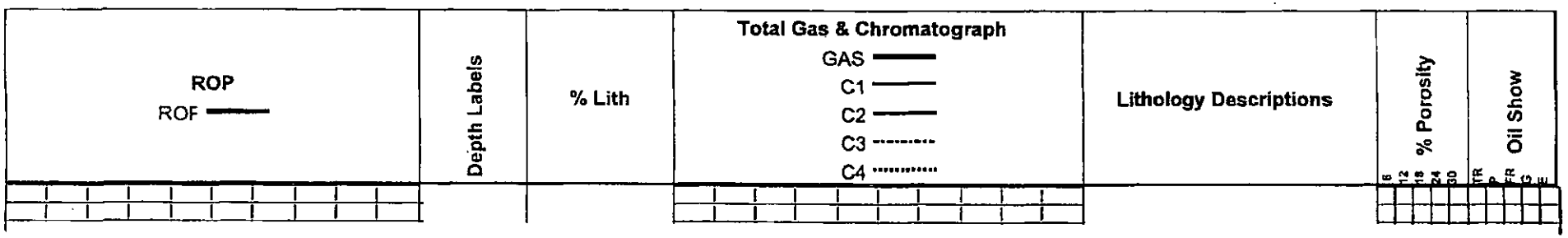
- ANGULAR
- ROUNDED
- SUBANG
- SUBRND

Textures

- BS BOUNDSTONE
- C CHALKY
- CX CRYPTOXLN
- E EARTHY
- FX FINELYXLN
- GS GRAINSTONE
- L LITHOGRAPHIC
- MX MICROXLN
- MS MUDSTONE
- PS PACKSTONE
- WS WACKESTONE

Sorting

- M MODERATE
- P POOR
- W WELL


ROP
ROF
Depth Labels
% Lith
Total Gas & Chromatograph
GAS
C1
C2
C3
C4
Lithology Descriptions
% Porosity
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12
18
24
30
Oil Show
TR
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FR
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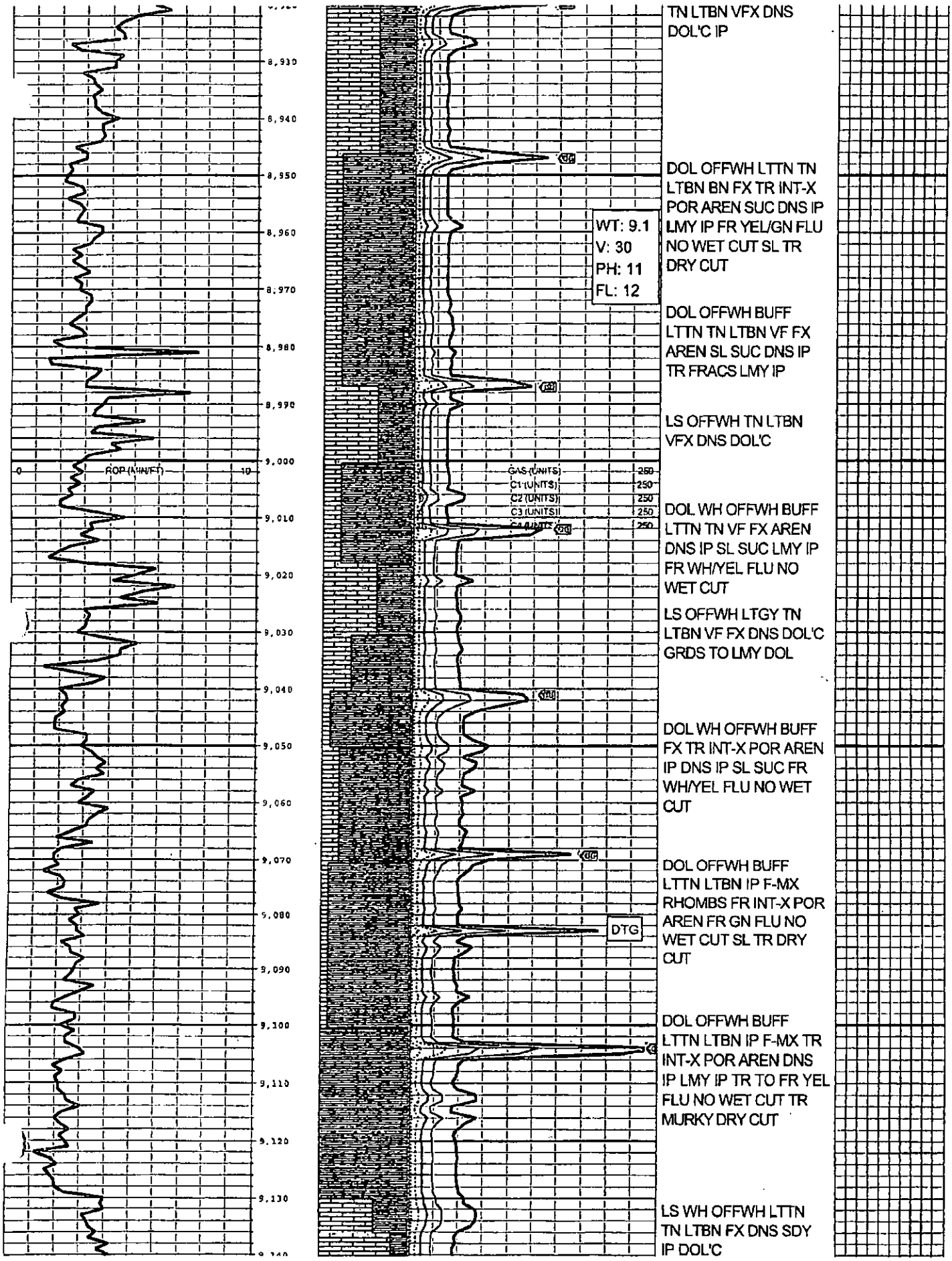
E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GAS (UNITS)
C1 (UNITS)
C2 (UNITS)
C3 (UNITS)
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WT: 9.1
V: 30
PH: 11
FL: 12
DTG
TN LTBN VFX DNS DOL'C IP
DOL OFFWH LTTN TN LTBN BN FX TR INT-X POR AREN SUC DNS IP LMY IP FR YEL/GN FLU NO WET CUT SL TR DRY CUT
DOL OFFWH BUFF LTTN TN LTBN VF FX AREN SL SUC DNS IP TR FRACS LMY IP
LS OFFWH TN LTBN VFX DNS DOL'C
DOL WH OFFWH BUFF LTTN TN VF FX AREN DNS IP SL SUC LMY IP FR WH/YEL FLU NO WET CUT
LS OFFWH LTGY TN LTBN VF FX DNS DOL'C GRDS TO LMY DOL
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DOL OFFWH BUFF LTTN LTBN IP F-MX TR INT-X POR AREN DNS IP LMY IP TR TO FR YEL FLU NO WET CUT TR MURKY DRY CUT
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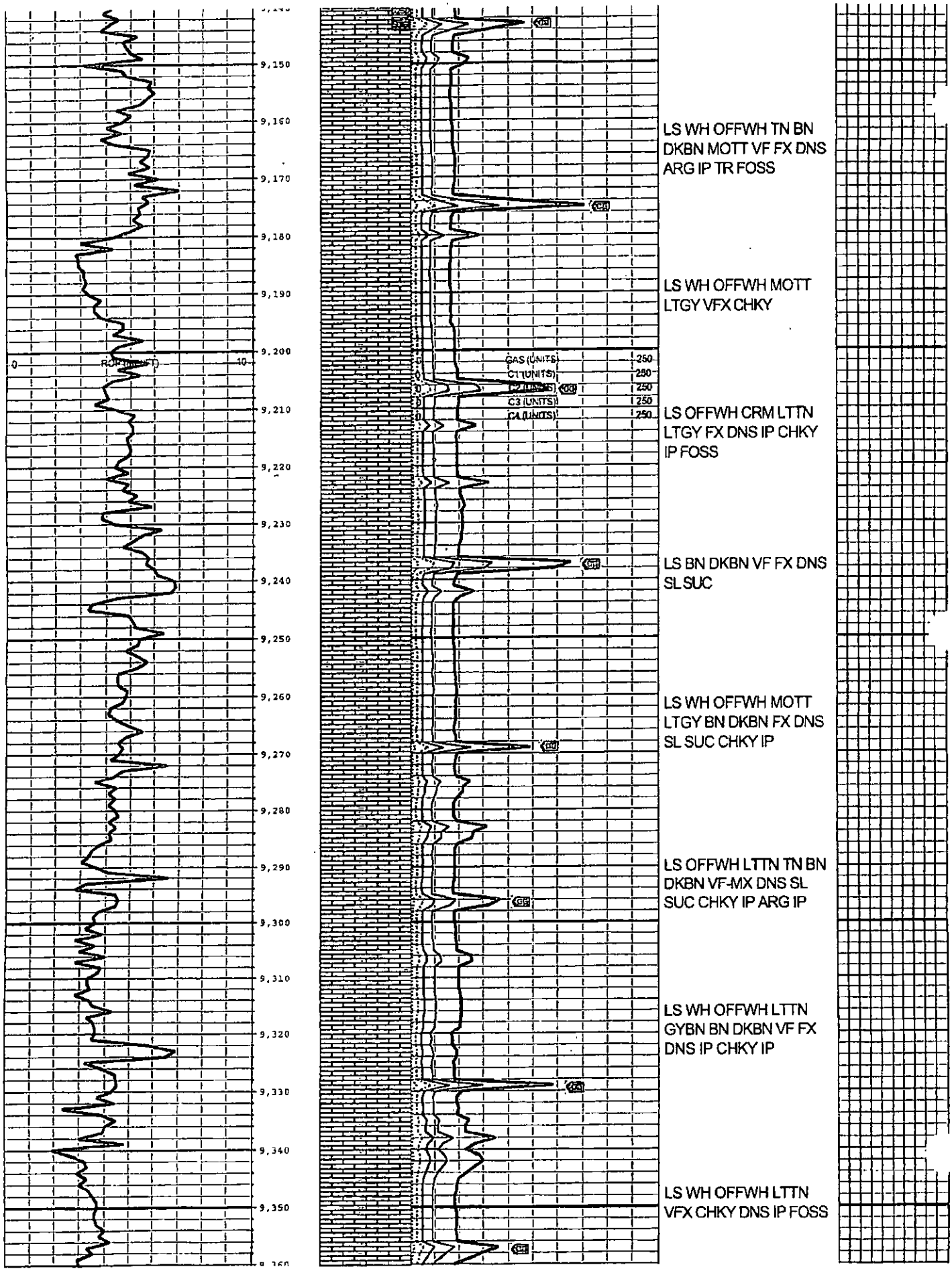
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GAS (UNITS)
C1 (UNITS)
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C3 (UNITS)
C4 (UNITS)
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LS WH OFFWH MOTT LTGY VFX CHKY
LS OFFWH CRM LTTN LTGY FX DNS IP CHKY IP FOSS
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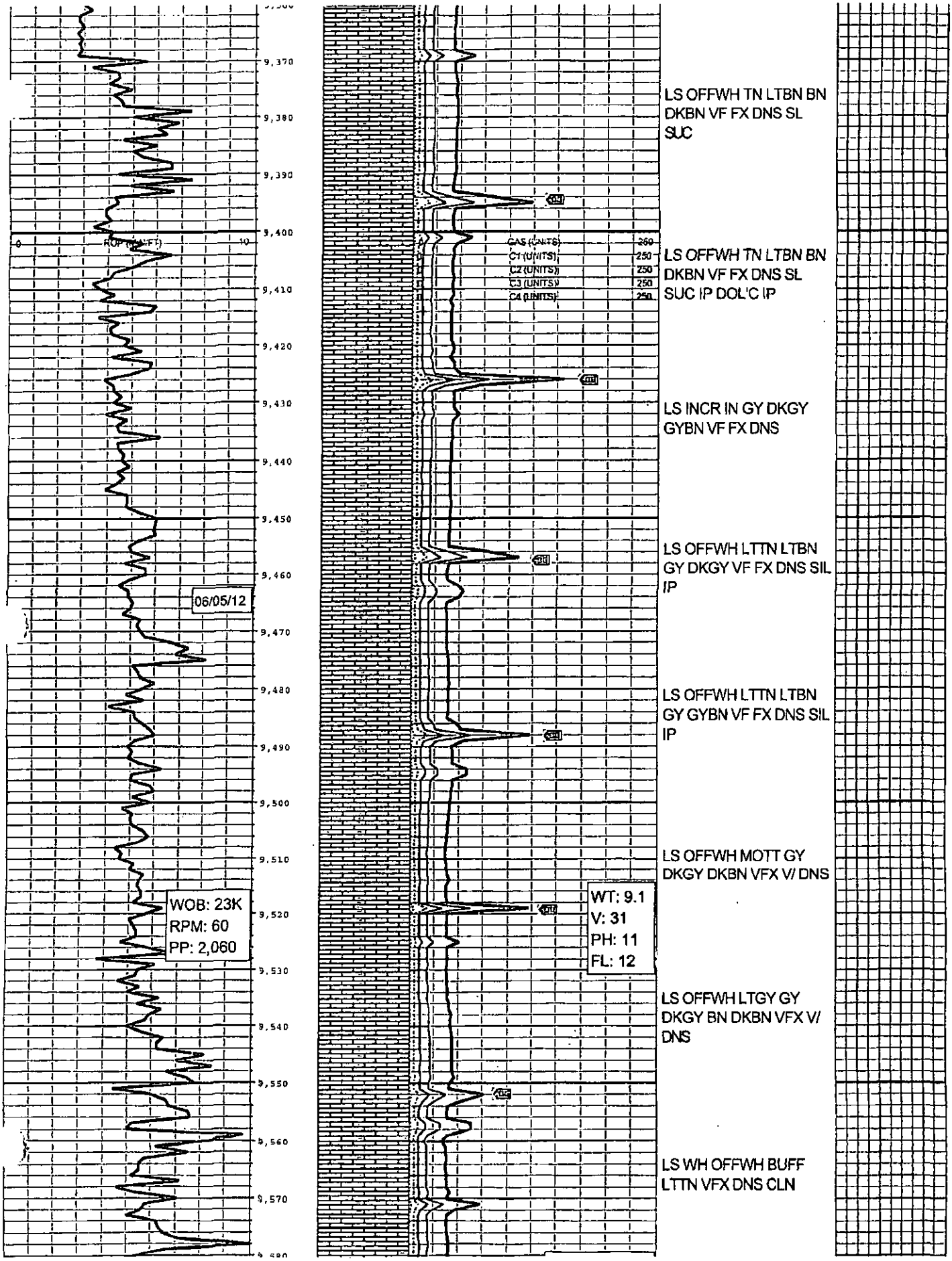
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9,510
9,520
9,530
9,540
9,550
9,560
9,570
0
ROP (MIN/FT)
10
CAS (UNITS)
C1 (UNITS)
C2 (UNITS)
C3 (UNITS)
C4 (UNITS)
250
06/05/12
WOB: 23K
RPM: 60
PP: 2,060
WT: 9.1
V: 31
PH: 11
FL: 12
LS OFFWH TN LTBN BN DKBN VF FX DNS SL SUC
LS OFFWH TN LTBN BN DKBN VF FX DNS SL SUC IP DOL'C IP
LS INCR IN GY DKGY GYBN VF FX DNS
LS OFFWH LTTN LTBN GY DKGY VF FX DNS SIL IP
LS OFFWH LTTN LTBN GY GYBN VF FX DNS SIL IP
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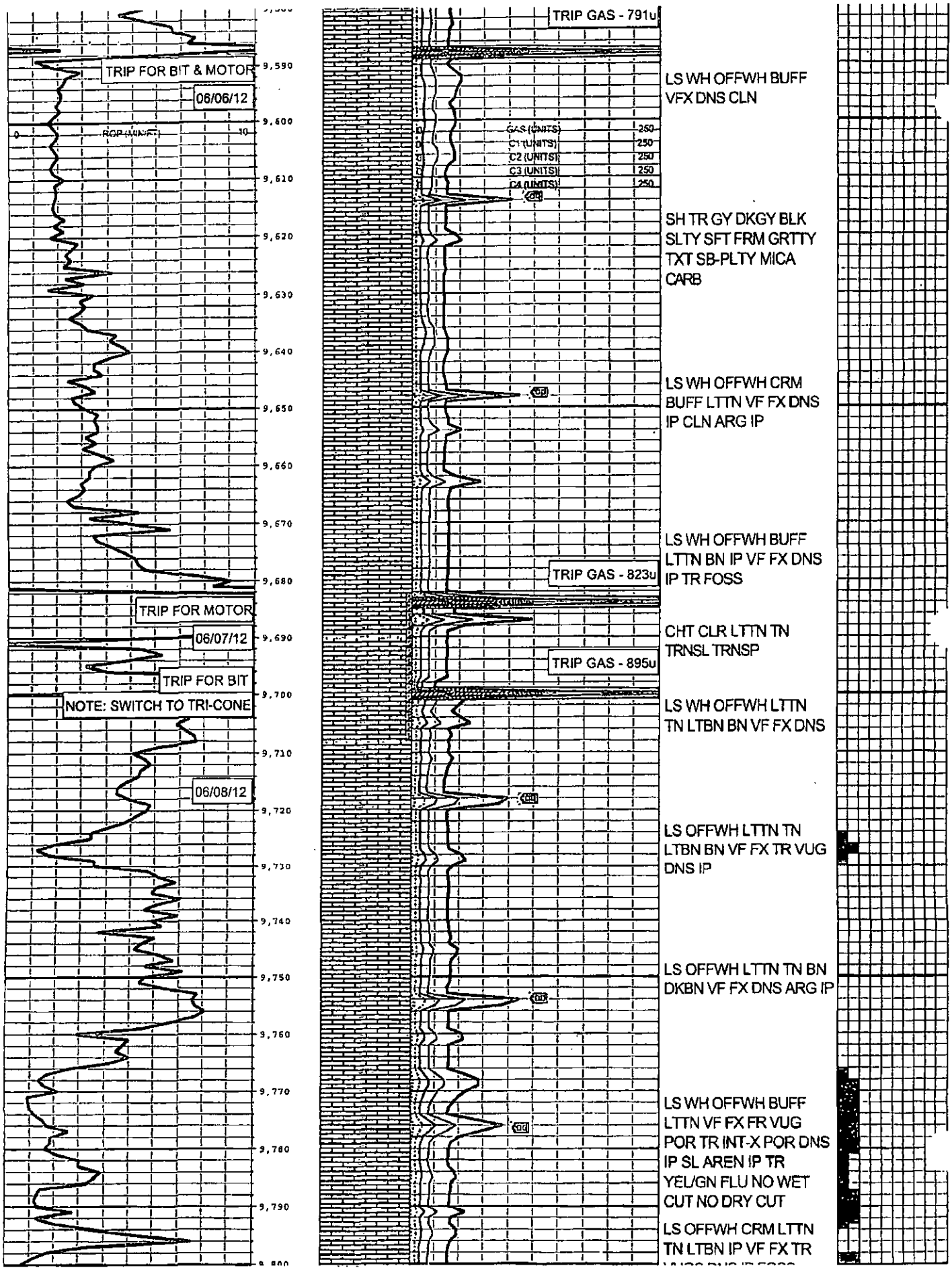
LS WH OFFWH BUFF LTTN VFX DNS CLN


TRIP FOR BIT & MOTOR
06/06/12
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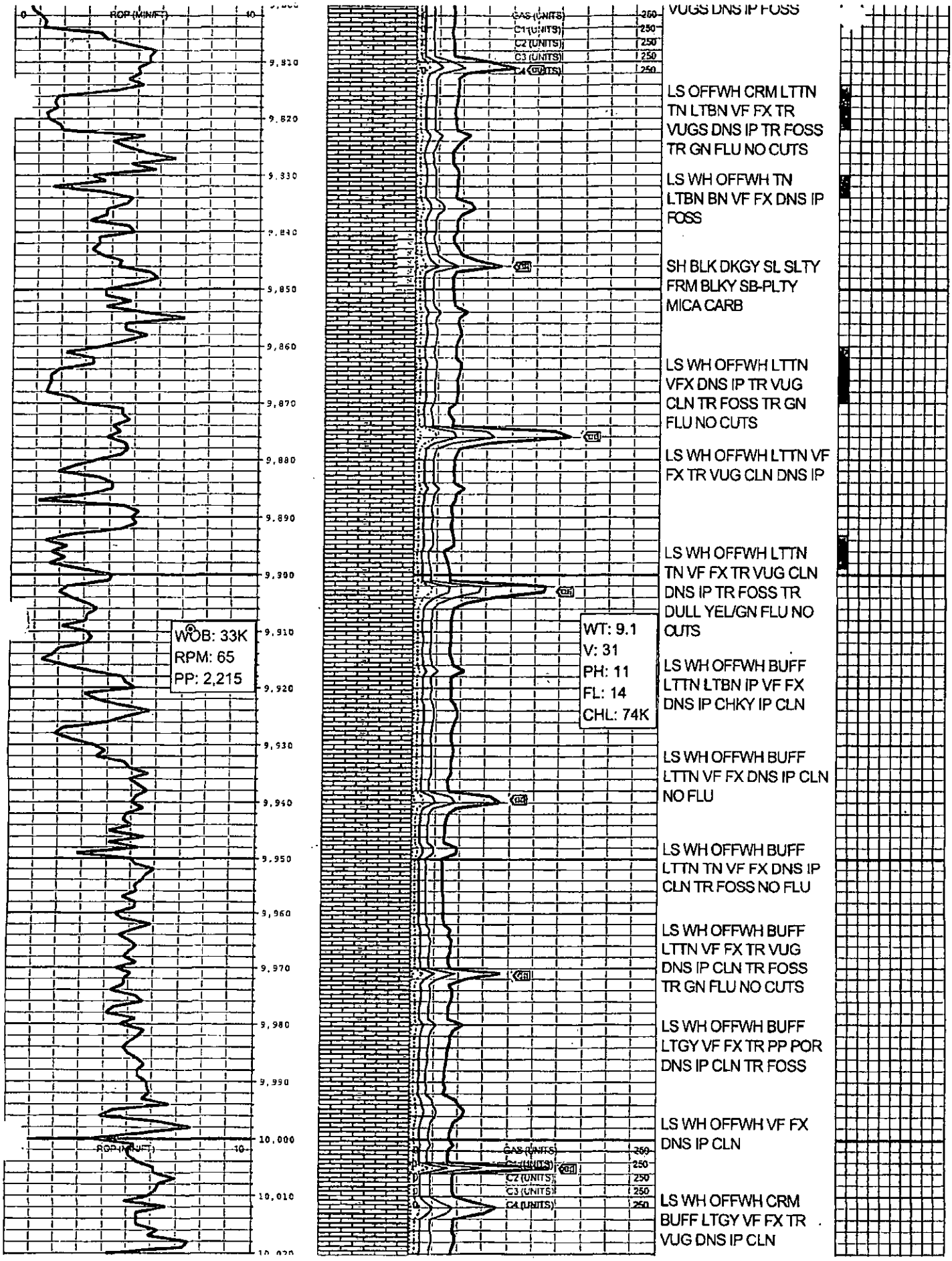
9,600
9,610
9,620
9,630
9,640
9,650
9,660
9,670
9,680
TRIP FOR MOTOR
06/07/12
9,690
TRIP FOR BIT
NOTE: SWITCH TO TRI-CONE
9,700
9,710
06/08/12
9,720
9,730
9,740
9,750
9,760
9,770
9,780
9,790
TRIP GAS - 791u
GAS (UNITS)
C1 (UNITS)
C2 (UNITS)
C3 (UNITS)
C4 (UNITS)
250
250
250
250
250
LS WH OFFWH BUFF VFX DNS CLN
SH TR GY DKGY BLK SLTY SFT FRM GRTTY TXT SB-PLTY MICA CARB
LS WH OFFWH CRM BUFF LTTN VF FX DNS IP CLN ARG IP
LS WH OFFWH BUFF LTTN BN IP VF FX DNS IP TR FOSS
TRIP GAS - 823u
CHT CLR LTTN TN TRNSL TRNSP
TRIP GAS - 895u
LS WH OFFWH LTTN TN LTBN BN VF FX DNS
LS OFFWH LTTN TN LTBN BN VF FX TR VUG DNS IP
LS OFFWH LTTN TN BN DKBN VF FX DNS ARG IP
LS WH OFFWH BUFF LTTN VF FX FR VUG POR TR INT-X POR DNS IP SL AREN IP TR YEL/GN FLU NO WET CUT NO DRY CUT
LS OFFWH CRM LTTN TN LTBN IP VF FX TR


ROP (MIN/FT)
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40
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9,820
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9,840
9,850
9,860
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9,900
9,910
9,920
9,930
9,940
9,950
9,960
9,970
9,980
9,990
10,000
10,010
10,020
WOB: 33K
RPM: 65
PP: 2,215
GAS (UNITS)
C1 (UNITS)
C2 (UNITS)
C3 (UNITS)
C4 (UNITS)
250
WT: 9.1
V: 31
PH: 11
FL: 14
CHL: 74K
VUGS DNS IP FOSS
LS OFFWH CRM LTTN TN LTBN VF FX TR VUGS DNS IP TR FOSS TR GN FLU NO CUTS
LS WH OFFWH TN LTBN BN VF FX DNS IP FOSS
SH BLK DKGY SL SLTY FRM BLKY SB-PLTY MICA CARB
LS WH OFFWH LTTN VFX DNS IP TR VUG CLN TR FOSS TR GN FLU NO CUTS
LS WH OFFWH LTTN VF FX TR VUG CLN DNS IP
LS WH OFFWH LTTN TN VF FX TR VUG CLN DNS IP TR FOSS TR DULL YEL/GN FLU NO CUTS
LS WH OFFWH BUFF LTTN LTBN IP VF FX DNS IP CHKY IP CLN
LS WH OFFWH BUFF LTTN VF FX DNS IP CLN NO FLU
LS WH OFFWH BUFF LTTN TN VF FX DNS IP CLN TR FOSS NO FLU
LS WH OFFWH BUFF LTTN VF FX TR VUG DNS IP CLN TR FOSS TR GN FLU NO CUTS
LS WH OFFWH BUFF LTGY VF FX TR PP POR DNS IP CLN TR FOSS
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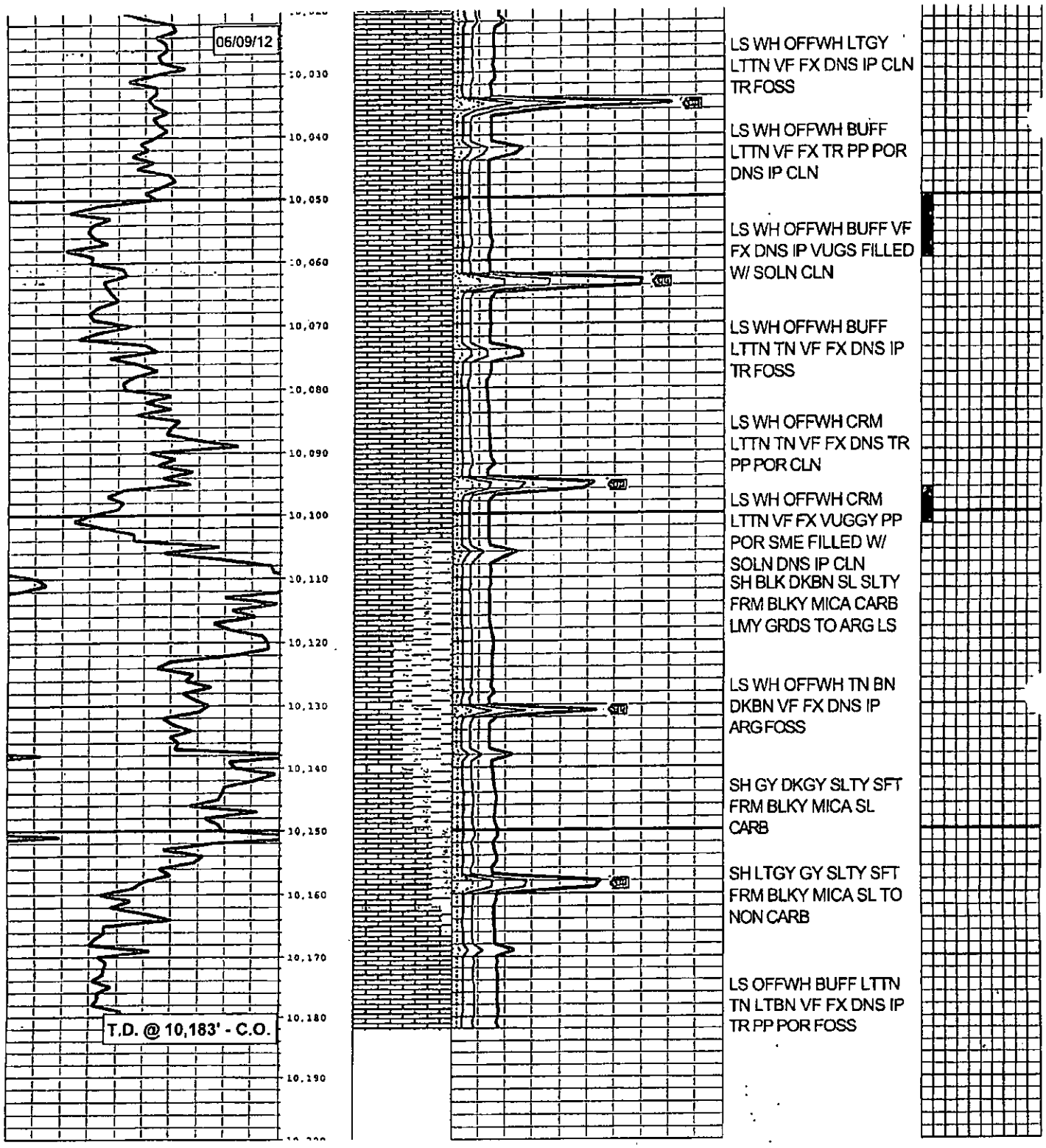
LS WH OFFWH CRM BUFF LTGY VF FX TR VUG DNS IP CLN



END OF ATTACHMENT B MUDLOG 9000'-TD

Form 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Operator Copy

FORM APPROVED
OMB No 1004-0135
Expires: January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
LC 029509BB

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No
N/A

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other

8. Well Name and No.
Maljamar AGI#1

2 Name of Operator
Frontier Field Services

9. API Well No
30-025-40420

3a Address
4200Skelly Dr, St. 700, Tulsa OK 7413N/A5

3b Phone No. *(include area code)*
918-384-8408

10. Field and Pool, or Exploratory Area
Exploratory (Lower Wolfcamp)

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
130' FSL, 1813' FEL Sec 2N/A1, T 17 S, R 32 E, NMPM, Lea Co. NM
Acid Gas Injection Well, Unorthodox Location

11 County or Parish, State
Lea

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ After Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other demonstration of no recoverable hydrocarbons
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The above-referenced AGI well (Maljamar AGI #1 (AGI #30-025-40420) was drilled in March-June, 2012 at the approved location pursuant to an approved APD dated 1/3/2012 and NMOCD Order R-13443 The final perforation and completion of the well is scheduled to take place over the next three weeks in September-October 2012. After the well is perforated it will be tested and a sample of the formation fluid in the injection zone will be collected It is anticipated that injection operations will commence prior to year end.

The summary formation evaluation for the purpose of establishing that the zone is void of recoverable hydrocarbons is included as Attachment A As per your request, we have also included a copy of the log suite that was run across for the well including the mud log (Attachment B). Based on all of the attached information we are confident you will concur with our assessment that the pore space in the Lower Wolfcamp Formation at this location is wet and completely void of recoverable hydrocarbons

I hereby certify that the analysis of the NMOCD-approved injection zone within the Lower Wolfcamp in this well contains no recoverable hydrocarbons and that completion into this zone for acid gas injection is appropriate and should be permitted.

Operator to provide an analysis of the formation fluids to the BLM.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Alberto A Gutierrez, RG

Title Consultant to Frontier Field Services, LLC and AkA Energy

Signature

Digitally signed by Alberto A. Gutierrez
DN: cn=Alberto A. Gutierrez, o=Geolex Inc., ou=, email=aag@geolex.com, c=US
Date: 2012.09.24 10:28:36 -06'00'

Date 9/24/12 9/24/12

APPROVED
SEP 25 2012
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. 2012

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

SEP 26 2012

ATTACHMENT A

FRONTIER field services, llc

EVALUATION OF GEOPHYSICAL LOGS, SIDEWALL CORE AND FORMATION MICROIMAGING RESULTS, AND INJECTION POTENTIALS: AKA ENERGY GROUP MALJAMAR AGI #1

Sec. 21-Twp. 17S-32E

Lea County, New Mexico

Prepared for
AKA Energy Group
Frontier Field Services, LLC

by
Geolex, Inc.
500 Marquette Avenue NW Suite 1350
Albuquerque, NM 87102

GEOLEX INCORPORATED

August 8, 2012

SUMMARY OF FACTORS TO CONSIDER IN RESERVOIR AND CAP ROCK EVALUATION

- The successful evaluation of reservoir and cap rock characteristics using sidewall cores requires the careful consideerations oof the limitations of the samples obtained since each actual sidewall is only representative of 1- 1 ½ inches of the sampled formation. The overall evaluation of the cap rock and reservoir requires the simultaneous consideration of various data types and sources in order to arrive at a reasonable conceptual model of predicted injection performance. These additional data types are evaluated and considered in this analysis and include the complete geophysical log suite for the well including the triple combo, porosity, resistivity and formation microimager (FMI) logs, mudlogs, drilling condition reports and on-site observations. The overall evaluation and recommendations included herein for completion is the result of the analyses and evaluation of these multiple data types.

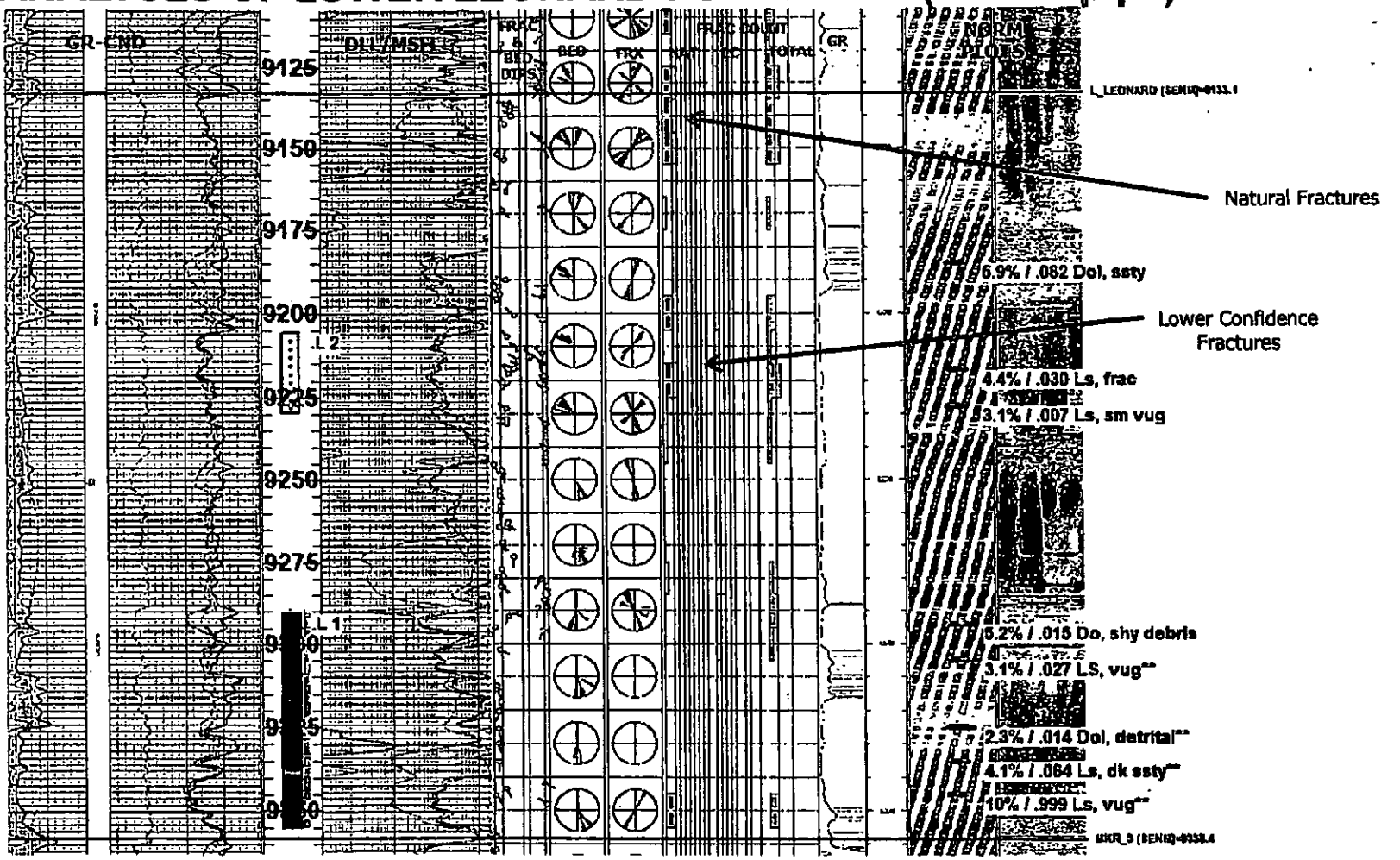
- The facies that were sampled in the lower Leonard to Wolfcamp are dominated by shelf margin detrital carbonates, which are variously composed of lithoclasts and bioclasts in either a carbonate or, more typically, shaley or silty matrix.

- Because of the nature of the facies being sampled, it is not always certain whether the sidewall core has sampled tighter clasts, the matrix, or a combination of both. Some of these detrital carbonates contain lithoclasts that are larger than the size of the sampled core, and porosity is more commonly found in the interparticle matrix.

- Therefore, porosity-permeability measurements of sidewall cores do not always "see" the true parameters of the rock being sampled, and generally result in pessimistically low porosity and permeability measurements when considered in isolation. For this reason it is equally important to consider the corresponding log signatures and drilling notes and experience. In addition, log-indicated porosity may be influenced by the directional nature of some porosity, like isolated vugs or fractures, and may not always read true on a single logging pass. This is aided by the utilization of the FMI log to evaluate strike and dip and fracture orientation.

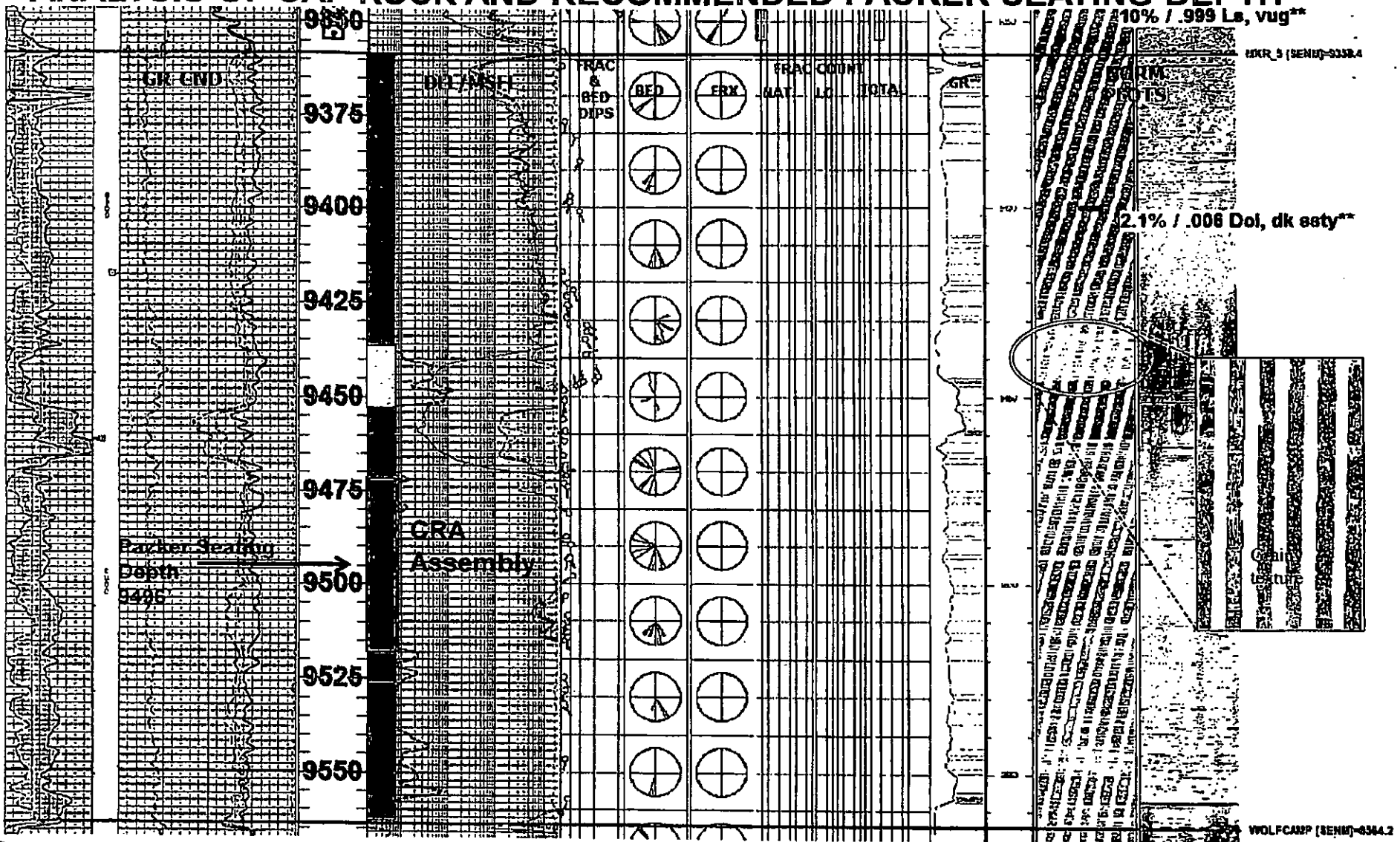
- In the following slides, I have indicated which core samples sampled obvious detrital carbonate, based upon the white and blue-light core photographs, direct examination and (to a lesser extent), the lithologic descriptions provided by Weatherford Labs. It is critical to note that this does not rule out the fact that other cores may include detrital carbonate since any particular sidewall core may have simply sampled only the tighter, clastic fraction of the rock, or perhaps, a locally tighter slope facies. The borehole image processed log is also included on each log composite, to identify major fractured zones. Its value in identifying rock textures is possible in most cases by examining the normalized image tracks.

ANALYSES OF LOWER LEONARD FORMATION (behind pipe)



On this and subsequent slides, yellow shading denotes porosity >5% in carbonates; the numbers and notations on the right refer to measured sidewall core porosity / permeability (% and md, respectively) and a brief lithologic description. Core points with double asterisks calculated Sws of greater than 40%, which is generally considered water productive in this area. The solid blue bars denote the preferred injection intervals. The lower part of the lower Leonard section (L1) reads almost consistently wet, with porosity up to 10%. Anything with porosity over 4% should be adequate for injection purposes. Some of the lower porosity rock may be in the clastic fraction of these detrital carbonates. This portion of the section will be behind pipe and not perforated. The CRA joint was set at 9474' and initial injection intervals will be below this level.

ANALYSIS OF CAP ROCK AND RECOMMENDED PACKER SEATING DEPTH



The intervals indicated by the brown bars appear to be dominated by dark, silty and shaley slope facies, with very low to trace permeability. The green bar denotes a tight lime grainstone, which can be seen on the image plot (green circle) This interval will make an excellent caprock for injection zones below which is why CRA assembly was set here and packer will be set at 9496'.

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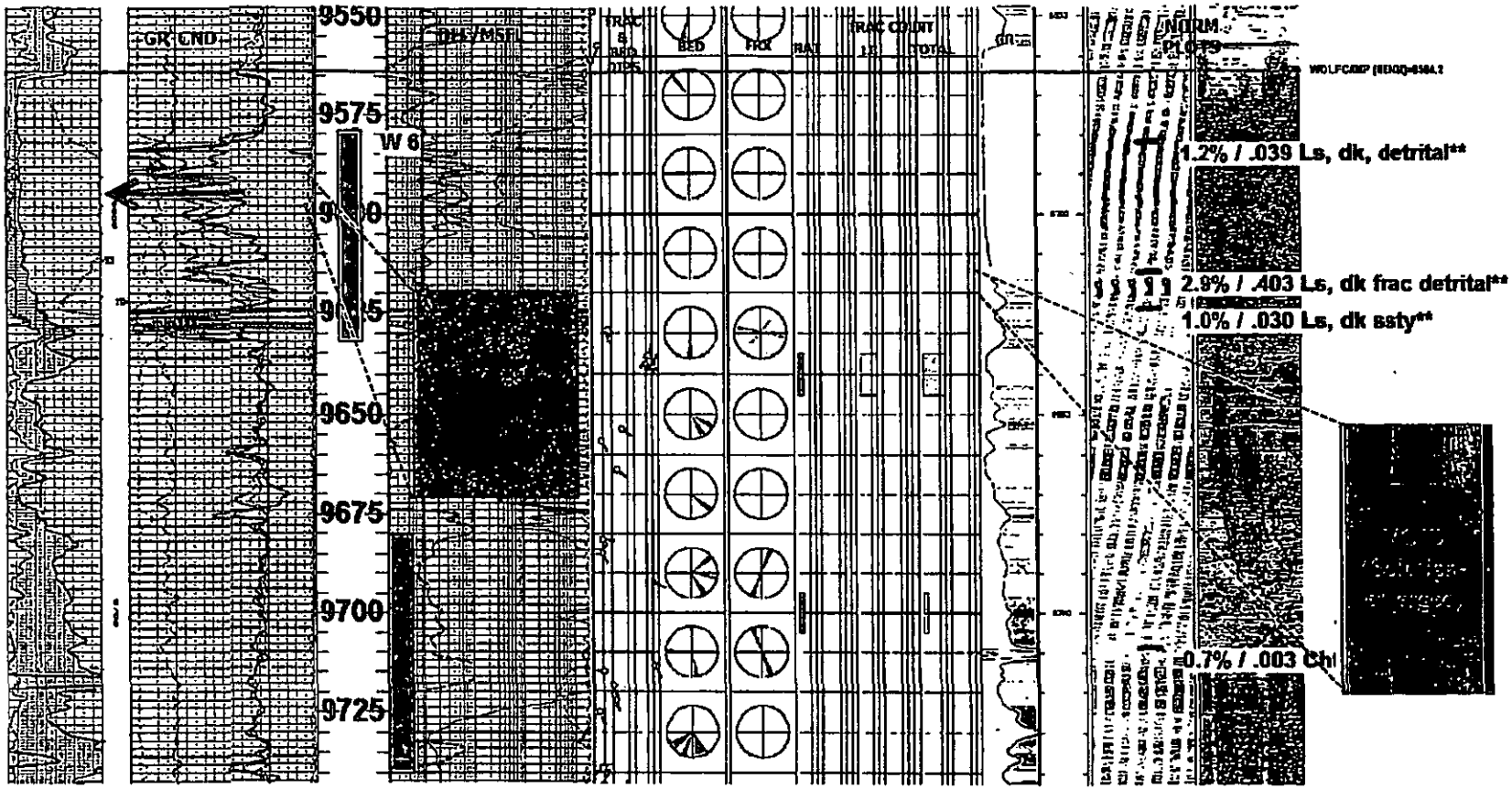
ANALYSIS OF UPPERMOST RECOMMENDED INJECTION ZONE – W 6

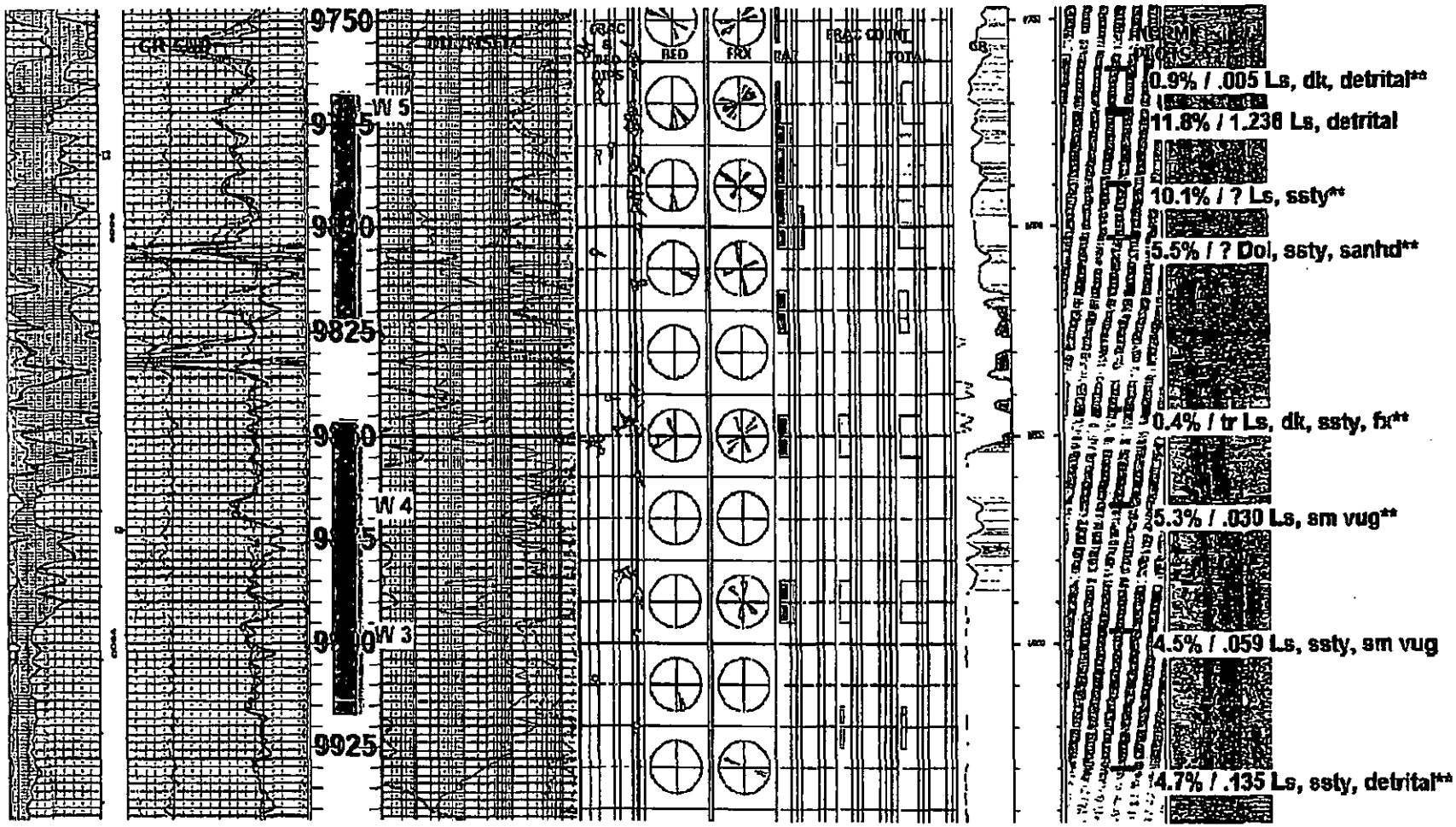


Upper Wolfcamp zone W6 is the uppermost recommended injection zone. This zone was washed out (see caliper log-blue arrow). The FMI image here indicates large voids (black) in the rock which could have caused it to slough. Tracking of the density and neutron curves support that interpretation because a simple washout would not cause the neutron log to go off-scale with the density log. One core sample through this interval recovered fractured (large fracture), detrital carbonate with good permeability, The image log there shows up as a large void, probably a solution-enlarged vug or small sinkhole. All the core samples calculated wet. The cherty zone below (brown bar) represents another caprock interval separating W6 from the underlying Wolfcamp zones.

GEOLEX INCORPORATED

FRONTIER

ANALYSIS OF MIDDLE RECOMMENDED INJECTION ZONES – W 5, W 4 AND W 3



Despite the apparent thinner-bedded nature of the porosity through these intervals, the core results here gave the best, consistent porosity readings over 4%. The FMI shows pervasive fracturing that ties the porous beds together. Zones W5, W4 and W3 should all be perforated by shooting across the entire intervals indicated in blue.

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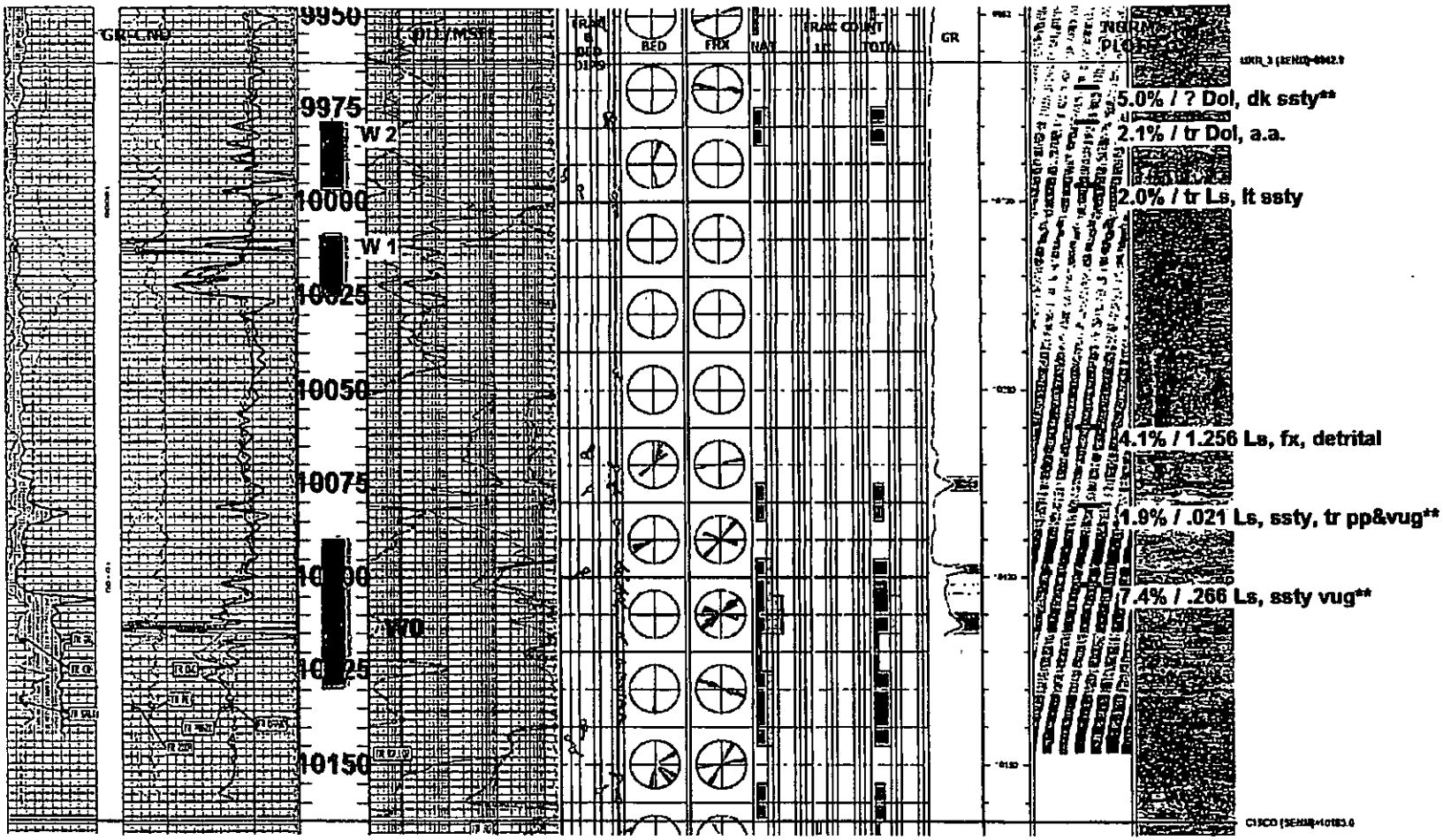
FRONTIER

ANALYSIS OF LOWERMOST RECOMMENDED INJECTION ZONES – W 2, W 1, AND W 0



Similarly, these lower Wolfcamp zones should be perforated across the three intervals with the blue bars. The lowest recommended perforation interval (W0) has been added on the basis of the density of fracturing, and primary porosities in core up to 7.4%. The fractures would serve to effectively inter-connect porosity across the interval.

GEOLEX INCORPORATED

FRONTIER

SUMMARY OF RECOMMENDED PERFORATIONS

9579'-9632'	Upper Wolfcamp (W 6); good caprock
9768'-9821'	Middle Wolfcamp (W 5); good fracturing
9850'-9917'	Middle Wolfcamp (W 3, W 4); some fracturing
9979'-9997'	Middle Wolfcamp (W 2); some fracturing
10009'-10025'	Lower Wolfcamp (W 1); good primary porosity
10090'-10130'	Lowest Wolfcamp; (W 0); heavily fractured

All zones perforated 4spf at 90°

GEOLEX INCORPORATED

FRONTIER

CONCLUSIONS AND RECOMMENDATIONS

- Sidewall core results are expectedly mixed, but indicate that the predominant facies types over the intervals of interest are detrital carbonates with locally high matrix porosity and permeability and significant fracture porosity and permeability.
- Core measurements, compared with log-indicated porosity and permeability and FMI-measured fractures, indicate the following perforating and testing priority for the various units of the Wolfcamp. The lower Leonard will be left behind pipe as a potential injection zone if needed in the future:

1. The W3 through W5 intervals are the best overall, potential injection zones, and are capped by at least 75-85 feet of tight, shaley and cherty facies.

2. The lower Wolfcamp section, which includes zones W1 and W2 and W 0, could be added to the first intervals, and collectively perforated and tested.

3. Zone W6 is probably a sequence of solution-enlarged porosity, and should be perforated and used even if the first lower Wolfcamp zones test adequately for injection purposes in order to comply with OCD's requirement that the uppermost perforations be no more than 100' below the packer. It is capped by a suitably thick section of tight, shaley and silty carbonates.

END OF ATTACHMENT A

ATTACHMENT B MUDLOG 9000'-TD

McNEESE
FIELD SERVICES, INC.

Office 432-682-0990

Scale: 5" / 100'
Measured Depth Log

Well Name	MALJAMAR AGI #1A		
Location	130' FSL & 1813' FEL, SEC 21, T17S, R32E		
State	NM	**County**	LEA
Country	USA	**Rig**	UNITED DRILLING #41
API Number	30-025-40420		
		Field	WILDCAT
		Drilling Completed	06/09/2012
Ground Elevation	4016'	**K.B. Elevation**	4031'
Logged Interval	5461' To 10183'	**Total Depth**	10183'

Operator

Company PB ENERGY

Geologist

Name TOM SHARP

Company GEOLEX

Other

LOGGER - DJ JONES

JOB #805

djones@mfsinc-us.com
(361)728-4874

Dates Logged:
04/28/12 - 06/09/12

Rock Types

? UNKNOWN
ANHYDRITE
GYPSUM
SALT
SIDERITE or LIMONITE
LIMESTONE
DOLOMITE
CHERT
COAL
MARLSTONE
CLAYSTONE
SHALE
SHALE GRAY
SHALE COLORED
SILTSTONE
SANDSTONE
CONGLOMERATE
BRECCIA
TILL
BENTONITE
TUFF
IGNEOUS
METAMORPHIC

Accessories

Fossils

ALGAE
AMPHIPORA
BELEMNITE
BIOCLASTIC
BRACHOIPOD
BRYOZOA
CEPHALOPOD
CORAL
CRINOID
ECHINOID
FISH
FORAMINIFERA
F FOSSIL
GASTROPOD
OOLITE
OSTRACOD
PELECYPOD
PELLET
PISOLITE
PLANT REMAINS
PLANT SPORES
SCAPHOPOD
STROMATOPOROID

Minerals

ANHYDRITIC
ARGILLACEOUS
ARGILLITE GRAIN
B BENTONITE
BITUMENOUS SUBSTANCE
BRECCIA FRAGMENTS
CALCAREOUS
CARBONACEOUS FLAKES
CHTDK
CHTLT
COAL - THIN BEDS
DOLOMITIC
FELDSPAR
FERRUGINOUS PELLET
FERRUGINOUS
GLAUCONITE
GYPSIFEROUS
HEAVY MINERAL
K KAOLIN
MARLSTONE
MINERAL CRYSTALS
NODULES
PHOSPHATE PELLETS
P PYRITE
SALT CAST
SANDY
SILICEOUS
SILTY
TUFFACEOUS

Stringer

ANHYDRITE STRINGER
BENTONITE STRINGER
COAL STRINGER
DOLOMITE STRINGER
GYPSUM STRINGER
LIMESTONE STRINGER
MARLSTONE (CALC) STRG
MARLSTONE (DOL) STRG
SANDSTONE STRINGER
SHALE STRINGER
SILTSTONE STRINGER

Other Symbols

Oil Show

D DEAD
EVEN
QUESTIONABLE
SPOTTED STAINING

Porosity

E EARTHY
FENESTRAL
F FRACTURE
X INTERCRYSTALLINE
INTEROOLITIC
MOLDIC
O ORGANIC
P PINPOINT
VUGGY

Engineering

BIT
CONNECTION (LEFT)
CONNECTION (RIGHT)
CONNECTION GAS
CORE - LOST
CORE - RECOVERED
DST INTERVAL
FAULT
FORMATION TOP
GAS SHOW
MN DEPTH
NORMAL FAULT
OIL SHOW
OVERTURNED STRATA
REVERSE FAULT
SIDEWALL CORE (LEFT)
SIDEWALL CORE (RIGHT)
SLIDE
SURVEY
TRIP GAS
WIRELINE TESTED - LEFT
WIRELINE TESTED - RT

Rounding

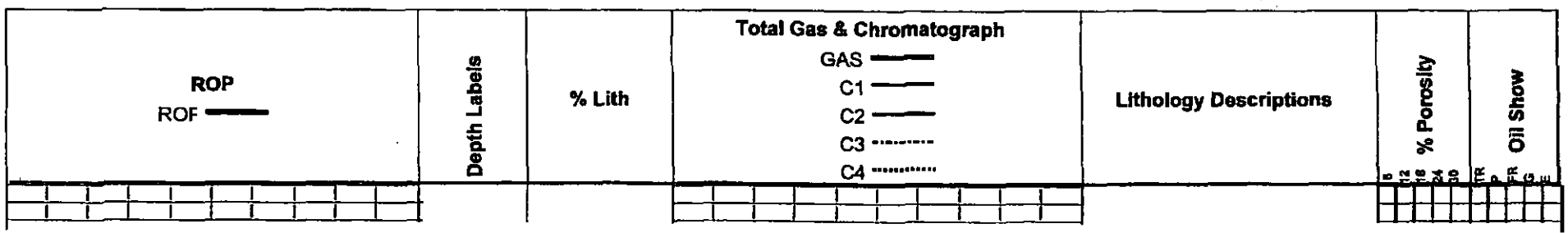
A ANGULAR
R ROUNDED
SUBANG
SUBRND

Textures

BS BOUNDSTONE
C CHALKY
CX CRYPTOXLN
E EARTHY
FX FINELYXLN
GS GRAINSTONE
L LITHOGRAPHIC
MX MICROXLN
MS MUDSTONE
PS PACKSTONE
WS WACKESTONE

Sorting

M MODERATE
P POOR
W WELL


ROP
ROP
Depth Labels
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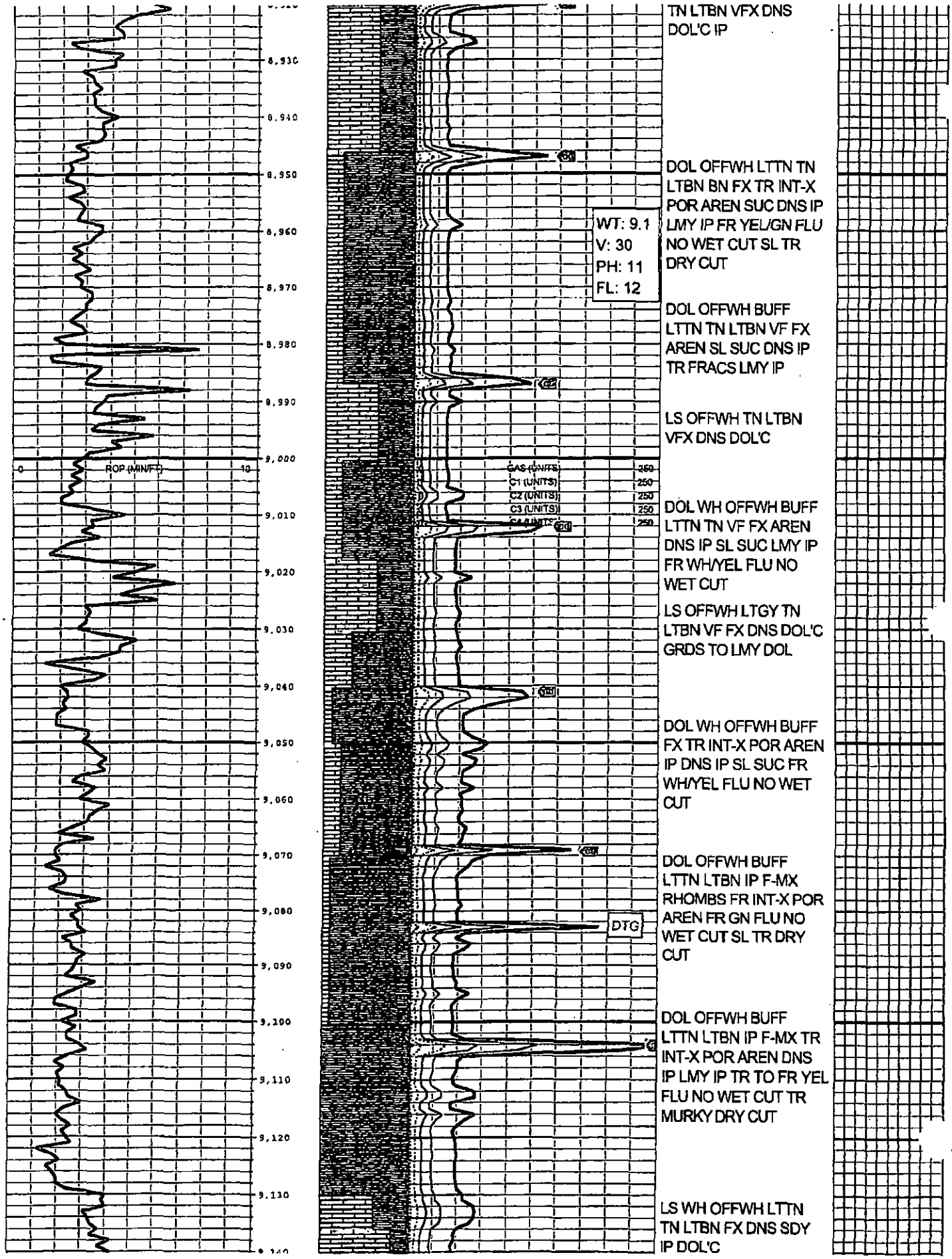
GAS
C1
C2
C3
C4
Lithology Descriptions
% Porosity
Oil Show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9,060
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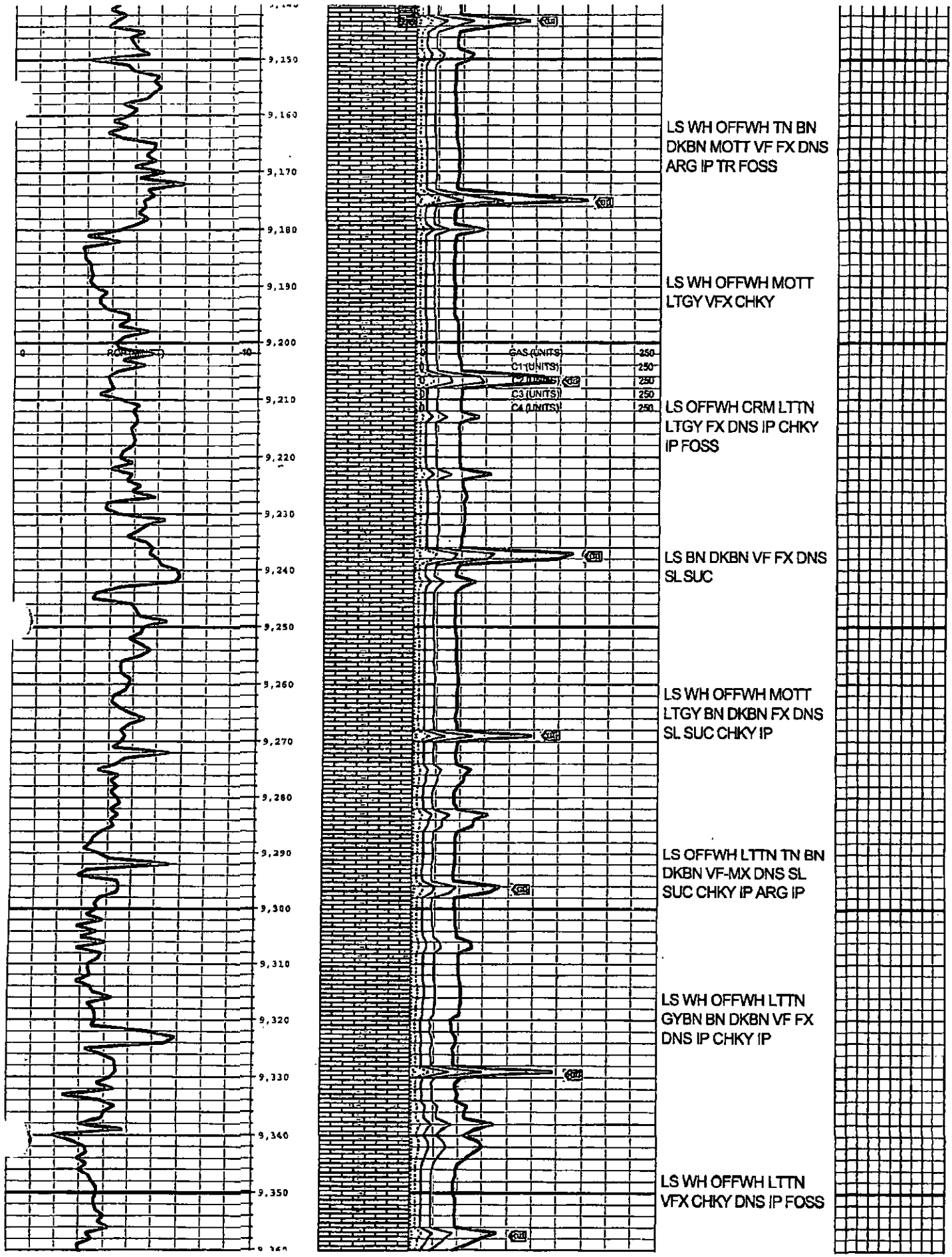
9,110
9,120
9,130
GAS (UNITS)
350
C1 (UNITS)
250
C2 (UNITS)
250
C3 (UNITS)
250
250
WT: 9.1
V: 30
PH: 11
FL: 12
DTG
TN LTBN VFX DNS DOL'C IP
DOL OFFWH LTTN TN LTBN BN FX TR INT-X POR AREN SUC DNS IP LMY IP FR YEL/GN FLU NO WET CUT SL TR DRY CUT
DOL OFFWH BUFF LTTN TN LTBN VF FX AREN SL SUC DNS IP TR FRACS LMY IP
LS OFFWH TN LTBN VFX DNS DOL'C
DOL WH OFFWH BUFF LTTN TN VF FX AREN DNS IP SL SUC LMY IP FR WH/YEL FLU NO WET CUT
LS OFFWH LTGY TN LTBN VF FX DNS DOL'C GRDS TO LMY DOL
DOL WH OFFWH BUFF FX TR INT-X POR AREN IP DNS IP SL SUC FR WH/YEL FLU NO WET CUT
DOL OFFWH BUFF LTTN LTBN IP F-MX RHOMBS FR INT-X POR AREN FR GN FLU NO WET CUT SL TR DRY CUT
DOL OFFWH BUFF LTTN LTBN IP F-MX TR INT-X POR AREN DNS IP LMY IP TR TO FR YEL FLU NO WET CUT TR MURKY DRY CUT
LS WH OFFWH LTTN TN LTBN FX DNS SDY IP DOL'C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9,350
GAS (UNITS)
C1 (UNITS)
C2 (UNITS)
C3 (UNITS)
C4 (UNITS)
250
LS WH OFFWH TN BN DKBN MOTT VF FX DNS ARG IP TR FOSS
LS WH OFFWH MOTT LTGY VFX CHKY
LS OFFWH CRM LTTN LTGY FX DNS IP CHKY IP FOSS
LS BN DKBN VF FX DNS SL SUC
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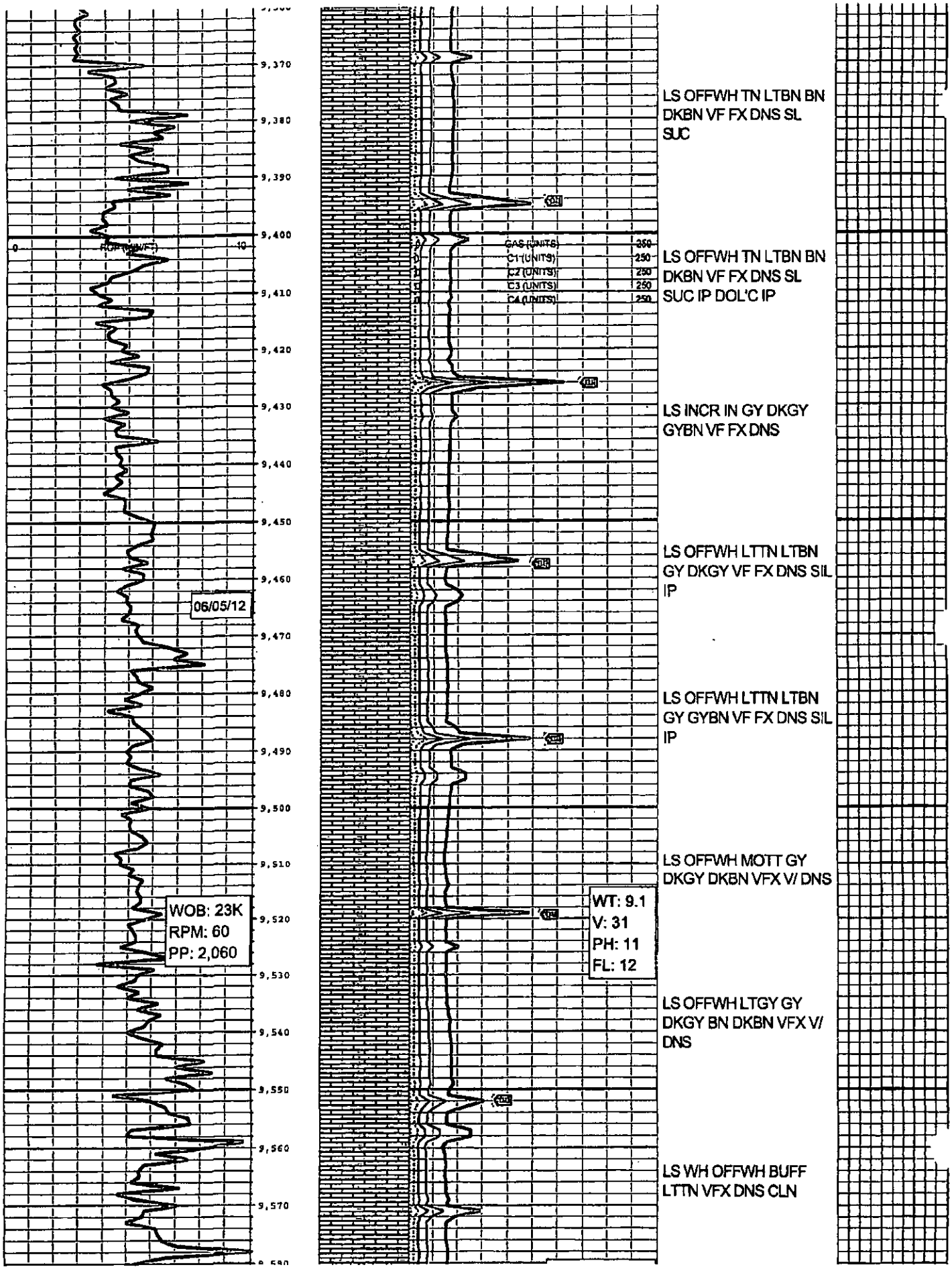
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9,520
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9,560
9,570
06/05/12
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RPM: 60
PP: 2,060
GAS (UNITS) 350
C1 (UNITS) 250
C2 (UNITS) 250
C3 (UNITS) 250
C4 (UNITS) 250
WT: 9.1
V: 31
PH: 11
FL: 12
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LS OFFWH TN LTBN BN DKBN VF FX DNS SL SUC IP DOL'C IP
LS INCR IN GY DKGY GYBN VF FX DNS
LS OFFWH LTTN LTBN GY DKGY VF FX DNS SIL IP
LS OFFWH LTTN LTBN GY GYBN VF FX DNS SIL IP
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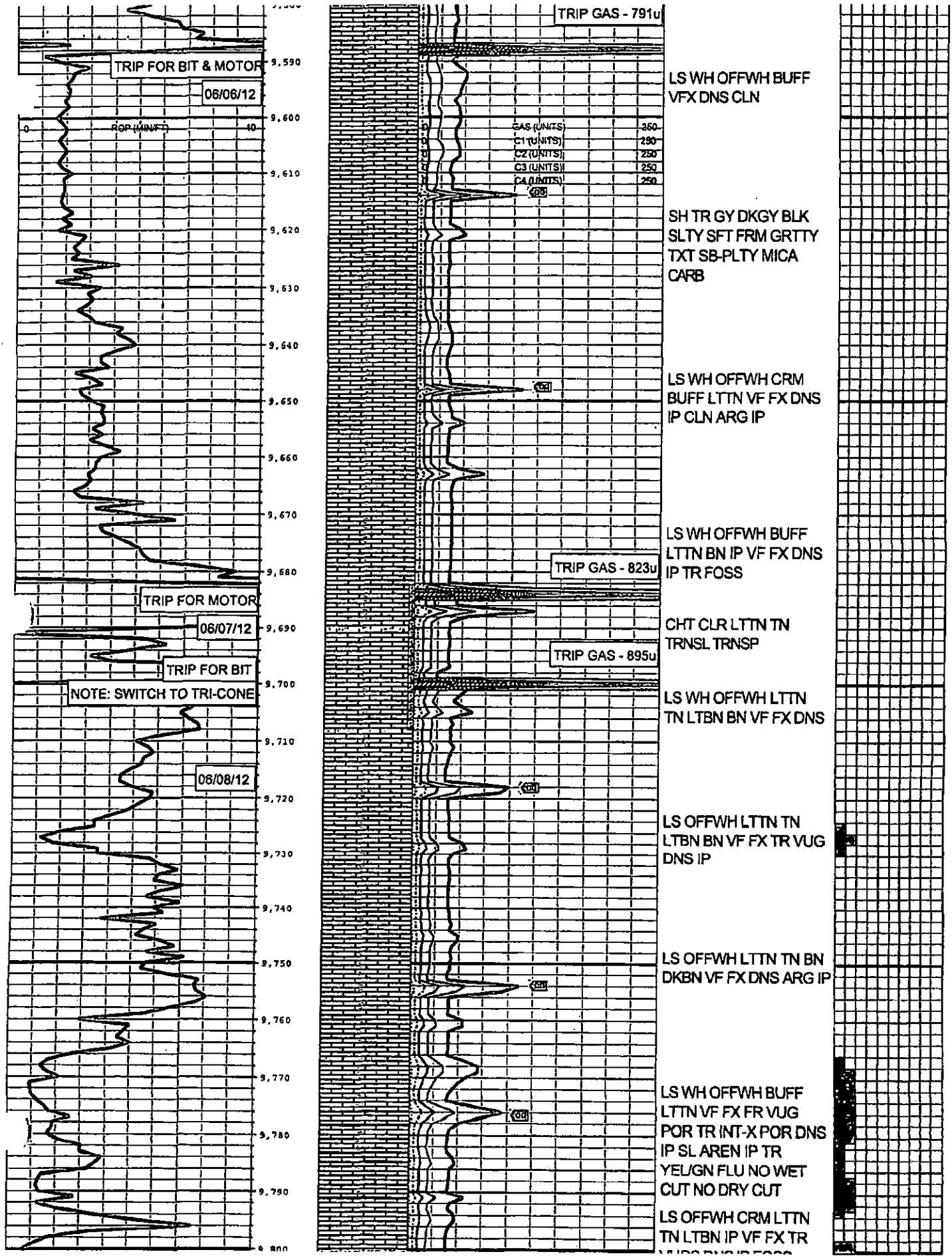
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9,660
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TRIP FOR MOTOR
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TRIP FOR BIT
NOTE: SWITCH TO TRI-CONE
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06/08/12
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9,730
9,740
9,750
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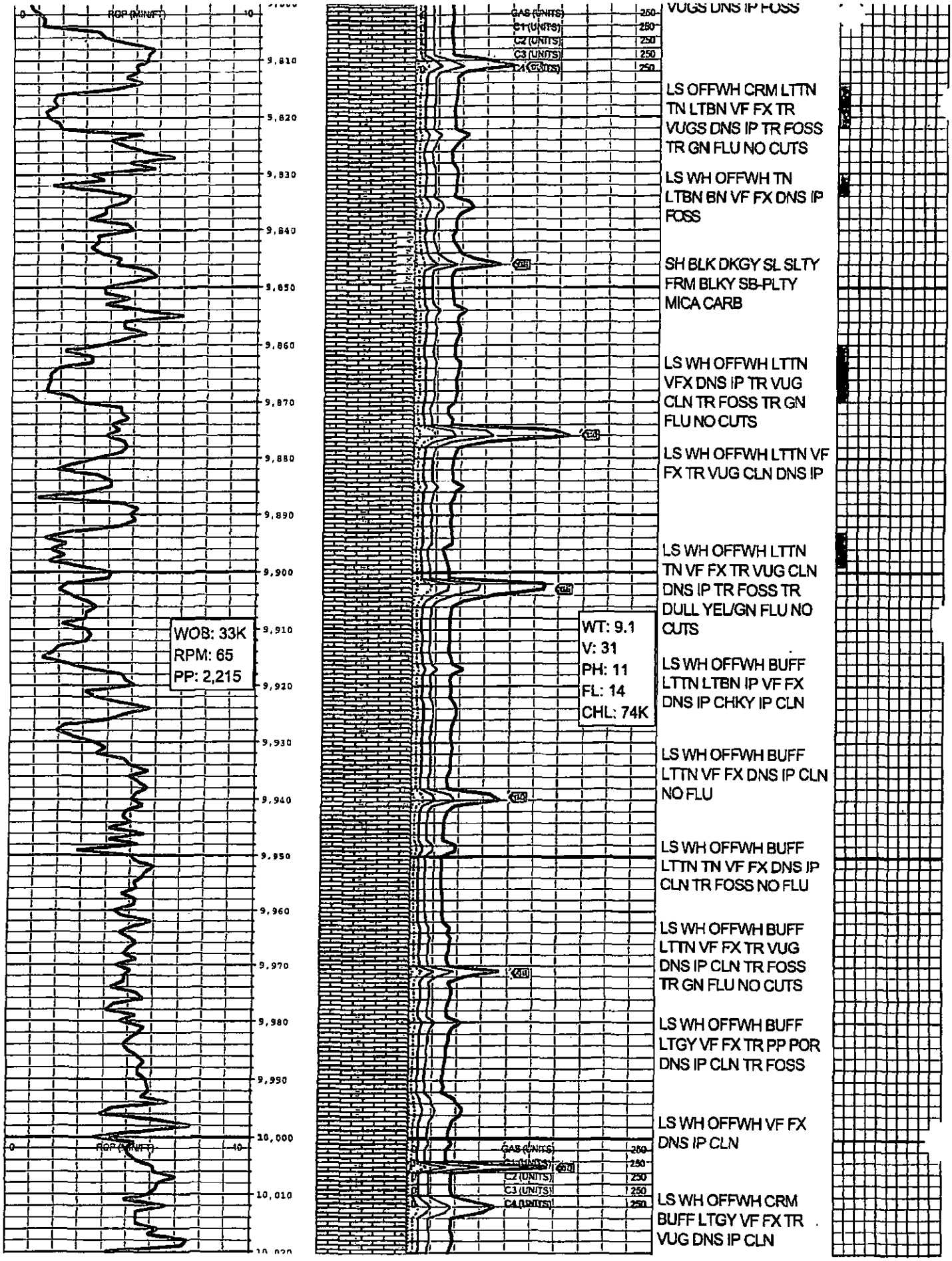
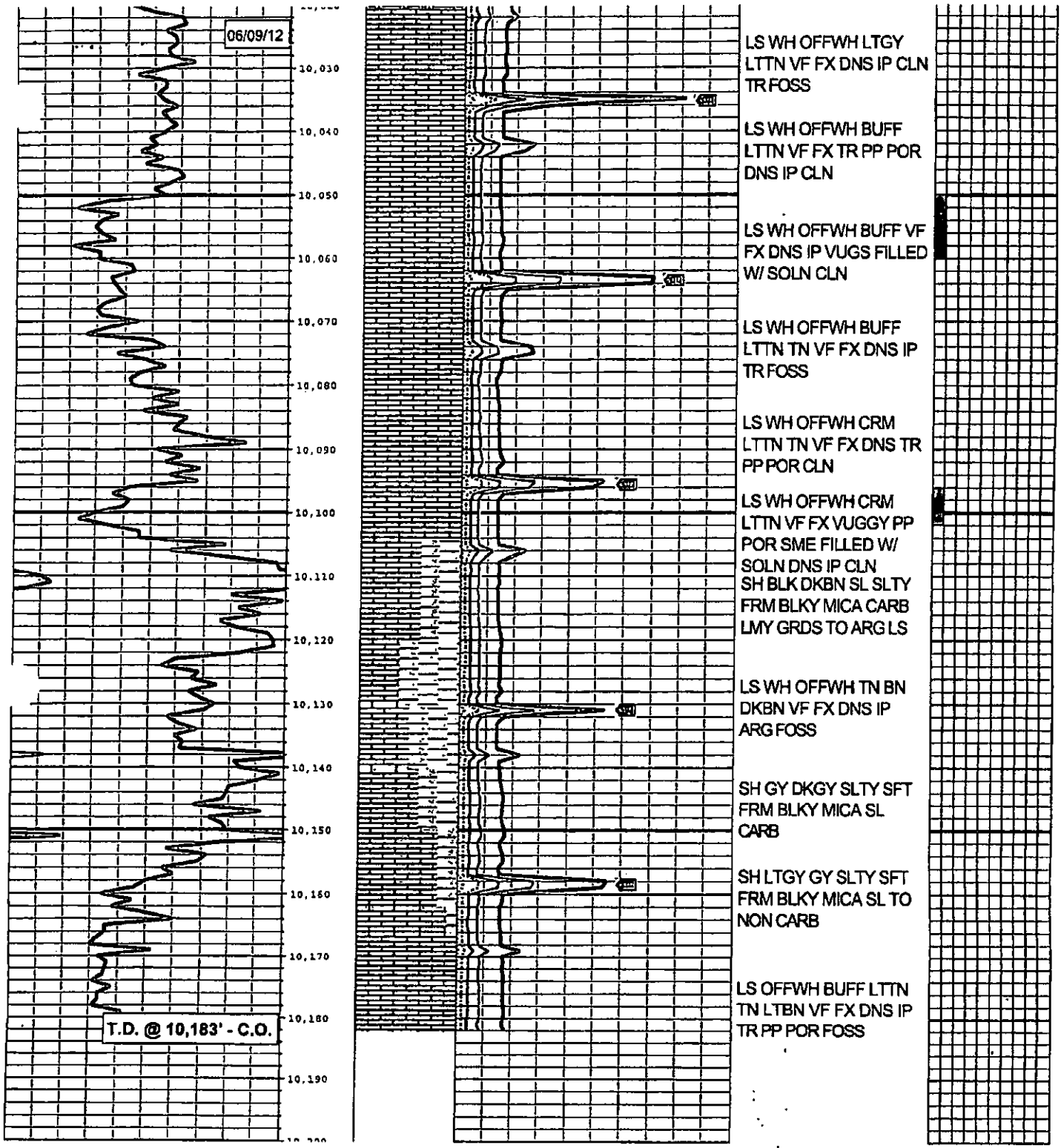
9,770
9,780
9,790
9,800
TRIP GAS - 791u
GAS (UNITS)
C1 (UNITS)
C2 (UNITS)
C3 (UNITS)
C4 (UNITS)
0
350
250
250
250
250
TRIP GAS - 823u
TRIP GAS - 895u
LS WH OFFWH BUFF VFX DNS CLN
SH TR GY DKGY BLK SLTY SFT FRM GRTTY TXT SB-PLTY MICA CARB
LS WH OFFWH CRM BUFF LTTN VF FX DNS IP CLN ARG IP
LS WH OFFWH BUFF LTTN BN IP VF FX DNS IP TR FOSS
CHT CLR LTTN TN TRNSL TRNSP
LS WH OFFWH LTTN TN LTBN BN VF FX DNS
LS OFFWH LTTN TN LTBN BN VF FX TR VUG DNS IP
LS OFFWH LTTN TN BN DKBN VF FX DNS ARG IP
LS WH OFFWH BUFF LTTN VF FX FR VUG POR TR INT-X POR DNS IP SL AREN IP TR YEL/GN FLU NO WET CUT NO DRY CUT
LS OFFWH CRM LTTN TN LTBN IP VF FX TR


ROP (MIN/FT)
GAS (UNITS)
C1 (UNITS)
C2 (UNITS)
C3 (UNITS)
C4 (UNITS)
9,810
9,820
9,830
9,840
9,850
9,860
9,870
9,880
9,890
9,900
9,910
9,920
9,930
9,940
9,950
9,960
9,970
9,980
9,990
10,000
10,010
WOB: 33K
RPM: 65
PP: 2,215
WT: 9.1
V: 31
PH: 11
FL: 14
CHL: 74K
VUGS DNS IP FOSS
LS OFFWH CRM LTTN TN LTBN VF FX TR VUGS DNS IP TR FOSS TR GN FLU NO CUTS
LS WH OFFWH TN LTBN BN VF FX DNS IP FOSS
SH BLK DKGY SL SLTY FRM BLKY SB-PLTY MICA CARB
LS WH OFFWH LTTN VFX DNS IP TR VUG CLN TR FOSS TR GN FLU NO CUTS
LS WH OFFWH LTTN VF FX TR VUG CLN DNS IP
LS WH OFFWH LTTN TN VF FX TR VUG CLN DNS IP TR FOSS TR DULL YEL/GN FLU NO CUTS
LS WH OFFWH BUFF LTTN LTBN IP VF FX DNS IP CHKY IP CLN
LS WH OFFWH BUFF LTTN VF FX DNS IP CLN NO FLU
LS WH OFFWH BUFF LTTN TN VF FX DNS IP CLN TR FOSS NO FLU
LS WH OFFWH BUFF LTTN VF FX TR VUG DNS IP CLN TR FOSS TR GN FLU NO CUTS
LS WH OFFWH BUFF LTGY VF FX TR PP POR DNS IP CLN TR FOSS
LS WH OFFWH VF FX DNS IP CLN
LS WH OFFWH CRM BUFF LTGY VF FX TR VUG DNS IP CLN



END OF ATTACHMENT B MUDLOG 9000'-TD

GEOLEX®
INCORPORATED

Alberto A. Gutiérrez, C.P.G.

December 28, 2012

Ed Fernandez
Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220

RE: Submittal of Form 3160-4 for Maljamar AGI #1, API # 3002540420

Dear Mr. Fernandez:

Geolex encloses one original and three copies of the above referenced document.

If you have any questions, please don't hesitate to call me, Alberto Gutierrez or Jim Hunter at (505) 842-8000.

Thank you,
Geolex, Inc.

Tom Sharp

Tom Sharp
Geologist

Enclosures

I:\10-014\Drilling Notifications and Forms (BLM&NMOCD)\BLM\3160-4\12-28-12 Transmittal letter.docx

phone: 505-842-8000
fax: 505-842-7380

500 Marquette Avenue NW, Suite 1350
Albuquerque, New Mexico 87102

email: aag@geolex.com
web: www.geolex.com

Form 3160-4
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: October 31, 2014

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.: LC 029509B

1a. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Dry ☑ Other
b. Type of Completion: ☑ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,
Other: Acid Gas Injection Well

6. If Indian, Allottee or Tribe Name: N/A

7. Unit or CA Agreement Name and No.: N/A

2. Name of Operator: Frontier Field Services, LLC

8. Lease Name and Well No.: Maljamar AGI #1

3. Address: 4200 Skelly Dr. SE. 700, Tulsa, OK 74135

3a. Phone No. *(include area code)*: (918) 492-4450

9. API Well No.: 30-025-40420

4. Location of Well *(Report location clearly and in accordance with Federal requirements)**

At surface: 130'FSL, 1813' FEL,Sec. 21, T17S, R32E NMPM, Lea Co. NM

At top prod. interval reported below

At total depth

10. Field and Pool or Exploratory: Wolfcamp

11. Sec., T., R., M., on Block and Survey or Area: 130'FSL, 1813' FEL,Sec. 21, T17S, R32E NMPM, Lea Co. NM

12. County or Parish: Lea County

13. State: NM

14. Date Spudded	15. Date T.D. Reached	16. Date Completed	17. Elevations (DF, RKB, RT, GL)*
03/22/2012	06/09/2012	☐ D & A ☑ Ready to Prod. 12/10/2012	4016 GR,4031 KB

18. Total Depth:	19. Plug Back T.D.:	20. Depth Bridge Plug Set:
MD TVD 10,183'	MD TVD 5187' sidetrack	MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
Logs have already been submitted to BLM

22. Was well cored? ☐ No ☑ Yes (Submit analysis)
Was DST run? ☑ No ☐ Yes (Submit report)
Directional Survey? ☐ No ☑ Yes (Submit copy)

23. Casing and Liner Record *(Report all strings set in well)*

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17 1/2"	13 3/8"	48#	0'	890'		700 sks		0'	60 bbls return to sur.
12 1/4"	8 5/8"	24#	0'	4200'		1650 sks		0'	200 bbls return to sur.
7 7/8"	5 1/2"	15 1/2#	0'	10,183'		175 sks corrosa			
						246 sks thermal			
						1150 sks lead c			
						200 sks tail halc			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 7/8"	9452'	9452'						

25. Producing Intervals / 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Wolfcamp-Acid Gas Injection			9570'-9632',9768'-9821',		4 shots/ft	open
B)			9850'-9917',9979'-9997,		4 shots/ft	open
C)			10009'-10130'		4 shots/ft	open
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
9,579'-10,130'	48 bbls 15% HCL, 171 bbls 24% HCL

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status

*(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status

29. Disposition of Gas *(Solid, used for fuel, vented, etc.)*
N/A

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Salado Fm.	0'	1194'	SANDSTONE: red-reddish brn, course to fine		
Yates Fm.	1194'	2134'	SANDSTONE: red-lt tan, coarse to f grained, hard		
7 Rivers Fm.	2134'	3103'	SANDSTONE: red-lt tan, coarse to f grained, hard		
Queen Fm.	3103'	3464'	SANDSTONE: gray-dk gray-reddish brn, f grained, hard		
Grayburg Fm.	3464'	3858'	GRAINSTONE: drk gray, very fine grained		
San Andres Fm.	3858'	5444'	DOLOMITE: offwhite, v fine grained, tense-v dense		
Glorieta Fm.	5444'	6227'	DOLOMITE: offwhite-buff-lt tan, v fn gm, dense, tr vugs,		
Paddock Fm.	6227'	6963'	DOLOMITE: offwhite-buff-lt tan, v fn gm, dense, tr vugs, limoy IP		
Tubb Fm.	6963'	7594'	DOLOMITE:offwhite-buff-lt tan,v fn gm, sl limoy. Grd to limestone		
Abo Fm.	7594'	9564'	interbedded dolomite, limestone, and shale		
Wolfcamp Fm.	9564'	10165'	LIMESTONE: offwhite-buff-lt tan, v fn gm, dense, thin shale interbeds		
Cisco Fm.	10165'	10183'	LIMESTONE: offwhite-buff, vfn, dense, trace fossils		

32. Additional remarks (include plugging procedure):

Data and reports have already been submitted to BLM.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

☐ Electrical/Mechanical Logs (1 full set req'd.) ☐ Geologic Report ☐ DST Report ☐ Directional Survey
☐ *Sundry Notice for plugging and cement verification* ☐ *Core Analysis* ☐ *Other:*

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name *(please print)* Alberto A. Gutierrez Title Consultant to Frontier Field Services, LLC

Signature Date 12/28/12

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 3)

INSTRUCTIONS

GENERAL: This form is designed for submitting a complete and correct well completion/recompletion report and log on all types of wells on Federal and Indian leases to a Federal agency, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal office. If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, and all types electric), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal laws and regulations. All attachments should be listed on this form, see item 33.
ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal office for specific instructions.
ITEM 17: Indicate which reported elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.
ITEM 23: Show how reported top(s) of cement were determined, i.e. circulated (CIR), or calculated (CAL), or cement bond log (CBL), or temperature survey (TS).

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48 (d) provide that you be furnished the following information in connection with information required by this application.
AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. et seq.; 43 CFR 3160.
PRINCIPAL PURPOSE: The information is to be used to evaluate the actual operations performed in the drilling, completing and testing of a well on a Federal or Indian lease.
ROUTINE USES: (1) Evaluate the equipment and procedures used during the drilling and completing/recompleting of a well. (2) The review of geologic zones and formation encountered during drilling. (3) Analyze future applications to drill in light of data obtained and methods used. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.
EFFECT OF NOT PROVIDING INFORMATION: Filing of this report and disclosure of the information is mandatory once a well drilled on a Federal or Indian lease is completed/recompleted.

The Paperwork Reduction Act of 1995 requires us to inform you that:
The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling and completing/recompleting wells on Federal and Indian oil and gas leases.
This information will be used to analyze operations and to compare equipment and procedures actually used with those proposed and approved.
Response to this request is mandatory only if the operator elects to initiate drilling and completing/recompleting operations on an oil and gas lease.
The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.