State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE 1. Operator Name and Address 2. OGRID Number CABAL ENERGY CORPORATION 194930 415 W. Wall Street 3. API Number Midland, TX 79701 30-025-40170 4. Demostry Code 5. Demostry Name 6. Wall No

4. Property Code	5. Property Name	o. Well No.
38674	GOOD CHIEF STATE	001

	7. Surface Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
A	28	265	36E	A	330	Ν	330	E	LEA	

8. Pool Information

12710

COMANCHE STATELINE;TAN-YATES-7R-QU

9. Work Type 10. Well Type New Well OIL 14. Multiple 15. Proposed Depth N 3630		11. Cab	le/Rotary	12. Lesse Type State	13. Ground Level Elevation 2907	
		•	Formation Yates	18. Spud Date 7/7/2011		
Depth to Ground	water	Distance from	m nearest fresh water v	vell	Distance to nearest surface water	
Liner: Synthetic [Closed Loop Syste	m mils	thick Clay Pit Volu		Drilling Method: Fresh Water 🗙 Brine 🗌 I	Diesel/Oil-based Gas/Air	

2	19. Proposed Casing and Cement Program										
Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC					
Surf	12.25	8.625	32	1400	515	0					
Prod	7.875	5.5	17	3630	330	0					

Casing/Cement Program: Additional Comments

Drill a 12-1/4" hole to 1400' with fresh water. Run 8-5/8" 32.0# J-55 casing and cement casing to surface with 515 sx. Drill a 7-7/8" hole to 3630' with brine. Run electric logs and take possible sidewall cores. Run 5-1/2" 17.0# J-55 casing and cement casing to surface with 330 sx.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given above is true as of my knowledge and belief. I further certify that the drilling pit will be construct	OIL CONSERVATION DIVISION
NMOCD guidelines , a general permit , or an (at OCD-approved plan .	
Printed Name: Electronically filed by Randell F	ord Title: Geologist
Title: President	Approved Date: 6/27/2011 Expiration Date: 6/27/2013
Email Address: Sandra@rkford.com	
Date: 6/21/2011 Phone: 432-6	2-0440 Conditions of Approval Attached

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720 District II 1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720 District III 1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code		. Pool Name
30-025-40170	12710		FELINE;TAN-YATES-7R-QU
4. Property Code 38674		5. Property Name GOOD CHIEF STATE	
7. OGRID No.	8. Operator Name		9. Elevation
194930	CABAL ENERGY CORPORATION		2907

10. Surface Location UL - Lot Lot Idn Feet From N/S Line Feet From E/W Line Section Township Range County A 28 26S 36E 330 N 330 Е LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S L	.ine	Feet From	E/W Line	County
0.000 C	cated Acres	13.	Joint or Infill		14	. Consolidation (Code			15. Order No.	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Randell Ford Title: President Date: 6/21/2011

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Gary Jones Date of Survey: 5/19/2011

Certificate Number: 7977

Permit Comments

Operator: CABAL ENERGY CORPORATION , 194930 Well: GOOD CHIEF STATE #001

API: 30-025-40170

Created By	Comment	Comment Date	
pkautz	Land S/S	8/21/2011	
DMULL	OCD Hobbs office has received form C-144CLEZ. OCD Permit Number P1-03399.	6/27/2011	

Permit Conditions of Approval

Operator: CABAL ENERGY CORPORATION, 194930

Well: GOOD CHIEF STATE #001 API: 30-025-40170

 OCD Reviewer
 Condition

 pkautz
 Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string