

## **Exhibit "A"**

Applicant: Colgate Operating, LLC  
Operator: Colgate Operating, LLC (OGRID 371449)

Spacing Unit: Horizontal Oil  
Building Blocks: quarter-quarter sections  
Spacing Unit Size: 320 acres, more or less  
Orientation of Unit: East to West

Spacing Unit Description:  
S/2 S/2 of Section 34 and S/2 S/2 of Section 33,  
Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation  
Depth Severance? (Yes/No): No

Pool: Winchester; Bone Spring (Pool code 65010)  
Pool Spacing Unit Size: quarter-quarter sections  
Governing Well Setbacks: Horizontal Oil Well Rules  
Pool Rules: Latest Horizontal Rules Apply.

Proximity Tracts: None Included

Monthly charge for supervision: While drilling: \$8000 While producing: \$800  
As the charge for risk, 200 percent of reasonable well costs.

### **Proposed Well:**

#### **Dawson 34 Fed State Com 124H**

SHL: 295 feet from the South line and 560 feet from the East line,  
(Unit P) of Section 34, Township 19 South, Range 28 East, NMPM.  
BHL: 330 feet from the South line and 10 feet from the West line,  
(Unit M) of Section 33, Township 19 South, Range 28 East, NMPM.  
Completion Target: 2nd Bone Spring Sand at approx 7500 feet TVD.  
Well Orientation: East to West  
Completion Location expected to be: standard

#### **Dawson 34 Fed State Com 134H**

SHL: 340 feet from the South line and 560 feet from the East line,  
(Unit P) of Section 34, Township 19 South, Range 28 East, NMPM.  
BHL: 430 feet from the South line and 10 feet from the West line,  
(Unit M) of Section 33, Township 19 South, Range 28 East, NMPM.  
Completion Target: 3rd Bone Spring Sand at approx 8600 feet TVD.  
Well Orientation: East to West  
Completion Location expected to be: standard