

DEC 12 2008

District I

1625 N French Dr., Hobbs, NM 88240

District II

1301 W Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

OCD-ARTESIA

Form C-101
June 16, 2008Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Rubicon Oil & Gas, LLC 508 W. Wall St., Suite 500, Midland, TX 79701		OGRID Number 194266
Property Code 37238	Property Name Lakewood 28	Well No 2
Proposed Pool 1 Lakewood, Morrow (gas)		Proposed Pool 2

7 Surface Location

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
J	28	19S	26E		1535	South	1555	East	Eddy

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

Work Type Code	Well Type Code	Cable/Rotary	Lease Type Code	Ground Level Elevation
New Well	Gas	Rotary	Private/Fee	3314'
Multiple	Proposed Depth	Formation	Contractor	Spud Date
No	9950'	Morrow	TBD	01/2009

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	350'	390 sx	surface
11"	8 5/8"	28#	1600'	700 sx	surface
7 7/8"	4 1/2"	11.6#	9950'	1850 sx	1400' - 1100'

* Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Mud Program - 0-350', mud wt 8.4-9.0 ppg fresh water native spud mud; 350-7500', mud wt 8.4-8.6 ppg fresh water; 7500-9950', mud wt 8.8-9.4 ppg cut brine water w/starch/polymer.

BOPE - diagram attached
Wellbore diagram attached

H2S - no H2S encountered in immediate area. Will have minimum compliance package set up prior to drilling out of 8 5/8" casing. H2S plan attached.

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature:

Printed name: Ann E. Ritchie

Title: Regulatory Agent

E-mail Address: ann.wtor@gmail.com

Date 12-9-08

Phone: 432 684-6381/683-6565

OIL CONSERVATION DIVISION

Approved by:

Title:

District II Supervisor

Approval Date:

12/10/08

Expiration Date:

12/13/10

Conditions of Approval Attached ☒

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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-36858	Pool Code 97658	Pool Name Lakewood; Morrow (Gas)
Property Code 37238	Property Name LAKEWOOD "28"	Well Number 2
OGRID No. 194266	Operator Name RUBICON OIL AND GAS, LLC	Elevation 3314'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	28	19 S	26 E		1535	SOUTH	1555	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

	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 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. Signature 12-9-08 Date Ann E. Ritchie, Agent Printed Name
	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. JULY 14, 2008 Date Surveyed Signature & Seal Professional Surveyor W.O. Certificate No. Gary L. Jones 7977 BASIN SURVEYS

SECTION 28, TOWNSHIP 19 SOUTH, RANGE 26 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



RUBICON OIL AND GAS, LLC
LAKEWOOD "28" #2
ELEV. - 3314'

Lat.-N 32°37'42.43"
Long-W 104°22'59.64"
(NAD-83)

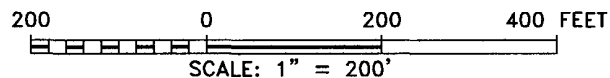


2065.0'

W
WATER
WELL

Directions to Location:

FROM OLD CO RD GO EAST 300' TO CO RD 31A;
GO SOUTH 0.3 MILES TO LEASE ROAD, GO WEST 0.2
TO PROPOSED LEASE ROAD.



RUBICON OIL AND GAS, LLC

REF: LAKEWOOD "28" #2 / WELL PAD TOPO

THE LAKEWOOD "28" #2 LOCATED 1535'
FROM THE SOUTH LINE AND 1555' FROM THE EAST LINE OF
SECTION 28, TOWNSHIP 19 SOUTH, RANGE 26 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 19706

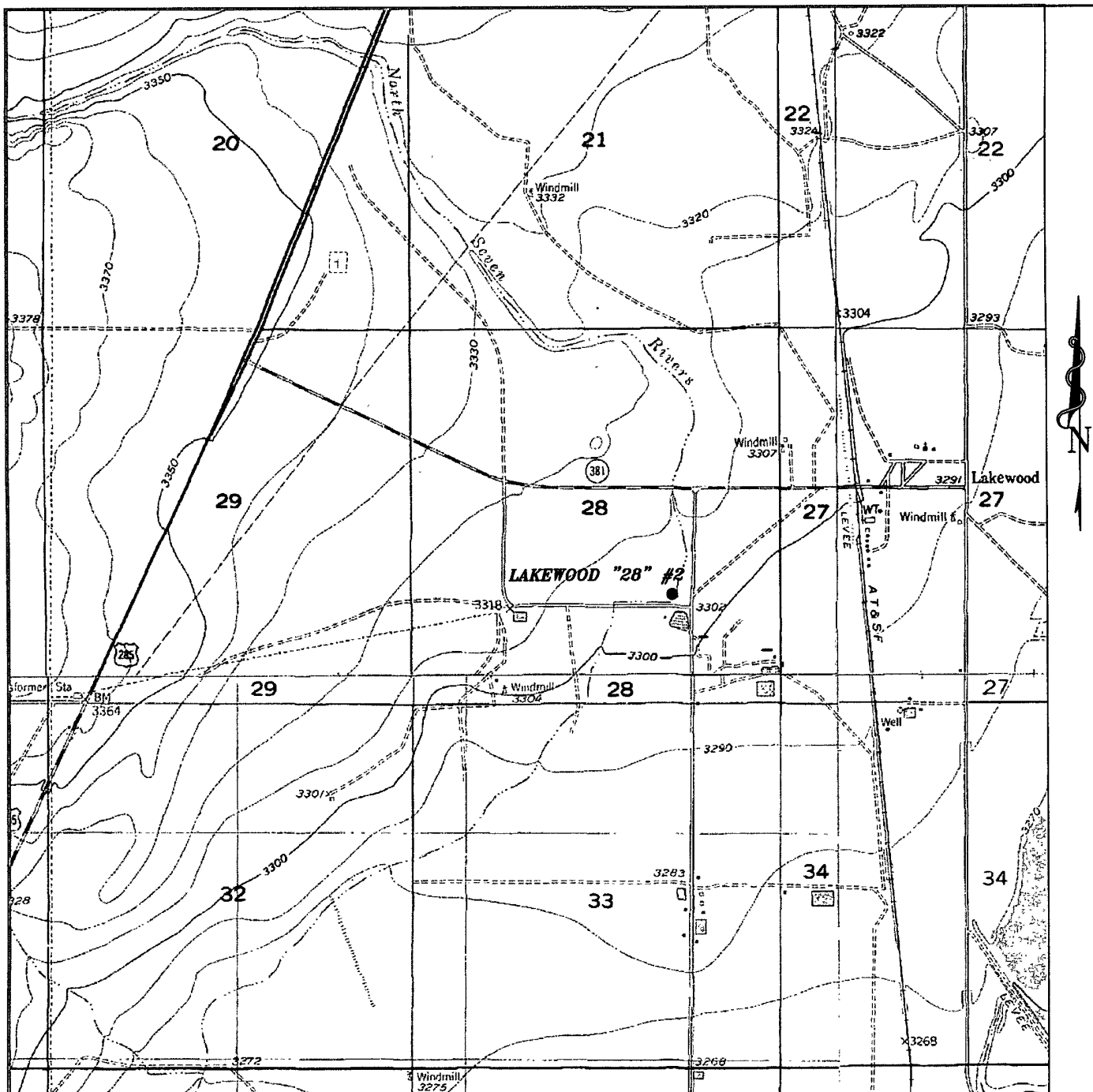
Drawn By: J. SMALL

Date: 06-13-2008

Disk: JMS 19706

Survey Date: 06-11-2008

Sheet 1 of 1 Sheets



LAKEWOOD "28" #2

Located 1535' FSL and 1555' FEL
 Section 28, Township 19 South, Range 26 East,
 N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

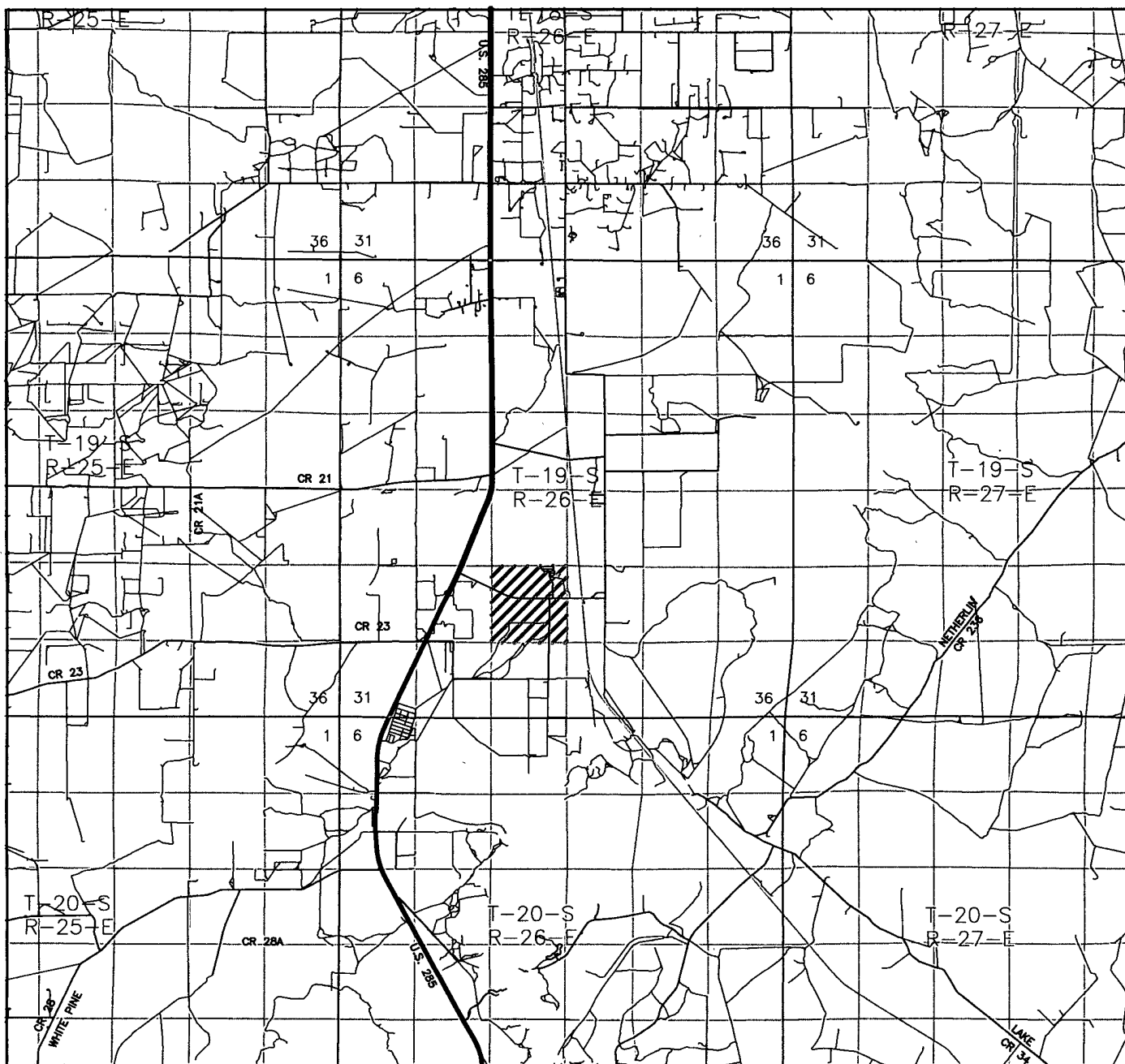
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Survey Date: 07-14-2008

Scale: 1" = 2000'

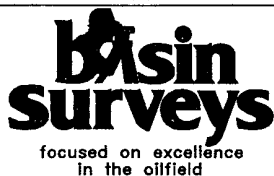
Date: 07-14-2008

**RUBICON OIL
 AND GAS, LLC**



LAKEWOOD "28" #2

Located 1535' FSL and 1555' FEL
 Section 28, Township 19 South, Range 26 East,
 N.M.P.M., Eddy County, New Mexico.



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W.O. Number: JMS 19994

Survey Date: 07-14-2008

Scale: 1" = 2 MILES

Date: 07-14-2008

**RUBICON OIL
 AND GAS, LLC**

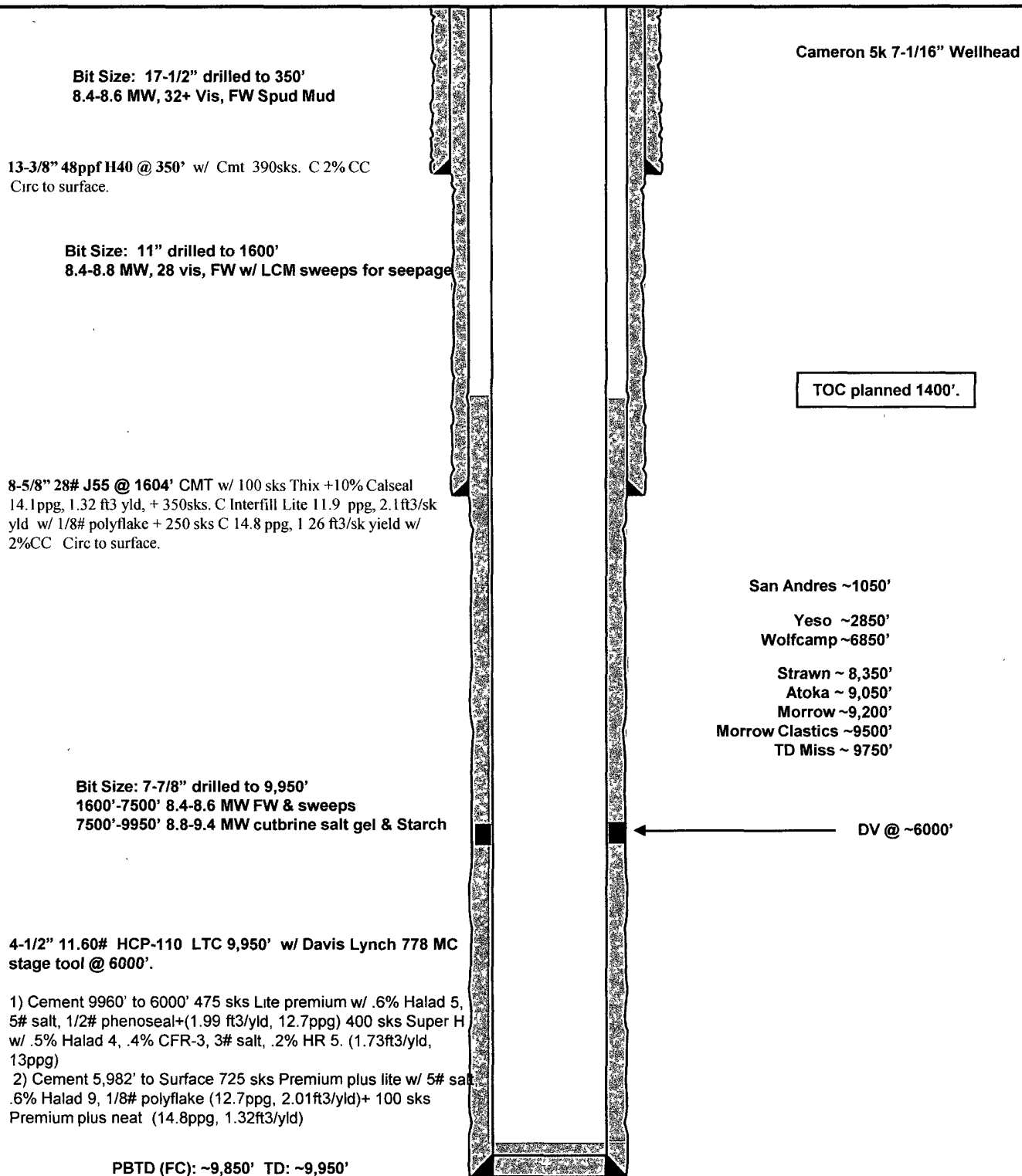
**Rubicon Oil & Gas, LLC
Lakewood Prospect**

**KB: TBD'
GL: 3314'**

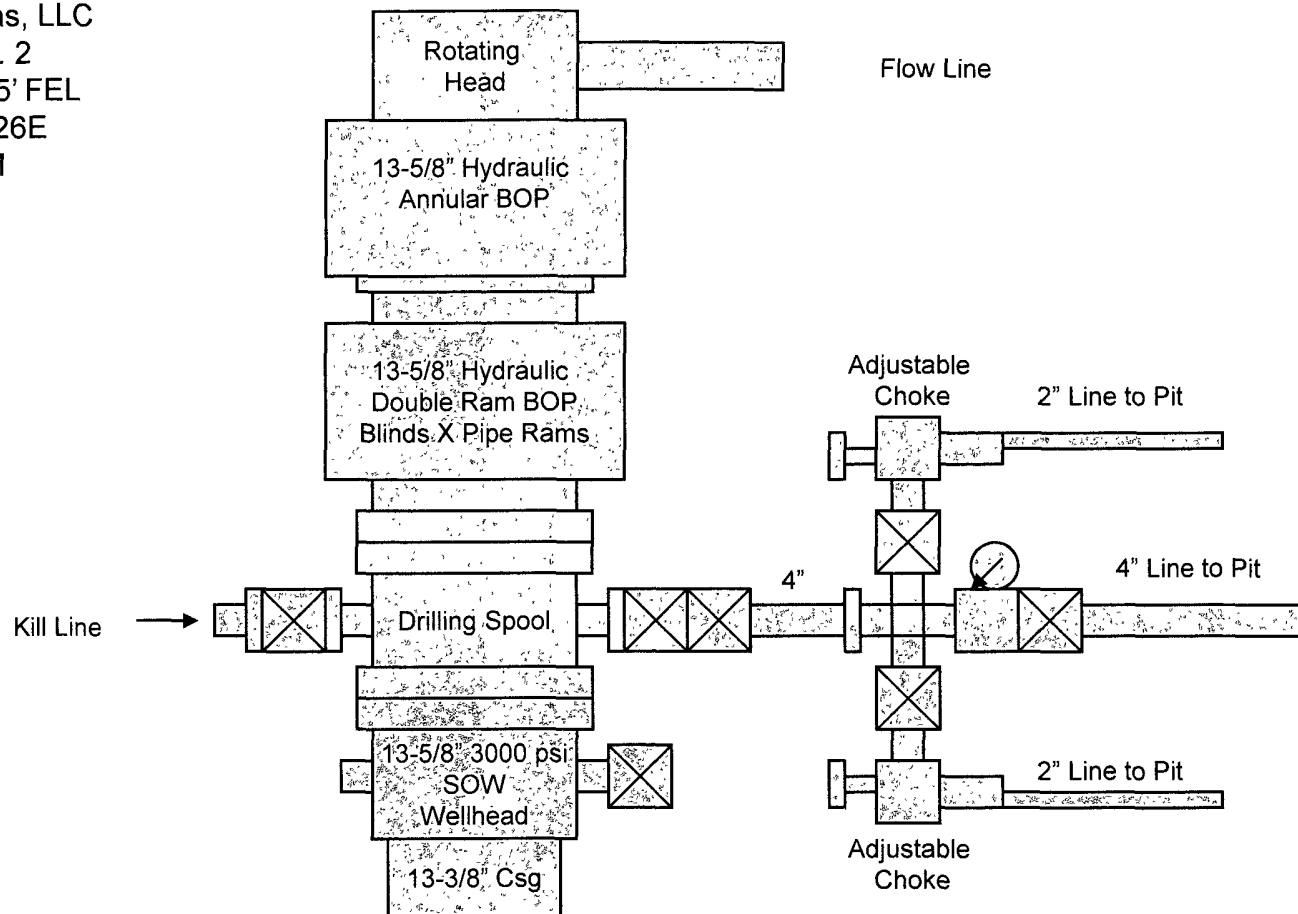
**1535' FSL & 1555' FEL
Sec. 28, T19S, R26E, UL J
Eddy County, NM**

**Lakewood 28-2
Eddy County, New Mexico
Proposed Wellbore
30-015-XXXX**

**Prod:
TD'd:
Spud: 1/2009**



Rubicon Oil & Gas, LLC
Lakewood 28 No. 2
1535' FSL & 1555' FEL
Sec 28, T19S, R26E
Eddy County, NM



3000 psi Working Pressure
BOPE Configuration
And Choke Manifold

Exhibit " ____ "

DEC 12 2008

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1301 W. Grand Avenue, Artesia, NM 88210
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State of New Mexico
Energy Minerals and Natural Resources

OCD-ARTESIA Form C-101
June 16, 2008

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Rubicon Oil & Gas, LLC 508 W. Wall St., Suite 500, Midland, TX 79701		GRID Number 194266
		API Number 30- 15
Property Code	Property Name Lakewood 28	Well No 2
Proposed Pool I Lakewood, Morrow (gas)		Proposed Pool 2

7 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

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No	9950'	Morrow	TBD	01/2009

21 Proposed Casing and Cement Program

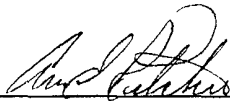
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	350'	390 sx	surface
11"	8 5/8"	28#	1600'	700 sx	surface
7 7/8"	4 1/2"	11.6#	9950'	1850 sx	1400'

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Mud Program - 0-350', mud wt 8.4-9.0 ppg fresh water native spud mud; 350-7500', mud wt 8.4-8.6 ppg fresh water; 7500-9950', mud wt 8.8-9.4 ppg cut brine water w/starch/polymer.

BOPE - diagram attached
Wellbore diagram attached

H2S - no H2S encountered in immediate area. Will have minimum compliance package set up prior to drilling out of 8 5/8" casing. H2S plan plan attached.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief		OIL CONSERVATION DIVISION	
Signature: 		Approved by:	
Printed name: Ann E. Ritchie		Title:	
Title: Regulatory Agent		Approval Date:	Expiration Date:
E-mail Address: ann.wtor@gmail.com			
Date: 12-9-08	Phone: 432 684-6381/683-6565	Conditions of Approval Attached <input type="checkbox"/>	

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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015	Pool Code 97658	Pool Name Lakewood; Morrow (Gas)
Property Code	Property Name LAKEWOOD "28"	Well Number 2
OGRID No. 194266	Operator Name RUBICON OIL AND GAS, LLC	Elevation 3314'

Surface Location

UL or lot No. J	Section 28	Township 19 S	Range 26 E	Lot Idn	Feet from the 1535	North/South line SOUTH	Feet from the 1555	East/West line EAST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	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

<p>SURFACE LOCATION Lat - N32°37'42.43" Long - W104°22'59.64" NMSPC- N 592365.467 E 525975.152 (NAD-83)</p>				<p>OPERATOR CERTIFICATION</p> <p>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 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.</p> <p><i>Ann E. Ritchie</i> 12-9-08 Signature Date</p> <p>Ann E. Ritchie, Agent Printed Name</p>	
				<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JULY 14, 2008 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature & Seal Professional Surveyor</p> <p>W.O. Jones Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>	

SECTION 28, TOWNSHIP 19 SOUTH, RANGE 26 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



RUBICON OIL AND GAS, LLC
LAKEWOOD "28" #2
ELEV. - 3314'

Lat.-N 32°37'42.43"
Long-W 104°22'59.64"
(NAD-83)

2065.0'
WATER
WELL

200 0 200 400 FEET
SCALE: 1" = 200'

Directions to Location:

FROM OLD CO RD GO EAST 300' TO CO RD 31A;
GO SOUTH 0.3 MILES TO LEASE ROAD, GO WEST 0.2
TO PROPOSED LEASE ROAD.

RUBICON OIL AND GAS, LLC

REF: LAKEWOOD "28" #2 / WELL PAD TOPO

THE LAKEWOOD "28" #2 LOCATED 1535'

FROM THE SOUTH LINE AND 1555' FROM THE EAST LINE OF
SECTION 28, TOWNSHIP 19 SOUTH, RANGE 26 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 19706

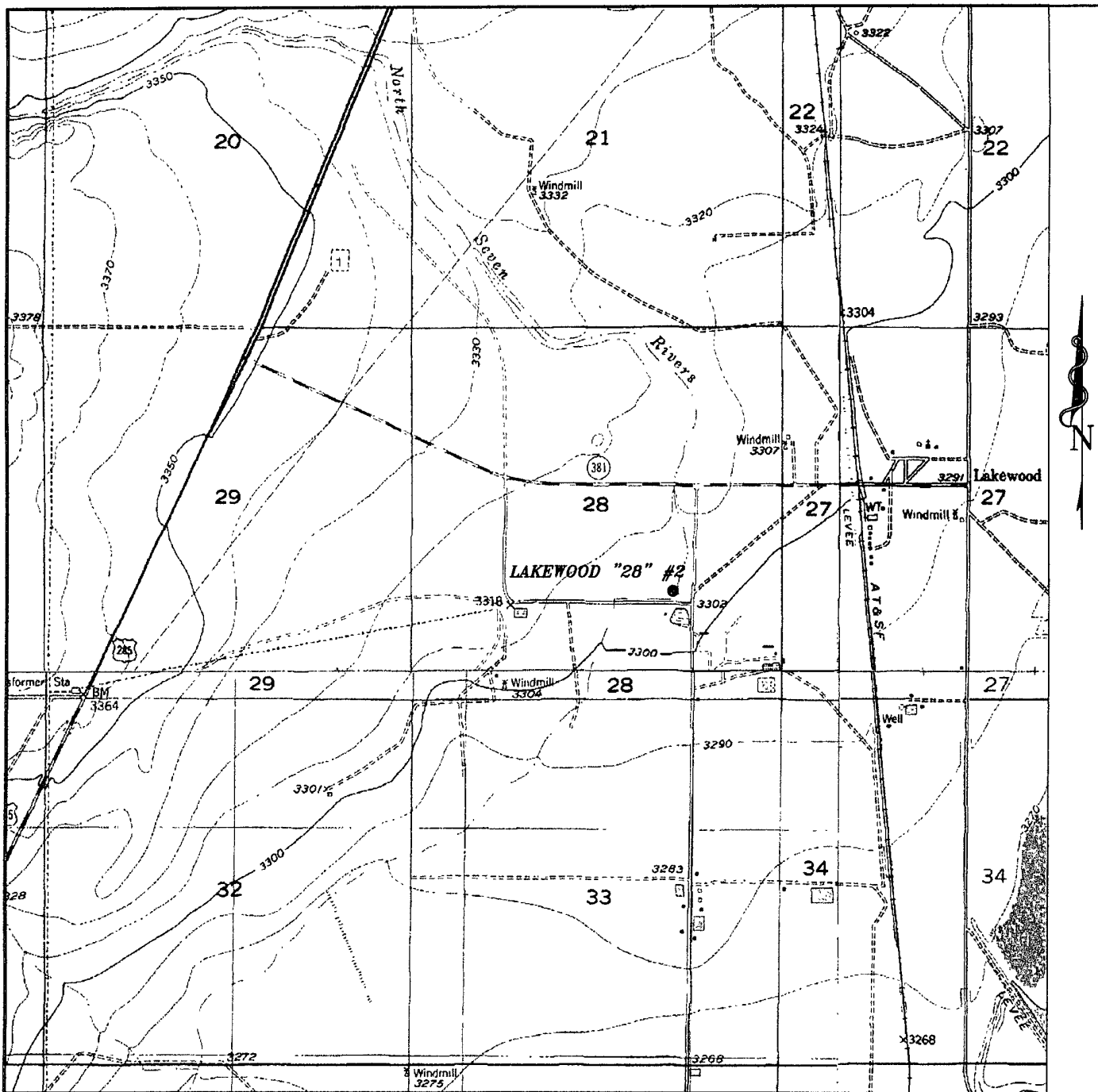
Drawn By: J. SMALL

Date: 06-13-2008

Disk: JMS 19706

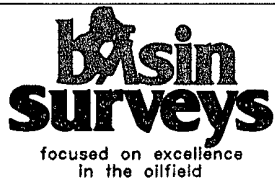
Survey Date: 06-11-2008

Sheet 1 of 1 Sheets



LAKEWOOD "28" #2

Located 1535' FSL and 1555' FEL
 Section 28, Township 19 South, Range 26 East,
 N.M.P.M., Eddy County, New Mexico.



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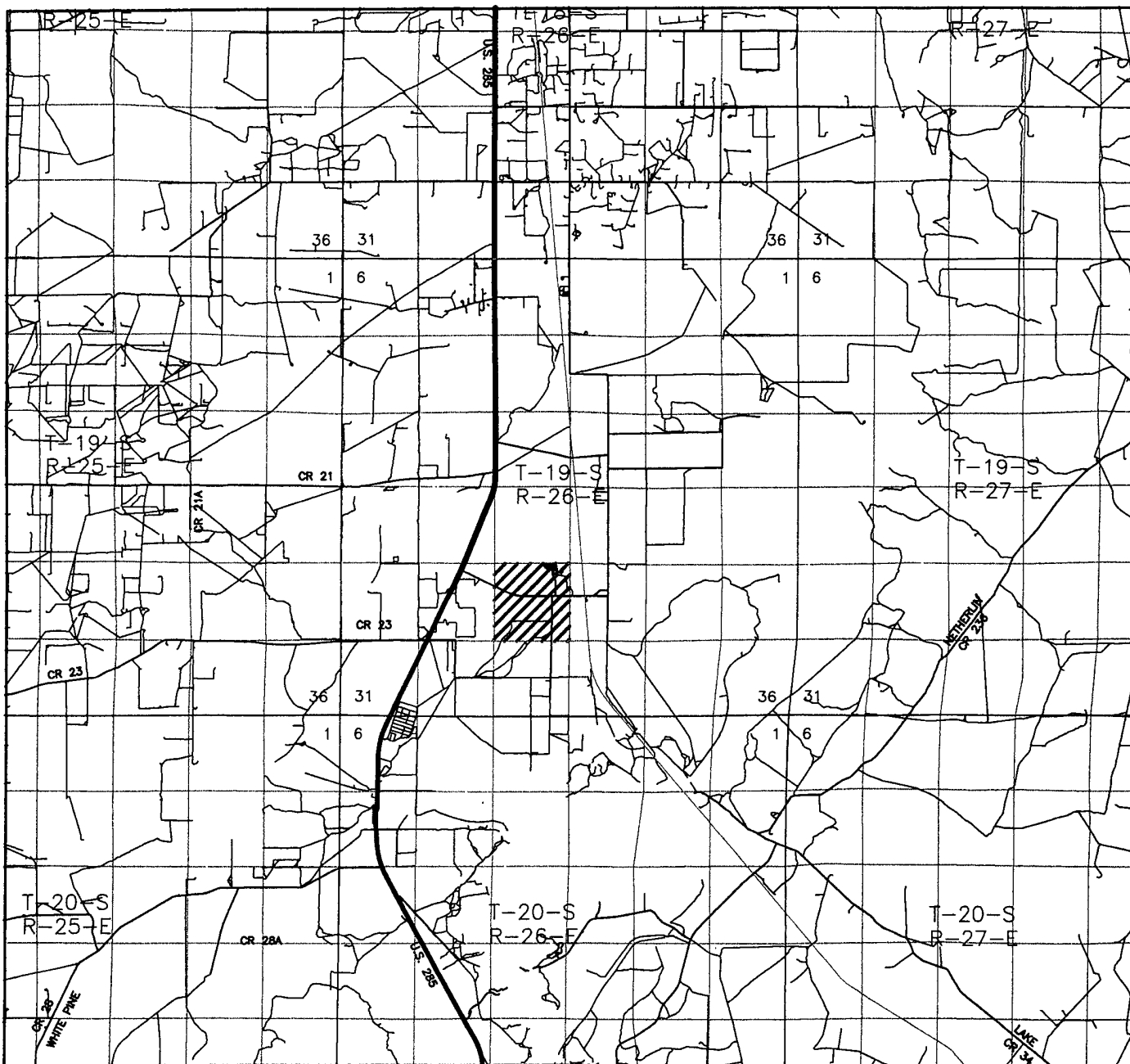
W.O. Number: JMS 19994

Survey Date: 07-14-2008

Scale: 1" = 2000'

Date: 07-14-2008

**RUBICON OIL
 AND GAS, LLC**



LAKEWOOD "28" #2

Located 1535' FSL and 1555' FEL

Section 28, Township 19 South, Range 26 East,
N.M.P.M., Eddy County, New Mexico.

basin
surveys
focused on excellence
in the oilfield

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W.O. Number: JMS 19994

Survey Date: 07-14-2008

Scale: 1" = 2 MILES

Date: 07-14-2008

**RUBICON OIL
AND GAS, LLC**

**Rubicon Oil & Gas, LLC
Lakewood Prospect**

**KB: TBD'
GL: 3314'**

**1535' FSL & 1555' FEL
Sec. 28, T19S, R26E, UL J
Eddy County, NM**

**Lakewood 28-2
Eddy County, New Mexico
Proposed Wellbore
30-015-XXXX**

**Prod:
TD'd:
Spud: 1/2009**

Cameron 5k 7-1/16" Wellhead

**Bit Size: 17-1/2" drilled to 350'
8.4-8.6 MW, 32+ Vis, FW Spud Mud**

**13-3/8" 48ppf H40 @ 350' w/ Cmt 390sks. C 2% CC
Circ to surface.**

**Bit Size: 11" drilled to 1600'
8.4-8.8 MW, 28 vis, FW w/ LCM sweeps for seepage**

TOC planned 1400'.

**8-5/8" 28# J55 @ 1604' CMT w/ 100 sks Thix +10% Calseal
14.1ppg, 1.32 ft3 yld, + 350sks. C Interfill Lite 11.9 ppg, 2.1ft3/sk
yld w/ 1/8# polyflake + 250 sks C 14.8 ppg, 1.26 ft3/sk yield w/
2%CC. Circ to surface.**

San Andres ~1050'

Yeso ~2850'

Wolfcamp ~6850'

Strawn ~ 8,350'

Atoka ~ 9,050'

Morrow ~9,200'

Morrow Clastics ~9500'

TD Miss ~ 9750'

**Bit Size: 7-7/8" drilled to 9,950'
1600'-7500' 8.4-8.6 MW FW & sweeps
7500'-9950' 8.8-9.4 MW cutbrine salt gel & Starch**

DV @ ~6000'

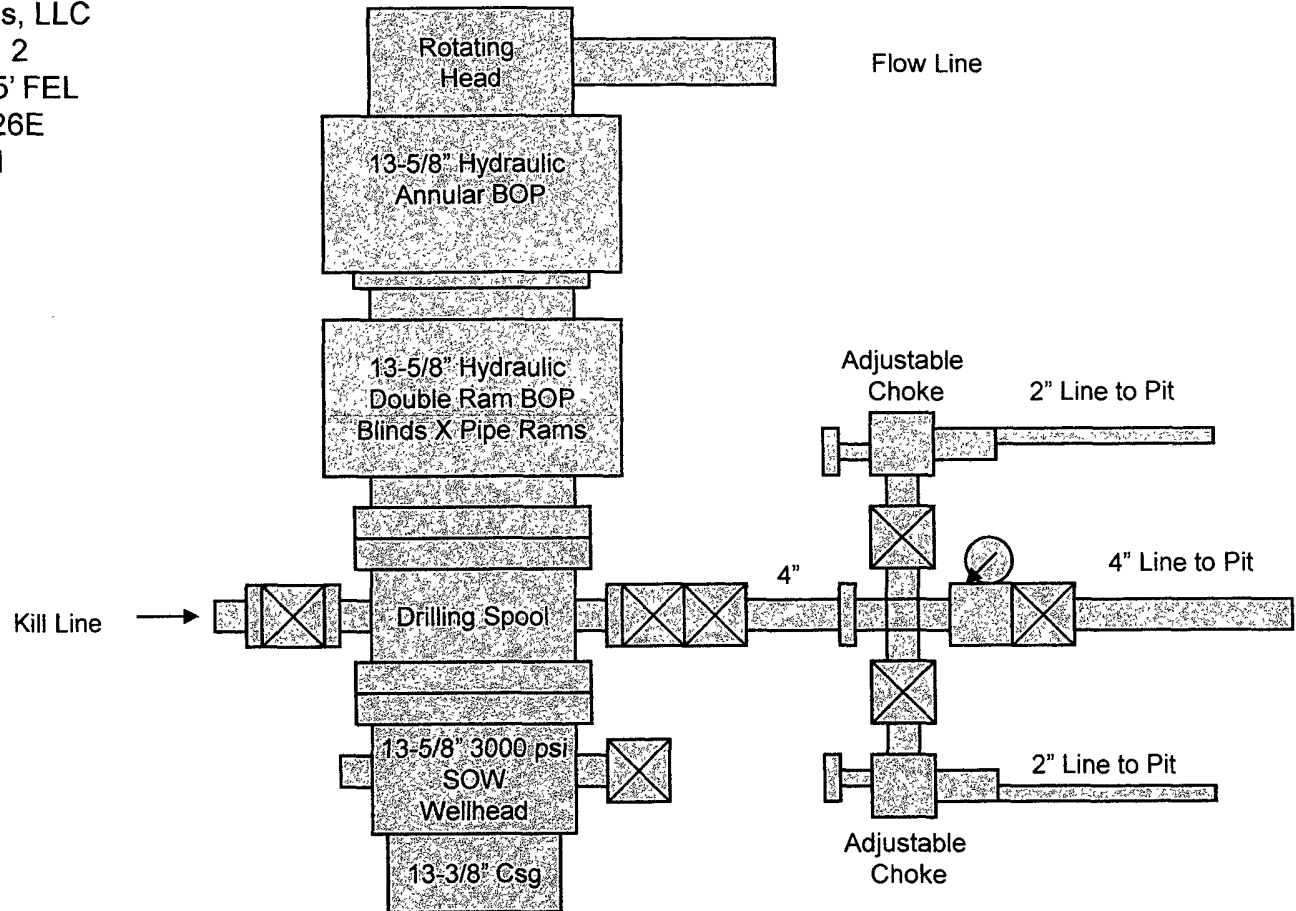
**4-1/2" 11.60# HCP-110 LTC 9,950' w/ Davis Lynch 778 MC
stage tool @ 6000'.**

1) Cement 9960' to 6000' 475 sks Lite premium w/ .6% Halad 5,
5# salt, 1/2# phenoseal+(1.99 ft3/yld, 12.7ppg) 400 sks Super H
w/ .5% Halad 4, .4% CFR-3, 3# salt, .2% HR 5. (1.73ft3/yld,
13ppg)
2) Cement 5,982' to Surface 725 sks Premium plus lite w/ 5# salt
.6% Halad 9, 1/8# polyflake (12.7ppg, 2.01ft3/yld)+ 100 sks
Premium plus neat. (14.8ppg, 1.32ft3/yld)

PBTD (FC): ~9,850' TD: ~9,950'

HAL 11/24/2008

Rubicon Oil & Gas, LLC
Lakewood 28 No. 2
1535' FSL & 1555' FEL
Sec 28, T19S, R26E
Eddy County, NM



3000 psi Working Pressure
BOPE Configuration
And Choke Manifold

Exhibit " ____ "

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

Form C-144 CLEZ
July 21, 2008

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit to the appropriate NMOCD District Office.

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☒ Permit ☐ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Rubicon Oil & Gas, LLC OGRID #: 194266
Address: 508 West Wall St STE 500, Midland, Texas 79701
Facility or well name: Lakewood 28-2
API Number: _____ OCD Permit Number: _____
U/L or Qtr/Qtr J Section 28 Township 19S Range 26E County: Lea
Center of Proposed Design: Latitude N32°37'42.43" Longitude W104°22'59.64" NAD: ☐ 1927 ☒ 1983
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2.
☒ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC
Operation: ☒ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) ☐ P&A
☐ Above Ground Steel Tanks or ☒ Haul-off Bins

3.
Signs: Subsection C of 19.15.17.11 NMAC
☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
☒ Signed in compliance with 19.15.3.103 NMAC

4.
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
☒ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☒ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☒ Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number: _____
☐ Previously Approved Operating and Maintenance Plan API Number: _____

5.
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.
Disposal Facility Name: CRI Disposal Facility Permit Number: R-9166
Disposal Facility Name: Lea Land Disposal Facility Permit Number: WM-1-035
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☒ No
Required for impacted areas which will not be used for future service and operations:
☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

6.
Operator Application Certification:
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Name (Print): _____ Title: _____
Signature: [Signature] Date: _____
e-mail address: _____ Telephone: _____

7. **OCD Approval:** ☐ Permit Application (including closure plan) ☐ Closure Plan (only)

OCD Representative Signature: _____ Approval Date: _____

Title: _____ OCD Permit Number: _____

8. **Closure Report (required within 60 days of closure completion):** Subsection K of 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☐ Closure Completion Date: _____

9. **Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:**

Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☐ Site Reclamation (Photo Documentation)

☐ Soil Backfilling and Cover Installation

☐ Re-vegetation Application Rates and Seeding Technique

10. **Operator Closure Certification:**

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

Power of Attorney

State: New Mexico
County: Chaves, Eddy and Lea Counties
Principal: Rubicon Oil & Gas, LLC
Rubicon Oil & Gas II, LP
Sand Ranch Pipeline
Principal's Address: 508 West Wall Avenue, Suite 500
Midland, Texas 79701
Agent/Attorney in Fact: Hal Lee
Agent/Attorney in Fact's Address: Adventure Energy Services
201 West Wall Avenue, Suite 404
Midland, Texas 79701
Date Executed: November 17, 2008
Effective Date: November 17, 2008

Principal, identified above, makes, constitutes and appoints Agent, identified above, Principal's true and lawful Agent and Attorney in Fact for Principal and in Principal's name, place and stead, for the purposes of transacting any business on behalf of Principal.

Principal gives and grants Agent full and complete power and authority to do and perform all acts and things required or necessary to be done in transacting Principal's business, as fully to all intents and purposes as if Principal might or could do if personally present and acting on Principal's own behalf.

Principal ratifies and affirms all that the Agent may lawfully do or cause to be done by virtue of the Power of Attorney.

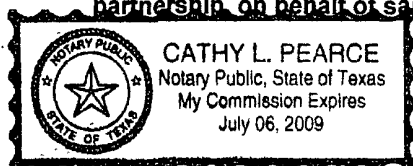
Principal

Rubicon Oil & Gas II, LP
By: Rubicon Oil & Gas, LLC, General Partner


W. Brett Smith, President

State of Texas }
County of Midland }

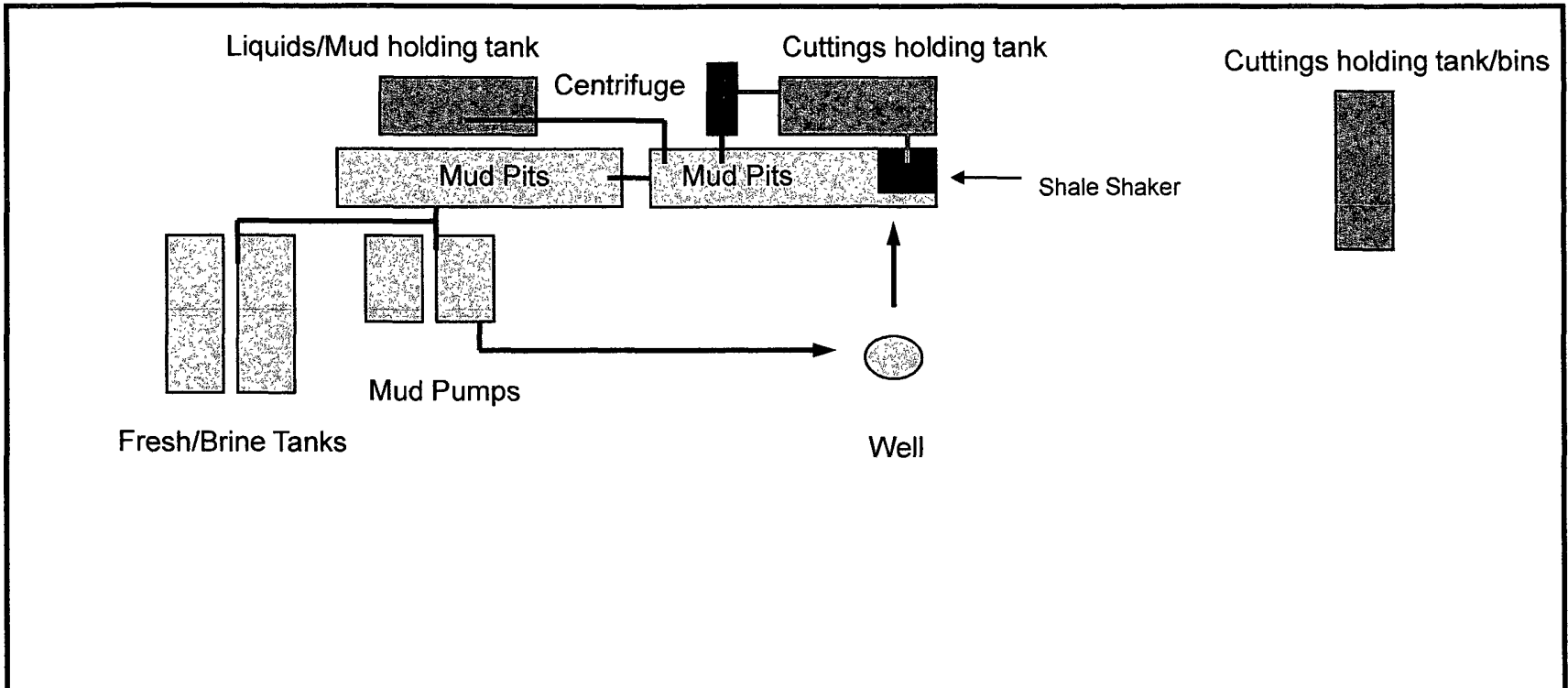
This instrument was acknowledged before me this 17th day of November, 2008, by W. Brett Smith, President of Rubicon Oil & Gas, LLC, General Partner of Rubicon Oil & Gas II, LP, a Texas limited partnership, on behalf of said partnership.




Notary of Public, State of Texas

Rubicon Oil & Gas, LLC
Lakewood 28-2
28-19-26 Eddy County, NM

Closed Loop System – Design and Construction Equipment Layout



Operating and Maintenance Plan

1. All liquids and solids contained in closed loop system
2. All equipment will be monitored continuously by Solids control personnel while drilling
3. All solids and contaminated fluid hauled to an approved facility as required.

Hydrogen Sulfide Drilling Operations Plan

For

Rubicon Oil & Gas, LLC

Lakewood 28, Well #2, Sec 28, T19S, R26E

Lakewood Morrow

Eddy County, New Mexico

ONE: Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted or employed on an unscheduled basis has or will receive training from qualified instructors in the following areas prior to working on the drilling operations on this well:

- The hazards & characteristics of H₂S

- The proper use & maintenance of personal protective equipment and Life support systems;

- The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures & prevailing winds; and,

- The proper techniques of first aid and rescue contact procedures

In addition, the supervisory personnel will be trained in the following areas:

- The effects of H₂S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.

- Corrective action on shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.

- The contents and requirements of the H₂S Drilling Operations Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500') and periodic H₂S and well control drills for all personnel in each crew. The initial training session should include a review of the site specific Drilling Operations Plan. This plan is to be available at the well site.

TWO: H₂S Safety Equipment and Systems

NOTE: All H₂S safety equipment and systems will be installed, tested and operational when drilling reaches a depth of 500 feet above, or three days prior to penetration of a known zone containing or reasonably expected to contain H₂S.

1. Well Control Equipment:

- Flare line with flare igniter;

- Choke manifold with one remote hydraulic choke installed;

- Blind rams & pipe rams to accommodate all pipe sizes with properly sized closing unit;

- Auxiliary equipment to include an Annular Preventer.