

HOBBS OCD

6/19/14

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JUN 11 2015

**MALJAMAR AGI #2
TWELVE POINT SURFACE USE PLAN OF OPERATION FOR BLM**

EXECUTIVE SUMMARY

On behalf of Frontier Field Services, LLC (Frontier), Geolex®, Inc. (Geolex) has prepared and is hereby submitting a complete application for approval to permit to drill (APD) a Class II acid gas injection well (Maljamar AGI #2) adjacent to Maljamar AGI #1 and the Frontier Gas Plant. The Frontier Gas Plant and AGI wells are located on approximately 19 acres near Maljamar in Lea County, New Mexico (Figure 1). This is the required 12-point Surface Use Plan of Operations (SUPO) supporting the APD.

NAME OF WELL: Maljamar AGI #2

LEGAL DESCRIPTION:

Surface: 400 FSL, 2100' FEL, Section 21, T17S, R32E, NMPM, Lea County, New Mexico

Bottom Hole: 350 FSL, 650 feet FWL, Section 21, T17S and R32E NMPM, Lea County, New Mexico

(See Nine Point Drilling Plan)

I. EXISTING ROADS

- A. Proposed Well Site Location
See Figure 1
- B. Existing Roads
From the intersection of Maljamar (Co. 126) and Conoco Roads, go west 2000 feet on Conoco Road, then south on lease road to pad (Figures 1 and 2).
- C. Existing Road Maintenance or Improvement Plan
There is approximately 160 feet of an existing tract leading into the well pad off the existing road that will need to be resurfaced with caliche. The existing tract has a dirt surface; therefore, caliche will be needed to resurface it. No new access road leading to the existing tract will be needed as shown on Figure 3.

II. NEW OR RECONSTRUCTED ACCESS ROADS

- A. Route Location:
No new lease road will be built, only a resurfaced tract with caliche will be needed (See Figure 3). Drill pad will extend to the existing tract edge, which extends 160 feet to the existing lease road edge.

- B. Width
12 feet wide
- C. Maximum Grade
Grade to match existing topography or as per BLM requirements
- D. Turnout Ditches
As required by BLM stipulations
- E. Culverts, Cattle Guards and Surfacing Equipment
Though none are anticipated, if required, culverts and cattle guards will be set per BLM specifications.

III. LOCATION OF EXISTING WELLS

Figure 4 shows existing wells in the surrounding area (also see Attachment 1 of 9-Point Drilling Plan). Frontier Maljamar AGI #2 is located 395 feet directly NW of AGI #1.

IV. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES

- A. Existing production facilities – N/A, well is for Acid Gas Injection.
- B. Existing Acid Gas Compression Facility
Compression facilities for the AGI have been built on a parcel located south of Frontier's existing flare (see Figure 5), which currently supply AGI #1 and will also supply AGI #2.
- C. Rehabilitation of Disturbed Areas
Following the construction, those access areas required for AGI operations will be graded to provide drainage and minimize erosion. The areas unnecessary for use will be graded to blend in with the surrounding topography

V. LOCATION AND TYPES OF WATER SUPPLY

- A. Location and Type of Water Supply
Freshwater and brine water will be hauled from commercial facilities
- B. Water Transportation System
Water hauling to the location will be over the existing and proposed roads.

VI. CONSTRUCTION MATERIALS

- A. Materials
On site caliche from previous construction activities will be used to the extent practicable. If this is not sufficient, caliche will be hauled from a BLM approved pit.
- B. Land Ownership
Federally Owned
- C. Materials Foreign to the Site
No construction materials foreign to this area are anticipated for this drill site.
- D. Access Roads
A resurfaced tract with on-site caliche, or hauled in from a BLM approved pit, will be needed (Figure 5). No new access road leading to the resurfaced tract is needed.

VII. METHODS FOR HANDLING WASTE

- A. Cuttings
A closed loop system will be used. Cuttings will be contained in the roll off bins and disposed of at CRI or other off-site licensed facility (See Attachment 2 to 9-Point Drilling Plan).
- B. Drilling Fluids
Drilling fluids will be contained in the steel pits, frac tanks and disposed of at licensed disposal sites.
- C. Produced Fluids
Produced formation water will be contained in the steel pits of the closed loop system.
- D. Sewage
Portable facilities will contain sewage during drilling and waste will be disposed of in compliance with current laws and regulations pertaining to the disposal of human waste.
- E. Garbage
Portable containers will be utilized for garbage disposal during the drilling of this well. Garbage will be hauled off-site for disposal at an approved facility.
- F. Cleanup of Well Site
Upon release of the drilling rig, the surface of the drilling pad will be graded to accommodate the completion rig. Reasonable cleanup will be performed prior to the final restoration of the site.

VIII. ANCILLARY FACILITIES

None required

IX. WELL SITE LAYOUT

- A. Rig Orientation and Layout
Figures 3 and 6 shows the dimensions of the well pad, closed loop system, and the location of major rig components. Minor leveling of the well site will be required. No significant cuts or fills will be necessary.
- B. Locations of Access Road
See Figure 2.
- C. Lining of the Pits
There will be no reserve pits. This will be a closed loop system (see Attachment 2 to 9-Point Drilling Plan).

X. PLANS FOR SURFACE RECLAMATION

- A. Reserve Pit Cleanup
Not applicable-- closed loop drilling fluid system will be used.
- B. Restoration Plans

There are no plans to downsize the drilling pad area once Maljamar AGI #2 is complete. Upon completion the well pad will be fenced-in and all access roads will be preserved; therefore, no interim remediation is required.
- C. Rehabilitation's Timetable
Upon completion of drilling operations, the initial cleanup of the site will be performed as soon as weather and site conditions allow economic execution of the work.

XI. SURFACE OWNERSHIP

Federal BLM

XII. OTHER INFORMATION

- A. Terrain: Flat with some low dunes.
- B. Soil: Caliche and sand.
- C. Vegetation: Sparse, primarily mesquite with very little grass.

- D. Surface Use: Primarily grazing.
- E. Surface Water: There are no ponds, lakes, perennial streams or rivers within five miles of the well site except for the BLM wetlands located approximately one mile to the east of the drill site.
- F. Residences and Buildings: The only nearby facilities are the Frontier Field Services Gas Processing Plant located immediately to the west and a Conoco warehouse on Conoco Rd.
- G. Historical Sites: None observed
- H. Archeological Resources
Frontier Field Services has had an independent archeological survey performed, and it was transmitted to the BLM on July 20, 2011. No cultural resources were found in the survey.
- I. Well signs will be posted at the drilling site.
- J. Open Pits: No open pits will be used for drilling or production. Any open top tanks will be netted.

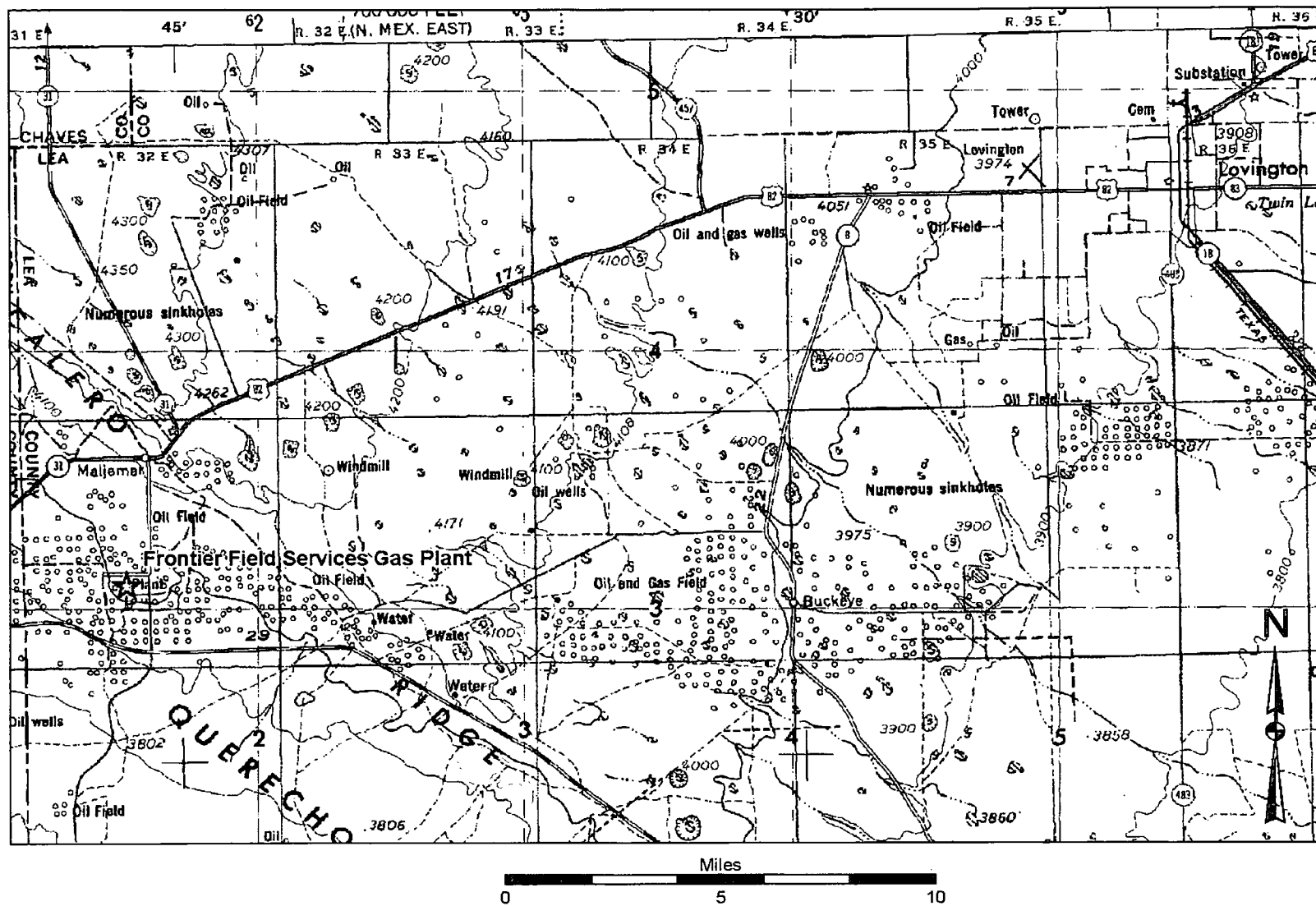


Figure 1: Location of Frontier Field Services Gas Plant

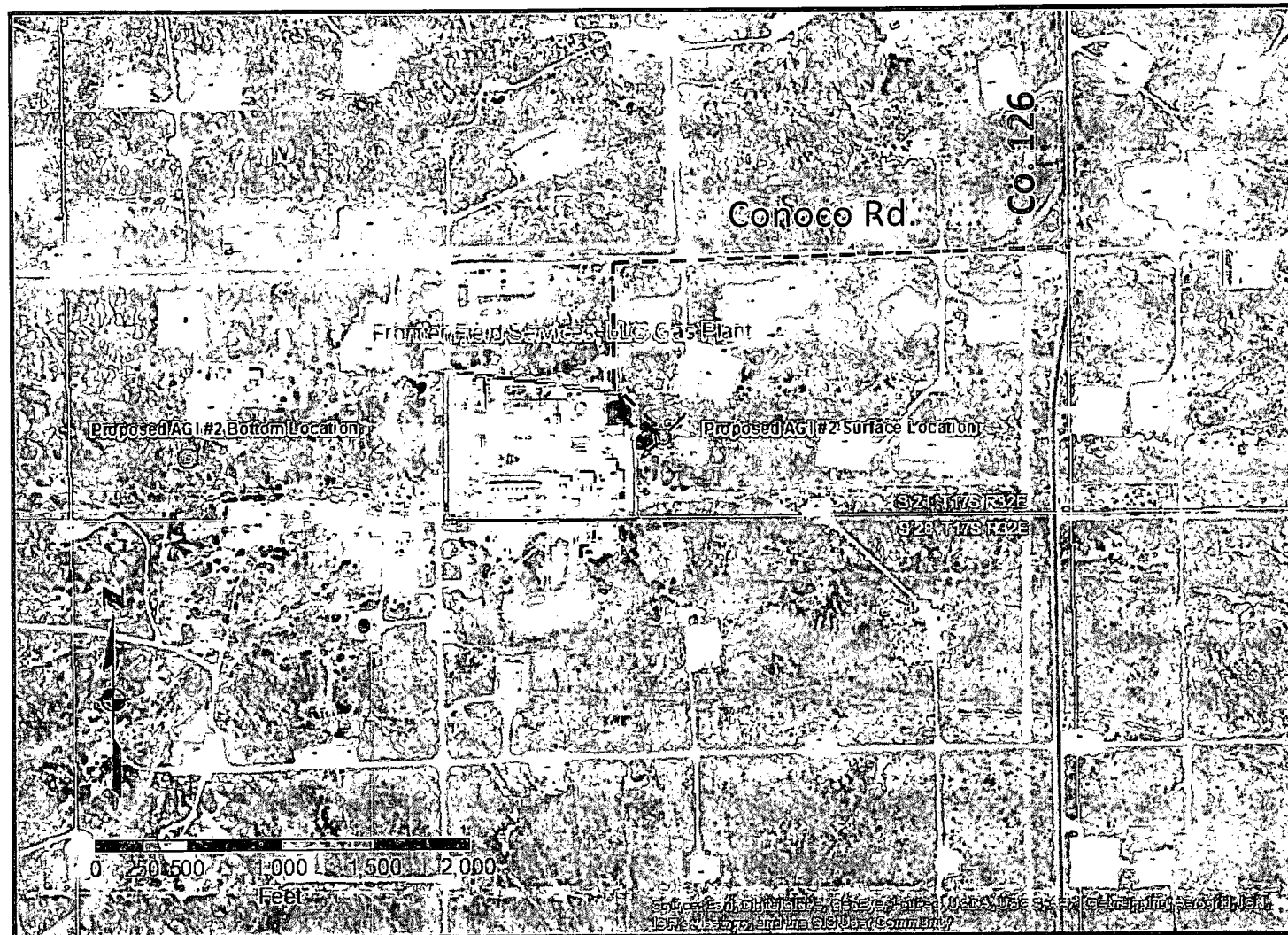


Figure 2: Locations of Surface and Bottomhole Locations of Proposed Maljamar AGI #2

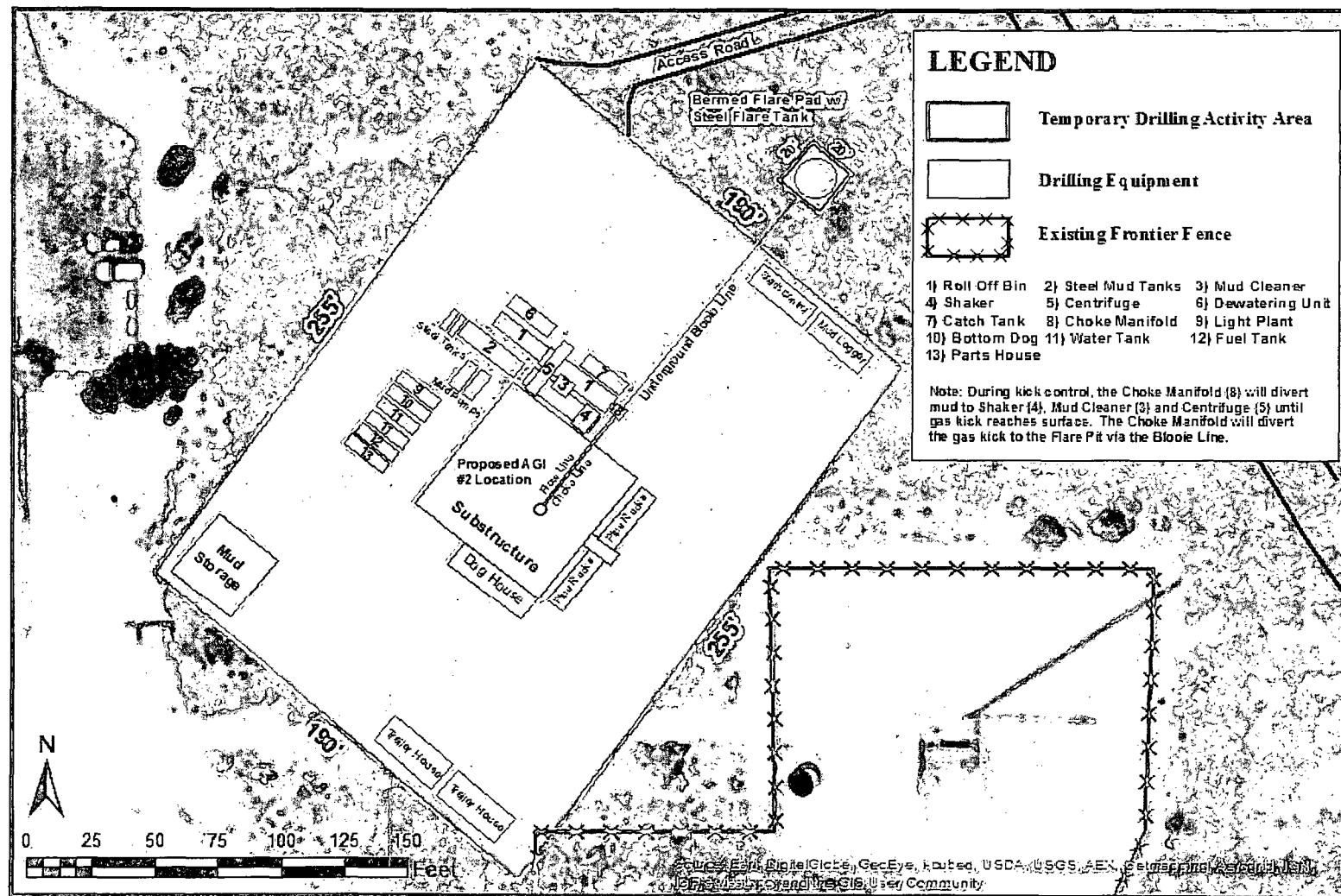


Figure 3: Proposed Well Site Layout, Maljamar AGI #2

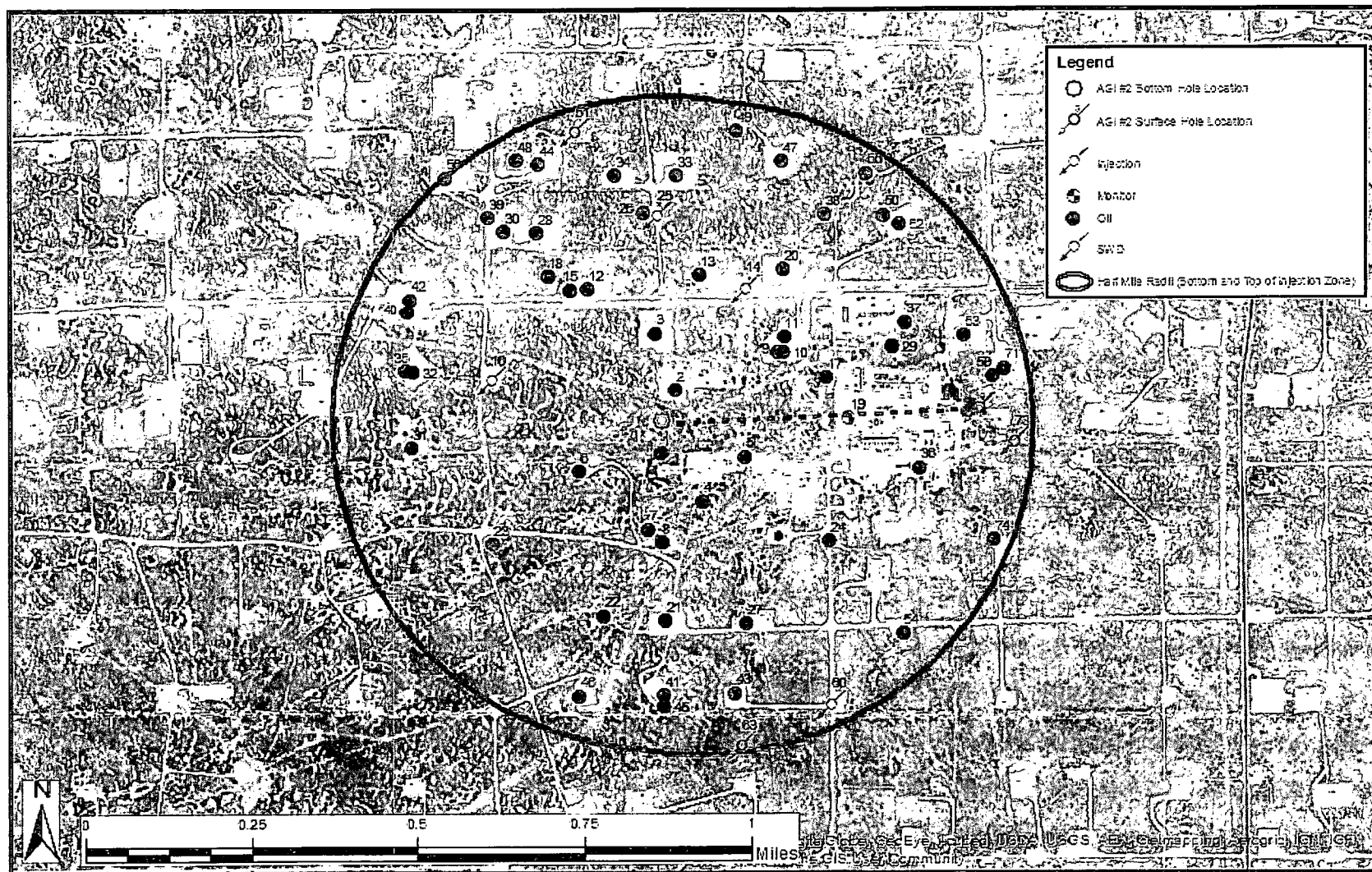


Figure 4: Wells within One-Half Mile of Bottom Hole Location of Proposed Maljamar AGI #2

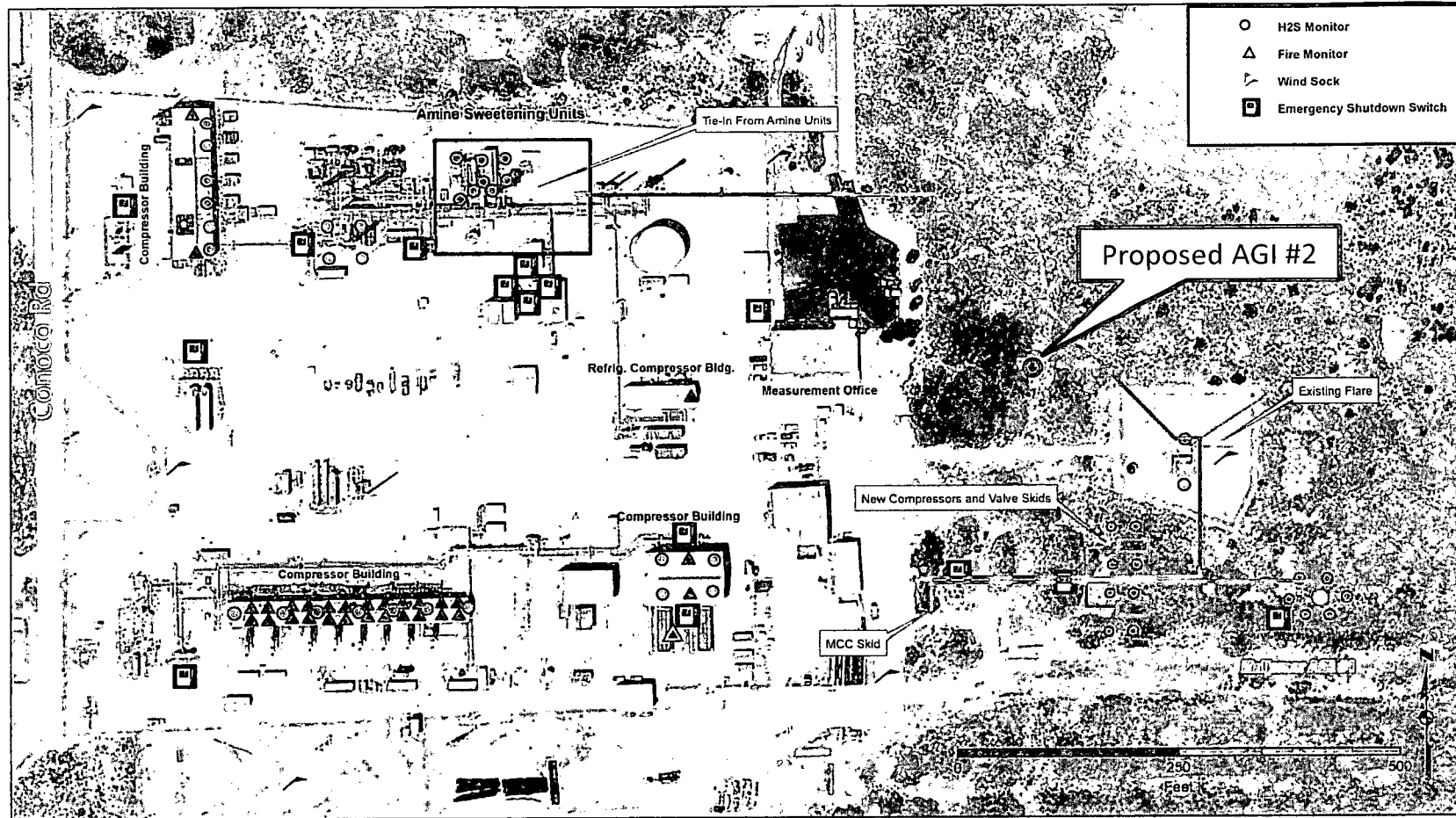


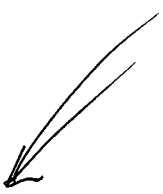
Figure 5: Existing Surface Compressor Facilities



Figure 6: Site Plat Showing H₂S Safety Features and Closed Loop System

Attachment 6:
Demonstration of No Hydrocarbons

*See
COA
For #2 well*



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.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Lease Serial No. LC 029509BB
2. Name of Operator Frontier Field Services		6. If Indian, Alutotee or Tribe Name
3a. Address 4200 Skelly Dr, St. 700, Tulsa OK 7413N/A5	3b. Phone No. (include area code) 918-384-8408	7. If Unit or CA/Agreement, Name and/or No N/A
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		8. Well Name and No Maljamar AGI#1
		9. API Well No 30-025-40420
		10. Field and Pool, or Exploratory Area Exploratory (Lower Wolfcamp)
		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				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other demonstration of no recoverable hydrocarbons	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 OAGI #30-025-40420) was drilled in March-June, 2012 at the approved location pursuant to an approved APD dated 1/3/2012 and NMOC 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 NMOC 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

Signature

Digitally signed by Alberto A. Gutierrez
DN: cn=Alberto A. Gutierrez, o=Geosia
Inc, ou=Energy, email=agu@geosia.com, c=US
Date: 2012.09.24 10:25:36 -0600

Title Consultant to Frontier Field Services LLC and AKA Energy

Date

9/24/12

9/24/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

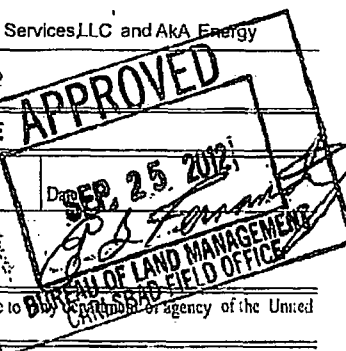
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

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 Federal, State, 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



**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

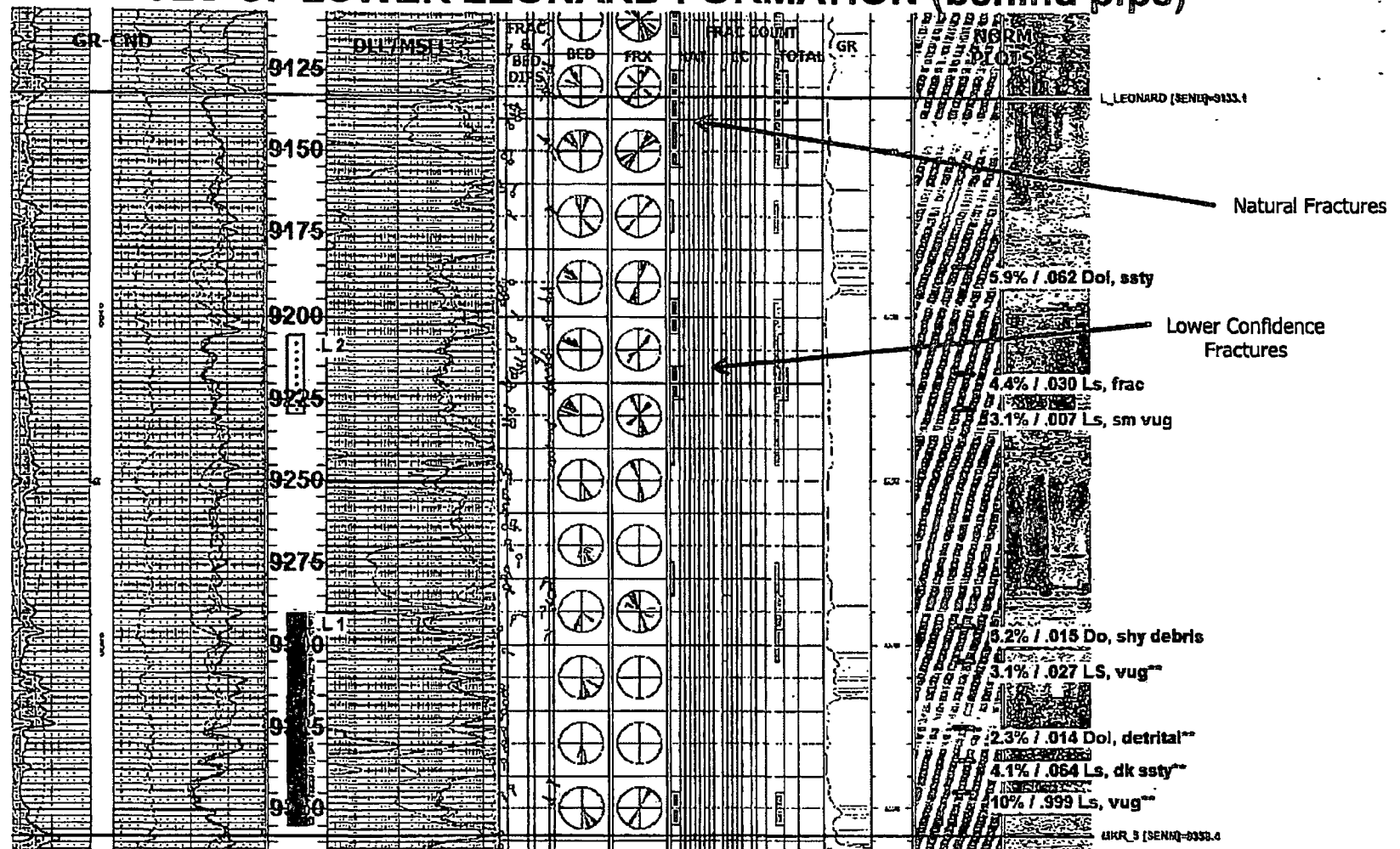
August 8, 2012

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INCORPORATED

SUMMARY OF FACTORS TO CONSIDER IN RESERVOIR AND CAP ROCK EVALUATION

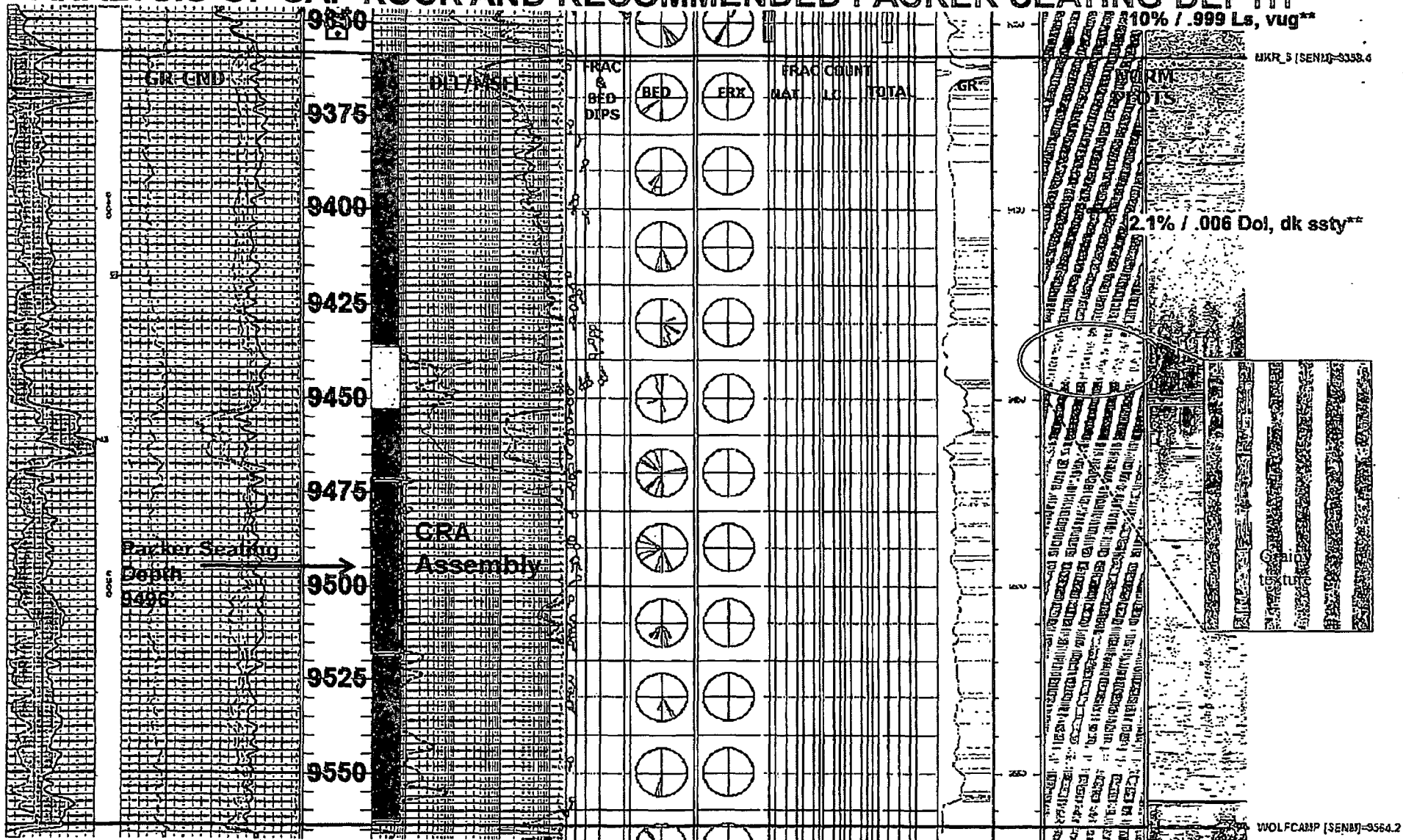
- The successful evaluation of reservoir and cap rock characteristics using sidewall cores requires the careful consideration of the limitations of the samples obtained since each actual sidewall is only representative of 1- 1 ½ inches of the sampled formation. The overall evaluation of the cap rock 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)



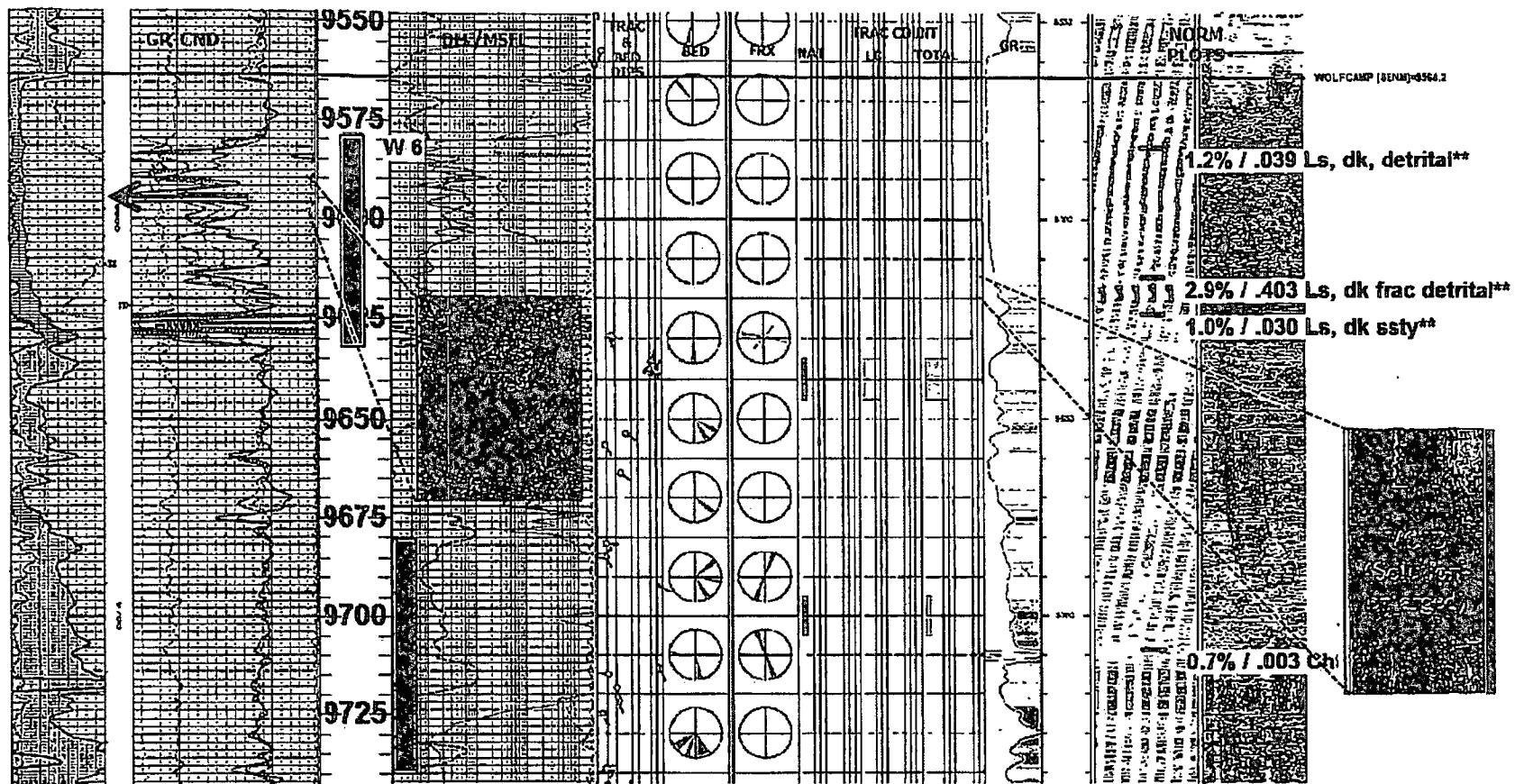
On this and subsequent slides, yellow shading denotes porosity >5% in carbonates; the numbers and notations on the right refer to measured sidewall core porosity / permeability (% and md, respectively) and a brief lithologic description. Core points with double asterisks calculated Sws of greater than 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



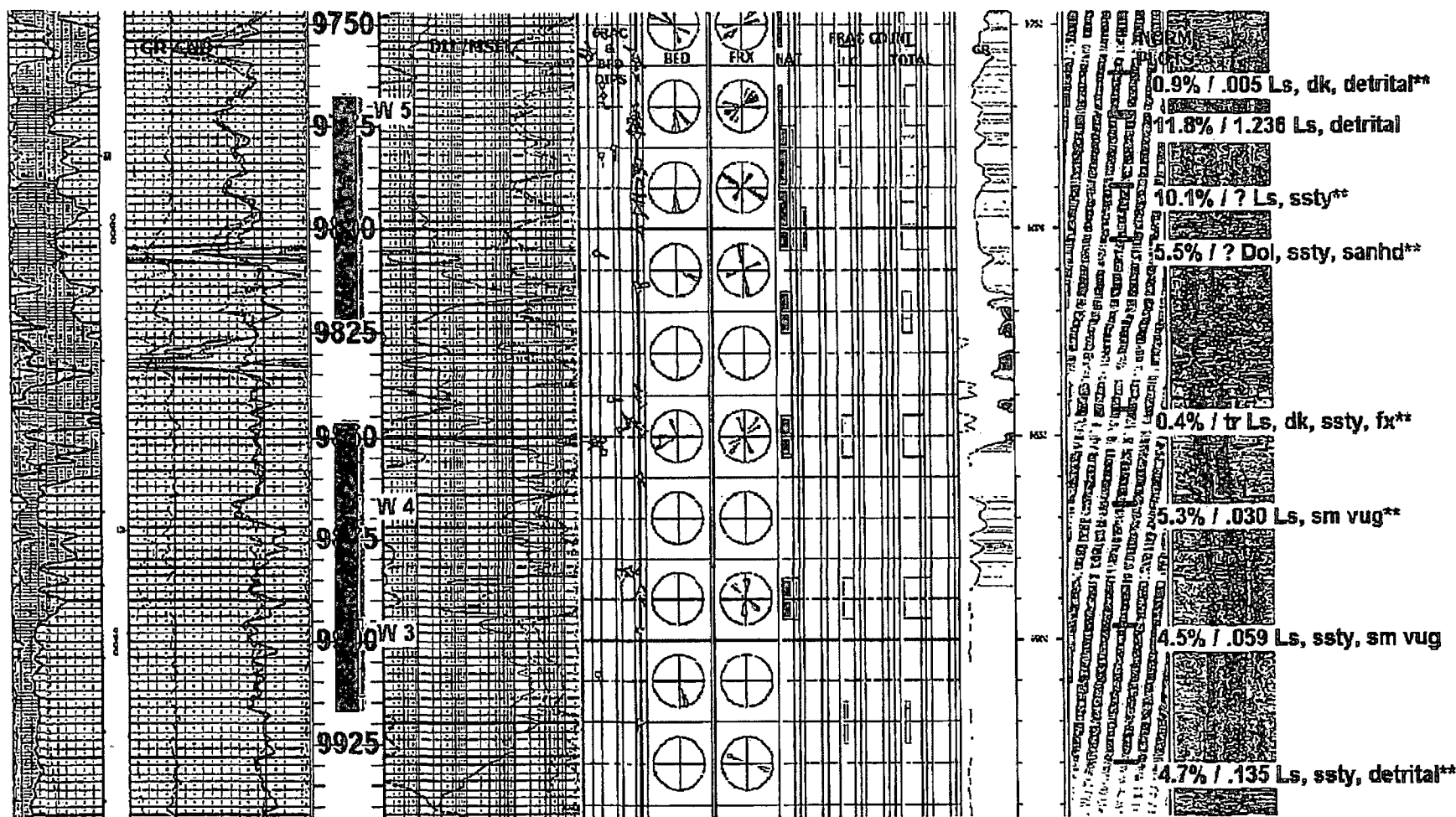
The intervals indicated by the brown bars appear to be dominated by dark, silty and shaley slope facies, with very low to trace permeability. The green bar denotes a tight lime grainstone, which can be seen on the image plot (green circle) This interval will make an excellent caprock for injection zones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

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.

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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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.

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°



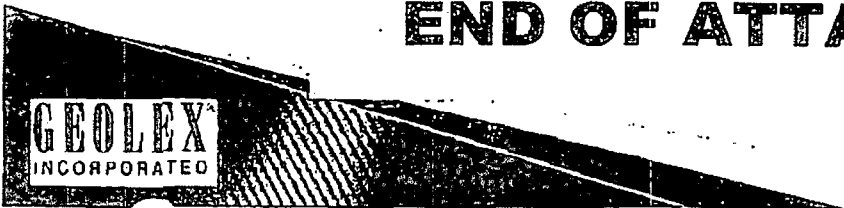
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FRONTIER
field services
CORPORATION

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



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

Accessories

Fossils

ALGAE
AMPHIPORA
BELEMNITE
BIOCLASTIC
BRACHIOPOD
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

BENTONITE
BITUMENOUS SUBSTANCE
BRECCIA FRAGMENTS
CALCAREOUS
CARBONACEOUS FLAKES
CHTDK
CHTLT
COAL - THIN BEDS
DOLOMITIC
FELSOPAR

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

E 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

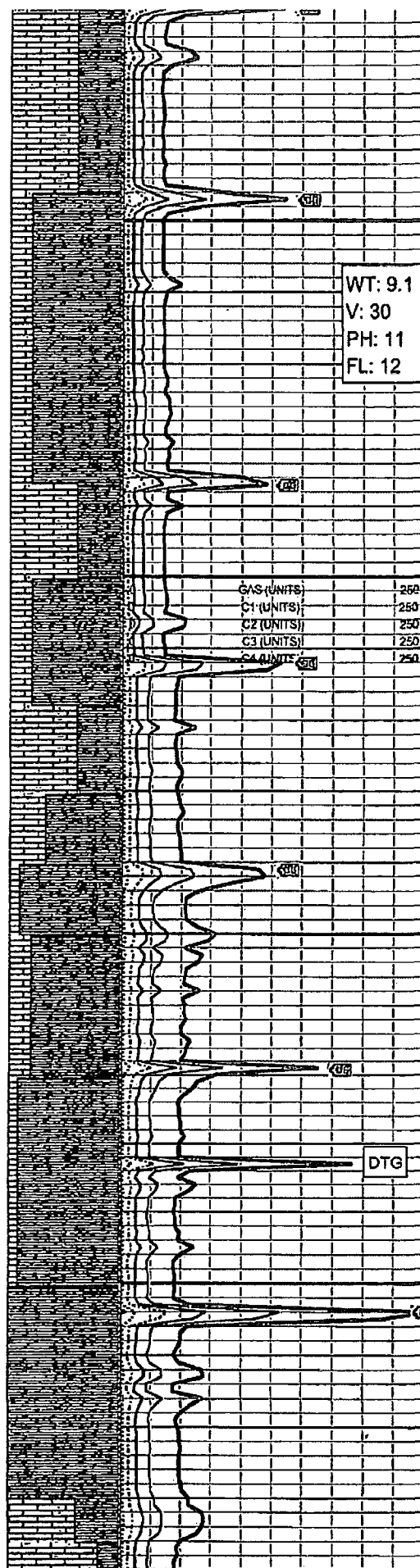
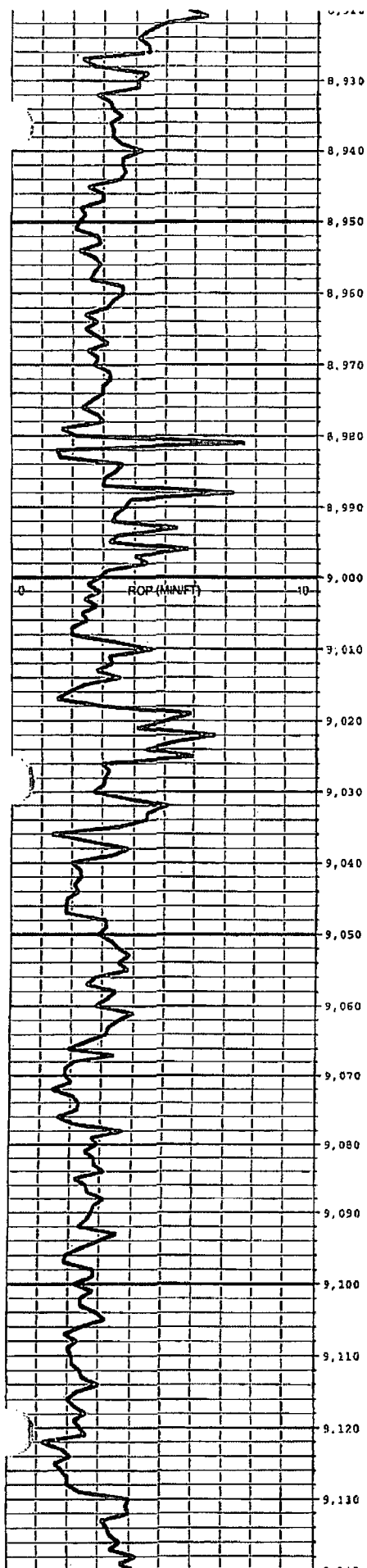
BOUNDSTONE
CHALKY
CRYPTOXLN

E EARTHY
FX FINELYXLN
GS GRAINSTONE
L LITHOGRAPHIC
PDX MICROXLN
MS MUDSTONE
PS PACKSTONE
WS WACKSTONE

Sorting

M MODERATE
P POOR
W WELL

[illegible]



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

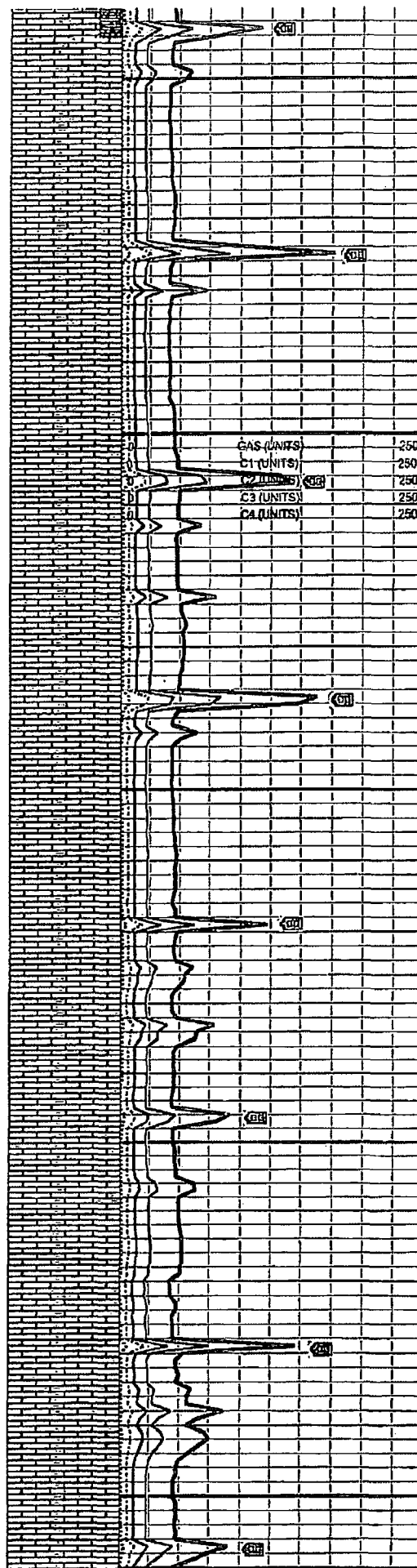
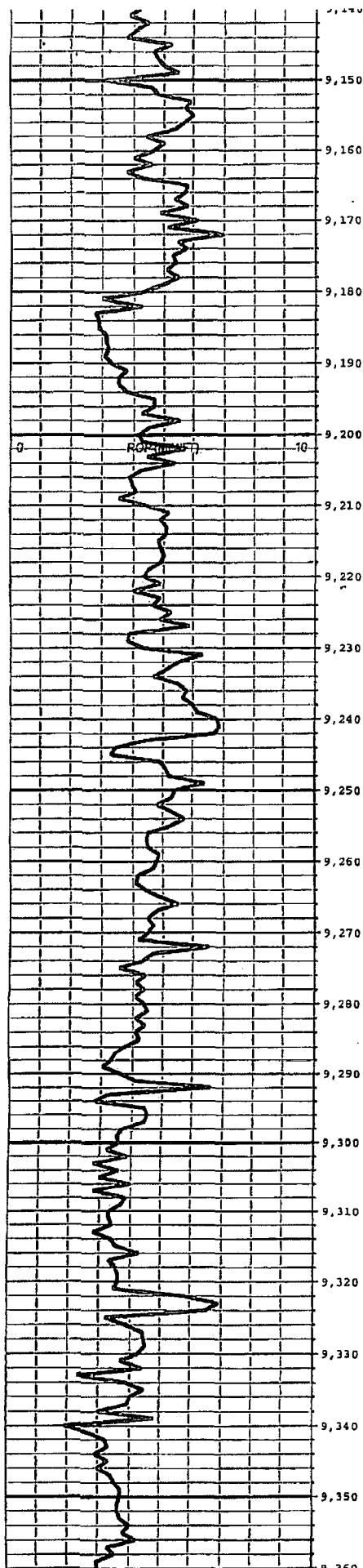
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LTBN VF FX DNS DOL'C
GRDS TO LMY DOL

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 LTNB IP F-MX
RHOMBS FR INT-X POR
AREN FR GN FLU NO
WET CUT SL TR DRY
CUT

DOL OFFWH BUFF
LTTN LTNB 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



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

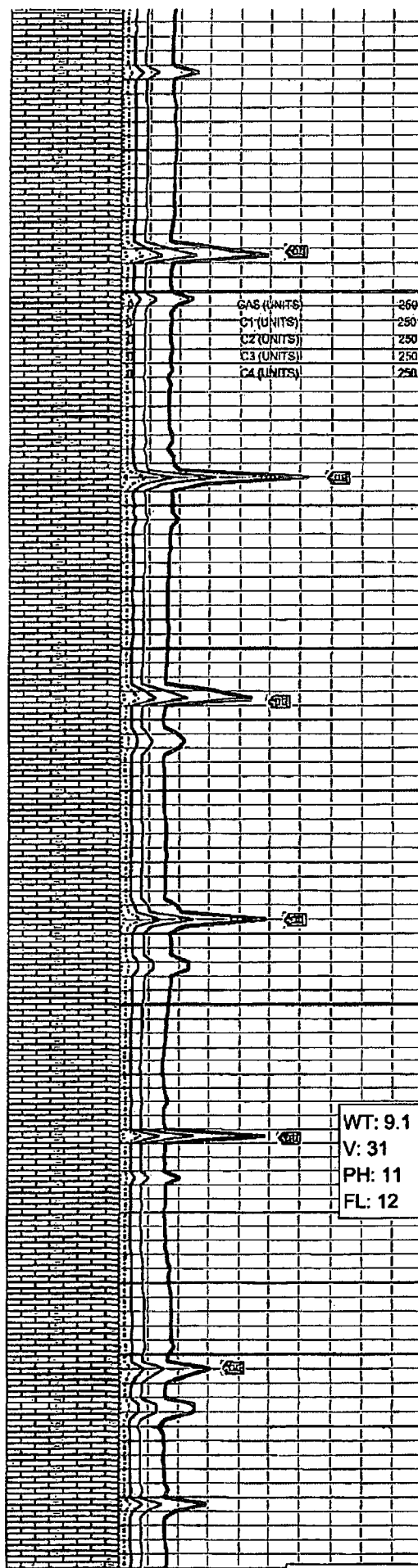
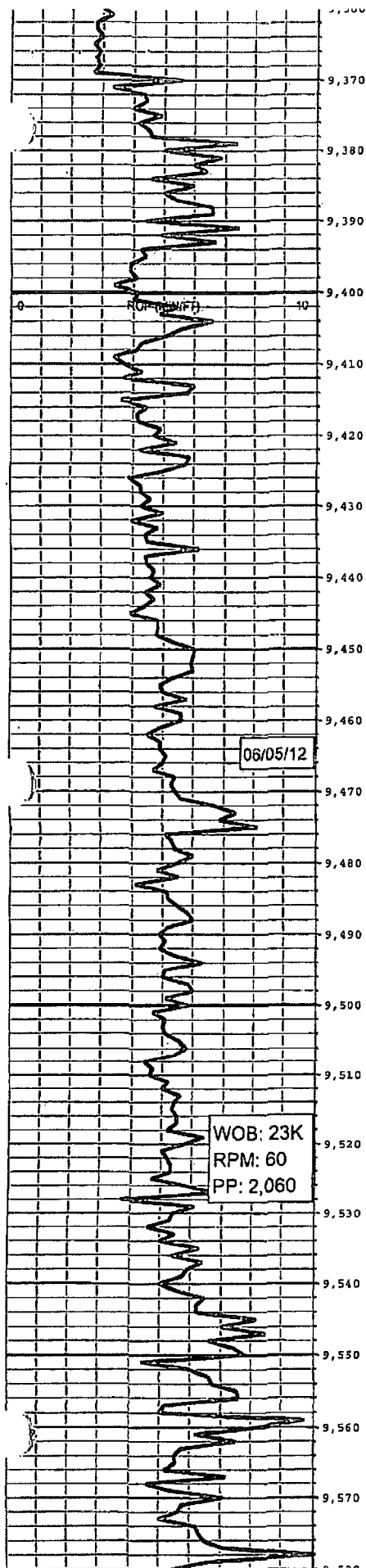
LS BN DKBN VF FX DNS
SL SUC

LS WH OFFWH MOTT
LTGY BN DKBN FX DNS
SL SUC CHKY IP

LS OFFWH LTTN TN BN
DKBN VF-MX DNS SL
SUC CHKY IP ARG IP

LS WH OFFWH LTTN
GYBN BN DKBN VF FX
DNS IP CHKY IP

LS WH OFFWH LTTN
VFX CHKY DNS IP FOSS



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 DKG
GYBN VF FX DNS

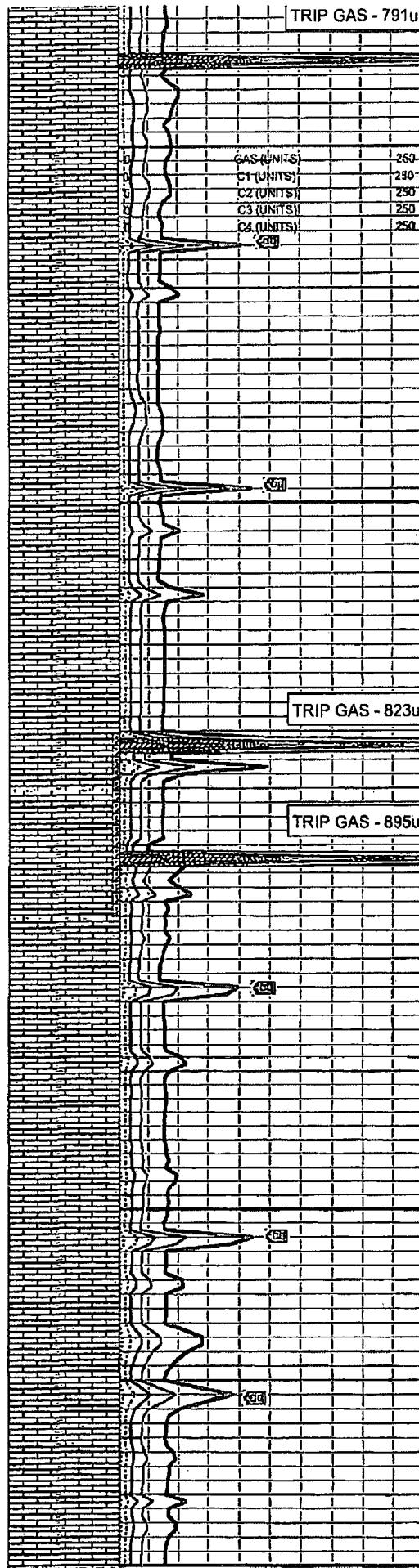
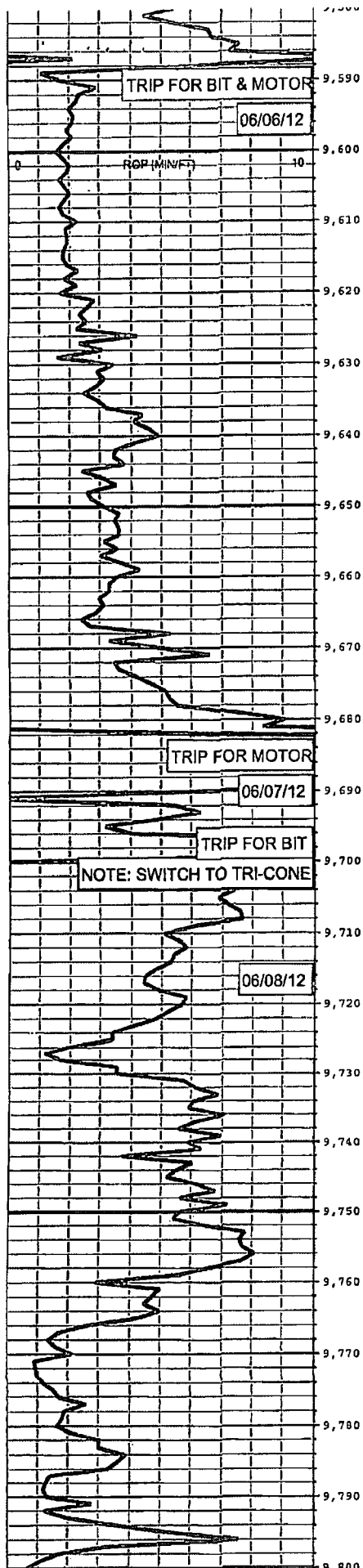
LS OFFWH LTTN LTBN
GY DKG VF FX DNS SIL
IP

LS OFFWH LTTN LTBN
GY GYBN VF FX DNS SIL
IP

LS OFFWH MOTT GY
DKGY DKBN VFX V/ DNS

LS OFFWH LTGY GY
DKGY BN DKBN VFX V/
DNS

LS WH OFFWH BUFF
LTTN VFX DNS CLN



LS WH OFFFWH BUFF
VFX DNS CLN

SH TR GY DKGY BLK
SLTY SFT FRM GRTTY
TXT SB-PLTY MICA
CARB

LS WH OFFFWH CRM
BUFF LTTN VF FX DNS
IP CLN ARG IP

LS WH OFFFWH BUFF
LTTN BN IP VF FX DNS
IP TR FOSS

CHT CLR LTTN TN
TRNSL TRNSP

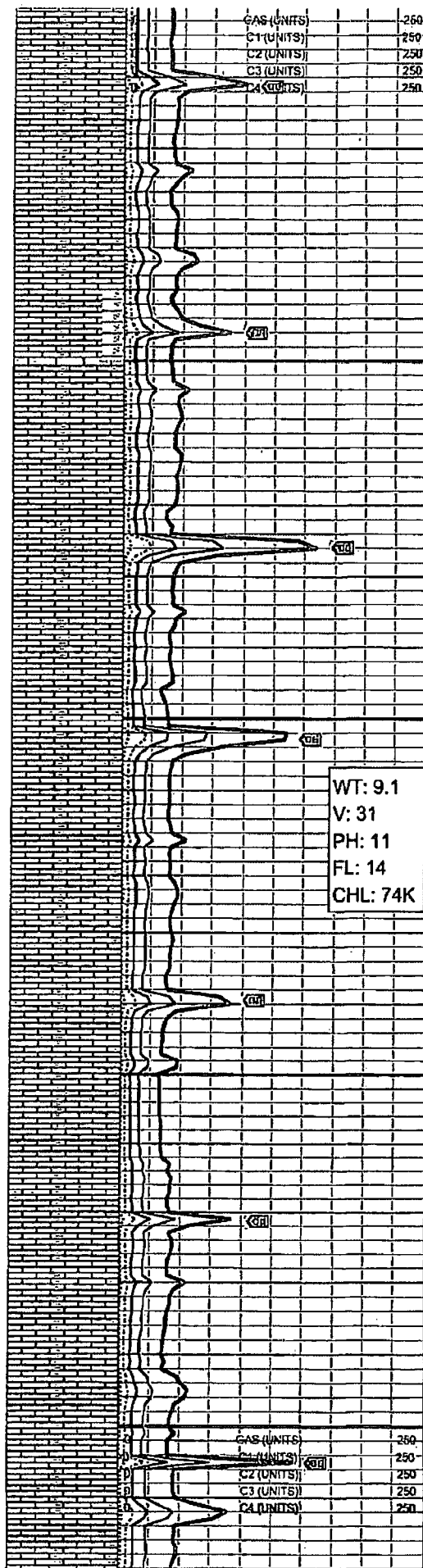
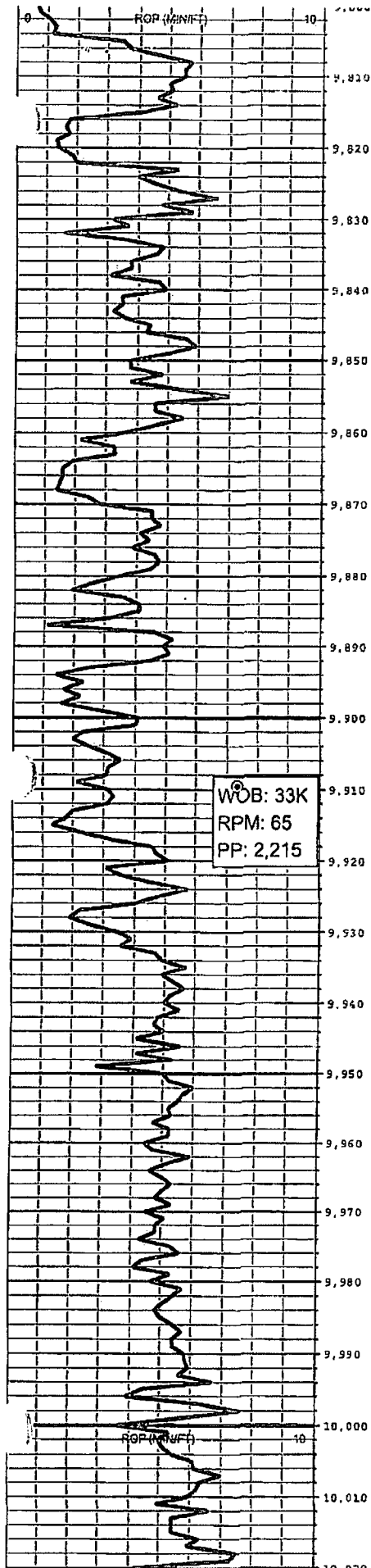
LS WH OFFFWH LTTN
TN LTBN BN VF FX DNS

LS OFFFWH LTTN TN
LTBN BN VF FX TR VUG
DNS IP

LS OFFFWH LTTN TN BN
DKBN VF FX DNS ARG IP

LS WH OFFFWH 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 OFFFWH CRM LTTN
TN LTBN IP VF FX TR



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 DKG Y 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

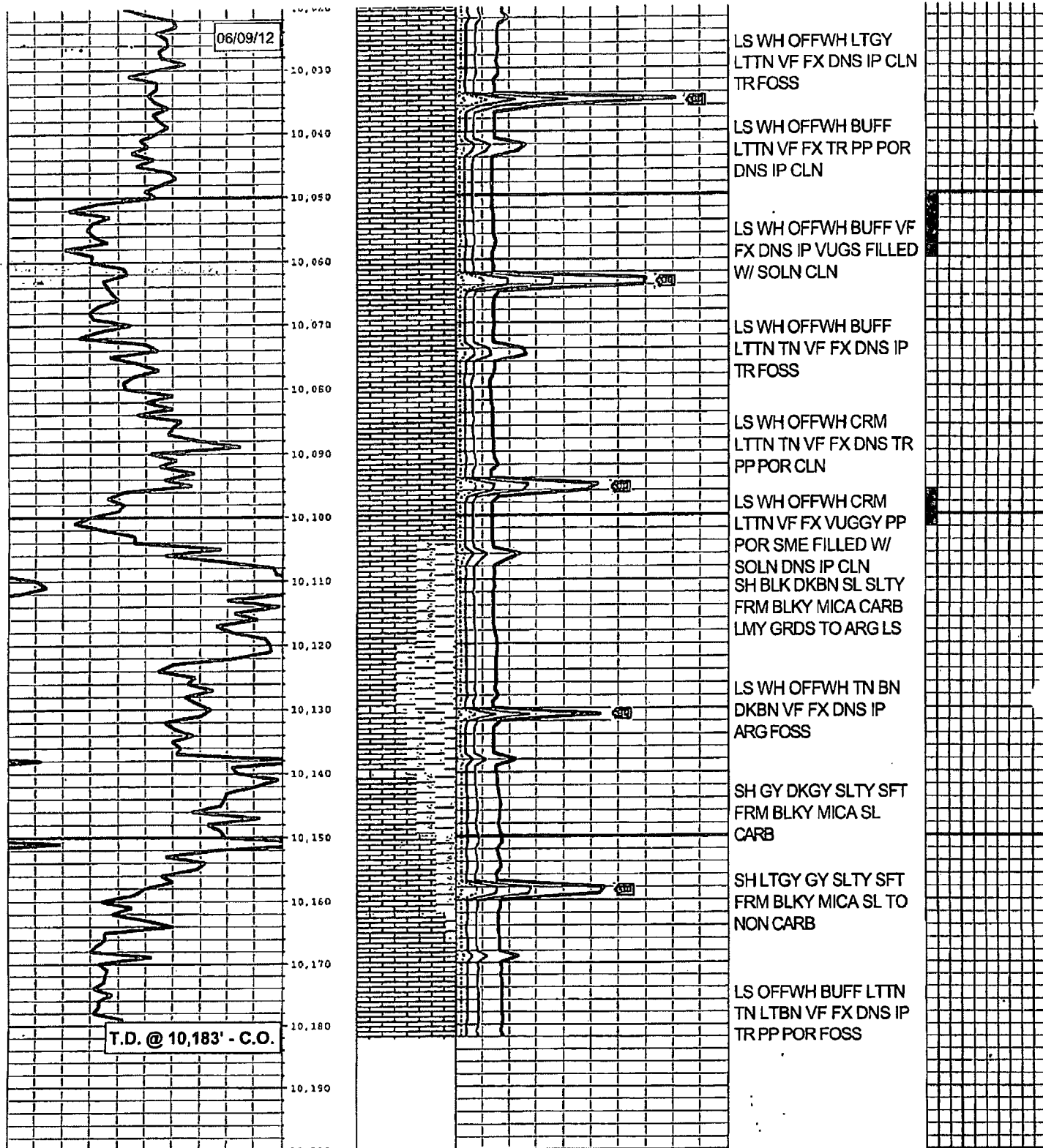
LS WH OFFWH BUFF
LTTN TN VF FX DNS IP
CLN TR FOSS NO FLU

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

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.

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

2 Name of Operator Frontier Field Services

3a Address
4200 Skelly Dr., St. 700, Tulsa OK 7413N/A53b Phone No. (include area code)
918-384-8408

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 Location5. Lease Serial No.
LC 029509BB

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No
N/A8. Well Name and No
Maljamar AGI#19. API Well No
30-025-4042010. Field and Pool, or Exploratory Area
Exploratory (Lower Wolfcamp)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			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other demonstration of no recoverable hydrocarbons
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleate 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 OAGI #30-025-40420) was drilled in March-June, 2012 at the approved location pursuant to an approved APD dated 1/3/2012 and NMOC 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 NMOC 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=Frontier
Inc., ou=Frontier Field Services, c=US
Date: 2012.09.24 10:25:56 -0500

Date

9/24/12

9/24/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

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 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



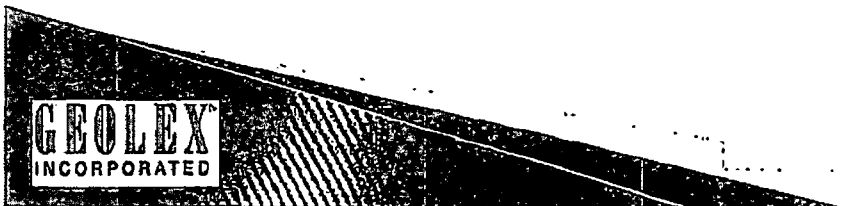
EVALUATION OF GEOPHYSICAL LOGS, SIDEWALL CORE AND FORMATION MICROIMAGING RESULTS, AND INJECTION POTENTIALS: AKA ENERGY GROUP MALJAMAR AGI #1

**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**

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 considerations of 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.

GR END

DIL/MSP

9125

9150

9175

9200

9225

9250

9275

9300

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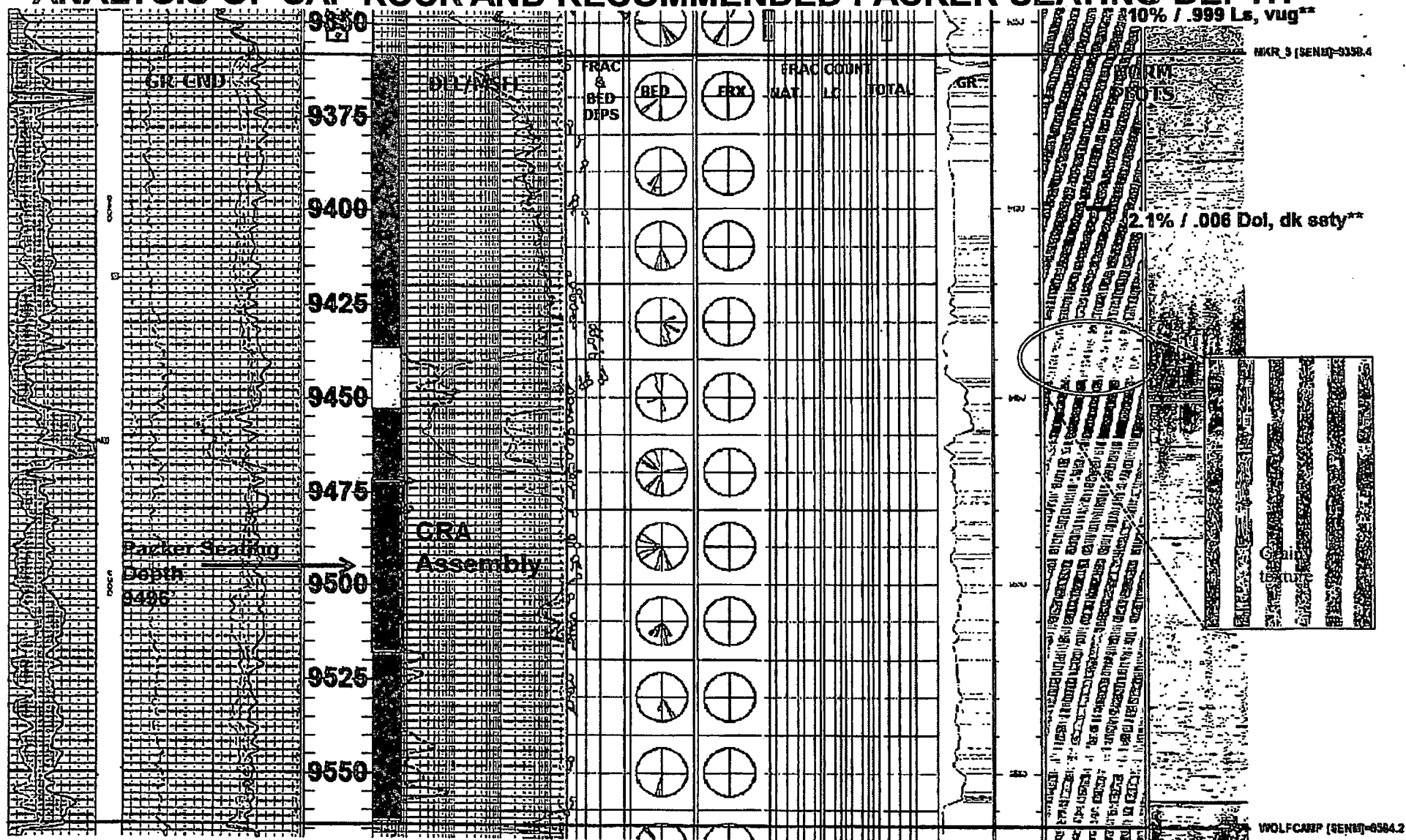
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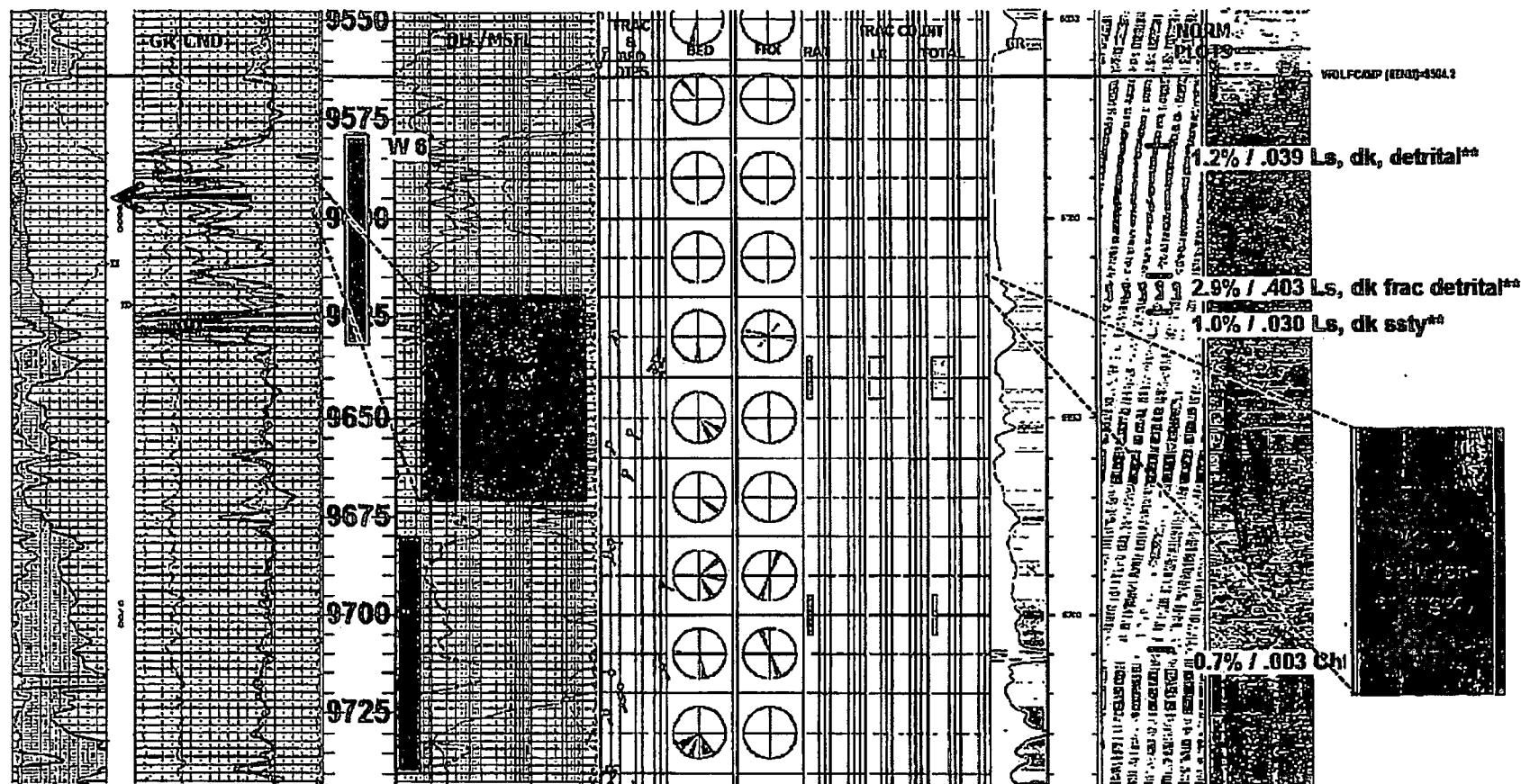
GEOLEX
INCORPORATED

ANALYSIS OF CAP ROCK AND RECOMMENDED PACKER SEATING DEPTH



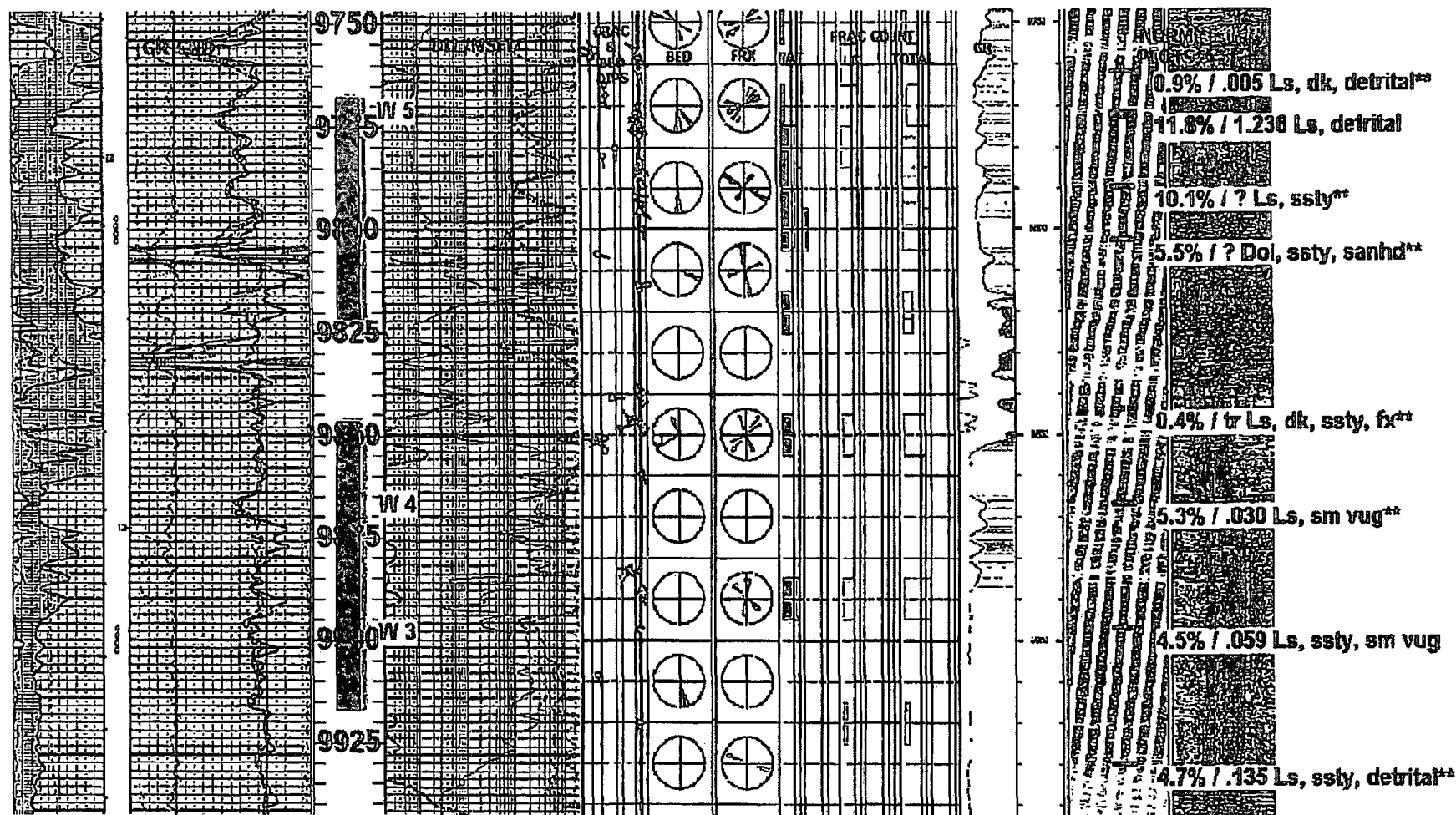
The intervals indicated by the brown bars appear to be dominated by dark, silty and shaley slope facies, with very low to trace permeability. The green bar denotes a tight lime grainstone, which can be seen on the image plot (green circle) This interval will make an excellent caprock for injection zones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

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.

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.

GEOLUX
INCORPORATED

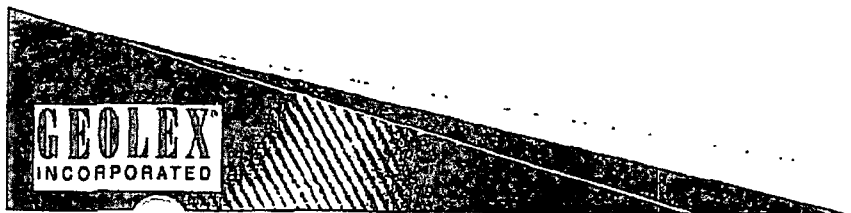


Similarly, these lower Wolfcamp zones should be perforated across the three intervals with the blue bars. The lowest recommended perforation interval (W0) has been added on the basis of the density of fracturing, and primary porosities in core up to 7.4%. The fractures would serve to effectively inter-connect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

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°



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



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

Accessories

Fossils

ALGAE
 AMPHIPORA
 BELEMNITE
 BIOCLASTIC
 BRACHIOPOD
 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

 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
 INTEROOULTIC

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

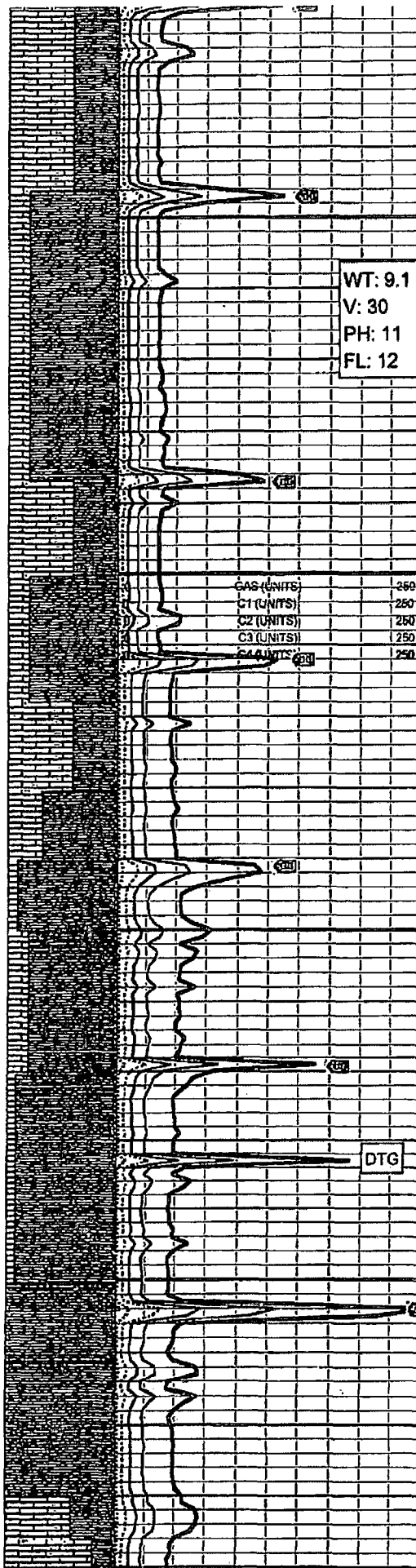
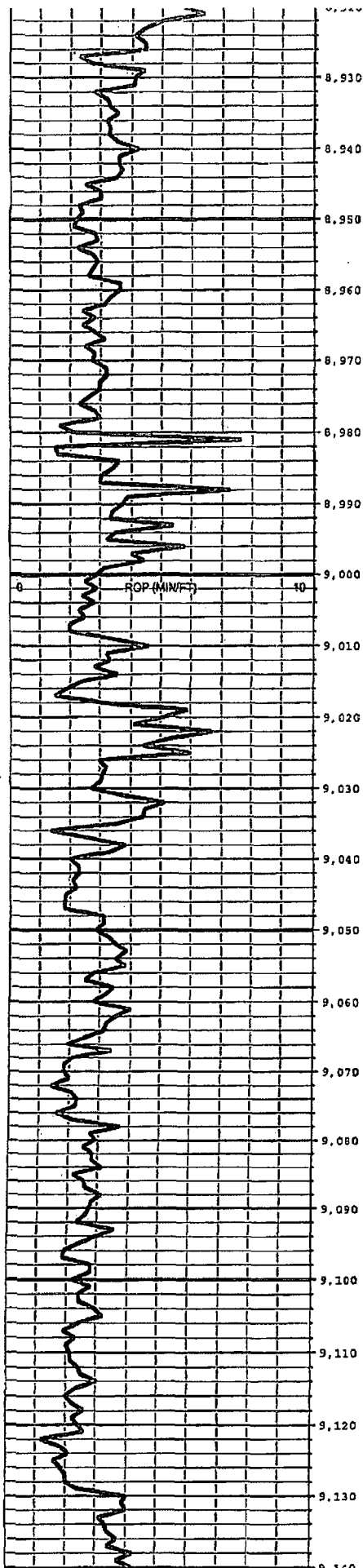
BOUNDSTONE
 CHALKY
 CRYPTOXLN

EARTHY
 FINELYXLN
 GRAINSTONE
 L LITHOGRAPHIC
 MICROXLN
 MUDSTONE
 PACKSTONE
 WACKESTONE

Sorting

MODERATE
 POOR
 WELL

<div>ROP</div> <div>ROF _____</div>	<div>Depth Labels</div>	<div>% Lith</div>	<div>Total Gas & Chromatograph</div> <div> GAS _____ C1 _____ C2 _____ C3 C4 </div>	<div>Lithology Descriptions</div>	<div>% Porosity</div>	<div>Oil Show</div>
<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div>8</div> <div>12</div> <div>16</div> <div>24</div> <div>30</div> <div>IR</div> <div>FR</div> <div>GC</div> <div>EL</div>	<div></div>



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

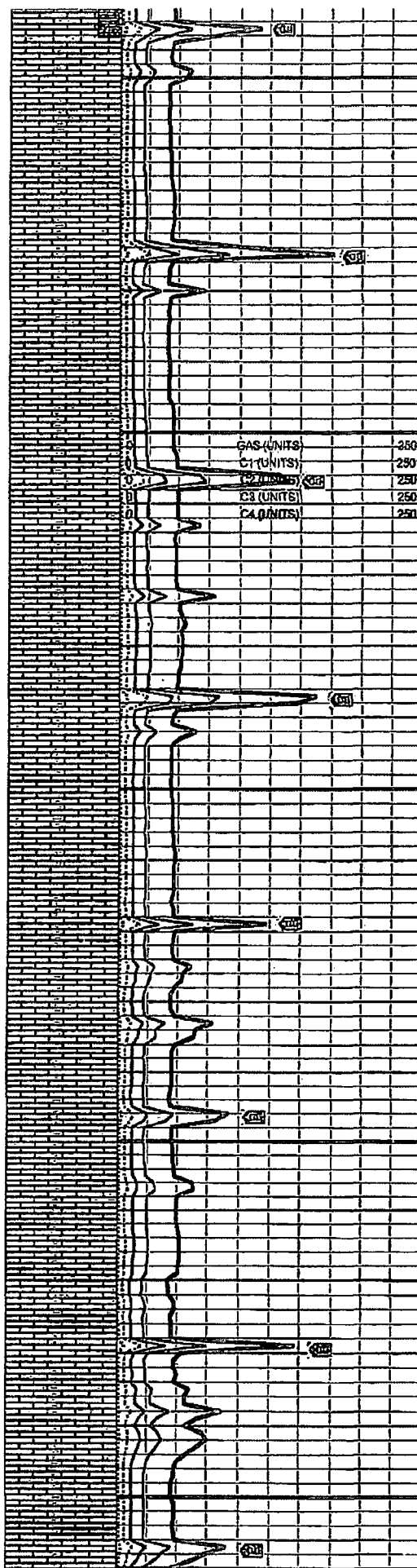
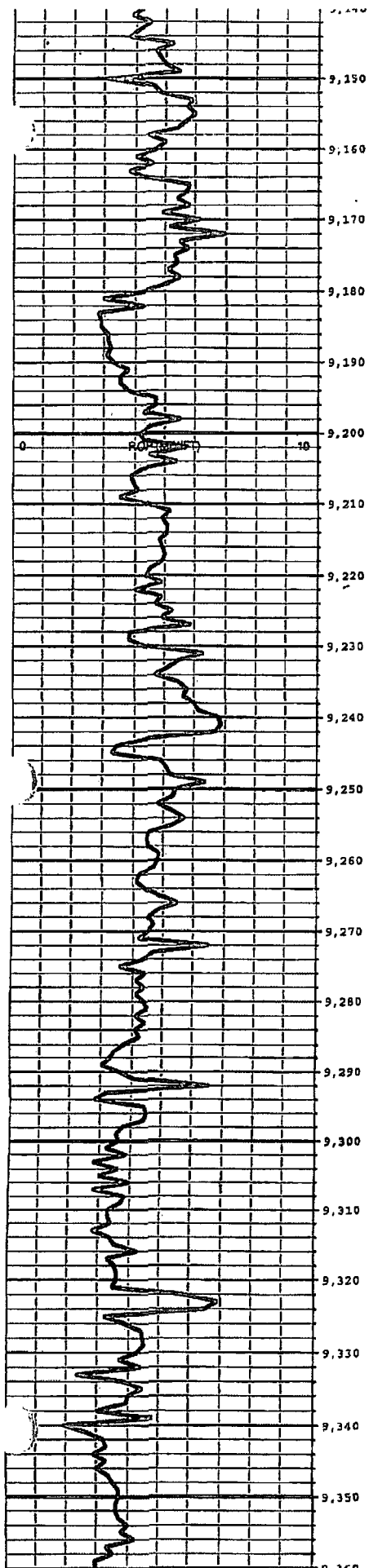
LS OFFWH LTGY TN
LTBN VF FX DNS DOL'C
GRDS TO LMY DOL

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



LS WH OFFFWH TN BN
DKBN MOTT VF FX DNS
ARG IP TR FOSS

LS WH OFFFWH MOTT
LTGY VFX CHKY

LS OFFFWH CRM LTTN
LTGY FX DNS IP CHKY
IP FOSS

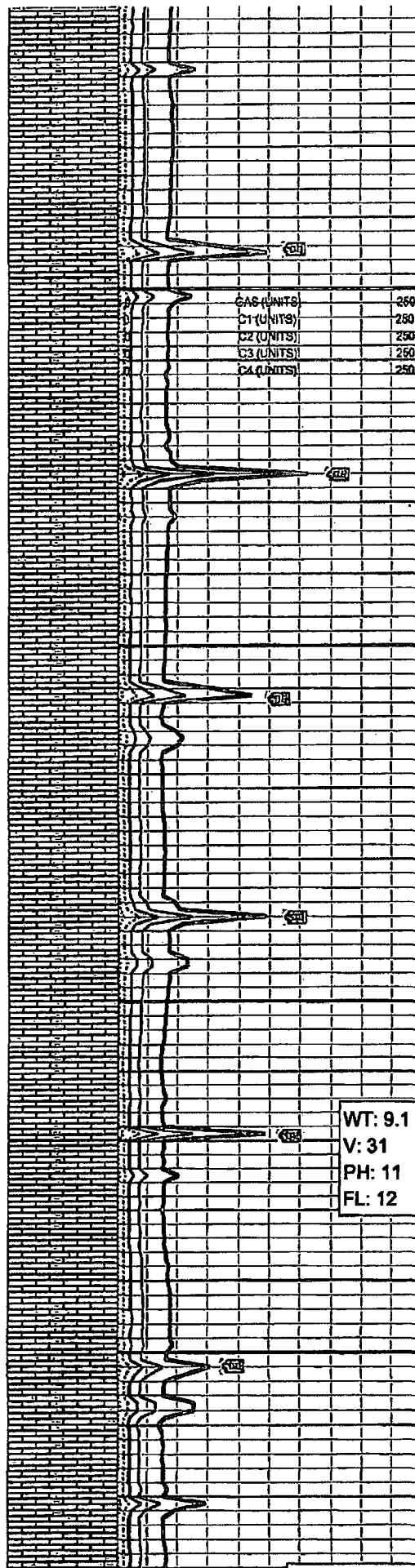
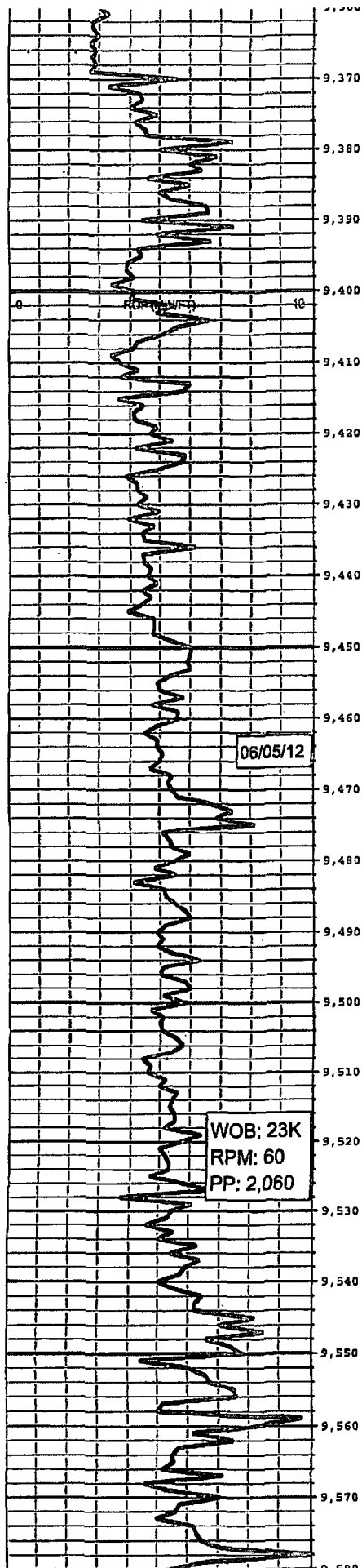
LS BN DKBN VF FX DNS
SL SUC

LS WH OFFFWH MOTT
LTGY BN DKBN FX DNS
SL SUC CHKY IP

LS OFFFWH LTTN TN BN
DKBN VF-MX DNS SL
SUC CHKY IP ARG IP

LS WH OFFFWH LTTN
GYBN BN DKBN VF FX
DNS IP CHKY IP

LS WH OFFFWH LTTN
VFX CHKY DNS IP FOSS



LS OFFFWH TN LTBN BN
DKBN VF FX DNS SL
SUC

LS OFFFWH TN LTBN BN
DKBN VF FX DNS SL
SUC IP DOL'C IP

LS INCR IN GY DKG
GYBN VF FX DNS

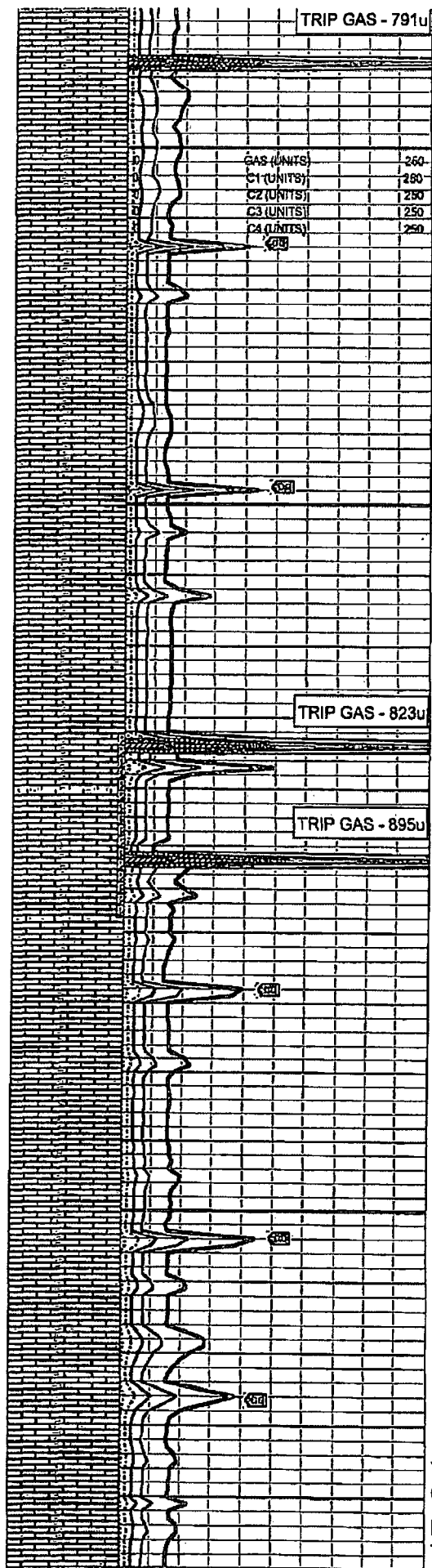
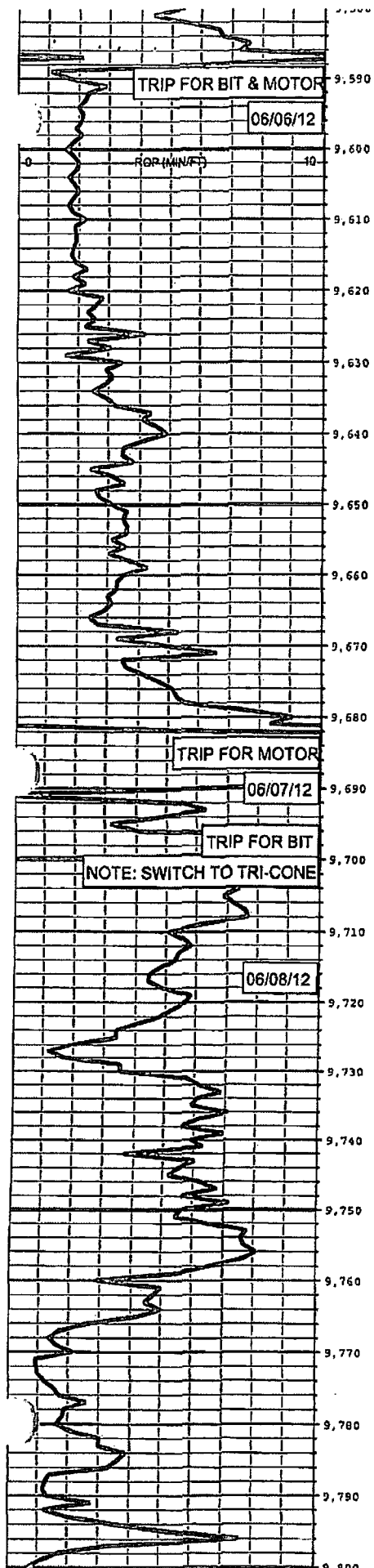
LS OFFFWH LTTN LTBN
GY DKG VF FX DNS SIL
IP

LS OFFFWH LTTN LTBN
GY GYBN VF FX DNS SIL
IP

LS OFFFWH MOTT GY
DKGY DKBN VFX V/ DNS

LS OFFFWH LTGY GY
DKGY BN DKBN VFX V/
DNS

LS WH OFFFWH BUFF
LTTN VFX DNS CLN



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

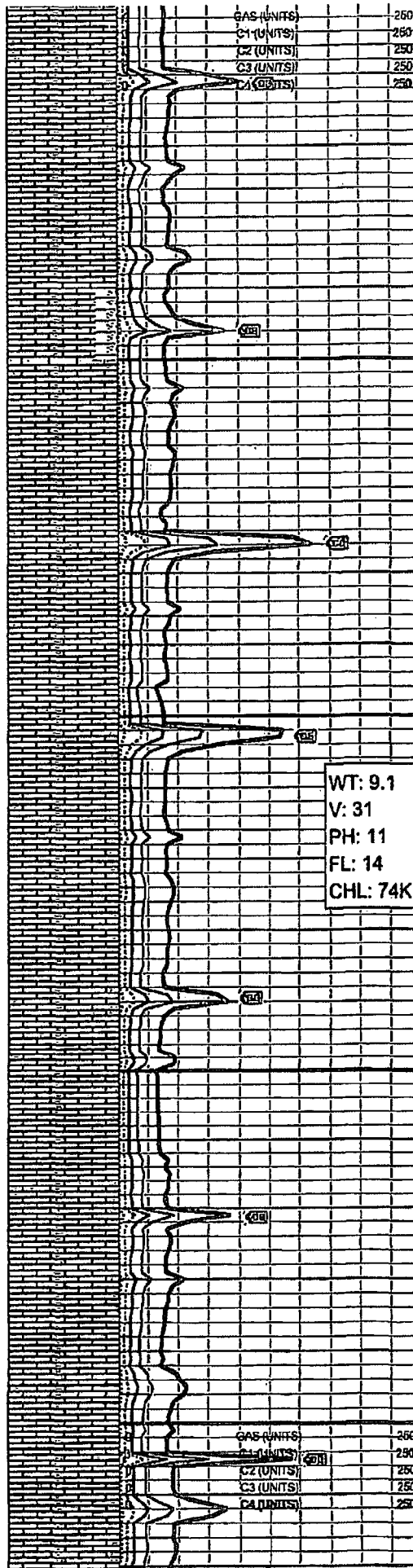
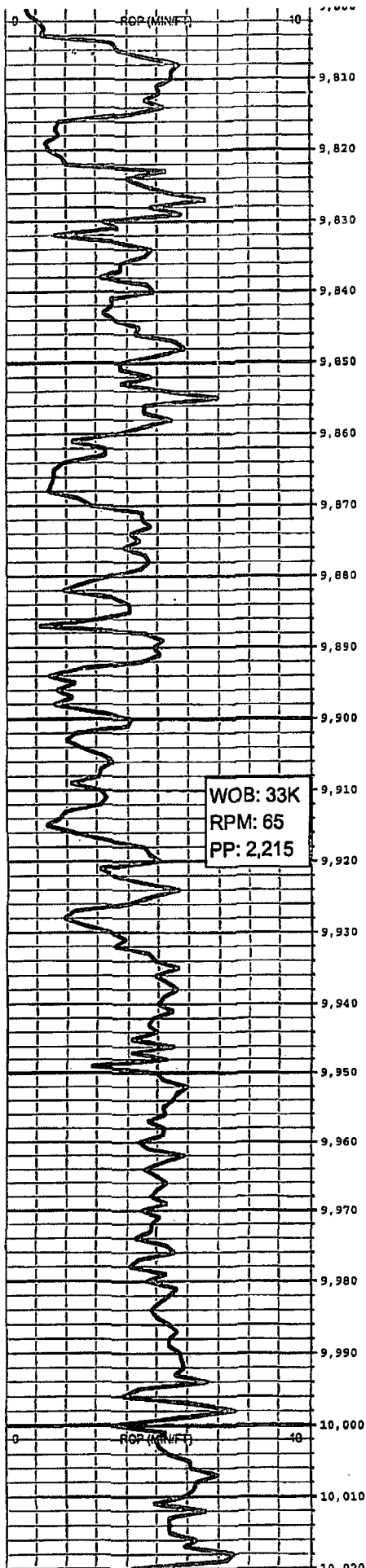
LS WH OFFWH LTTN
TN LTBN BN VF FX DNS

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



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

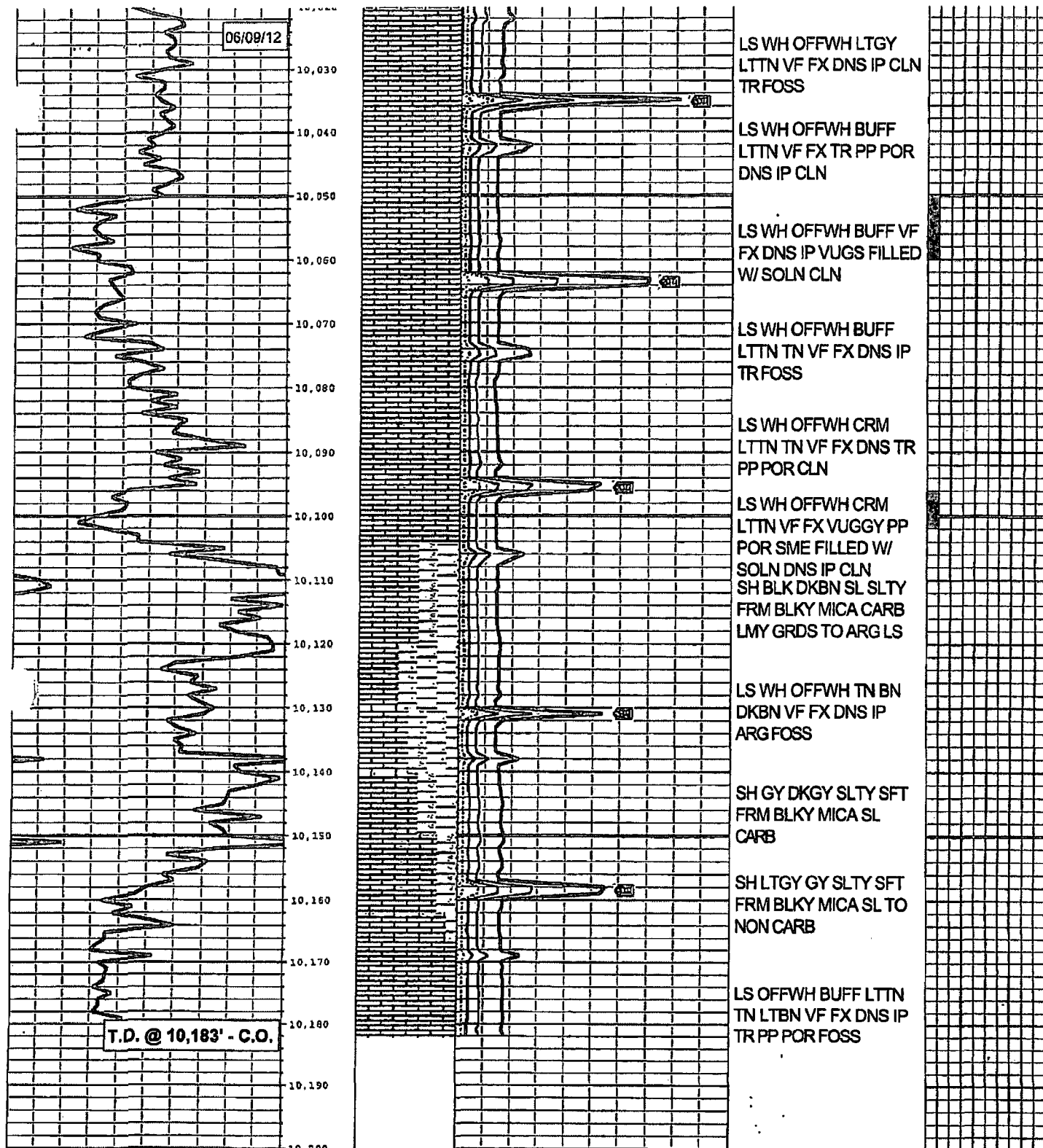
LS WH OFFWH BUFF
LTTN TN VF FX DNS IP
CLN TR FOSS NO FLU

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

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&NMOC)\BLM\3160-4\12-28-12 Transmittal letter.docx

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

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

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

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

9. API Well No.
30-025-40420

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

17. Elevations (DF, RKB, RT, GL)*
4016 GR, 4031 KB

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

2. Name of Operator
Frontier Field Services, LLC

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

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

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
130°FSL, 1813° FEL, Sec. 21, T17S, R32E NMPM, Lea Co. NM
At surface

At top prod. interval reported below

At total depth

14. Date Spudded
03/22/2012

15. Date T.D. Reached
06/09/2012

16. Date Completed 12/10/2012
☐ D & A ☒ Ready to Prod.

18. Total Depth: MD
TVD 10,183'

19. Plug Back T.D.: MD
TVD 5187' sidetrack

20. Depth Bridge Plug Set: 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/Guide	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BDL)	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 o			
						200 sks tail half			

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

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

28a. 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	

28b. 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. Yates Fm.	0' 1184'	1184' 2134'	SANDSTONE: red-reddish brn, coarse to fine SANDSTONE: red-ll tan, coarse to f grained, hard		
7 Rivers Fm. Queen Fm.	2134' 3103'	3103' 3464'	SANDSTONE: red-ll tan, coarse to f grained, hard SANDSTONE: gray-dk gray-reddish brn, f grained, hard		
Grayburg Fm. San Andres Fm.	3464' 3858'	3858' 5444'	GRAINSTONE: dk gray, very fine grained DOLOMITE: offwhite, v fine grained, dense-v dense		
Glorieta Fm. Paddock Fm.	5444' 6227'	6227' 6863'	DOLOMITE: offwhite-buff-ll tan, v fn gm, dense, tr vugs, DOLOMITE: offwhite-buff-ll tan, v fn gm, dense, tr vugs, limy IP		
Tubb Fm. Abo Fm.	6863' 7594'	7594' 9564'	DOLOMITE: offwhite-buff-ll tan, v fn gm, sl limy. Grd to limestone Interbedded dolomite, limestone, and shale		
Wolfcamp Fm.	9564'	10165'	LIMESTONE: offwhite-buff-ll 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

12/20/12

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1211, 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)

(Form 3160-4, page 2)



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

October 22, 2012

RUSSELL BENTLEY

P B ENERGY

16285 PARK TEN PLACE, SUITE 400

HOUSTON, TX 77084

RE: MALJAMAR AGI #1

Enclosed are the results of analyses for samples received by the laboratory on 10/03/12 16:55.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list on accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celely D. Keene

Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

P B ENERGY
16285 PARK TEN PLACE, SUITE 400
HOUSTON TX, 77084

Project: MALJAMAR AGI #1
Project Number: NONE GIVEN
Project Manager: RUSSELL BENTLEY
Fax To: (281) 589-5865

Reported:
22-Oct-12 12:07

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
#1	H202416-01	Water	03-Oct-12 00:00	03-Oct-12 16:55
#2	H202416-02	Water	03-Oct-12 00:00	03-Oct-12 16:55

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

P B ENERGY
16285 PARK TEN PLACE, SUITE 400
HOUSTON TX, 77084

Project: MALJAMAR AGI #1
Project Number: NONE GIVEN
Project Manager: RUSSELL BENTLEY
Fax To: (281) 589-5865

Reported:
22-Oct-12 12:07

#1

H202416-01 (Water)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories**Inorganic Compounds**

Alkalinity, Bicarbonate	195	5.00	mg/L	1	2091506	HM	17-Oct-12	310.1	
Calcium	1560	1.60	mg/L	1	2091504	HM	17-Oct-12	SM3500Ca-D	
Alkalinity, Carbonate	ND	0.00	mg/L	1	2091506	HM	17-Oct-12	310.1	
Chloride*	132000	4.00	mg/L	1	2100807	CK	17-Oct-12	4500-Cl-B	
Conductivity*	376000	1.00	uS/cm	1	2101702	HM	16-Oct-12	120.1	
Density	1.145		g/mL	4	2101719	HM	17-Oct-12	SM 2710F	
Magnesium	401	1.00	mg/L	1	2091504	HM	17-Oct-12	SM3500Mg-E	
pH*	7.70	0.100	pH Units	1	2101702	HM	16-Oct-12	150.1	
Potassium	325	1.00	mg/L	1	2091504	HM	17-Oct-12	HACH 8049	
Sodium	84400	1.00	mg/L	1	2091504	HM	17-Oct-12	Calculation	
Sulfate*	3340	10.0	mg/L	1	2101204	AP	12-Oct-12	375.4	
TDS*	225000	5.00	mg/L	1	2101003	HM	10-Oct-12	160.1	
Alkalinity, Total*	160	4.00	mg/L	1	2091506	HM	24-Sep-12	310.1	

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

P B ENERGY
16285 PARK TEN PLACE, SUITE 400
HOUSTON TX, 77084

Project: MALJAMAR AGI #1
Project Number: NONE GIVEN
Project Manager: RUSSELL BENTLEY
Fax To: (281) 589-5865

Reported:
22-Oct-12 12:07

#2

H202416-02 (Water)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories**Inorganic Compounds**

Alkalinity, Bicarbonate	317	5.00	mg/L	1	2091506	HM	17-Oct-12	310.1	
Calcium	1440	1.60	mg/L	1	2091504	HM	17-Oct-12	SM3500Ca-D	
Alkalinity, Carbonate	ND	0.00	mg/L	1	2091506	HM	17-Oct-12	310.1	
Chloride*	126000	4.00	mg/L	1	2100807	CK	17-Oct-12	4500-Cl-B	
Conductivity*	365000	1.00	uS/cm	1	2101702	HM	16-Oct-12	120.1	
Density	1.135		g/mL	4	2101719	HM	17-Oct-12	SM 2710F	
Magnesium	510	1.00	mg/L	1	2091504	HM	17-Oct-12	SM3500Mg-E	
pH*	7.51	0.100	pH Units	1	2101702	HM	16-Oct-12	150.1	
Potassium	340	1.00	mg/L	1	2091504	HM	17-Oct-12	HACH 8049	
Sodium	80700	1.00	mg/L	1	2091504	HM	17-Oct-12	Calculation	
Sulfate*	3710	10.0	mg/L	1	2101204	AP	12-Oct-12	375.4	
TDS*	213000	5.00	mg/L	1	2101003	HM	10-Oct-12	160.1	
Alkalinity, Total*	260	4.00	mg/L	1	2091506	HM	17-Oct-12	310.1	

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

P B ENERGY
16285 PARK TEN PLACE, SUITE 400
HOUSTON TX, 77084

Project: MALJAMAR AGI #1
Project Number: NONE GIVEN
Project Manager: RUSSELL BENTLEY
Fax To: (281) 589-5865

Reported:
22-Oct-12 12:07

Inorganic Compounds - Quality Control**Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
---------	--------	--------------------	-------	----------------	------------------	------	----------------	-----	--------------	-------

Batch 2091504 - * DEFAULT PREP *******Blank (2091504-BLK1)**

Prepared: 13-Sep-12 Analyzed: 15-Sep-12

Calcium	ND	1.60	mg/L
Magnesium	ND	1.00	mg/L
Potassium	ND	1.00	mg/L

LCS (2091504-BS1)

Prepared: 13-Sep-12 Analyzed: 15-Sep-12

Calcium	20.8		mg/L	20.0	104	80-120
Magnesium	53.5		mg/L	50.0	107	80-120
Potassium	3.10		mg/L	3.00	103	80-120

Duplicate (2091504-DUP1)

Source: H202190-01

Prepared: 13-Sep-12 Analyzed: 15-Sep-12

Magnesium	486	1.00	mg/L	583	18.1	20
Potassium	800	1.00	mg/L	825	3.08	20
Calcium	2770	1.60	mg/L	2640	4.81	20

Batch 2091506 - General Prep - Wet Chem**Blank (2091506-BLK1)**

Prepared & Analyzed: 12-Sep-12

Alkalinity, Carbonate	ND	0.00	mg/L
Alkalinity, Bicarbonate	ND	5.00	mg/L
Alkalinity, Total	ND	4.00	mg/L

LCS (2091506-BS1)

Prepared & Analyzed: 12-Sep-12

Alkalinity, Carbonate	ND	0.00	mg/L		80-120
Alkalinity, Bicarbonate	132	5.00	mg/L		80-120
Alkalinity, Total	108	4.00	mg/L	100	108 80-120

LCS Dup (2091506-BSD1)

Prepared & Analyzed: 12-Sep-12

Alkalinity, Carbonate	ND	0.00	mg/L		80-120	20
Alkalinity, Bicarbonate	137	5.00	mg/L		80-120	3.72 20
Alkalinity, Total	112	4.00	mg/L	100	112 80-120	3.64 20

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Celey D. Keene, Lab Director/Quality Manager



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Analytical Results For:

P B ENERGY
16285 PARK TEN PLACE, SUITE 400
HOUSTON TX, 77084

Project: MALJAMAR AGI #1
Project Number: NONE GIVEN
Project Manager: RUSSELL BENTLEY
Fax To: (281) 589-5865

Reported:
22-Oct-12 12:07

Inorganic Compounds - Quality Control**Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 2100807 - General Prep - Wet Chem										
Blank (2100807-BLK1)				Prepared & Analyzed: 08-Oct-12						
Chloride	ND	4.00	mg/L							
LCS (2100807-BS1)				Prepared & Analyzed: 08-Oct-12						
Chloride	100	4.00	mg/L	100		100	80-120			
LCS Dup (2100807-BSD1)				Prepared & Analyzed: 08-Oct-12						
Chloride	104	4.00	mg/L	100		104	80-120	3.92	20	
Batch 2101003 - Filtration										
Blank (2101003-BLK1)				Prepared & Analyzed: 09-Oct-12						
TDS	ND	5.00	mg/L							
LCS (2101003-BS1)				Prepared & Analyzed: 09-Oct-12						
TDS	251		mg/L	240		105	80-120			
Duplicate (2101003-DUP1)				Source: H202447-01		Prepared & Analyzed: 09-Oct-12				
TDS	5320	5.00	mg/L		5380			1.12	20	
Batch 2101204 - General Prep - Wet Chem										
Blank (2101204-BLK1)				Prepared & Analyzed: 12-Oct-12						
Sulfate	ND	10.0	mg/L							
LCS (2101204-BS1)				Prepared & Analyzed: 12-Oct-12						
Sulfate	16.7	10.0	mg/L	20.0		83.6	80-120			

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Analytical Results For:

P B ENERGY
16285 PARK TEN PLACE, SUITE 400
HOUSTON TX, 77084

Project: MALJAMAR AGI #1
Project Number: NONE GIVEN
Project Manager: RUSSELL BENTLEY
Fax To: (281) 589-5865

Reported:
22-Oct-12 12:07

Inorganic Compounds - Quality Control**Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC %REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 2101204 - General Prep - Wet Chem**LCS Dup (2101204-BSD1)**

Prepared & Analyzed: 12-Oct-12

Sulfate	19.3	10.0	mg/L	20.0		96.6	80-120	14.4	20	
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Batch 2101702 - General Prep - Wet Chem**LCS (2101702-BS1)**

Prepared & Analyzed: 16-Oct-12

Conductivity	496		uS/cm	500		99.2	80-120			
pH	7.08		pH Units	7.00		101	90-110			

Duplicate (2101702-DUP1)

Source: H202484-01

Prepared & Analyzed: 16-Oct-12

pH	7.27	0.100	pH Units		7.23			0.552	20	
Conductivity	5460	1.00	uS/cm		5450			0.183	20	

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Notes and Definitions

- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
- Samples reported on an as received basis (wet) unless otherwise noted on report

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† Cardinal cannot accept verbal changes. Please fax written changes to (575) 393-2326

#26

OPERATOR CERTIFICATION

Aka AGI#2

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved.

I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 20 day of May, 2014.

Name John Prentiss

Position Title Area Manager

Address 1001 Conoco Rd Malvern, N.M. 88264

Telephone 575-676-3528

Field representative (if not above signatory) _____

Address (if different from above) _____

Telephone (if different from above) _____

E-mail jprentiss@AKRenergy.com