

DISTRICT 1 --- CHECKLIST FOR INTENTS TO DRILL

Operator EDG Operating LLC OGRID# 229137

Well Name & # PC Federal #59 Surface Type F: S : P

Location H-2D-175-32E Sub-Surface Type E: S : P

A. DATE C101 rec'd 7/24/09 C101 reviewed 7/27/09

B. Put Check Mark if OK on Form:

OGRID ✓, BONDING ✓, PROP CODE ✓, WELL # ✓,

Signature ✓

Inactive Well list as of: 7/27/09 # well 1425, # inactive wells 3

1. District Grant APD but see number of inactive wells:

Sent Letter to Operator _____, to Santa Fe _____

No Letter

Additional Bonding as of: 7/27/09

2. District Denial because operator needs addition bonding:

To Operator _____ To Santa Fe _____

No Letter

3. District Denial because of Inactive Well list and Financial Assurance:

To Operator _____ To Santa Fe _____

No Letter

C. C-102 YES ✓, NO _____, Signature ✓

1. Pool Maljamar Yes West, code 44500

a. Dedicated acreage 40, What Units It

b. Location Standard ✓; Non-Standard Location _____

2. 2nd Operator in same acreage, Yes _____, No None

If Yes, Name of 2nd Oper. _____

Agreement Letter _____, Disagreement letter _____

3. Intent to Directional Drill YES____, NO ☒

a. Dedicated acreage____, What Units____

b. Bottomhole Location Standard ____; Non-Standard____

D. Blowout Preventer

E. ~~API~~ 25

D. C-144 Pit Registration YES ☒, NO ____

E. Does APD require:

Non-Standard location approval YES____, NO ☒, ORDER #____

Non-Standard proration approval YES____, NO____, ORDER #____

Simultaneous approval (share acreage) YES____, NO____, ORDER #____ 2 wells

Letter from other Operator YES____, NO____, ORDER #____ + this one

Injection order YES____, NO____, ORDER #____

SWD order YES____, NO____, ORDER #____

F. Holding for:

G. Approval Date 7/28/09

API #30-025-38470