

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator COB Operating LLC

OGRID # 228137

Well Name & # El Federal #49

Surface Type F: S : P

Location K-22-175-320

Sub-Surface Type F: S : P

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

C101 reviewed 7/28/09

B. Put Check Mark if OK on Form:

OGRID ☒, BONDING ☒, PROP CODE ☒, WELL # ☒

Signature ☒

Inactive Well list as of: 7/28/09 # well 1425, # inactive wells 3

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

NO Letter required ☒; Sent Letter to Operator ☐, to Santa Fe ☐

Additional Bonding as of: 7/28/09

2. District Denial because operator needs addition bonding:

NO Letter required ☒; Sent Letter to Operator ☐, To Santa Fe ☐

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

NO Letter required ☒: Sent Letter to Operator ☐, To Santa Fe ☐

C. C-102 YES ☒, NO ☐, Signature ☒

1. Pool Maljamar Yeso West, code 44500

a. Dedicated acreage 40, What Units K

b. SUR. Location Standard ☒; Non-Standard Location ☐

2. 2nd Operator in same acreage, Yes ☐, No ☐

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 YES /, NO _____

E. H2S YES /, NO _____

F. C-144 Pit Registration YES /, NO _____

G. Does APD require:

Non-Standard location approval YES_____, NO _____, ORDER # _____

Non-Standard proration approval YES_____, NO _____, ORDER # _____

Simultaneous approval (share acreage) YES_____, NO _____, ORDER # _____

Number of wells 2, Plus # 49

Letter from other Operator YES_____, NO _____, ORDER # _____

Injection order YES_____, NO _____, ORDER # _____

SWD order YES_____, NO _____, ORDER # _____

H. Holding for:

I. Approval Date 7/28/09

API # 30-025-39482