

DISTRICT 1 --- CHECKLIST FOR INTENTS TO DRILL

Operator CDB Operating LLC

OGRID # 228137

Well Name & # IC Federal #40

Surface Type F : S : P

Location B- 22-175-32

Sub-Surface Type F : S : P

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

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 B

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 # 40

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 #30-025-39479