

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator Apache Corp

OGRID # 873

Well Name & # Magnolia #3

Surface Type F : S : P

Location E-11-20s-38e

Sub-Surface Type F : S : P

A. DATE C101 rec'd 8/10/09

C101 reviewed 8/13/09

B. Put Check Mark if OK on Form:

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

Signature _____

Inactive Well list as of: 8/13/09 # well 1735, # 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: 8/13/09

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 House Drinker, code 33250

a. Dedicated acreage 40, What Units E

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_____

4. POTASH Area YES_____, NO ✓

D. Blowout Preventer YES ✓, NO_____

E. H2S YES_____, NO_____

F. C-144 Pit Registration YES ✓, NO_____

G. Does APD require Santa Fe Approval:

Non-Standard location: YES_____, NO ✓, ORDER # NSL-

Non-Standard proration: YES_____, NO ✓, ORDER # NSP -

Simultaneous Dedication (share acreage) YES_____, NO ✓, ORDER # SD -

Number of wells_____, Plus #_____

Injection order YES_____, NO ✓,

ORDER # PMX - or ORDER # WFX

SWD order YES_____, NO ✓, ORDER # SWD -

H. Holding for:

Just Note: This well will need
DHC approval before producing

I. OCD Approval Date 8/13/09

API # 30-025-39489