

DISTRICT 1 --- CHECKLIST FOR INTENTS TO DRILL

Operator Nack Energy Corp

OGRID # 13837

Well Name & # San Federal #3

Surface Type F: S : P

Location T-28-15S-3DE

Sub-Surface Type F: S : P

A. DATE C101 rec'd 8/16/09 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 329, # inactive wells 8

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 Little Lake Wolfcamp, code 97247

a. Dedicated acreage 160, What Units I & L

b. SUR. Location Standard /; Non-Standard Location /

2. 2<sup>nd</sup> Operator in same acreage, Yes /, No /

If Yes, Name of 2<sup>nd</sup> Oper. /

Agreement Letter /, Disagreement letter /

3. Intent to Directional Drill YES ☒, NO ☐  
a. Dedicated acreage 160, What Units I to L  
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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I. OCD Approval Date 8/13/09

API # 30-005-29104