

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator EDG Resources Inc OGRID # 2377

Well Name & # Madera Ridge 25 Fed Surface Type F S : P

Location L-25-245-330 Sub-Surface Type F S : P

A. DATE C101 rec'd 9/2/09 C101 reviewed 9/10/09

B. Put Check Mark if OK on Form:

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

Signature ☒

Inactive Well list as of: 9/10/09 # well 552, # inactive wells 4

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

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

Additional Bonding as of: 9/10/09

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 Red Hills Bone Spring North, code 96434

a. Dedicated acreage 40, What Units L

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:

I. OCD Approval Date 9/10/09

API # 30-025-28533

Intent to Re-Entry