New Mexico Off Conservation Division, District I 1625 N. French Drive Hobbs, NM 88240

Form 3160-3 (September 2001)			FORM APPR OMB No. 100 Expires January	04-0136
UNITED STATES DEPARTMENT OF THE IN BUREAU OF LAND MANAG	ITERIOR		5. Lease Serial No. NM 93223	
APPLICATION FOR PERMIT TO DE	6. If Indian, Allottee or Tribe Name			
ia. Type of Work: 🙀 DRILL 📮 REENTED	R		7. If Unit or CA Agreeme	nt, Name and No.
Ib. Type of Well: 🖸 Oil Well 🔽 Gas Well 📮 Other	Single Zone 🗋 Mult	iple Zone	8. Lease Name and Well Madera "19	
2. Name of Operator Jumbo American Petroleum Corp	0 226678	5	9. API Well No. 30-025	- 76645
	3b. Phone No. (include area code)		10. Field and Pool, or Expl	
550 W. Texas, Ste. 1330 / 303	432-682-6495		Jabalina.	S.W. Atoka
4. Location of Well (Report location clearly and in accordance with	my Stale requirements.*)		Jabalina, 11. Sec., T., R., M., or Blk.	. and Survey or Area
At surface 1980' FSL & 1000'FWL			Sec.19, T-2	26-S.R-35-E
At proposed prod. zone	ln:+L		Bec. (), 12	
14. Distance in miles and direction from nearest town or post office*			12. County or Parish	13. State
<u>15 miles southwest of Jal, N</u>	M		Lea	NM
 Distance from proposed* location to nearest 	16. No. of Acres in lease	17. Spacin	g Unit dedicated to this well	
	640		161	17 18 1920 27 23
property or lease line, ft. (Also to nearest drig. unit line, if any) 000 '				
18. Distance from proposed location* to nearest well, drilling, completed,	19. Proposed Depth	20. BLM/I	BIA Bond No. on the	> 5
applied for, on this lease, ft. NA	16500	000	v of applica	a fon cenclosed
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will st		23. Estimated duration	
3188' GL	Jan 15, 2004		100 days	
	24. Attachments	water f	ontrolled Water Ba	
The following, completed in accordance with the requirements of Onshor				- <u>6</u>
1. Well plat certified by a registered surveyor.	A Band to server	the operation	ns unless covered by an exis	Z I E OU
 A Drilling Plan. 	Item 20 above).	ule operation	is unless covered by an exis	aug oond off the (see
3. A Surface Use Plan (if the location is on National Forest System	Lands, the 5. Operator certific			
SUPO shall be filed with the appropriate Forest Service Office).	6. Such other site authorized offic		ormation and/or plans as ma	ly be required by the
25. Signature Basiom Mitthelf	Name (Printed/Typed)	nell	Dat	°12/9/03
Title				
Agent for Jumbo American Pet				
Approved by (Signature) /S/ JOE G. LARA	Name (Printed/Typed)	OE G.	LARA	JAN 26 2004
Title FIELD MANAGER			FIELD OFFIC	
Application approval does not warrant or certify the the applicant holds le	gal or equitable title to those rights in	the subject l	ease which would entitle the	applicant to conduct
operations thereon. Conditions of approval, if any, are attached.		APPR	OVAL FOR 1	YEAR
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it States any false, fictitious or fraudulent statements or representations as to	a crime for any person knowingly and any matter within its jurisdiction.	nd willfully to	o make to any department or	agency of the United
*(Instructions on reverse)		h.#.l.a		
				1/.
	A	BANA	l subject to	$\land \land \land \land$
		NERAL	REQUIREMEN	TS AND [~~~
	201 B	** 3 gm 1 g 0.0 g		v

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240

DISTRICT II 1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name	
		Jabalina,SW Atoka	
⁴ Property Code	MADER	⁵ Property Name MADERA "19" FEDERAL	
⁷ OGRID No.	JUMBO AMERI	⁸ Operator Name CAN PETROLEUM CORP.	⁹ Elevation 3188'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
3	19	26 SOUTH	35 EAST, N.M.P.M.		1980'	SOUTH	1000'	WEST	LEA	

¹¹ Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 15 Order No. 12 Dedicated Acres ¹³ Joint or Infill ¹⁴ Consolidation Code 320

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

			¹⁷ OPERATOR CERTIFICATION
	1	I	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
1	1	 	Basion Mutikel
	i I	 	Bascom Mitchell
	┾╺╾	┾╺━ ━ — — — — → 	Agent for Jumbo American
]	 	Date
2] ["SURVEYOR CERTIFICATION
	, 	 	I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my
	 		supervision, and that the same is true and correct to the best of my belief.
3			NOVEMBER 20, 2003
	 		Signature and Scal of Frotestonial Surveyor
	 +	 	Contraction of the second seco
1980'	l		8EZNER 1
4	· 	- 	A north and a north and a north and a north a
	•		Certificate Number V. L. BEZNER R.P.S. #7920
	i 1	l L	JOB #91537 / 21 SW / J.C.P.

State of New Mexico

Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

Revised August 15, 2000 Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

AMENDED	REPORT
---------	--------

Form C-102

JUMBO AMERICAN PETROLEUM CORP. MADERA "19" FEDERAL No. 1 Section 19, T-26-S, R-35-E Lea County, New Mexico

Jumbo American Petroleum Corporation accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described above.

Bond Coverage: Single Well BLM Bond File No: Copy of application enclosed.

uom Mutitul

Bascom Mitchell Agent for Jumbo American Petroleum Corp

DRILLING PROGRAM Jumbo American Petroleum Corp. Madera "19" Federal No. 1 Section 19, T-26-S, R-35-E Lea County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill the subject well, Jumbo American Petroleum Corp. Submits the following ten items of pertinent information in accordance with Onshore Oil & Gas Order No. 1.

1. Geologic Name of Surface Formation: Alluvium

2. Estimated Tops of Significant Geologic Markers:

Rustler Anhydrite	950'
Delaware Lime	5360'
Bone Spring	9470'
Wolfcamp	12554'
Strawn	14684'
Atoka Lime	15088'
Morrow Sand	16200'
Total Depth	16500'

3. The estimated depths at which water, oil, or gas formations are expected:

Water	None expected in area
Gas	Wolfcamp @12554' to Morrow Sand @16200'

- 4. Proposed Casing Program: See Form 3160-3 and Exhibit A
- 5. Pressure Control Equipment: See Exhibit B.
- 6. Drilling Fluid Program: See Exhibit C.
- 7. Auxiliary Equipment: A mud logging unit will be utilized to monitor penetration rate and hydrocarbon shows while drilling below the intermediate casing at 5300'.
- 8. Testing, Logging, and Coring Program:

Drill Stem Tests: None PlannedLogging:Compensated Neutron/Gamma Ray (thru csg)Dual Laterolog w/MSFL and Gamma RayDual Induction/Gamma RayDual Induction/Gamma RayCompensated Neutron/Litho-Density/Gamma Ray5300 - 16500'5300 - 16500'

Coring: None planned.

DRILLING PROGRAM Madera "19" Federal No. 1 Page 2

9. Abnormal Conditions, Pressures, Temperatures, & Potential Hazards:

Pressures and temperatures are expected to be normal to the Wolfcamp at 12554'. Abnormal pressures and temperatures are anticipated from 12554 total depth. Estimated bottom hole pressure is 11000 psi and estimated bottom hole temperature is 200° at TD.

10. Anticipated Starting Date and Duration of Operations:

Road and location work will not begin until approval has been received from the BLM. The anticipated spud date is January 15, 2004. Once spudded, the drilling operation should be completed in approximately 100 days. If the well is productive, an additional 30 days will be required for completion and testing before permanent facilities are installed.

EXHIBIT A OPERATIONS PLAN Jumbo American Petroleum Corp. Madera "19" Federal No. 1

Madera "19" Federal No. 1 Section 19, T-26-S, R-35-E Lea County, New Mexico

- 1. Set 20" 78.6 ppf PELP conductor casing in a 26" hole to approximately 40' below ground level with rathole machine before moving rig. Cement to cellar floor with approximately 5 yards of 5 sack ready mixed concrete.
- 2. Drill a 17 ¹/₂" hole to approximately 1000'.
- Run 13 3/8" 54.5 ppf J-55 ST & C casing to 1000'. Cement to surface with 700 sx Class "C" cement containing 4% gel and CaCl₂ followed by 250 sx Class "C" cement containing 2% CaCl₂. Run centralizers on every 3rd joint above the bottom.
- 4. Wait on cement six hours prior to cutting off.
- 5. Install 13 5/8" 5000 psi annular BOP and test to 1000 psi. WOC 12 hours prior to drilling out.
- 6. Drilling a 12 1/4" hole to approximately 5300'.
- 7. Run 1800' of 10 3/4" 45.5 ppf HCK-55 ST & C casing on bottom with 3500' of 10 3/4" 45.5 ppf K-55 ST & C casing to surface. Cement to surface with 1000 sx Premium Plus "Lite" cement containing 6% gel and 12 pps salt followed by 350 sx Premium Plus cement. Run centralizers on every 2nd joint to 500' from bottom and place 3 centralizers in surface casing.
- 8. Wait on cement six hours prior to cutting off.
- 9. Install three 13 5/8" 10000 psi ram type BOP and one 13 5/8" 5000 psi annular BOP system with 10000 psi choke manifold.
- 10. Test BOP system and 10 3/4" casing to 2500 psi. WOC 24 hours prior to drilling out.
- 11. Drill a 9 7/8" hole to approximately 13000' and run electric logs.
- 12. Run 7 5/8" 33.7 ppf P-110 LT & C casing to 13000'. Cement to 5000' from surface in two stages with DV tool at ±7500'. Cement around casing shoe at 13000' with 500 sacks Premium "Lite" cement containing 6% gel, 3 pps salt, 4 pps gilsonite and .4% fluid loss additive followed by 425 sx Premium Trinity cement containing .5% fluid loss additive and .3% retarder. Cement through DV tool at 7500' with 250 sacks Premium "Lite" cement containing 6% gel and .4% fluid loss additive followed by 250 sacks Premium cement

containing .6% fluid loss additive. Run centralizers on every 2^{nd} joint to 500' from bottom and 1 joint above and below the DV tool.

- 13. Utilize the BOP system and choke manifold from 9 7/8" hole section (step 9).
- 14. Test BOP system to 10000 psi. Test 7 5/8" casing to 3000 psi. WOC 24 hours prior to drilling out.
- 15. Drill a $6\frac{1}{2}$ " hole to approximately 16500' and run electric logs.
- 16. Either run and cement 3900' of 5" 21.40# P-110 FL4S casing liner from 16500' to 12600' or plug and abandon as per BLM requirements.



EXHIBIT C DRILLING FLUID PROGRAM Jumbo American Petroleum Corp. MADERA "19" FEDERAL No. 1 Section 19, T-26-S, R-35-E Lea County, New Mexico

<u>0 - 1000'</u>

Spud mud consisting of fresh water gel flocculated with lime. Use ground paper for seepage control and to sweep the hole. MW-8.5 ppg, Vis-40 and pH 10.0.

1000' - 5300'

Drill out with brine water circulating the reserve pit. Utilize lime for pH control and ground paper mixed in prehydrated fresh gel sweeps to clean the hole. MW-10.0 ppg, Vis-28 and pH 10.0.

<u>5300' - 13000'</u>

Drill out with brine water then add fresh water to cut brine to approximately 9.3 - 9.4 ppg (90,000 ppm chlorides) and continue circulating the reserve pit. Utilize lime for pH control to 8000' then switch to caustic. Utilize ground paper mixed in prehydrated fresh gel sweeps to clean the hole. MW-9.3 ppg, Vis-28, and pH 10.0.

13000' - 16500'

Drill out with inverted emulsion oil base mud weighted to 12.0 ppg with barite. Increase mud weight as necessary to control abnormally pressured shales or gas through this section.

EXHIBIT D AUXILIARY EQUIPMENT Jumbo American Petroleum Corp.

MADERA "19" FEDERAL No. 1 Section 19, T-26-S, R-35-E Lea County, New Mexico

DRAWWORKS OIME 1000 HP with Parmac 342 hydromatic brake and 1 1/4" drilling line.

ENGINES Three Caterpillar D 3412 diesels rated at 485 HP each

ROTARY Gardner Denver 27 ¹/₂", 500 ton capacity

MASTParco 136' raised mast rated to 750,000 lb static hook loadSUBParco 23' height with 17' rotary beam clearance

TRAVELINGGardner-Denver 350 ton, 5 sheave block w/Web Wilson 350 ton hook**EQUIPMENT**Gardner Denver 350 ton swivel

PUMPS Gardner Denver 6 ¹/₂" x 9" 1000 HP triplex driven by compound

Gardner Denver 6 ¹/₂" x 9" 1000 HP triplex driven by compound

STEEL PIT1-Shale Pit 8' x 8' x 50' w/double screen shale shakerSYSTEM1-Suction Pit 8' x 8' x 50' w/mud agitators2-Centrifugal mud mixing pumps

LIGHT Two Caterpillar D3412 diesel/300 KW generator sets

PLANT

BOPHydril 13 5/8" 10000 psi WP three ram hydraulicEQUIPHydril 13 5/8" 5000 psi WP annular hydraulicKoomey 10 station closing unit 2/120 gallon accumulator10000 psi WP choke manifold



EXHIBIT E

TOPO MAP OF LOCATION AREA Jumbo American Petroleum Corp. MADERA "19" FEDERAL No. 1 1980' FSL & 1000' FWL Section 19, T-26-S, R-35-E Lea County, New Mexico

EOG Res.		A Paulou Pet	14/14 1						يستاد كالمعاد الأناد	
12 - 1 - 2004 9 4114	Enren Disco-rea Super-rea Orson Fing Albu	Pauley Pet 		Yates Pet.,étal 3 · 1 · 2016 103884	En	rgen	D.E.Gonzales 6 1 2010 104 703	Concho Res. 3 · 1 · 2007 9 8 202	Alturo H8P	MW Pet (Altura)
Concho Res	(Super First Albu	guerove 7 1 Bnk	LANE T		² v	1 2000 1586 0 00	175.00	45090	45706	45706
12 1 2005	90 5,997 H	18P 1				-	E-12019	ATRA PET EIGI A704 BOSSUSMI	U.S., MI	
39000 35			WINE +			32	Γ	Mannie Molzanni	U.S., MI Hellit Molzahn 34	
Mitchell Ener.	H0)	ARON TANK		Sauthurant Rau				Res		·
92200 (P/8)				98201			l i	13,1-2007 98202	Roy Beri	Westal) Is Fed
		CIL Pet. CIL-USA \$\$5.350	Ter Hay 1	575 90	54	ite M i	(Energe	Res 1/2 45099		(1-00)
U.S.		Soure 043-24-86	l	US		5 (5)	U.S		υ.	s. ~~~~
E.F. Sanchez		Enron	AB HAD FL She				Pioneer Nal Res Energent		Southwa	
4 · 1 · 99 YA · 1181 · 22 S		12-1-2004 9416 32099	FL. She 93222 20110 T	2004 Arrioca 35 28 Fintuil Prod Co 13647)XY H 8P	Energen 12 - 1 - 2004 94132 85%	6 27010 1047890 17592	9883 320 S	2
		5703	Part 7	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		3647	M. Hervey Jr April 1975 - + 1			
2	•	j · ·	ľ	l Amoce			IN HUMA		_	
		•	7	6 Grande ut.		5	4		3	.1
Kirkl	lin Drlg			(P/B) Disc)	·					Jubirt Ceicste Grinberg Javehne-
N H	i iuv		with t	Tote Seo 3.5 Mile.	1 <u>B</u> AL /					Jeveline- Fed
"Kirkl "Lee-S N 33 Store Bian	ikn ⊕	U. S .		6 Grande ut. 6 Grande ut. 1 Grande ut. 1 (Pre) bies (Most 1 (See Stat) ; 1 3.5 Mil		U.S.	د.ب		υ.	
		Seate E. E	1 ALL 0			Not Res. 1/2	<u> </u>	Devon Votes Pet		Devon SFS +8 (A
Yotes Pet., etal 11 - 1 - 96 66927		Sonta Fe Ener 3 - 1 - 2008 100567	1	OXY	En	21920	Yates Pet. etal 6 · 1 · 2010 104705	Ener 6101	1 6 17704	36254 1202 J
64 5 2 I		240 2	tum 1	13647	97	2006 908	50 99		I. 46 ⊻⊈ I	D.H.Forde R.L.Haynie
			1						Max Wilson Sinclair, etal TO 5446 D/A 5 · 25 · 64	105276
11		12		Pioneer Nat.Res. 1/2		8	┝่		D/A 5-25-64	DAS-9-66
		Dusty Mac Bes		Energen 12 · 1 · 2004						
	Santa.	Dusty Mac Res. Hodds g-12-Fed D/A 5-9-96		94132					şi	clair Iorn-Fed
	1212004		"	l i			{		©' 14	5500
U. S.	94118 0500	U S .	-	U.S.		<i>U.S.</i>	U.:	5.	- U	<u>۲. </u>
Devon SFS,etal 12 1 2004 94118		Devon SFS, etal		Yotes Pet. etal	Yutes Pet et	3 1 200>	Yates Pe	2004		
94118 85 ? °		3 · 1 · 2008 100566 190 º	L	5 1 2010 104706 21199	6 1 2010 104706 211 92	90553	V-553 9688	2	Devon E	ner. 206
		190 12	THEM P	•		1			3 1 - 2 96256 130 98	
14		13	L			17			1	4
	1	•	···· 7	EL Shogrin	5	Ĩ.		ates Pet.etal		,
				6 - 1 - 7004 93223 905 99				V · 5582 81 <u>37</u>		
			- www.	i i]			
U. S.		U. S.		U.S.		Phoneer, Not Res 1/7 E mer 947 17:1:2006 U.S. 97608 7608	Sta	. 26	35 u.	5.
Devon SF5, of	tal	Grt. West'n Drig Tom Brown, 2+0	61 Sha	nn B.L.Mitchell	Devo	Pioneer Nat Res. 1/2	(Bruce)	leafitz)	Devon	
3 1 2000		4-1 75	9322	8.L.Mitchell 3 305 20 7 22 - 2000	SFS 3 1.20	03. 12.1.2000	(Felcon 0446		3 · 1 2 9625 140 -	006 7
190 🤓			Tu 11 1 1		9055			eritage Std. Corp iketky) irea.Pisci	140 -	2
				E Diltoro (Coprock Mins M.) 19		1			{	
23	Dus	24 ty Mac Res	A 14. 7	Pogo Prog.	Come 1	20	10 1800 21	121 eritage Std. Corp Sketk() renn.Pasc. s. Inki) fo zz bre ro zz bre fo b	2	2 Sinclair
· ·	Area To 1	ty Mac Res dero - Fed. 15700	•	1 12 31-2003	Dillord Coprock	i		ì	1 10-	Sinclair Bywrs Fod TDSSOO DIAS 5 40
	1.	````@ '	Tu 7	Brough in etal Ja Mi	Ge: Andrews	<u></u>	l I	1		Mag 0 44
us 1		3.5 Mil. U. S.	1	1 1.3.2004 12 31.2003 Brough J. eto(JMM. Emily D. Brough United New Mex. S. Tr. Ca, Tr.	United MCW Mex.	4.5	Mexico U	Fed"	1	.5.
Devon SF5,etc		(ARCO) (Tom Brown, etcl)	U. 11 N A 1	YING W	TECO.TR.	U.S. Devon SPS				
3 2009	Ψ	65441		Poge Prod Jankan		12 · 1 · 2006 97910 915 - 0	SFS / Lewis	Magne Mache	12 · 1	2006
190 9		STRATIGEA MEL	towa T	62937 8-0. JAS	!		SFS 12400 Hearing /2	Cliffs Expl	979 115	
I		VBALINA,SIA		6-1-2010 04706	Enter Dillord Coprock Mins, N G&C. Andrews			STE Disc.	1	Fed-Boothe To 9776 D'4 12:13 59
26		25 Gri Westin	T	art. West'n Orig	G&C Andrews	29	21	Pig 1 26 40	2	7 04/2/13 59
		(wo) (1012 and 10 and 1	*	Grt. West'n Drig U.S. MI Magero Fed U.S. MI United New Max Tr. Co.Jr.	Texato//2 Dev	- 2006		Devon SFS	ł	
		- 10 27,500 Atpha Qisc	a. 104 - 1	. T= Co Te	1	لـــــــــــــــــــــــــــــــــــــ		Devon SFS 12 - 1 - 2006 97910 115 00	Į	
		25 Gri Wesh (Translabou (Wos) (Wos) 7527,100 7527,100 7627,100 7617,100 7617,100 7617,100	1		U.S. United	i			1	
U.S.				<i>U.S.</i>	New Mex.Tr Co.		U,			.s
Opai Barton 10 1 93 56756		Great West'n, Drig, 1 2007 - 2007 1 5 5 5	4 1'ar 1	Pogo Prod. 10 1.95	Yote 8	s Pet.eta) 1 - 2004 93, 11855	Roden (17 - 1 - 20 101610 106 29) FI	Roden 12-1-200 101610	011 2 8
35	(4969)	1 1 2007 V 6515 - 36	1 .	62932			106 29		101610 101610 101610	4
35 1 Han Justa Justa Yofsa Pyt. 9:1 93	(ARCO) 7'30 304 / Aman 1 Tem Brown 1 tem Brown 2 101, 10132 2 304 7	FSIME FRISE FRISE	1 s 104 N	Grt. Westin Drig. to 15.130	NA THINA	380 mar . TUMA	1		5E	Fare Three
		State	- 1			State				

EXHIBIT F

EXISTING WELLS Jumbo American Petroleum Corp. MADERA "19" FEDERAL No. 1 1980' FSL & 1000' FWL Section 19, T-26-S, R-35-E Lea County, New Mexico PLAT SHÓWING PROPOSED WELL LOCATION AND LEASE ROAD IN SECTION 19, T-26-S, R-35-E, N.M.P.M. LEA COUNTY, NEW MEXICO EXHIBIT F(A) PLAT OF LOCATION Jumbo American Petroleum Corp. MADERA "19" FEDERAL No. 1 1980' FSL & 1000' FWL Section 19, T-26-S, R-35-E Lea County, New Mexico





MULTI-POINT SURFACE USE AND OPERATIONS PLAN Jumbo American Petroleum Corp. MADERA "19" FEDERAL No. 1 Section 19, T-26-S, R-35-E Lea County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effects associated with the operation.

1. **EXISTING ROADS.**

a. Exhibit E is a 7.5 minute topographic map which shows location of the proposed wellsite and roads in the vicinity. The proposed location is situated approximately 16 miles Southwest of Jal, New Mexico.

DIRECTIONS:

1. From int. of Hwy 302 & Co. Rd 101 ± 4 mi west of Kermit, Texas, go north 7.4 miles on Co. Rd 101, turn west thru cattle guard 7 miles on caliche road, turn northwest 7.6 miles along pipeline, turn northeast 0.4 miles, turn north 1.5 miles, turn east 0.5 mile to well located in Sec. 30. Proposed road and location are 1 mile north.

2. PLANNED ACCESS ROAD.

a. A 16' wide compacted caliche road will be built from the existing location in section 30 north one mile to the proposed location.

3. LOCATION OF EXISTING WELLS.

a. The well locations in the vicinity of the proposed well are shown in Exhibits E & F.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- a. There are no existing producing oil and gas wells on this lease at this time.
- b. In the event the well is productive, the necessary production equipment will be installed on the drilling pad.

5. LOCATION AND TYPE OF WATER SUPPLY.

a. It is planned to drill the well with both fresh water and brine water systems. Both fresh and brine water will be trucked to location over existing roads from a commercial source.

6. SOURCES OF CONSTRUCTION MATERIALS.

a. Any caliche required for construction of the road and drilling pad will be obtained from the reserve pit and from a pit located off the wellsite.

7. METHODS OF HANDLING WASTE DISPOSAL.

- a. Drill cuttings will be disposed of in the reserve pits.
- b. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- c. Water produced during operations will be either placed in the reserve pits and allowed to evaporate or collected in tanks until hauled to an approved disposal system or a separate disposal application will be submitted to the BLM for appropriate approval.
- d. Oil produced during operations will be stored in tanks until sold.
- e. Human waste will be disposed of per current standards.
- f. Trash, waste paper, garbage, and junk will be collected in trash trailers and disposed of in an approved waste facility such as a land fill. The trash trailers will contain all material to prevent scattering by the wind.
- g. All debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES.

a. None required for drilling operations.

9. WELLSITE LAYOUT.

a. Exhibit G shows the dimensions of the well pad and reserve pits, and the location of major rig components.

- b. The ground surface of the location is relatively flat. Minor cutting will be required to level and pad area. The location will be constructed by leveling the necessary terrain and covering with at least six inches of compacted caliche.
- c. The reserve pits will be plastic lined.
- d. A 400' x 400' work area which will contain the pad and pit area has been staked and flagged.

10. PLAN FOR RESTORATION OF THE SURFACE.

- a. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleared of all trash and junk, to leave the wellsite in an aesthetically pleasing a condition as possible.
- b. Unguarded pits, if any containing fluid will be fenced until they have been filled.
- c. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management and the United States Geological Survey will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled within 300 days after abandonment.

11. **TOPOGRAPHY.**

- a. The wellsite and access route are located in a relatively flat area.
- b. The topsoil at the wellsite is sandy.
- c. The vegetation cover at the wellsite is moderately sparse with scattered mesquite, prairie grasses, and shinnery oak.
- d. No wildlife was observed, but it is likely that deer, rabbits, coyotes, and rodents traverse the area.
- e. There are no ponds, lakes, streams, or rivers within one mile of the wellsite.
- f. There is no evidence of any archaeological, historical, or cultural sites in the vicinity of the location.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN MADERA"19" FEDERAL NO. 1 Page 4

12. **OPERATOR'S REPRESENTATIVES.**

a. The field representatives responsible for assuring compliance with the approved surface use plan area:

Mickey Dobson	James P. (Phil) Stinson
Vice President	Operations Manager
OGE Drilling USA, Inc.	OGE Drilling USA, Inc.
550 W. Texas, Suite 1140	550 W. Texas, Suite 1140
Midland, Texas 79701	Midland, Texas 79701
432-682-6373 - office	432-682-6373 - office
432-557-0032 - cellular	432-557-0239 - cellular
432-694-2747 - home	432-362-6240 home

13. CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true, and correct; and that the work associated with the operations proposed herein will be performed by Jumbo American Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Mittell SIGNED this 9th day of December, 2003.

Bascom Mitchell Agent for Jumbo American Petroleum Corporation

Fond 9000-4 (204 1985)	DEPARTMENT) STATES OF THE INTERIOR ID MANAGEMENT	Bond Number
	· · · · · · · · · · · · · · · · · · ·	THERMAL LEASE BOND	
		(30 U.S.C. 351-359) Jone Ad, FY 1981 (42 U.S.C. 6508)	Louise Social Number (For Individual Boad Only) OGL-NM-93223
CRECK ONE;	OIL AND GAS	GEOTHERMAL RESOURCES	
CHECK ONE:			
SURETY B	ond Y THESE Presents, that		
		•	(mm)
ــــــــــــــــــــــــــــــــــــــ		(uddraws)	
-		(munt)	
of			
		clos is the sum of	
anessi ULA, ALI	The Array must be called brand of wine		
		dollars (5	
hew the manacy of	The United States, which may be increase	t in the reason by a rider hereto an equied in t	the same manner as this bond.
EXPERSONAL	· .		
	· .	AMERICAN PETROLEUM COR	
KNOW ALL B	THESE PRESENTS. The JUMBO	, MIDLAND, TX 79701	PORATION (mms), 24 principal, is hold and firm
KNOW ALL B	THESE PRESENTS. The JUMBO	MIDLAND. TX 79701	(mos)
KNOW ALL B	THESE PRESENTS. The JUMBO	, MIDLAND, TX 79701	(mos)
KNOW ALL B	THESE PRESENTS. ThatJUMBO VEST_TZXAS, SUITE 1303 Dated Smart of America in the sum of	(datas) (datas) Ten Thousand	(mos)
KNOW ALL B of	THESE PRESENTS. ThatJUMBO VEST_TZXAS, SUITE 1303 Dated Smart of America in the sum of	MIDLAND, TX 79701 (ddam) TEN THOUSAND 10.000.00	(ana) , as principal, is hold and firm
KNOW ALL B" of	THESE PRESENTS. TheiJUMBO NEST_TEXAS, SUITE 1303 Deland Samer of America in the sum of dollary (J reased by a rider hereto executed in the sp	5. MIDLAND, TX 79701 (ddrum) TEN THOUSAND 10.000.00	(ame) , ss principal, is hold and firm), kawful moncy of the United Status which same may l
KNOW ALL B" of <u>550</u> bound there is incruised or dea incruised or dea incr	THESE PRESENTS. ThatJUMBO VEST TEXAS, SUITE 1303 Deleted Seniar of America in the sum of deleted Seniar of America in the sum of deleted Seniar of America in the sum of deliar to more fully secure the United Stater in the final the principal, partners to the subscriptor tas his atterney. The interest accruing an the Vi date to more fully secure the United Stater in the final the principal, partners to the subscriptor tas his atterney. The interest accruing and the Vi date in more fully secure the United Stater in the date in more fully secure the United Stater in the data interney. The interest accruing and the Vi date in the subscript of the subscriptor of the Vi state account of the secure security shall for more granding rights and exceeds in Federal lim be Euroy/briterical shall prove the band or any pr of to the subscriptor of and case, association		(anne) , as principal, is hold and firm , as principal, is hold and firm , as principal, is hold and firm , haveful money of the United States which same may be seenily therefore United States associable something of a par value of 92 (1) U.S.C. 9303), does berefor consistent and appoint fire Service y dehuil in the servicence of my of the conditions or astruktions is there is berefore the service of my of the conditions of a par value of states in the servicence of my of the conditions of a par value of school berefore the service of my of the conditions of a part value of second from the service of the conditions and appoint fire Service second from the service of the conditions of a part value of the service second from the service of the conditions of a part of the served the conditions and signated conditions of such undertaking, it is agreed that (1) the share by reason of such dominit.
KNOW ALL B" of <u>550</u> bound there is incruised or dea incruised or dea incr	THESE PRESENTS. ThatJUMBO VEST TEXAS, SUITE 1303 Deleted Seniar of America in the sum of deleted Seniar of America in the sum of deleted Seniar of America in the sum of deliar to more fully secure the United Stater in the final the principal, partners to the subscriptor tas his atterney. The interest accruing an the Vi date to more fully secure the United Stater in the final the principal, partners to the subscriptor tas his atterney. The interest accruing and the Vi date in more fully secure the United Stater in the date in more fully secure the United Stater in the data interney. The interest accruing and the Vi date in the subscript of the subscriptor of the Vi state account of the secure security shall for more granding rights and exceeds in Federal lim be Euroy/briterical shall prove the band or any pr of to the subscriptor of and case, association		(anne) , as principal, is hold and fitted , as principal, is hold and fitted , as principal, is hold and fitted , haveful money of the United States which same may be seenily therefore United States as possible sectorities of a par value of 92 (1) U.S.C. 9303), does hereby considered and appoint fits Separate y dehault in the servicence of my of the conditions or atpulations is thereby broke brites and thereby conditions and appoint fits Separate states. hereof of any and all of the conditions and atpublices a set forth for a conditions and significance of such undertaking, it is agreed that (1) that have full power to same any programs, spriv or transfer the depower at anong by reason of such dominit.
KNOW ALL B ³ of <u>550</u> bound stote the 1 bound stote the 1 increased or door by principal, is a by the principal, is a first in this bound a sectorers, and ass fibe principal/aurou for a fluring Bond, is or a pluring Bond, is or any portion the or any portion the by the sector the brin by the paid to the brin Fibb boost shall come	THESE PRESENTS. ThatJUMBO VEST_TEXAS, SUITE_1303 Deleted Senter of America in the same of dollars (3 consect by a rider herein and be using of the sent dat to more fully secure the United States in the field The principal, pursuant to the sufficiently or the his atterney. The research to rule and meresis igns, joint and severally, suffice and confirms of the sufficiency of a security of the sufficiency of the sufficiency of a security of the sufficiency of the resumed(s) principal to the sufficiency of the sufficiency of a security suffice and confirms of the sufficiency of a security sufficiency of the sufficiency of the bond or the Security shall tr facts graning rights and extends in Federal lan be sufficiency of a security demages, assesses all for the use and benefits of (1) the United States of the of sof and gas and geochemical deporting in the for the use and benefits of (1) the United States of the of and gas and geochemical deporting in the index States. For such payment, well and a up to	i. MIDLAND. TX 79701 (address) TEN THOUSAND J. 10.000.00 TEN THOUSAND A segment of the aforemid sum, hereby pledges as a marred by Section 1 of the Act of September 13, 11 Address as this bond. sequence of the aforemid sum, hereby pledges as a marred by Section 1 of the Act of September 13, 11 address as a service of the above of a n Federal lands, must be peid to the priority. The y det floates as continue dynamic and the above of a n Federal lands, must be peid to the priority. The y det floates as continue dynamic at these peid to the case of any default in the peidenandes of a min has paymere charges, penalties, or default action (1) the server of the and sobject to the coverage method by set of the and sobject to the coverage method by the of the and sobject to the coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the of the and sobject to fue coverage method by the coverage of the sobject to fue coverage method by the sobj	(anne) , as principal, is hold and firm , as principal, is hold and firm , as principal, is hold and firm , haveful money of the United States which same may be seenily therefore United States associable something of a par value of 92 (1) U.S.C. 9303), does berefor consistent and appoint fire Service y dehuil in the servicence of my of the conditions or astruktions is there is berefore the service of my of the conditions of a par value of states in the servicence of my of the conditions of a par value of school berefore the service of my of the conditions of a part value of second from the service of the conditions and appoint fire Service second from the service of the conditions of a part value of the service second from the service of the conditions of a part of the served the conditions and signated conditions of such undertaking, it is agreed that (1) the share by reason of such dominit.
KNOW ALL B of <u>550</u> bound ideo the 1 bound ideo the 1 increase or deo The principal, is a to the genome second of the fright have a bound the restor out produce restor out produce restor to a furty Rody 1 or any portion they the increase is expression to a port of the true to This bood shall second This bood shall second THECK ONES	THESE PRESENTS. That	A MIDLAND, TX 79701 (address) TEN THOUSAND TEN THOUSAND TEN THOUSAND TEN THOUSAND TEN THOUSAND TO a contrast the forward server by stockers as a married by Section 1 of the Act of formation 13, 11 address as the server by the Act of formation 13, 11 address as a synchromed and by what a these pro- the formation of the act of formation 13, 11 address as a synchromed and the problem as a server the Section 1 of the sector of an article act of the formation of the sector of any formation of the sector of the	(ame) (a
KNOW ALL B of <u>550</u> bound store the 1 bound store the 1 incrusted or deca The principal, is as the principal store a bourgers, and as the principal store a the principal stor	THESE PRESENTS. That		(ame) (ame) , as principal, is hold and firm , as principal, is hold and firm , as principal, is hold and firm , how fol records of the United States which some is (1), know fol records of the United States which some is y de hall in the performance of any of the conditions or atpulations is y de hall in the performance of any of the conditions or atpulations y de hall in the performance of any of the conditions or atpulations is conditions and significance of out or provide the second according to the second state of the conditions of a performance according to the second significance of out or provide the second that (1) hall have full power to save of a second atputtions as set forth he of a conditions and significance of out or provide the context inside of the second is conditioned to save the same of the context is a second that (1) hall have but y who has a state the print is compared in a context ion or the develophent of other visional dependin in any period of each is incontext, administration, successed the first dependent on any period of the latter incontext, administration and any second a state of the beatter the with authorization (s) granted under the Aste sized above for circular in the United States including the National Petroleum Activity
KNOW ALL B' of	Y THESE PRESENTS. ThatJUMBO VEST_TEXAS, SUITE 1303 Deleted Senies of America in the same of delined Senies of America in the same of delined Senies of America in the same of deline to more fully secure the United Stater in the final the principal, partners to the subscriptor tas his atternsy. The interest actualing an the Va date to more fully secure the United Stater in the final the principal, partners to the subscriptor tas his atternsy. The interest actualing the Un- ded the maturant(s) statement to the subscriptor tas his atternsy. The interest actualing the Un- nease granding rights and recents in Federal inno- be surely/hriterical ball splits (set ond or may pro- toids to the sum file of (1) the United Stater file of soil sea same file of (1) the United Stater for the use and benefile of (1) the United Stater score and subscription ball and any in the Surabos disturbing privious related to drill exceeded States. For such payment, well and a usy to uided States. For such payment, well and a usy to a of guiltiple exploration operations. ACND — Operations conducted by or all beha- in Alasies (NTFE-A) openal action and of guiltiple exploration operations.		(anne) , as principal, is hold and firm , as principal, is hold and firm , as principal, is hold and firm), knwful money of the United States which same may b solutions of a part value of y dehull in the performance of my of the conditions of a part value of y dehull in the performance of my of the conditions or anti- interval bereby her himself hermil, any heirs, execution, ediministration a conditions and signal of the conditions and signalstions in set forth in the second prover to assign a properties, style or tracker the dry col- interval bereby her himself hermil, any heirs, execution, administration a conditions and signalstene of such undertaking, is is acread that (1) inside y reasons of such definit. (a of this boad, whe has a state to find a depending in such of a besized, to the developing of of these successes, and sum gray joint of a such is conduct, administration(s) granted under the Aste sized above fort cipol(s) in the United States including the National Petrolaust Accorder (CER 3134 is provided, and previded a tidet is obtained, also reversing the conditional provided and previded a tidet is obtained, also reversing the conditional provided and previded a tidet is obtained, also reversing the set of the developed of the succession of the set of th
KNOW ALL B of	Y THESE PRESENTS. ThatJUMBO VEST_TEXAS, SUITE 1303 Deleted Senies of America in the same of delined Senies of America in the same of delined Senies of America in the same of deline to more fully secure the United Stater in the final the principal, partners to the subscriptor tas his atternsy. The interest actualing an the Va date to more fully secure the United Stater in the final the principal, partners to the subscriptor tas his atternsy. The interest actualing the Un- ded the maturant(s) statement to the subscriptor tas his atternsy. The interest actualing the Un- nease granding rights and recents in Federal inno- be surely/hriterical ball splits (set ond or may pro- toids to the sum file of (1) the United Stater file of soil sea same file of (1) the United Stater for the use and benefile of (1) the United Stater score and subscription ball and any in the Surabos disturbing privious related to drill exceeded States. For such payment, well and a usy to uided States. For such payment, well and a usy to a of guiltiple exploration operations. ACND — Operations conducted by or all beha- in Alasies (NTFE-A) openal action and of guiltiple exploration operations.	A MIDLAND, TX 79701 (address) TEN THOUSAND TEN THOUSAND JOSTON THOUSAND LOSOD.00 TEN THOUSAND LOSOD.00 The trained so this bould. To address a statis bould. To address and the aforemid sure, hereby pictures as a picture by Sectors 10 to be Act of Sopherther 13, 11 address accurities deposited in the absence of at a foderal lands, must be prid to be principal. The pi picture the Socretary and Bood, the Socretary a address accurities deposited in the absence of at a foderal lands, must be prid to be principal. The p picture day for a personal Bood, the Socretary a address accurities deposited in the absence of at a foderal lands, must be prid to be principal. The p picture day for a personal Bood, the Socretary a address (2) any lense bereather, or contracted build States (3) any lense bereather, or contracted address (4) any lense bereather, or contracted build States (5) any lense and societ of any drawn bereather and and the socretary a build States (5) any lense and societ of any drawn bereather at this operative on a Federal lessehold(s) in secondad address of the anount in conformance with 41 address of the anount in conformance with 41 address of the state of the for the principal(a) or on the lessehold(s) of the principal of the principal of the principal of the state of thalf of the principal of the state of the for the principal of the state of thalf of the principal of the state of	(anne)

(Continued on rowerse)

•

11/26/2003 10:21 6042667890 11/26/2003 11:56 FAX 4326P 921

.

.

•

•

•

BOND CONDITIONS

The conditions of the foregoing obligations are such that:

1. WHEREAS the principal has an interest it a lease(a) and/or responsibility for operations on a lease(a) issued under the Acts sized in this bond; and

2. WEEREAS the principal and surety agree(s) that with notice to the surety the coverage of this band, in addition to the present bolding(s) of and/or sutherization(s) granted to the principal, shall extend to and include:

a. Any isanc(a) hereafter insued to or acquired by the oblight/principal, except under hid/within lease bonds, the coverage is to be confined to the principal's holding(s) and/or ambodization(s) granned under the Acts cited in this bond, and to become effective immediately upon such sufferization, approval or insumo of a transfer in favor of the principal; and

b. Any transfor(s) of operating rights hereafter entered into or acquired by the principal afferting lazas(s); and

c. Any setivity subsequent berets of the principal as operator under a lasso(a) issued pursuant to the Acts even in this board, and

Provided, That the wavely may elect to be minute the additional coverage sufficience under this paragraph. Such termination will become effective 30 days after the BLM receives notice of the election to terminate. After the termination becomes effective, the additional interest(s) identified in this paragraph will not be covered by this bord; and

3. WREREAS the principal and surely agree(a) that with notice to the surely that this boad shall remain in full force and effect notwithstanding: Any surgement(a) of we undivided interest in any pertor all of the lands in the lease(c) in which event the assigned(c) shall be considered to be contractual(a) on an individual or NPR-A band as fully and to the sume enters in though histor or their duly, anthenticeted signatures appeared thereos; and

4. WHEREAS me obligariously have y wrives any right to police of, and agrees that this boud shall remain in full force and effect according strenges.

a. Any assignment(s) of 100% of some of the lands described in the lease(s), the boad to remain in full faces and offset only as to the lands retained in the lease(s); and

b. Any mentfor(s) either in whole or in part, of any or all of the operating rights and finther egress to remain bound under this bond us to the interests in the operating ing rights retained by the principal; and

a. Any modification of a lease or operating right, or obligation thereunder, whether made ar efforted by comprisions of lease of operating right to unit, cooperative, communications or storage agreement, or development comment, supersions of operations or production, waivers, scapezzions or changes in rental, minimum royalty and royalities, compensatory royalty payments, or otherwise; and

4. Any extension of a lense(s) covered by this band, such coverage to continue without any interruption due to the expiration of the same set forth in the lense(s); and

5. WHEREAS the principal and surery hereby agree(a) that notwithstanding the tormination, expinition, cancellanion or relinguishments of any lesse(s), which are yo porstion of law or otherwise, the bond shall semain in full flores and embed as to the terms and conditions of all remaining lesses and obligations covered by the bond; and

6. WHEREAS the principal, as to any lease or part of a lease for land on which below is the operator, in consideration of heing permitted to furnish this bond in lice of the leaver(s) or operating night owner(s), agrees and by these present does bereby blot himmifthemelf to fulfill on behalf of each leaver or operating rights owner all obligations of such for the extreme inserted in the same macrow as though he/she were leaves or operating rights owner; and

7. WHEREAS the obligationized and survey agree(s) that the neglect or forbearance of sold lease to enforcing, as against any responsible party, the payment of socials or royaldes of the performance of any other term or condition of the lease(s) shull not, is any way, colouse the principal and survey, or either of them from any theirigy under this boad; and

8. WHEREAS the principal and surviy agree(a) that in the event of any default under the lease(s) the leaser may commence and prosecute any chain, sidt, or other proceeding against the principal and survey or either of them, without the passanity of joining the leases(s); and

9. WHEREAS if the selections shifts to comply with any provisions of an oil and gas laws, and the nearcompliance continuous for thirty (30) days effort written notices thermal, such laws shall be available to consider all the provisions and penalties of the Federal Onlaws Oil and Gas Royalty Management Act (30 U.S.C. 1701 et acq) or the Federal Onlaws Oil and Gas Leasing Reform Act. This provision shall not be construed to prevent the exercise by the United States of any other legal and equilable remarkly, including whive of the federal.

10. NOW, THEREFORE if said principal, his/har heirs, examices, administration, successors, or seeigns shall in all respects faithfully comply with all of the provisions of the instrument(s) graning rights and inserves in Federal lands referred to above, then the obligations are to be wold; otherwise to remain in full face and effect.

JUMBO AMERICAN PETROLEUM CORPORATION	
Signed this 2003, in the presence of	
NAMES AND ADDRESSES OF WITNESSES	L
M.A. LINSLEY 1837 MATTHEWS AVE WILdiam Erederick (MARTINESTER)	On-
William Frederick (Effistensen) Var Guven at Her (ANA) (William Frederick (Effistensen) (Builliam And Son W. TEXAS, STR 1303, MIDLAND, TX 79701 (Builliam Address)	
E MArind Chuslen (48)	
CASA DELCERRO 2 HIDOCOCADVA (BURN)	
if this boad is executed by a corporation, it must bear the scal of that corporation.	

縤

÷							
FIR	<i>iorican</i>	Certificate of	-	Account		18-960	7402
R	<u>ier</u> ican	DOI-BUREAU OF LAND	MANAGEM	ENTDate of	Issuance	1/25/	03
		UMBO AMERICAN PETR			N,	36-454	
ACCOUNT H		50 W TEXAS STE 130 IDLAND TX 79701	3				
OPENING BALAN	ICE MINIMUM BALANCI REQUIREMENT	INITIAL MATURITY DATE	TERM	INTEREST RATE	ANNU. PERCENTAG		FREQUENCY OF COMPOUNDING
\$10,000.0	\$1,000.0	0 05/25/05	18 mos	1.35%	1.3	35%	QUARTERLY
INTEREST DISTR	BUTION DATES BEGIN	VING 12/31/03			ND QUAR	TERLY	COMPOUNDING
THEREAFTER, W	ITH THE LAST DISTRIB	JTION ON THE FINAL MATU	JRITY DATE.	······································			
		Terms and C	Conditions				
Rate Informatio	n		Balance Co	mputation M	fethod		
shown above. Yo account. Your ac	ou will be paid this rate to count will mature on the assumes interest remains of	("APY") for your account are intil the maturity date of the e date shown. The annual n deposit until maturity. A	account. This account each	s method appli day. If you i	ies a daily peri- receive vour in	odic rate to terest by 1	he interest on your o the principal in the monthly or quarterly umber of days in the
Interest Feature	-		•	drawal Pena	•		
Interest can be pa transfer to another	id monthly or quarterly b First American checking credited to your account a	you deposit to the account. y credit, check, or automatic or savings account. You may t any time without a penalty	penalty. For on the amour are the One whether earne	Certificates T at withdrawn w Month CD, w ed or not, and	welve Months will be charged where the pen the DreamSa	and Less, to your a alty is the ver, which	date is subject to a one month's interest account. Exceptions to loss of all interest n requires a penalty
Transaction Lin	nitations		equal to the withdrawn. For	greater of \$3 or Certificates	50 or one mo Longer Than 2	onth's inte Welve Mo	rest on the amount nths, a penalty equal
the bank. Excepti Retirement Accourt the amount of \$2: DreamSaver acco	ons are the twelve-month at certificates, which allow, or greater, at the discre- unt, which requires mon	except with the permission of and eighteen-month fixed rate but do not require, additions in ion of the depositor; and the thly deposits from a First	account. Any minimum bal subject the e	/ withdrawal v ance requirem ntire balance	which reduces ent will cause	the account the account bed withd	Il be charged to your nt balance below the int to be closed and lrawai penalty. IRS ment Accounts.
certificate.	g account. Additions will	not extend the maturity of the	Renewal Po	licy			
The minimum to o minimum balance	n your account every day to	bove. You must maintain this obtain the annual percentage	you otherwise maturity date.	e in writing f You have a g	ifteen (15) cal race period of	endar day ten (10) ca	rity unless we notify s in advance of the alendar days after the arged a penalty. *
yield listed. We	may pay a higher interest, or if you maintain other ac	rate on accounts with larger	Transferabi	lity			
	•		These account parties.	nts are non-n	egotiable and	are non-	transferable to third
		Renewal Inf	ormation				
DATE	ACCOUNT BALANCE	MATURITY DATE	INTEREST	ANNUAL PE	RCENTAGE	BANK	APPROVAL
Н 		·	RATE	YIE			
First American E FDIC INSURED	ank, SSB			HAMA J	Yw Ma	M	
		NON-NEGOTI	ABLE		Authorize	d Bank S	ignature
4						·	<u> </u>

*It is agreed that:

- a) This certificate of deposit secures a lease bond.
- b) Any interest penalty paid as a result of early withdrawal by the Department of the Olr > Interior-Bureau of Land Management will be paid by Jumbo American Petroleum Corporation and not from the principal of the certificate of deposit.
- c) The interest on this certificate of deposit is to be payable quarterly to Jumbo American Petroleum Corporation.