

Applicant is:

Name: _____

Operator

Address: _____

Lessee

By: _____

Title: _____

Attest: _____

Corporate Acknowledgment

State of _____)
: ss.
County of _____)

On this _____ day of _____, in the year _____, before me, _____, personally appeared _____ and _____, known to me to be the _____ and the _____ of the corporation that executed the within application, and acknowledged to me that such corporation executed the same.

Notary Public for the State of
Residing at
My Commission Expires

Individual Acknowledgment

State of _____)
: ss.
County of _____)

On this _____ day of _____, in the year _____, before me, _____, personally appeared _____, known to me to be the person whose name is subscribed to the within application, and acknowledged to me that he/she executed the same.

Notary Public for the State of
Residing at
My Commission Expires

*Instructions

Present Rate of Production

Production must be from the well under application only. Data from monthly production reports as sent to the Board of Oil and Gas is satisfactory. If production reports are on a lease basis including other wells, individual well test data may be required.

Current Posted Field Price of Oil

The current posted field price of oil is defined as the price paid per Barrel by the first purchaser.

Present Operating Cost

Present operating cost is the total direct cost of prudently operating the well over a 30-day period, whether paid or accrued. These direct costs are limited to labor, general supervision, wellsite separation equipment, water disposal, fuel, power, lubricants, chemicals, trucking, transportation, taxes, depreciation of equipment, license and permit fees, maintenance and repair of the well, equipment, roads, entrance and gates, office maintenance, bookkeeping and accounting. Items not allowable under this part are drilling costs, lease acquisition fees and rentals, equipment purchases, seismic and other data acquisition.

Proven Reserves

Proven reserves are defined as the amount of oil in known deposits which is estimated to be recoverable under current economic and operating conditions. For the purposes of this application, the applicant must submit two estimates of the oil recoverable by means of equipment currently in use at the wellhead; one estimate of oil recoverable at current posted field prices and another estimate should the purchase price be equal to \$25.00 per Barrel.