Form 3160-5 (June 100%) UNITED STATES FORM APPROVED M OIL COMS. COMMISSION (June 1999) 5-Budget Bureau No. 1004-0135 $^{\circ}\!\!\beta^{\circ}$ DEPARTMENT OF THE INTER $oldsymbol{u}$ 11 EL [1] Expires: March 31, 1993 BUREAU OF LAND MANAGEMEN 5. Lease Designation and Serial No. NM 19601 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well Well Gas Well JJ 1 0 1993 8. Well Name and No. 2. Name of Operator Union 35 Federal #2 0. C.D. HANLEY PETROLEUM INC. 9. API Well No. 3. Address and Telephone No. 30-015-27379 415 W. Wall, Suite 1500, Midland, TX 79701 915/684-8051 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Herradura Bend Delaware Eas EN) 11. County or Parish, State 1980' FSL & 1980' FWL of Sec. 35, T-22-S, R-38-E NMPM Eddy, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion **New Construction** X Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Dispose Water Completion or Recompletion Report and Log form.1 13. Describe Proposed or Completed Operations (Clearly state ail pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Drlg. @ 7910' in lime & shale. MW 10.1, Vis. 29, PH 9.5. Dev. Sur. 1 3/40 7524', 250 4/19/93 @ 7774**'.** Drlg. @ 8290' in lime & shale. MW 10.1, Vis. 29, PH 9.5. Dev. Sur. 1 3/4° @ 8025' 4/20/93 Going in hole w/logging tools @ 8464'. Dev. Sur. 1 3/4°@ 8276'. 1 3/4°@ 8464'. 4/21/93 4/22/93 T.D. @ 8494. Ran GR-CNL-Z density and GR-Dual Laterolog-MSFL electric logs. 4/23/93 Ran 191 jts. $4\frac{1}{2}$ " 11.60# K-55 LT&C Csg. & 23 jts. $4\frac{1}{2}$ " 11.60 # N-80 LT&C Csg. Set Csg. @ 8493'. D V Tool @ 5102. Halliburton cmtd. in 2 stages as follows: Stage 1 700 Sx Class C w/3% salt, 8# Silicalite, .6% Halad 322, .2% Halad 344. Plug down @ 12:30 P.M. Circulated 62 Sx to pit. Stage 2: 875 Sx Halliburton Lite w/6# salt & 670 Sx Class C w/3% salt, 8# Silicalite, .6% Halad 322, .2% Halad 344. Plug down @ 8:00 P.M. Circulated 39 Sx to pit. Set slips. Cut off casing. Rig released. (Greg Wilkes) Tule Chief Engineer Approved by Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false. Electrous or fraudulent scatements or representations as to any matter within its jurisdiction.