STATE OF NEW MEXICO 30-045-26721 HERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION Form C-101 Revised 10-1-78 ---P. O. BOX 2088 DISTRIBUTION SANTA FE, NEW MEXICO 87501 5A. Indicate Type of Lease SANTA FE FILE STATE FEE X U.S.G.S. 5. State Oil & Gas Lease No. LAND OFFICE OPERATOR APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK . Type of Work 7. Unit Agreement Name DRILL K DEEPEN T PLUG BACK . Type of Well 8. Farm or Lease Name Name of Operator Nancy Hartman 9. Well No. Manana Gas, Inc. Address of Operator 10. Field and Pool, or Wildcat P.O. Box 36990, Albuquerque, N.M. 87176 Bloomfield-Chacra 892 PEET FROM THE South 860 East 22 29N 11W 12. County San Juan 19. Proposed Depth 19A. Fermation 20. Rotary or 3000 Chacra ions (Show whether DF, RT, etc.) Rotary 21A. Kind & Status Plug. Bond 21B. Drilling Contractor 22. Approx. Date Work will start 5433 GL Blanket-on file UNKNOWN 6/15/86 PROPOSED CASING AND CEMENT PROGRAM SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH SACKS OF CEMENT EST. TOP 7.875 5-500 4/12 10.50 10.5 270 100 surface 2.875 3000 225 surface Intend to drill, case, and log well. Chacra zone will be sand/foam fractured. Estimated tops: Kirtland 550**'** Pictured Cliffs 1710' Chacra 2300' BOP will be an 8", series 900 hydraulic, double gate typs. Gas is not dedicated. APPROVAL EXPIRES 11-15-86 UNLESS DRILLING IS COMMENCED. SPUD NOTICE MUST BE SUBMITTED WITHIN 10 DAYS. ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUC E zone. Give blowout preventer program, if any. reby certify that the information above is true and complete to the best of my knowledge and belief.

PROVED BY DRIGINAL SIGNED BY ERNIE BUSCH TITLE GEOLOGIST DISTRICT#3 DATE APR 15 1986

(This space for State Use)

President