

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
811 South First, Artesia, NM 88210

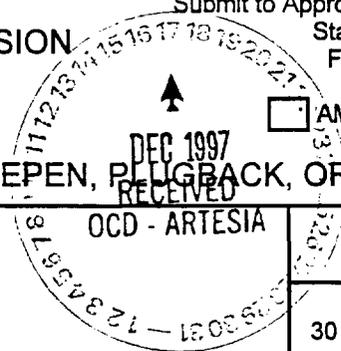
District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505



AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

Operator Name and Address Costilla Energy, Inc. P. O. Box 10369 Midland, TX 79702		OGRID Number 138695
Property Code 22892		API Number 30-015-20884
Property Name Funk 49		Well No. 1

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
O	33	16S	26E		990	South	1980	East	Eddy

Proposed 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
Proposed Pool 1 Hole POW Morrow 83040					Proposed Pool 2				

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code F	Ground Level Elevation 3349
Multiple	Proposed Depth 8500	Formation Morrow	Contractor	Spud Date

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8	54#	450	450	circ
12 1/4	9 5/8	45#	1350	600	circ
7 7/8	5 1/2	17/20#	8500	500	6000'

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

New drill, will rig up 900 series Double Ram BOP from 1350' to TD.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Julie Johnson*

Printed name: Julie Johnson

Title: Regulatory Analyst

OIL CONSERVATION DIVISION

Approved By: *Jim W. Brown*

Title: District Supervisor

Approval Date: 2/18/98

Expiration Date: 2/18/99