

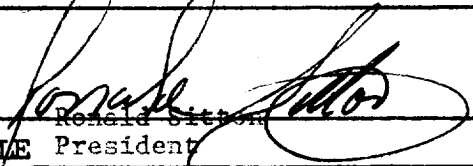
INCLINATION REPORT 4104 Birch, Suite 130

OPERATOR LBO New Mexico, Inc. ADDRESS Newport Beach, California 92660
Danielle 1 Nadine
 LEASE NAME Section 26, T-19-S, R-38-E WELL NO. 1 FIELD Nadine
 LOCATION Lea County, New Mexico

DEPTH	ANGLE INCLINATION DEGREES	DISPLACEMENT	DISPLACEMENT ACCUMULATED
138	1/4°	.82	.82
677	1/2°	4.28	5.10
1147	1 °	8.23	13.33
1575	3/4°	5.65	18.98
1767	1/2°	1.68	20.66
2238	1 1/4°	10.29	30.95
2710	2 °	16.47	47.42
3178	1 1/4°	10.23	57.65
3648	3/4°	6.20	63.85
4119	3/4°	6.22	70.07
4591	1 °	8.26	78.33
5062	1 1/2°	12.34	90.67
5534	1 3/4°	14.42	105.09
5811	1 1/4°	6.05	111.14
6261	1 °	7.88	119.02
6731	3/4°	6.20	125.22
7262	3/4°	6.22	131.44
7671	1 °	8.21	139.65
7800	1 °	2.26	141.91

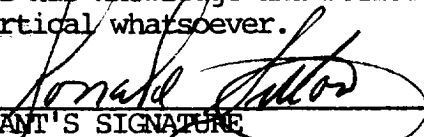
I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.

SITTON DRILLING COMPANY

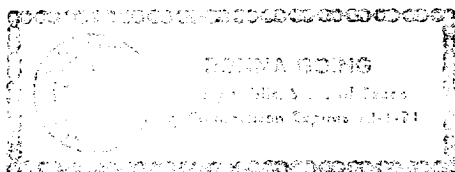

 Ronald Sitton
 TITLE President


AFFIDAVIT:

Before me, the undersigned authority, appeared Ronald Sitton
 known to me to be the person whose name is subscribed herebelow, who, on making
 deposition, under oath states that he is acting for and in behalf of the operator
 of the well identified above, and that to the best of his knowledge and belief such
 well was not intentionally deviated from the true vertical whatsoever.


 AFFIANT'S SIGNATURE

Sworn and subscribed to in my presence on this the 4th day of December, 1989




 Notary Public in and for the County
 of Harris, State of Texas

SEAL

RECEIVED

DEC 26 1989

OCD
HOBBS OFFICE



LTR



Job separation sheet

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)

30-025-30730

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

7. Lease Name or Unit Agreement Name

DANIELLE

2. Name of Operator

LBO NEW MEXICO INC.

3. Address of Operator

4101 BIRCH ST. SUITE 130 NEWPORT BEACH, CALIF

9. Pool name or Wildcat

DRINKARD / ABO

4. Well Location

Unit Letter

C

: 690

Feet From The

NORTH

Line and

1980

Feet From The

WEST

Line

Section

26

Township

19S

Range

38E

NMPM

LEA

County

10. Proposed Depth

7800'

11. Formation

ABO

12. Rotary or C.T.

ROTARY

13. Elevations (Show whether DF, RT, GR, etc.)

3604.3 GR

14. Kind & Status Plug. Bond

BLANKET

15. Drilling Contractor

SITTON

16. Approx. Date Work will start

NOV. 15

17.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	1600'	CIRCULATE	SURFACE
7 7/8"	5 1/2"	17#	7800'	CIRCULATE AS PER B.J. TITAN	

BOP SYSTEM - 10"-900 SERIES TYPE "E" WITH H OPENING

- ① DRILL TO ANHYDRATE, SET 8 5/8" CIRCULATE CEMENT TO SURFACE
- ② DRILL TO TOTAL DEPTH, LOG, AND SET 5 1/2" CASING WITH DU TOOL AT APPROXIMATELY 4800', CIRCULATE CEMENT AS PER B.J. TITAN
- ③ PERM AND ACIDIZE WITH X-LINK ACID.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE

Donald A. Turner

TITLE

GEOLOGIST

DATE

11-

TYPE OR PRINT NAME

DONALD A. TURNER

392-2963

TELEPHONE NO.

(This space for State Use)

Orig. Signed by
Paul Kautz
Geologist

APPROVED BY

TITLE

DATE

NOV 8 1989

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval
Date Unless Drilling Underway