

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, PLUGBACK, OR ADD A ZONE

Operator Name and Address. Xeric Oil & Gas Corporation PO Box 352 Midland, Texas 79702		1 OGRID Number 025482
		2 API Number 30-025-34622
3 Property Code 23513	4 Property Name ARCO HALL STATE	5 Well No. #3

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	20	20S	36E		1980'	South	1980'	West	Lea

8 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
9 Proposed Pool 1 Eumont (Yates, Seven Rivers, Queen)					10 Proposed Pool 2				

11 Work Type Code N	12 Well Type Code 0	13 Cable/Rotary R	14 Lease Type Code P	15 Ground Level Elevation 3633'
16 Multiple No	17 Proposed Depth 5,000	18 Formation Seven Rvrs, Qn	19 Contractor Key	20 Spud Date 6/15/99

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	8 5/8	24	<del>250</del> 350'	400	Surface
7 7/8	5 1/2	15.5	5000	785	Surface

22 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.

1. Drill 12 1/4" hole to approximately 250' w/fresh water mud
2. Set 250' of 8 5/8" csg-24# J-55 csg cmt w/400 SX Class C + 2% CaCl2
3. WOC-12 hrs after circulation to surface-install H2S equipment
4. Drill 7 7/8" hole to 5000'-run open hole logs-brine water mud
5. Set 5,000' of 5 1/2" -15.5 #J-55 csg cmt w/375 SX 35:65 Class "C" w/4% gel & tail in w/410 sx Class "C" + 2% CaCl2-should cir-100% excess
6. RD drilling rig-ready for completion

Permit Expires 1 Year From Approval  
 Date Unless Drilling Underway

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

Signature: *R.C. Barnett*  
 Printed name: R. C. Barnett  
 Title: President

OIL CONSERVATION DIVISION	
Approved by: ORIGINAL SIGNATURE OF J. WILLIAMS	
Title: DISTRICT SUPERVISOR	
Approval Date: MAY 12 1999	Expiration Date:

\* Condition of approval - surface csg must be set @ 350' minimum in district I.