

District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Road, Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy Minerals and Natural Resources

Form C-101
 Revised March 17, 1999

Oil Conservation Division
 2040 South Pacheco
 Santa Fe, NM 87505

Submit to appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

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

| | | |
|--|--|---|
| ¹ Operator Name and Address Matador Operating Company 8340 Meadow Rd., #158 Dallas, TX 75231 | | ² OGRID Number 014245 |
| | | ³ API Number 30 - 025 - 35182 |
| ³ Property Code 25471 | ⁵ Property Name Laughlin | ⁶ Well No. 2 |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L | 4 | 20S | 37E | | 1980' | South | 330' | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
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| ⁹ Proposed Pool 1 SE Monument Abo | ¹⁰ Proposed Pool 2 |
|---|-------------------------------|

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|-----------------------------------|---------------------------------------|---------------------------------|---|---|
| ¹¹ Work Type Code N | ¹² Well Type Code O | ¹³ Cable/Rotary R | ¹⁴ Lease Type Code P | ¹⁵ Ground Level Elevation 3558' |
| ¹⁶ Multiple No | ¹⁷ Proposed Depth 7500' | ¹⁸ Formation Abo | ¹⁹ Contractor Paterson Drilling | ²⁰ Spud Date 10-1-00 |

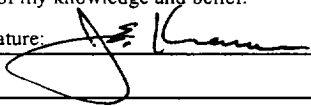
²¹ Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|-----------------|
| 12-1/4" | 8-5/8" | 24# | 1350' | 450 sx | Circ to surface |
| 7-7/8" | 4-1/2" | 11.6# | 7500' | 700 sx | 3000' |

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.

Drill 12-1/4" hole to top of Anhydrite @ +/- 1350'. Run and cement to surface 8-5/8" casing. Nipple up 11" 3M BOP assembly and test to 3000 psi. Drill 7-7/8" hole to 7500'. Evaluate to run production casing.

Permit Expires 1 Year from Approval
 Date Unless Drilling Underway

| | | |
|--|---|------------------|
| ²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature:  | OIL CONSERVATION DIVISION | |
| | ORIGINAL SIGNED BY CHRIS WILLIAMS DISTRICT I SUPERVISOR | |
| Printed name: Jim Kramer | Approved by: | |
| Title: Sr. Drilling Engineer | Title: | |
| Date: 9/18/00 | Approval Date: SEP 26 2000 | Expiration Date: |
| Phone: 214-987-7128 | Conditions of Approval: | |
| | Attached <input type="checkbox"/> | |

MS

