

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

**OIL CONSERVATION DIVISION**  
 2040 South Pacheco  
 Santa Fe, NM 87505

Form C-101  
 Revised October 18, 1994  
 Instructions on back  
 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**

Operator Name and Address: Joe Melton Drilling Co., Inc. P.O. Box 4203 Midland, Texas 79704		' OGRID Number 011916
' Property Code 20019	' Property Name ACR	' API Number 30-025-33698
		' Well No. 1

**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
M	20	18S	37E		660	South	660	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

' Proposed Pool 1 Arkansas Junction San Andres	' Proposed Pool 2
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" Work Type Code N	" Well Type Code oil/gas	" Cable/Rotary Rotary	" Lease Type Code Fee	" Ground Level Elevation 3733'
" Multiple no	" Proposed Depth 4700'	" Formation San Andres	" Contractor	" Spud Date

**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#	1600'	835	Surface
7-7/8 "	5-1/2"	15.5#	4700'	800	Surface

" 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.

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: *Karen Allen*  
 Printed name: Karen Allen  
 Title: Secretary 915-682-5461

<b>OIL CONSERVATION DIVISION</b>	
Approved by: <i>Paul Schultz</i>	Orig. Signed by: <i>Paul Schultz</i>
Title: Geologist	
Approval Date: 080 5 1995	Expiration Date:

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DISTRICT I  
 P. O. Box 1980  
 Hobbs, NM 88241-1980

State of New Mexico  
 Energy, Minerals, and Natural Resources Department

Form C-102  
 Revised 02-10-94

Instructions on back

DISTRICT II  
 P. O. Drawer DD  
 Artesia, NM 88211-0719

**OIL CONSERVATION DIVISION**  
 P. O. Box 2088  
 Santa Fe, New Mexico 87504-2088

Submit to the Appropriate  
 District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

DISTRICT III  
 1000 Rio Brazos Rd.  
 Aztec, NM 87410

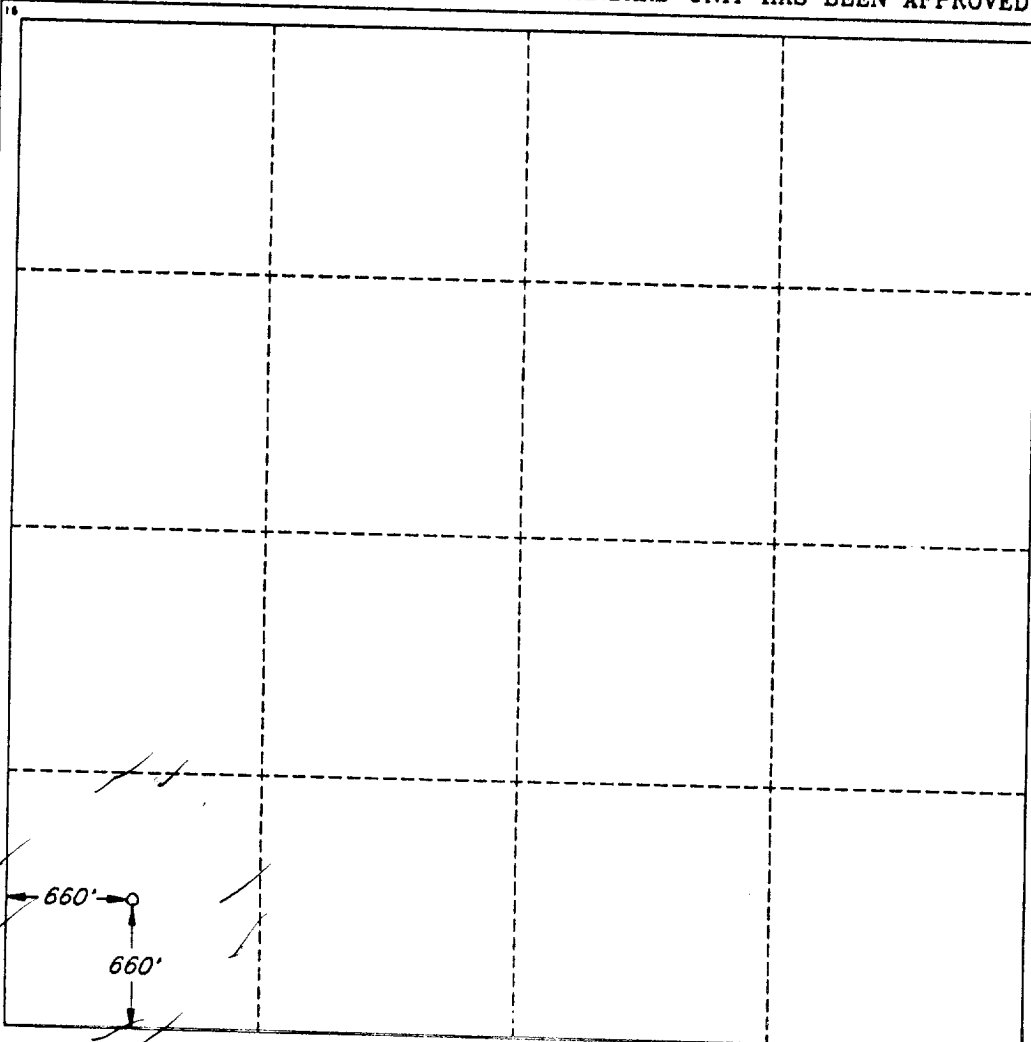
AMENDED REPORT

DISTRICT IV  
 P. O. Box 2088  
 Santa Fe, NM 87507-2088

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number 30-025-33698		2 Pool Code 2500		3 Pool Name Arkansas Junction San Andres					
4 Property Code 20019		5 Property Name ACR				6 Well Number 1			
7 OGRID No. 011916		8 Operator Name Joe Melton Drilling Co., Inc.				9 Elevation 3733'			
10 SURFACE LOCATION									
UL or lot no. M	Section 20	Township 18 SOUTH	Range 37 EAST, N.M.P.M.	Lot Ida	Feet from the 660'	North/South line SOUTH	Feet from the 660'	East/West line WEST	County LEA
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



**OPERATOR CERTIFICATION**

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

Signature: *Karen Allen*  
 Printed Name: Karen Allen  
 Title: Secretary  
 Date: November 22, 1996

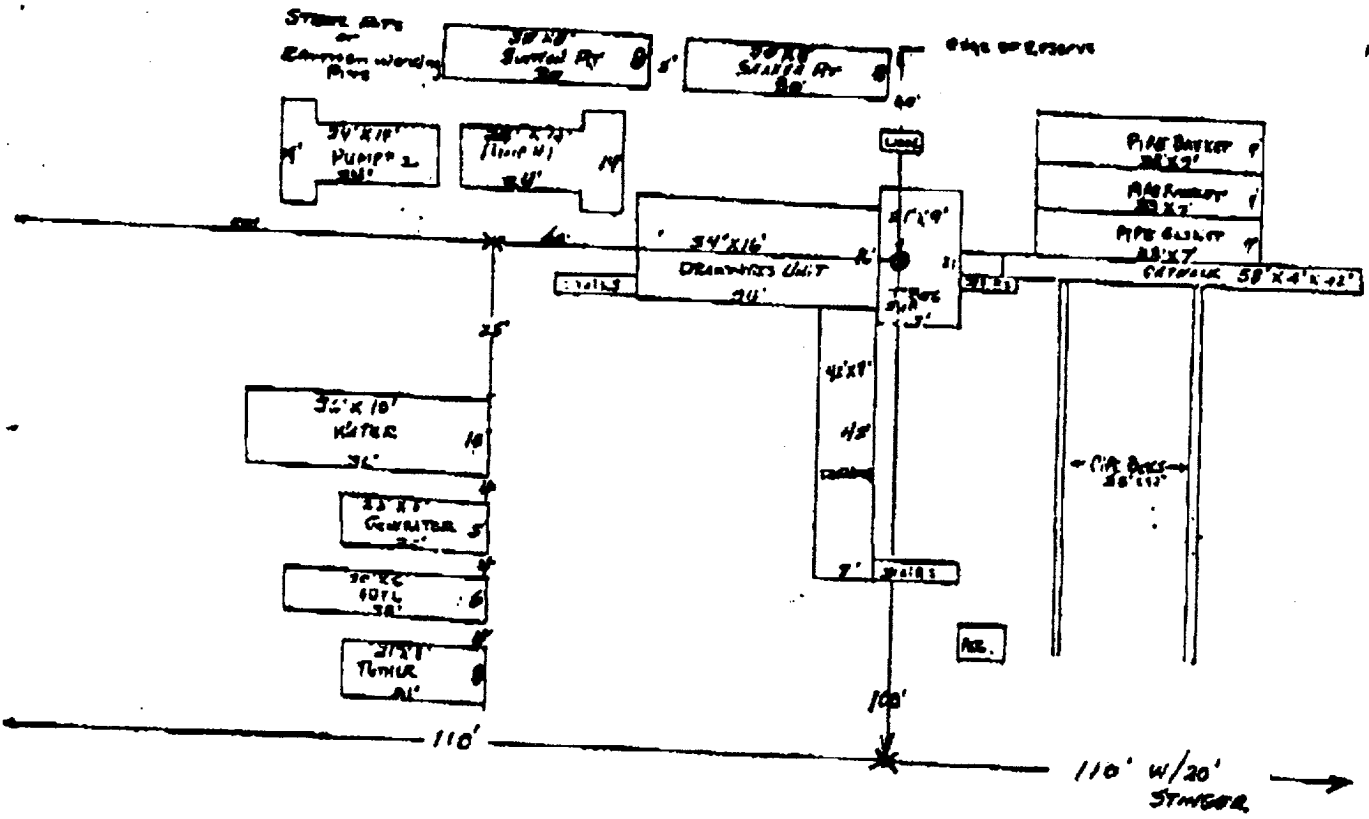
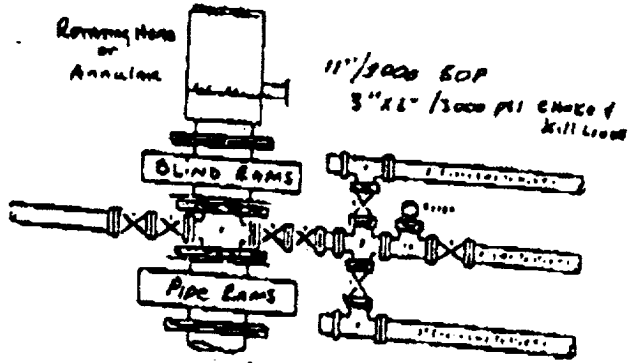
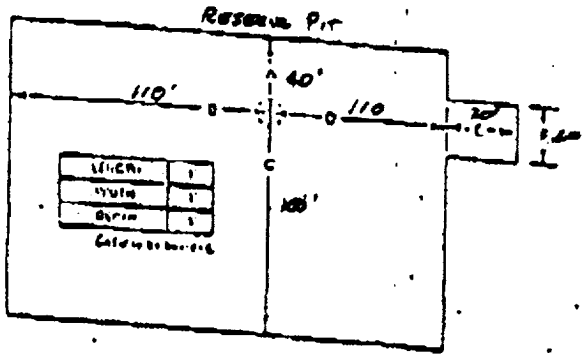
**SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: OCTOBER 14, 1996

Signature and Seal of Professional Surveyor:  
  
 V. LYNN BEZNER  
 P.S. #7920

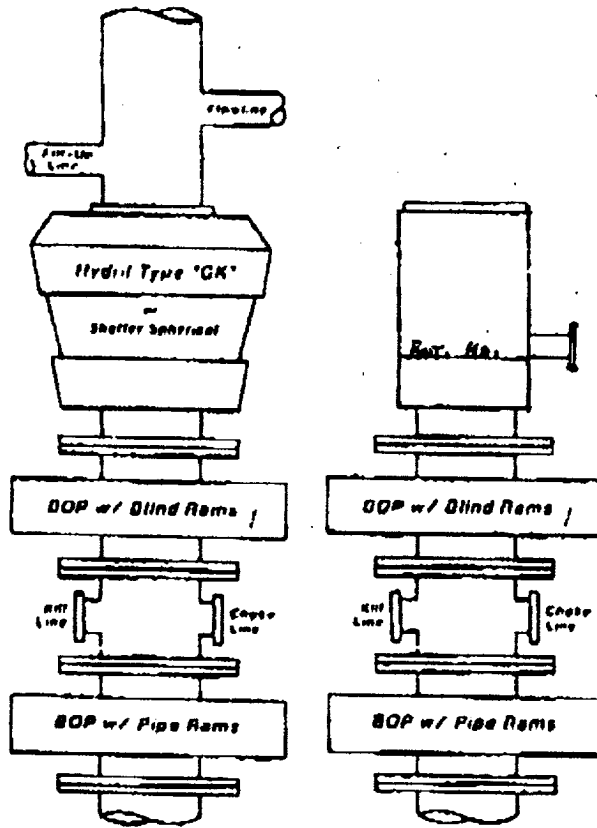
JOB # 27927 NE / VHB



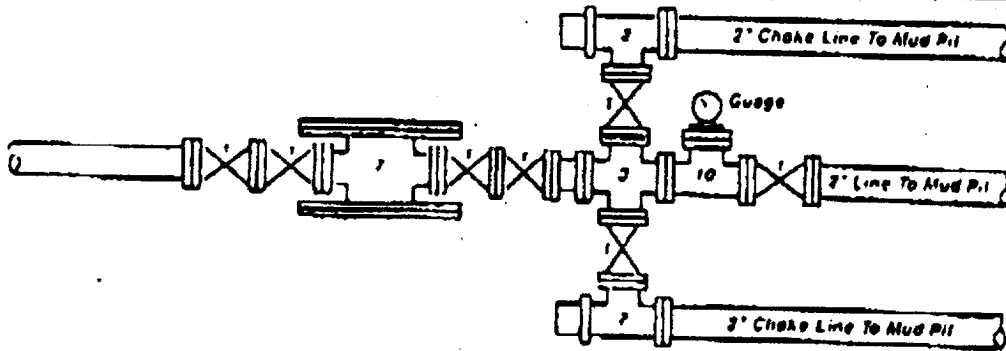
Red Ric Ric # 3



BLOWOUT PREVENTER - 3000 p.



A 1" valve will be installed on the closing line to the Hydril  
 This valve will be on a short nipple next to the hydril  
 The closing line must be equipped w/ a 1"-3000 psi WP plug  
 valve on the nipple into the hydril.



Legend

- 1 3" Flanged all steel valve must be either Cameron 10" or Cameron 100 torque, or Shutter Sigsbee
- 2 3" flanged adjustable choke, min. 1" full opening & equipped w/ hand trim
- 3 4" x 3" flanged steel cross
- 4 4" flanged steel tee
- 5 4" flanged all steel valve (Type as in no. 1)
- 6 Drilling spool w/ 3" x 3" flanged steel outlet
- 7 Drilling spool w/ 3" x 3" flanged outlet
- 8 3" x 3" flanged steel cross
- 9 4" pressure operated gate valve
- 10 3" flanged steel tee

Notes

Choke manifold may be located in any convenient position. Use all steel fittings throughout. Make 90° turns with butt plugged tees only. No field welding will be permitted on any of the components of the choke manifold and related equipment upstream of the choke. The choke spool and all lines and fittings must be at least equivalent to the test pressure of the preventer required. Independent closing control unit with clearly marked controls to be located on surface floor near driller's position.

*Handwritten signature*

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*          OK          1 RECEIVE 1'07"          3:35 PM 1473 7542          DEC-4  
*-----*  
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*          DEC-4-96 WED 3:36 PM  
*          TRANSACTION REPORT  
*          P. 01  
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