

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

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

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

API NO. (assigned by OCD on New Wells)
30-025-30707

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 B-9652

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 Brine Extraction
 SINGLE ZONE MULTIPLE ZONE

7. Lease Name or Unit Agreement Name
 Warren McKee Brine

2. Name of Operator
 Conoco Inc.

8. Well No.
 2

3. Address of Operator
 P.O. Box 460 - Hobbs, NM 88240

9. Pool name or Wildcat
 Warren McKee *Salado*

4. Well Location
 Unit Letter N : 660 Feet From The South Line and 1980 Feet From The West Line
 Section 2 Township 20S Range 38E NMPM Lea County

10. Proposed Depth 2750' 11. Formation Salado Salt 12. Rotary or C.T. Rotary

13. Elevations (Show whether DF, RT, GR, etc.) 3590' KB 14. Kind & Status Plug. Bond Blanket 15. Drilling Contractor Not available 16. Approx. Date Work will start August 1, 1989

PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	9-5/8"	36#	400'	200	Circ.
8-1/2"	7"	26#	1625'	350	Circ.

It is proposed to drill a straight hole to a depth of 2750' in an effort to complete as a brine extraction well. The hole will be drilled to the base of the Salado Salt and then be completed open hole as a brine extraction well.

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 W.W. Baker TITLE Administrative Supervisor DATE October 17, 1989

TYPE OR PRINT NAME _____ TELEPHONE NO. _____

(This space for State Use)
Eddie W. Seay
Oil & Gas Inspector

APPROVED BY _____ TITLE _____ DATE **OCT 20 1989**

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval
 Data Shows Drilling Underway.

CC: Dave ...