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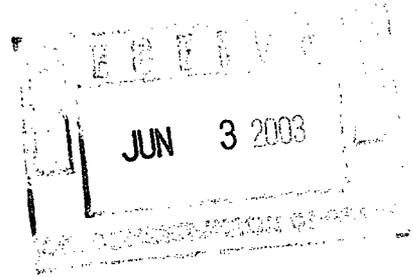
NA

MS

**TEXLAND PETROLEUM, L.P.**  
**EXPLORATION AND PRODUCTION**  
 777 MAIN STREET, SUITE 3200  
 FORT WORTH, TEXAS 76102

(817)-336-2751

June 3, 2003



Via E-mail [mstogner@state.nm.us](mailto:mstogner@state.nm.us)  
 Via Facsimile 505-476-3462  
 Mr. Michael Stogner, Engineer  
 1220 South St. Francis Dr.  
 Santa Fe, NM. 87505

Dear Mr. Stogner:

Texland Petroleum L.P. requests your review and approval to drill the McKinley CT No. 1 at the location 1535' FNL, 2418' FWL, Unit F, Section 30, T18S, R38E. As we previously discussed, this is a substandard location due to being less than 330' from the north and east lines of the proration unit. The attached location plan indicates same.

Also included is a plat showing in yellow the lease acreage which is fee land and which has common ownership. The target formations to be tested are the Abo and Wolfcamp which is based on seismic information and analysis. The target is small and moving it west and south to comply with 330' from proration boundaries compromises the target. Our requested location is ideal. This location will not endanger the correlative rights of offset as shown and as we discussed. *without*

Also included are copies of the C101 and C102, the Application to Drill and the well location and acreage plat.

Thank you for your consideration of this matter and we look forward to receiving your approval order and drilling permit.

Sincerely yours,

*Mark A. Jacoby*  
 Mark A. Jacoby *SM*  
 Area Manager of Drilling and Production

MAJ/lbg  
 Attachments  
 K:\CMY Documents Bkup\OFFICE\JACOBY\2003 Letters\McKinley No. 1 Drig Permit.wpd

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
811 South First, Artesia, NM 88210

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

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised March 17, 1999

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
Property Code	Property Name McKINLEY CT		Well Number 1
OGRID No. 113315	Operator Name TEXLAND PETROLEUM L.P.		Elevation 3654'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	30	18 S	38 E		1535	NORTH	2418	WEST	LEA

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
Dedicated Acres 40		Joint or Infill	Consolidation Code		Order No.				

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

	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein to true and complete to the best of my knowledge and belief.</p> <p><i>Mark A. Jacoby</i> Signature</p> <p>Mark A. Jacoby Printed Name</p> <p>Petroleum Engineer Title</p> <p>6-2-03 Date</p>	
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>MAY 19, 2003</p> <p>Date Surveyed</p> <p><i>L. Jones</i> Signature &amp; Seal of Professional Surveyor</p> <p>W.B. No. 3283A</p> <p>Certificate No. Gary L. Jones 7977</p> <p>PROFESSIONAL LAND SURVEYOR</p>	
	<p>Professional Surveyor</p>	
	<p>Professional Land Surveyor</p>	

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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**

<sup>1</sup> Operator Name and Address Texland Petroleum L.P. 777 Main Street, Suite 3200, Fort Worth, TX 76102		<sup>2</sup> OGRID Number 113315
		<sup>3</sup> API Number
<sup>4</sup> Property Code	<sup>5</sup> Property Name McKinley, C.T.	<sup>6</sup> Well No. 1

**<sup>7</sup> Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	30	18S	38E		1535'	North	2418'	West	Lea

**<sup>8</sup> 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

<sup>9</sup> Proposed Pool 1

<sup>10</sup> Proposed Pool 2

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary Rotary	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3654'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 8000'	<sup>18</sup> Formation Wildcat <i>Ordovician - Simpson</i>	<sup>19</sup> Contractor CapStar Drilling	<sup>20</sup> Spud Date 06/03/2003

**<sup>21</sup> Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	450'	495 sx	Surface
11"	8 5/8"	32#	3500'	545 sx	Surface
7 7/8"	5 1/2"	15.5# & 17#	8000'	965 sx	3500'

<sup>22</sup> 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.

Texland plans to drill well to a total depth of 8,000' and test. Double ram BOP with pipe and blind rams. Will also have rotating head.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Susan Austin-Morse</i> Printed Name: Susan Austin-Morse	<b>OIL CONSERVATION DIVISION</b>	
	Approved by:	
Title: Regulatory Analyst	Title:	
Date: 05/22/2003	Approval Date:	Expiration Date:
Phone: (817)900-1215	Conditions of Approval: Attached <input type="checkbox"/>	





