

OIL CONSERVATION DIVISION
RECEIVED

SOCORRO

PETROLEUM
COMPANY

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

August 21, 1994

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail
P.O. Box 2088
Santa Fe, New Mexico 87504 - 2088

Attention: David Catanach

Re: Non - Standard Location Approval

Dear Sir:

It is requested that administrative approval be granted under Rule 104F. (1) for unorthodox locations for the infill producing wells located within the Keel West Waterflood Project, at the following locations:

- D - NW/4SW/4 - Keel "A" 18 - 1310' FNL & 1100' FWL Section 7 - T17S - R31E
- B - NW/4NE/4 - Keel "A" 20 - 200' FNL & 1480' FEL Section 7 - T17S - R31E** ✓
- A - NE/4NE/4 - Keel "A" 21 - 1310' FNL & 1310' FEL Section 7 - T17S - R31E
- A - NE/4NE/4 - Keel "A" 22 - 1300' FNL & 60' FEL Section 7 - T17S - R31E**
- P - SE/4SE/4 - Keel "B" 50 - 1310' FSL & 1310' FEL Section 5 - T17S - R31E
- M - SW/4SW/4 - Keel "B" 51 - 1310' FSL & 1310' FWL Section 5 - T17S - R31E
- P - SE/4SE/4 - Keel "B" 52 - 1310' FSL & 60' FEL Section 6 - T17S - R31E
- O - SW/4SE/4 - Keel "B" 53 - 1220' FSL & 1500' FEL Section 6 - T17S - R31E**
- D - NW/4NW/4 - Keel "B" 54 - 10' FNL & 110' FWL Section 8 - T17S - R31E**

D - NW1/4NW1/4 Keel "B" 56 - 1280' FNL & 1300' FWL Section 8 - T17S - R31E**
M - SW1/4SW1/4 - Keel "B" 58 1300' FSL & 1290' FWL Section 8 - T17S - R31E**
D - NW1/4NW1/4 Keel "B" 59 - 1280' FNL & 1070' FWL Section 6 - T17S - R31E**
E - SW1/4NW1/4 West "B" 73 - 2610' FNL & 1270' FWL Section 4 - T17S - R31E**

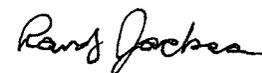
Attached is a plat of the Keel - West Waterflood Project showing the project boundaries that are adjacent to the subject wells. Forms 3160 - 3 and C - 102 are attached on eight of the above listed wells. An asterisk denotes these wells. The C -102 wells are not available on the six remaining wells but this information will be forwarded to you in a few days. The Keel - West Waterflood project is located on federal property and each proposed well is to be part of this active waterflood project.

The above locations do not conform to Rule 104. C. I. because they are located closer than 330' to the governmental quarter - quarter section boundaries. They will be drilled to a depth sufficient to produce the Grayburg - San Andres formation (approximately 4000'). The wells will be drilled at the unorthodox locations in order to prevent waste by developing an efficient production and injection pattern within the Keel - West Waterflood Project, which was approved under Order R - 2268. When fully developed these wells will combine with the existing wells (some of which will eventually be converted to injection) to establish a 40 acre 5 spot waterflood pattern.

Operators that have production in offsetting 40 acre tracts will be notified by certified mail. A copy of this notification to each operator will be sent to you along with the certified mail number. The only wells where notification to offset operators is required are the Keel "A" 18, Keel "B" 58 and Keel "B" 59. The remaining wells listed are offset by wells that are already operated by Socorro Petroleum; therefore, no other notification is necessary.

Should you require any additional information regarding any of these unorthodox locations please notify me at 405-552-4560.

Sincerely,



Randy Jackson
District Engineer

SOCORRO
PETROLEUM
COMPANY

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

OIL CONSERVATION DIVISION
RECEIVED
405/235-3611
94 SEP 1 11 50
Fax 405/552-4550
Fax 405/552-4552

August 30, 1994

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504 - 2088

Dear Sir:

As required enclosed are the notifications to the operators in the spacing units offsetting the following wells:

Keel "A" 18
1320' FNL & 1100' FWL
Section 7 - T17S - R31E

Keel "B" 58
1300' FSL & 1290' FWL
Section 8 - T17S - R31E

Keel "B" 59
1280' FNL & 1070' FWL
Section 6 - T17S - R31E

All of the above wells are in Eddy County, New Mexico. All of the offsetting operators have been notified by certified mail with the certified letter # noted on each letter. The request for administrative approval for the unorthodox locations were previously submitted to the OCD on August 21, 1994.

If any additional information is required regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,


Randy Jackson
District Engineer

**SOCORRO
PETROLEUM
COMPANY**

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

August 29, 1994

Westhall Operating Company
P. O. Box 4
Loco Hills, New Mexico 88255

Certified Letter #: Z 147 280 856

Dear Sir:

The BLM has issued Socorro Petroleum Company a permit to drill the Keel "B" 59. The proposed well site is within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico and offsets your wells in Unit A of Section 1 - T17S - R30E. Dwights Production Data show that you operate the following well in Unit A of Section 1 - T17S - R30E:

Artesia Petroleum Company #4

The Keel "B" #59 is located in:

**1280' FNL & 1070' FWL
Section 6 - T17S - R31E**

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this location is considered unorthodox it will not be within 330' of your 40 acre tract as it has been moved to the east and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,


Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

SOCORRO
PETROLEUM
COMPANY

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

August 29, 1994

W. H. McKinley
P. O. Box 2145
Roswell, New Mexico 88201

Certified Letter #: Z 147 280 859

Dear Sir:

The BLM has issued Socorro Petroleum Company a permit to drill the Keel "B" 59. The proposed well site is within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico and offsets your wells in Unit H of Section 1 - T17S - R30E. Dwights Production Data show that you operate the following well in Unit H of Section 1 - T17S - R30E:

Artesia Petroleum Company #2

The Keel "B" #59 is located in:

1280' FNL & 1070' FWL
Section 6 - T17S - R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this location is considered unorthodox it will not be within 330' of your 40 acre tract as it has been moved to the east and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

**SOCORRO
PETROLEUM
COMPANY**

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

August 29, 1994

MARBOB ENERGY CORP.
11352 Lovington, Highway
Artesia, New Mexico 88210

Certified Letter #: Z 147 280 858

Dear Sir:

The BLM has issued Socorro Petroleum Company a permit to drill the Keel "B" 58. The proposed well site is within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico and offsets your wells in Unit C of Section 17 - T17S - R31E. Dwights Production Data show that you operate the following wells in Unit C of Section 17 - T17S - R31E:

Eddy Foster #6

Eddy Foster #8

The Keel "B" #58 is located in:

1300' FSL & 1290' FWL
Section 8 - T17S - R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this location is considered unorthodox it will not be within 330' of your 40 acre tract as it has been moved to the north and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico

**SOCORRO
PETROLEUM
COMPANY**

20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

405/235-3611
Fax 405/552-4550
Fax 405/552-4552

August 29, 1994

Burnett Oil Company
1500 Interfirst Tower
801 Cherry Street
Fort Worth, Texas 76102

Certified Letter #: Z 147 280 857

Dear Sir:

The BLM has issued Socorro Petroleum Company a permit to drill the Keel "A" 18. The proposed well site is within the boundaries of the Keel - West Waterflood Project in Eddy Co. New Mexico and offsets your wells in Units A and H of Section 12 - T17S - R30E. Dwights Production Data show that you operate the following wells in Units A and H of Section 12 - T17S - R30E:

Jackson "B" Tract 5 - #38 (Unit A)

Grayburg Jackson San Andres Unit #38 (Unit A)

Grayburg Jackson San Andres Unit #48 (Unit H)

The Keel "A" #18 is located in:

1320' FNL & 1100' FWL
Section 7 - T17S - R31E

The State of New Mexico Oil Conservation Division has ruled that this is a "non - standard location" and requires that we obtain Non - Standard Location Approval from their Santa Fe Office before an allowable will be issued. The NSL approval process requires that we notify offset operators and Submit Proof of Notice. A non - standard location is defined as any location closer than 330' to the outer boundaries of a 40 acre drilling unit. Although this location is considered unorthodox it will not be within 330' of your 40 acre tract as it has been moved to the east and therefore away from your tract.

Please accept this letter as the required notification. If you have any questions regarding this matter please notify me at 405 - 552 - 4560.

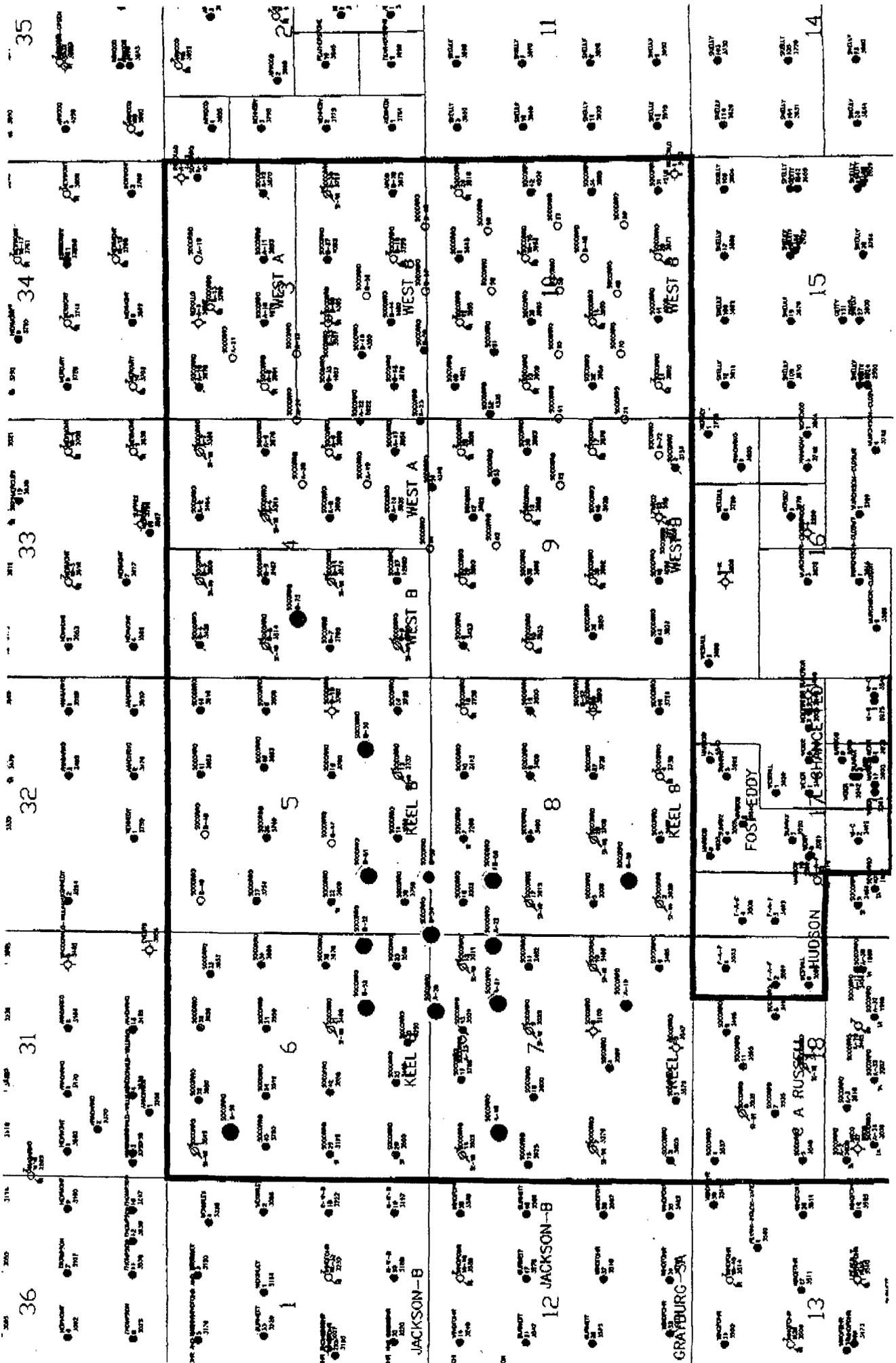
Sincerely,



Randy Jackson
District Engineer

cc.

Oil Conservation Division - Santa Fe, New Mexico
Bureau of Land Management - Carlsbad, New Mexico



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

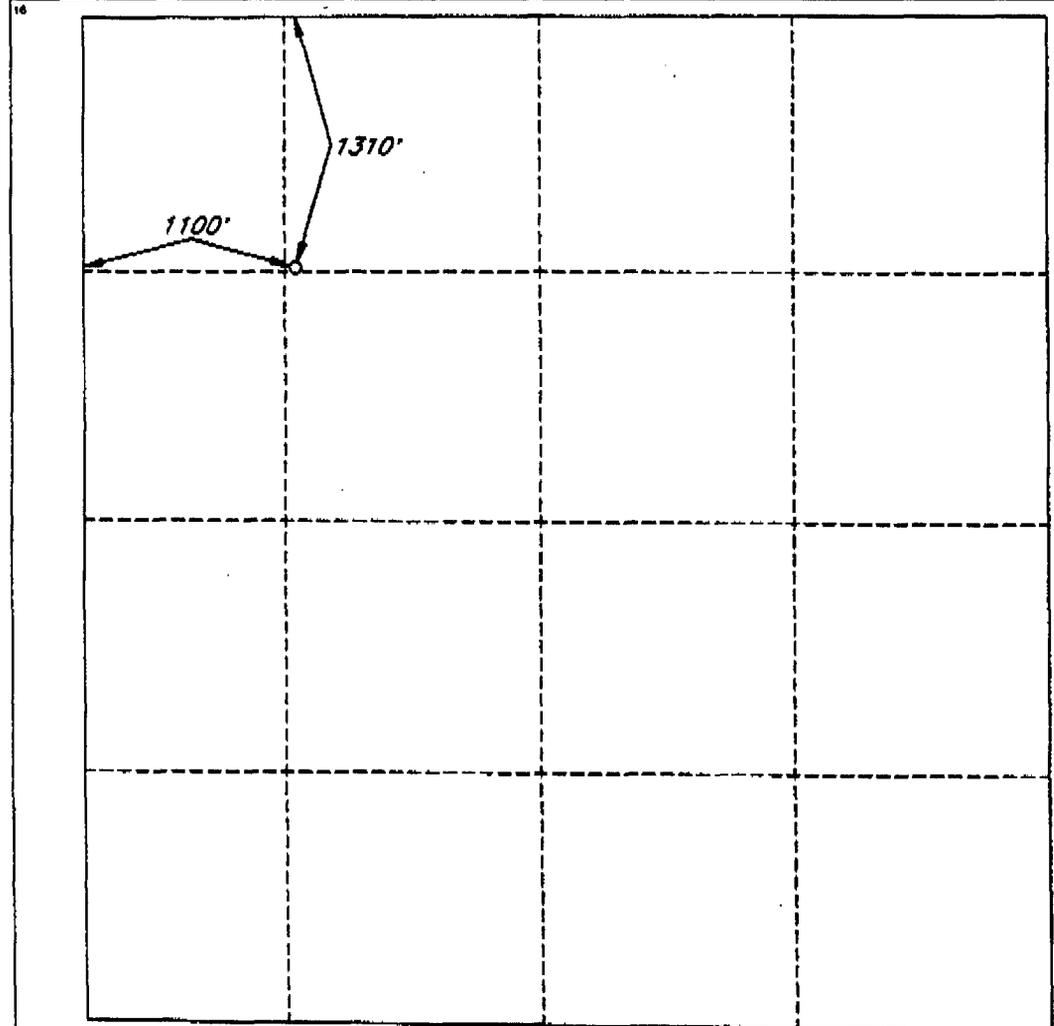
AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|---------|--|-------------------|-----------------------|---------------|------------------|----------------------|----------------|--------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code C | | 5 Property Name KEEL 'A' FEDERAL | | | | | 6 Well Number 18 | | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | 9 Elevation 3732' | | |
| 10 SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
| | 7 | 17 SOUTH | 31 EAST, N.M.P.M. | | 1310' | NORTH | 1100' | WEST | EDDY |
| 11 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 | | 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 _____

Printed Name _____

Title _____

Date _____

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
SEPTEMBER 28, 1994

Signature and Seal of Professional Surveyor

V. LYNN BEZNER
NO. 7920

V. LYNN BEZNER AND SONS, INC. #7920

JOB #35465-1-1-96 SE / cls

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

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

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

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

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

Form C-102
 Revised 02-10-94
 Instructions on back

Submit to the Appropriate
 District Office
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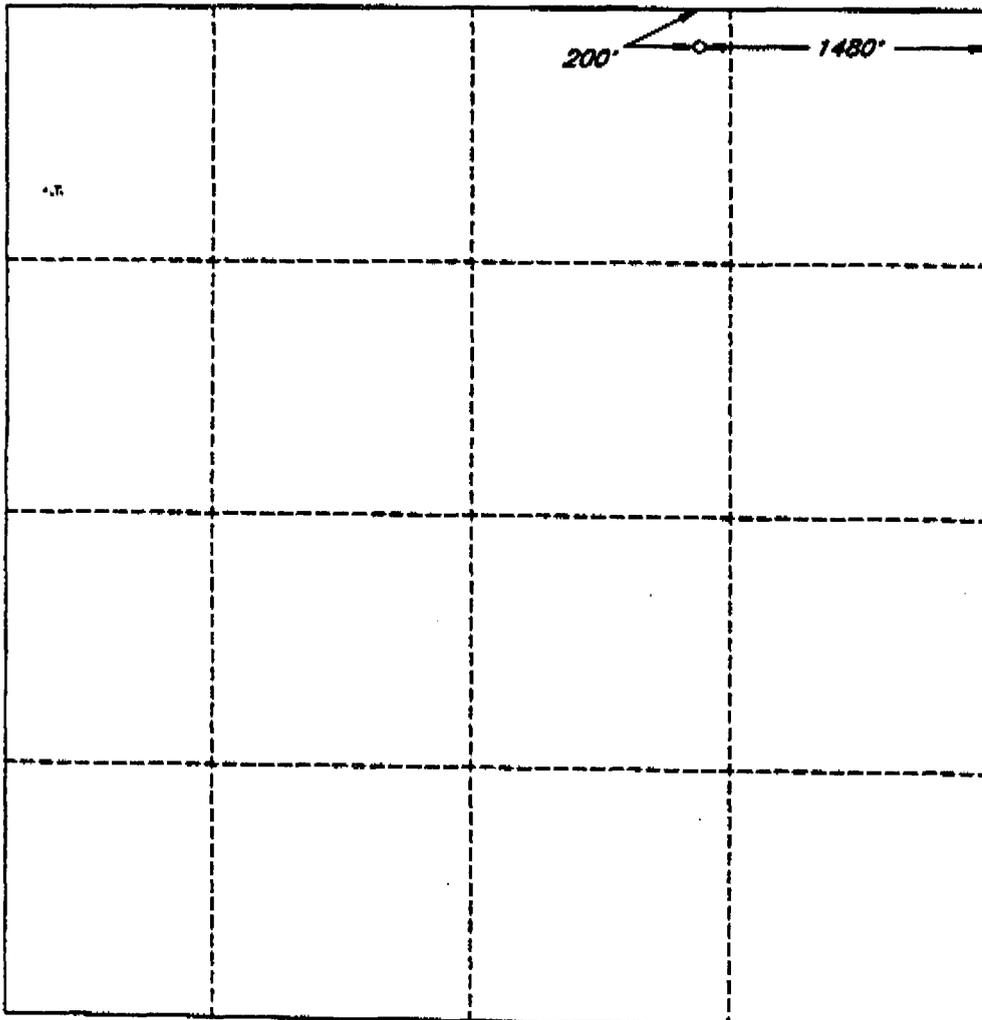
OIL CONSERVATION DIVISION
 P. O. Box 2088
 Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|--|---------|--|-------------------|-------------|---------------|------------------|---------------|----------------------|--------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code B | | 5 Property Name KEEL 'A' FEDERAL | | | | | | 6 Well Number 20 | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | | 9 Elevation 3761' | |
| ** SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
| | 7 | 17 SOUTH | 31 EAST, N.M.P.M. | | 200' | NORTH | 1480' | EAST | EDDY |
| " 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 |
| 10 Dedicated Acres AD 11 Joint or Infill 12 Consolidation Code 13 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: *Randy Jackson*
 Printed Name: **RANDY JACKSON**
 Title: **DISTRICT ENGINEER**
 Date: **July 1, 1994**

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: **MAY 16, 1994**

Signature and Seal: *V. Lynn Bezner*
 V. L. BEZNER S.P.S. #7920
 JOB #33100-3-7-48 SE / c/s

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

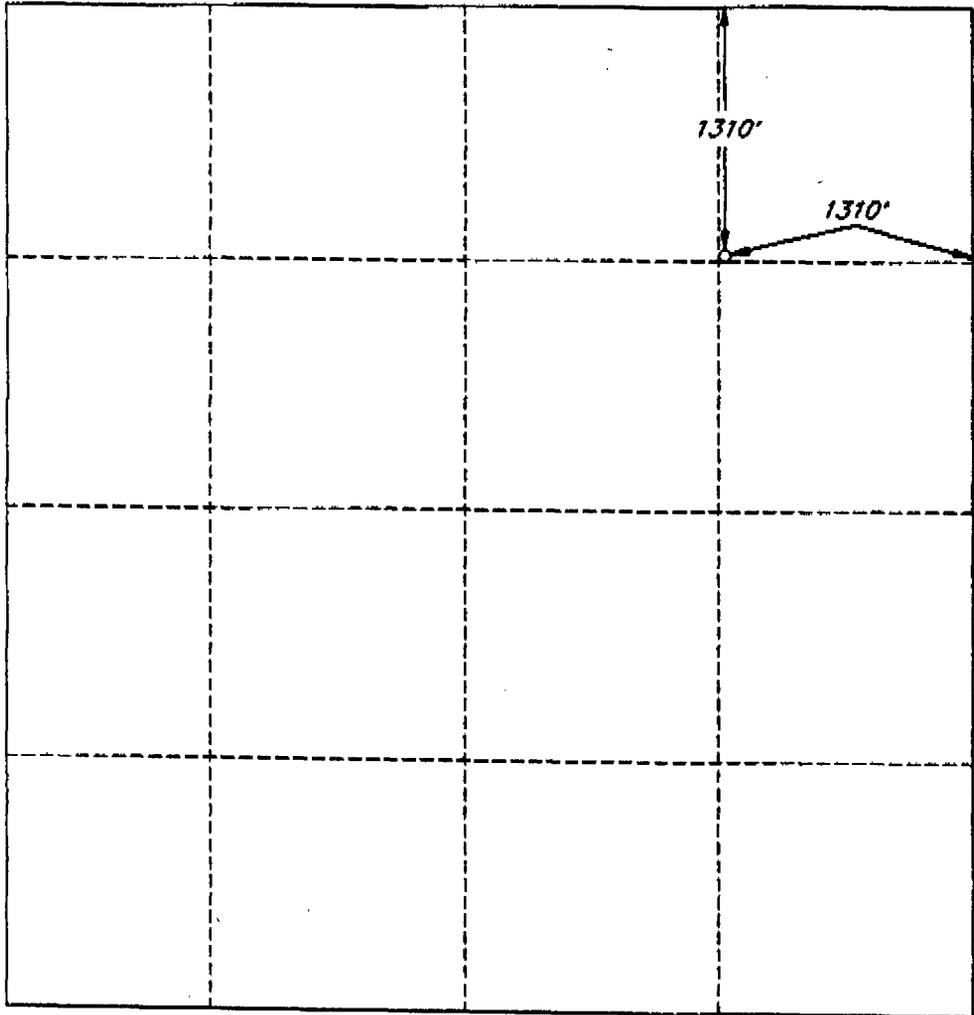
AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|---------|---|-------------------|-----------------------|---------------|-----------------------------|---------------|----------------|--------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code A | | 5 Property Name KEEL 'A' FEDERAL | | | | 6 Well Number 21 | | | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | 9 Elevation 3736' | | | |
| " SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
| | 7 | 17 SOUTH | 31 EAST, N.M.P.M. | | 1310' | NORTH | 1310' | EAST | EDDY |
| " 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 | | 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 _____
Printed Name _____
Title _____
Date _____

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
SEPTEMBER 28, 1994

Signature and Seal of Professional Surveyor

Completed by
V. LYNN BEZNER, #7920

JOB #35185-4-48 SE / cls

Form C-102
Revised 02-10-94
Instructions on back

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

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

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

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

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

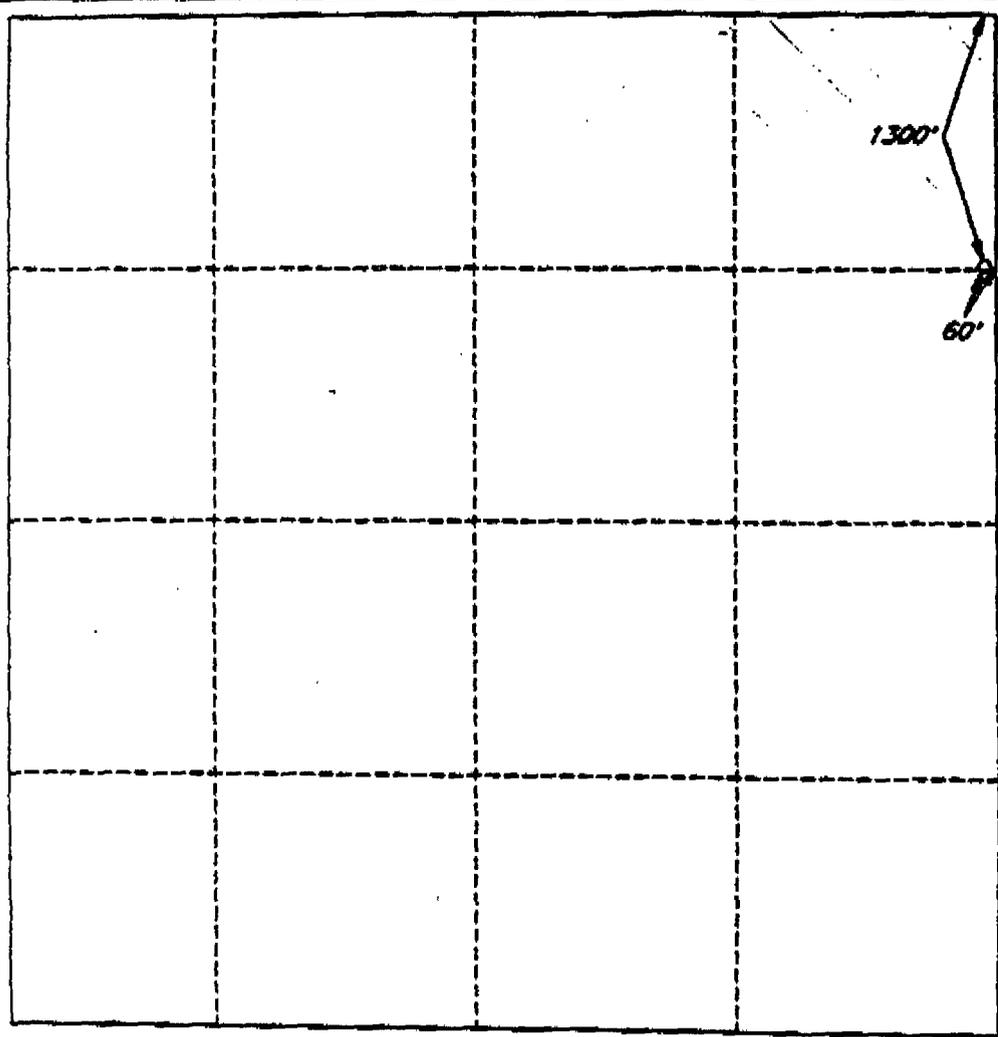
AMENDED REPORT

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | | | | | |
|--|-------------------|--|-------------------|-------------|---------------|------------------|---------------|----------------------|--------|-------------------------|-------------------|----------------------|-------------|
| * API Number | | * Pool Code | | * Pool Name | | | | | | | | | |
| * Property Code A | | * Property Name KEEL 'A' FEDERAL | | | | | | * Well Number 22 | | | | | |
| * OGRIP No. | | * Operator Name SOCORRO PETROLEUM COMPANY | | | | | | * Elevation 3748' | | | | | |
| * SURFACE LOCATION | | | | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot 1/4 | Feet from the | North/South line | Feet from the | East/West line | County | | | | |
| | 7 | 17 SOUTH | 31 EAST, N.M.P.M. | | 1300' | NORTH | 60' | EAST | EDDY | | | | |
| "BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE | | | | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot 1/4 | Feet from the | North/South line | Feet from the | East/West line | County | | | | |
| <table border="1"> <tr> <td>* Dedicated Acres 40</td> <td>* Joint or Infill</td> <td>* Consolidation Code</td> <td>* Order No.</td> </tr> </table> | | | | | | | | | | * Dedicated Acres 40 | * Joint or Infill | * Consolidation Code | * Order No. |
| * Dedicated Acres 40 | * Joint or Infill | * Consolidation Code | * Order No. | | | | | | | | | | |
| <p>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</p> | | | | | | | | | | | | | |



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

Signature _____
Printed Name
RANDY JACKSON
Title
DISTRICT ENGINEER
Date
6/10/94

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 _____
Signature and Seal of Professional Surveyor
V. LYNN BEZNER
NO. 7929
R.P.S. #7920
JOB #33105-5 / 98SW-SF /

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 | | 2 Pool Code | | 3 Pool Name | | | |
| 4 Property Code I | | 5 Property Name KEEL 'B' FEDERAL | | | | 6 Well Number 50 | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | 9 Elevation 3863' | |

10 SURFACE LOCATION

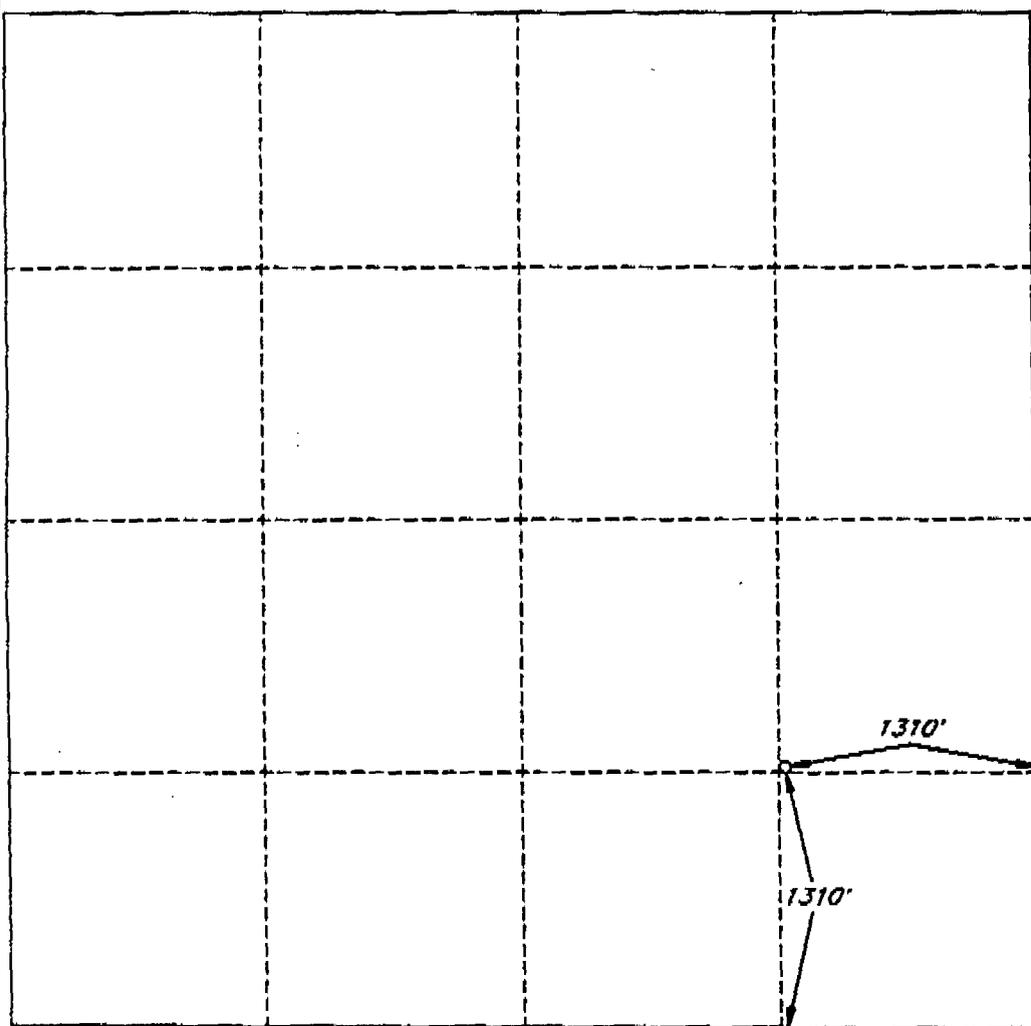
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| | 5 | 17 SOUTH | 31 EAST, N.M.P.M. | | 1310' | SOUTH | 1310' | EAST | EDDY |

11 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 | 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

Printed Name

Title

Date

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
 SEPTEMBER 28, 1994

Signature and Name of Professional Surveyor

V. LYNN BEZMAN
 NO. 7920
 P.S. #7920

JOB #3310510798SE & SW/VHR

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

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

Form G-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

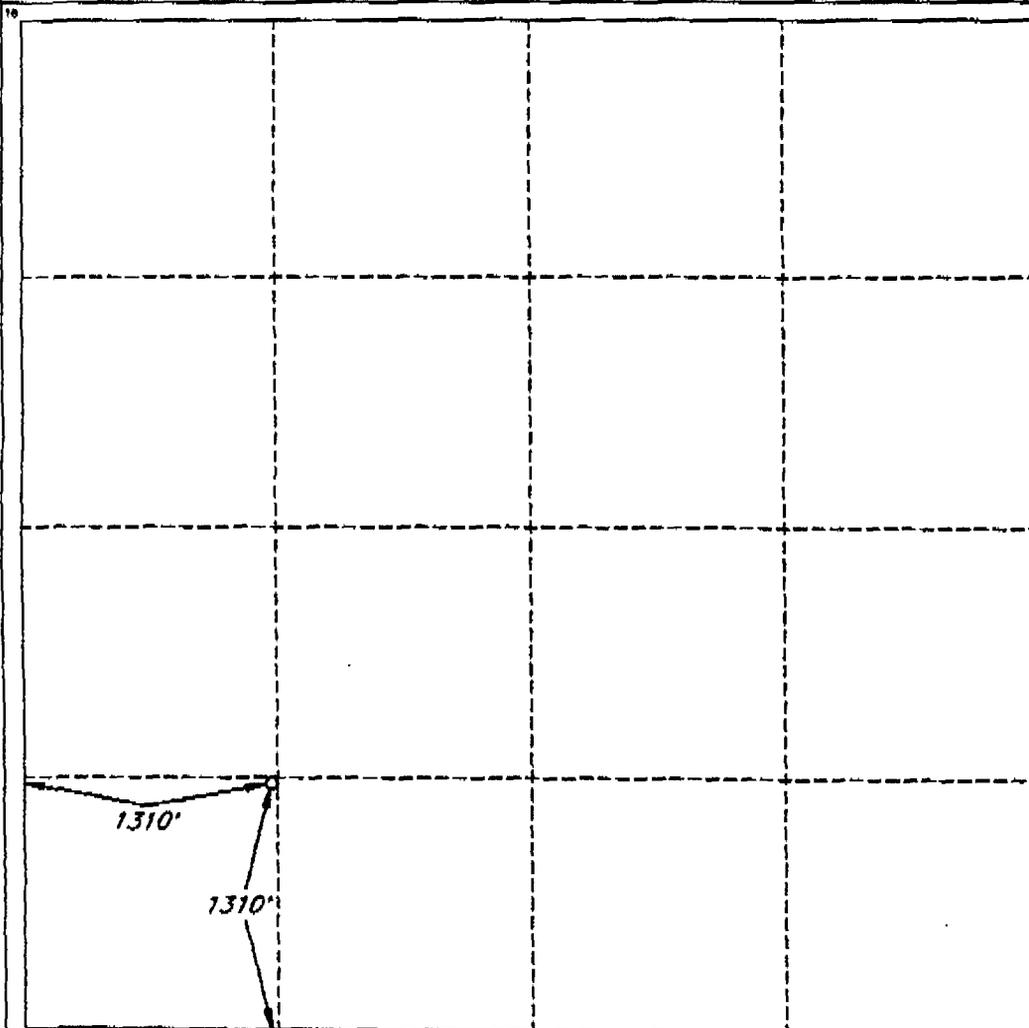
AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|---------|--|-------------------|-----------------------|---------------|------------------|---------------|----------------------|--------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code M | | 5 Property Name KEEL 'B' FEDERAL | | | | | | 6 Well Number 51 | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | | 9 Elevation 3790' | |
| 10 SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
| | 5 | 17 SOUTH | 31 EAST, N.M.P.M. | | 1310' | SOUTH | 1310' | WEST | EDDY |
| 11 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 | | 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 _____
 Printed Name _____
 Title _____
 Date _____

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
 SEPTEMBER 28, 1994

Signature and Seal of Professional Surveyor

 V. LYNN FEZNER AND SURVEYORS, P.S. #7920
 JOB #35-85-11-98SE&SW/V.H.B.

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

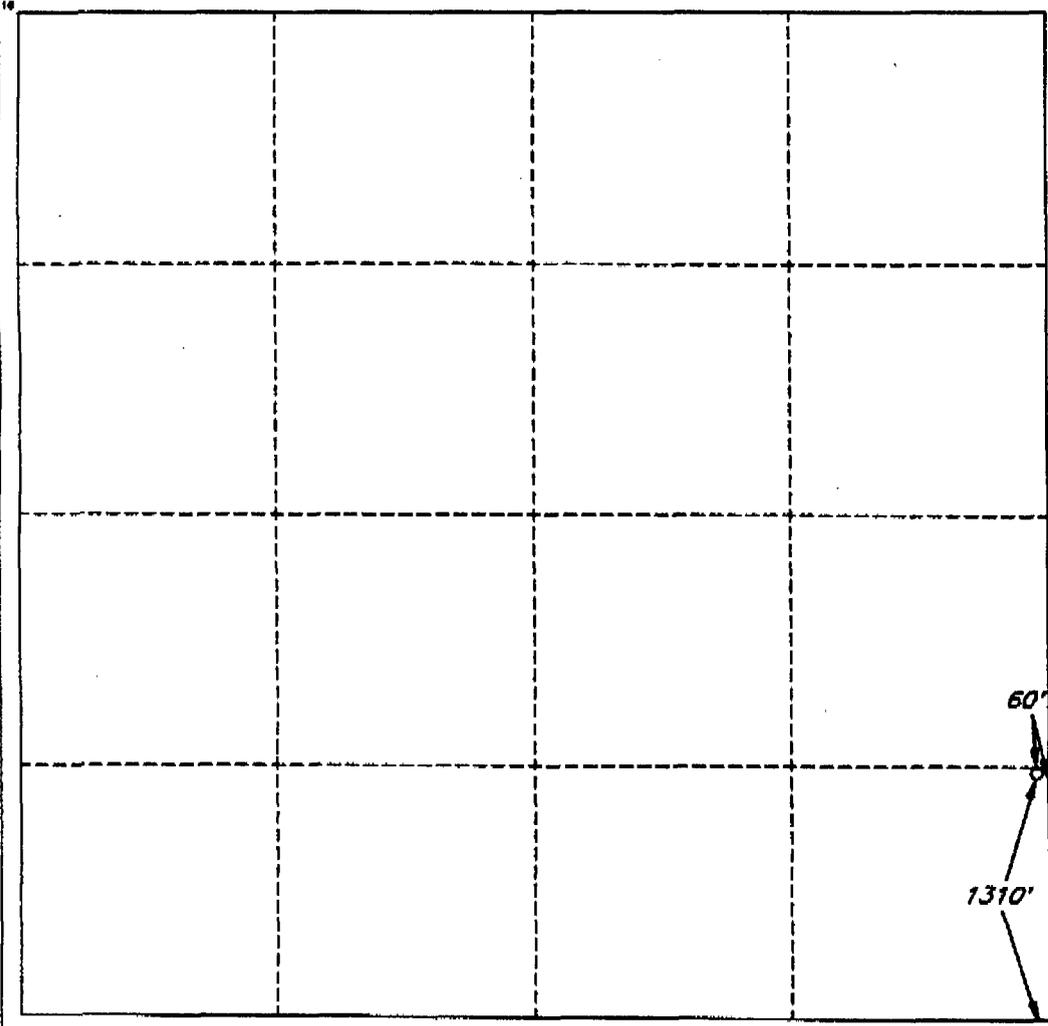
AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|--------------|--|----------------------------|-----------------------|------------------------|---------------------------|----------------------|------------------------|----------------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code P | | 5 Property Name KEEL 'B' FEDERAL | | | | | 6 Well Number 52 | | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | 9 Elevation 3745' | | |
| 10 SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section 6 | Township 17 SOUTH | Range 31 EAST, N.M.P.M. | Lot Ids | Feet from the 1310' | North/South line SOUTH | Feet from the 60' | East/West line EAST | County EDDY |
| 11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Ids | Feet from the | North/South line | Feet from the | East/West line | County |
| 12 Dedicated Acres | | 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

Printed Name

Title

Date

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

SEPTEMBER 28, 1994

Signature and Seal of Professional Surveyor

V. LYNN BEZNER
NO. 7920
#7920
JOB #33405-421985E&SW/V.H.B.

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

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1000 Rio Brazos Rd.
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Santa Fe, New Mexico 87504-2088

AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|----------------------|--|--|--|-------------|----------------------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | |
| 4 Property Code 0 | | 5 Property Name KEEL 'B' FEDERAL | | | 6 Well Number 53 |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | 9 Elevation 3740' |

* SURFACE LOCATION

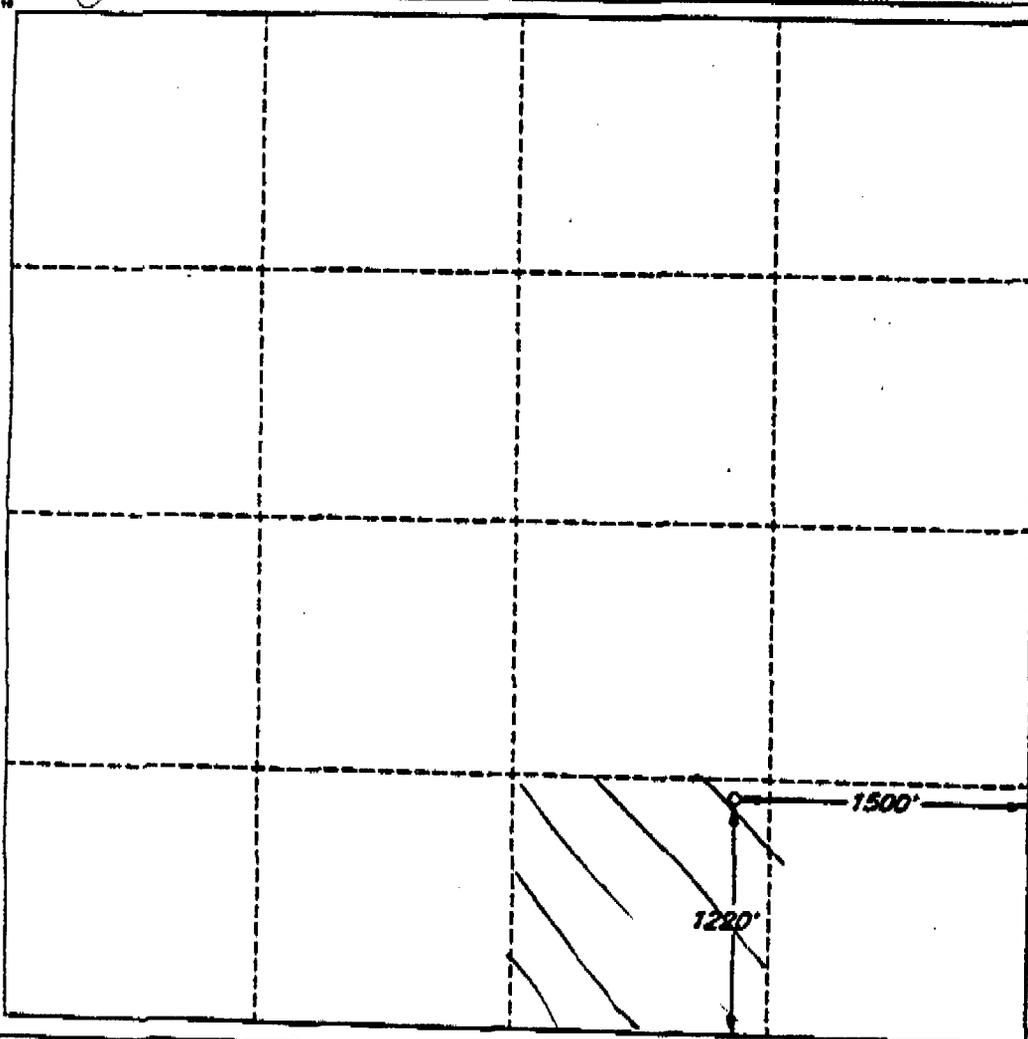
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| | 6 | 17 SOUTH | 31 EAST, N.M.P.M. | | 1220' | SOUTH | 1500' | EAST | EDDY |

"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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|--------------------------|--------------------|-----------------------|--------------|
| 10 Dedicated Acres 40 | 11 Joint or Infill | 12 Consolidation Code | 13 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: *Randy Jackson*
 Printed Name: **RANDY JACKSON**
 Title: **DISTRICT ENGINEER**
 Date: **July 1, 1994**

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: **July 1, 1994**
 Signature and Seal of Professional Surveyor:

 Certified by: **V. L. BEZNEAR SURVEYOR**
 P.S. #7920
 JOB #33105-13/98SE&SW/V.H.B.

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

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

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DISTRICT III
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 Aztec, NM 87410

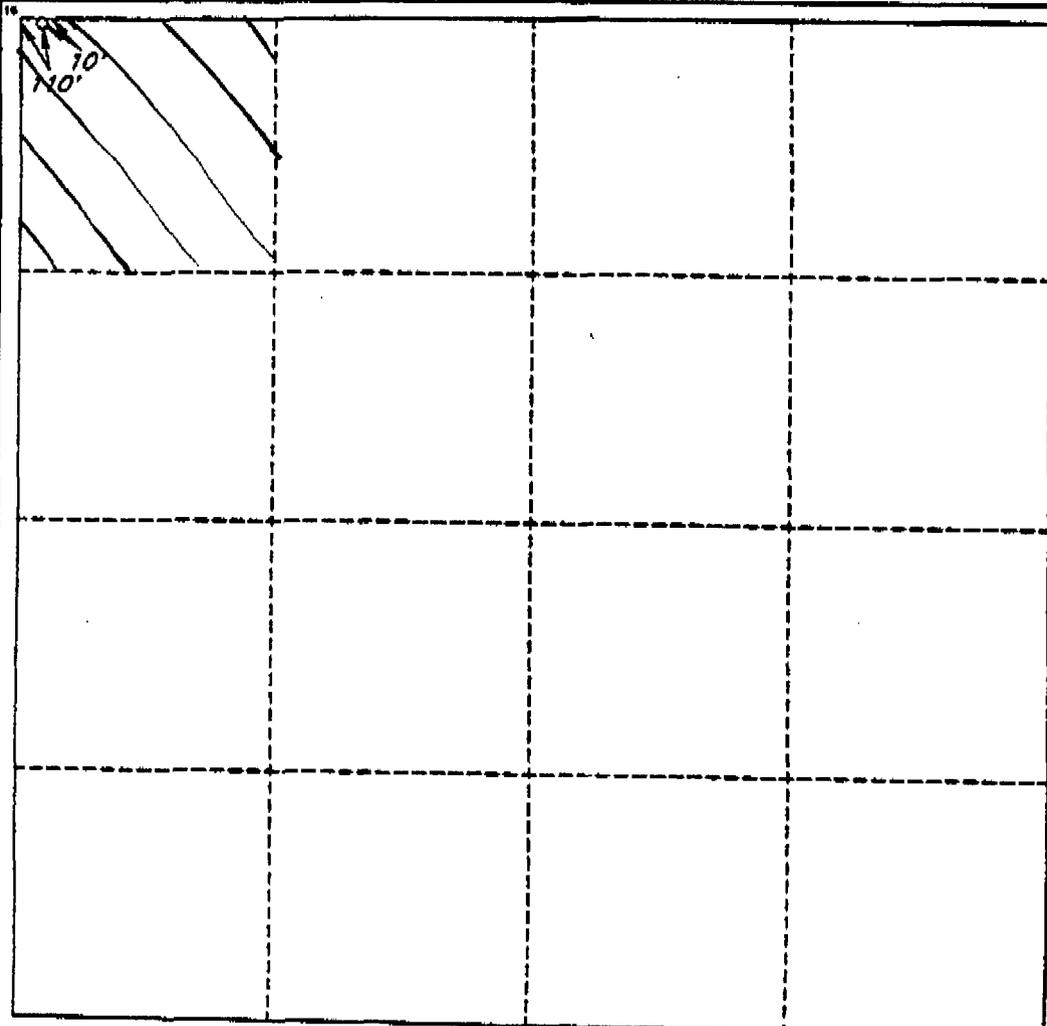
AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|---------|--|-------------------|-------------|---------------|------------------|---------------|----------------------|--------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code D | | 5 Property Name KEEL 'B' FEDERAL | | | | | | 6 Well Number 54 | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | | 9 Elevation 3765' | |
| * SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot No | Feet from the | North/South line | Feet from the | East/West line | County |
| | 8 | 17 SOUTH | 31 EAST, N.M.P.M. | | 10' | NORTH | 110' | WEST | EDDY |
| " BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot No | 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. | | | | | | | | | |

535 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: *Randy Jackson*
 Printed Name: **RANDY JACKSON**
 Title: **DISTRICT ENGINEER**
 Date: **6/15/94**

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
 Signature and Seal of Professional Surveyor

 V. L. BEZNER R.P.S. #7920
 JOB #33105-14 / 98SW-SE c1s

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

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

AMENDED REPORT

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

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

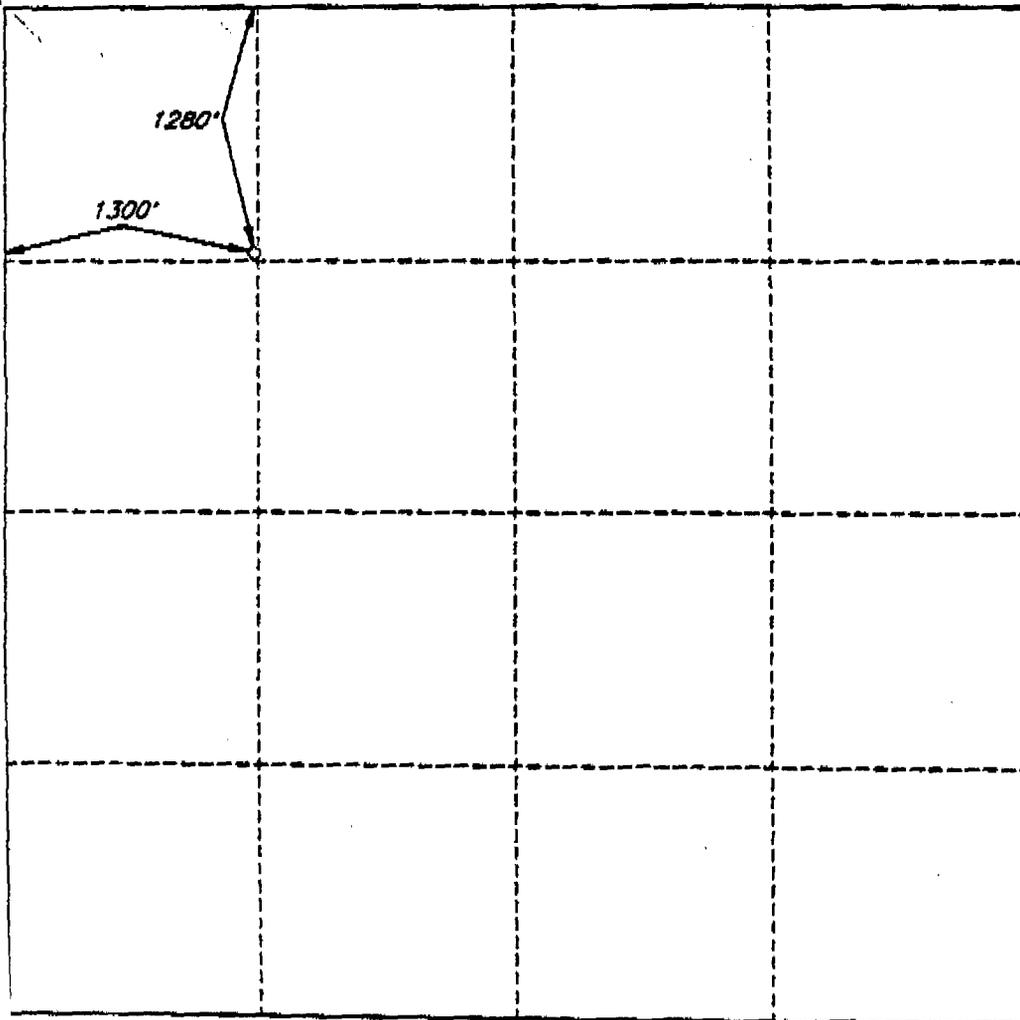
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|-----------------|--|-------------------------------|-----------------------|---------------------------|------------------------------|---------------------------|---------------------------|-------------------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code D | | 5 Property Name KEEL 'B' FEDERAL | | | | | | 6 Well Number 56 | |
| 7 OGRD No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | | 9 Elevation 3747' | |
| * SURFACE LOCATION | | | | | | | | | |
| 10 UL or lot no. | 11 Section 8 | 12 Township 17 SOUTH | 13 Range 31 EAST, N.M.P.M. | 14 Lot Ids | 15 Feet from the 1280' | 16 North/South line NORTH | 17 Feet from the 1300' | 18 East/West line WEST | 19 County EDDY |
| ** BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE | | | | | | | | | |
| 20 UL or lot no. | 21 Section | 22 Township | 23 Range | 24 Lot Ids | 25 Feet from the | 26 North/South line | 27 Feet from the | 28 East/West line | 29 County |
| 30 Dedicated Acres 40 | | 31 Joint or Infill | | 32 Consolidation Code | | 33 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

Randy Jackson

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

6/15/94

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

Signature and Seal of Professional Surveyor

V. LYNN BEZNER
NO. 7920

V. L. BEZNER R.P.S. #7920

JOB #33105-16 / 98SW-5F

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

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

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

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DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

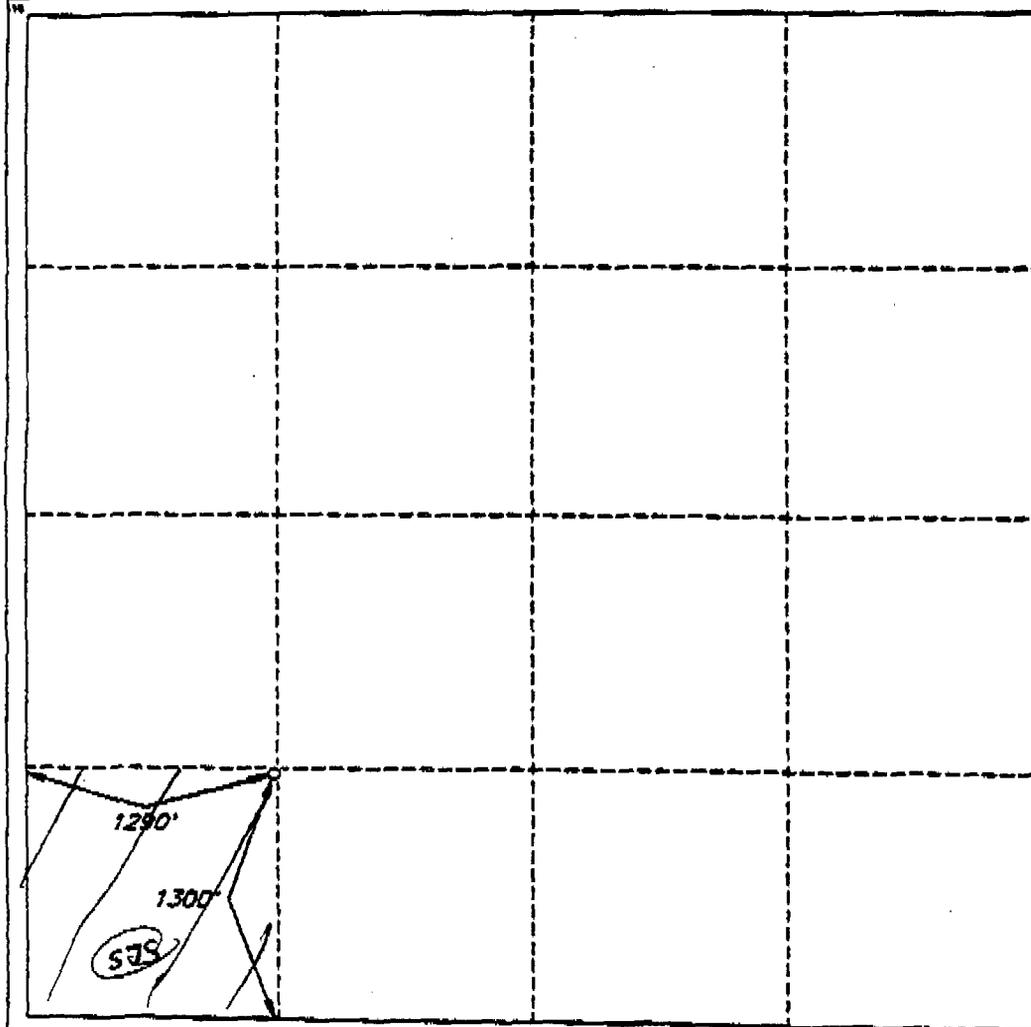
AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | | | | | |
|--|--------------------|--|-------------------|-------------|---------------|------------------|---------------|----------------------|--------|--------------------------|--------------------|-----------------------|--------------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | | | | | |
| 4 Property Code M | | 5 Property Name KEEL 'B' FEDERAL | | | | | | 6 Well Number 58 | | | | | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | | 9 Elevation 3718' | | | | | |
| * SURFACE LOCATION | | | | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot 1/4 | Feet from the | North/South line | Feet from the | East/West line | County | | | | |
| | 8 | 17 SOUTH | 31 EAST, N.M.P.M. | | 1300' | SOUTH | 1290' | WEST | EDDY | | | | |
| " BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE | | | | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot 1/4 | Feet from the | North/South line | Feet from the | East/West line | County | | | | |
| <table border="1"> <tr> <td>10 Dedicated Acres 40</td> <td>11 Joint or Infill</td> <td>12 Consolidation Code</td> <td>13 Order No.</td> </tr> </table> | | | | | | | | | | 10 Dedicated Acres 40 | 11 Joint or Infill | 12 Consolidation Code | 13 Order No. |
| 10 Dedicated Acres 40 | 11 Joint or Infill | 12 Consolidation Code | 13 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

 Printed Name
RANDY JACKSON
 Title
DISTRICT ENGINEER
 Date
 6/15/94

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
 Signature and Seal of Professional Surveyor

V. LYNN BEZNER
 NO. 7920
 R.P.S. #7920
 JOB #33105-18 / 0900

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

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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

| | | | |
|----------------------|--|-------------|----------------------|
| * API Number | | * Pool Code | * Pool Name |
| * Property Code D | * Property Name KEEL 'B' FEDERAL | | * Well Number 59 |
| * OGRD No. | * Operator Name SOCORRO PETROLEUM COMPANY | | * Elevation 3791' |

" SURFACE LOCATION

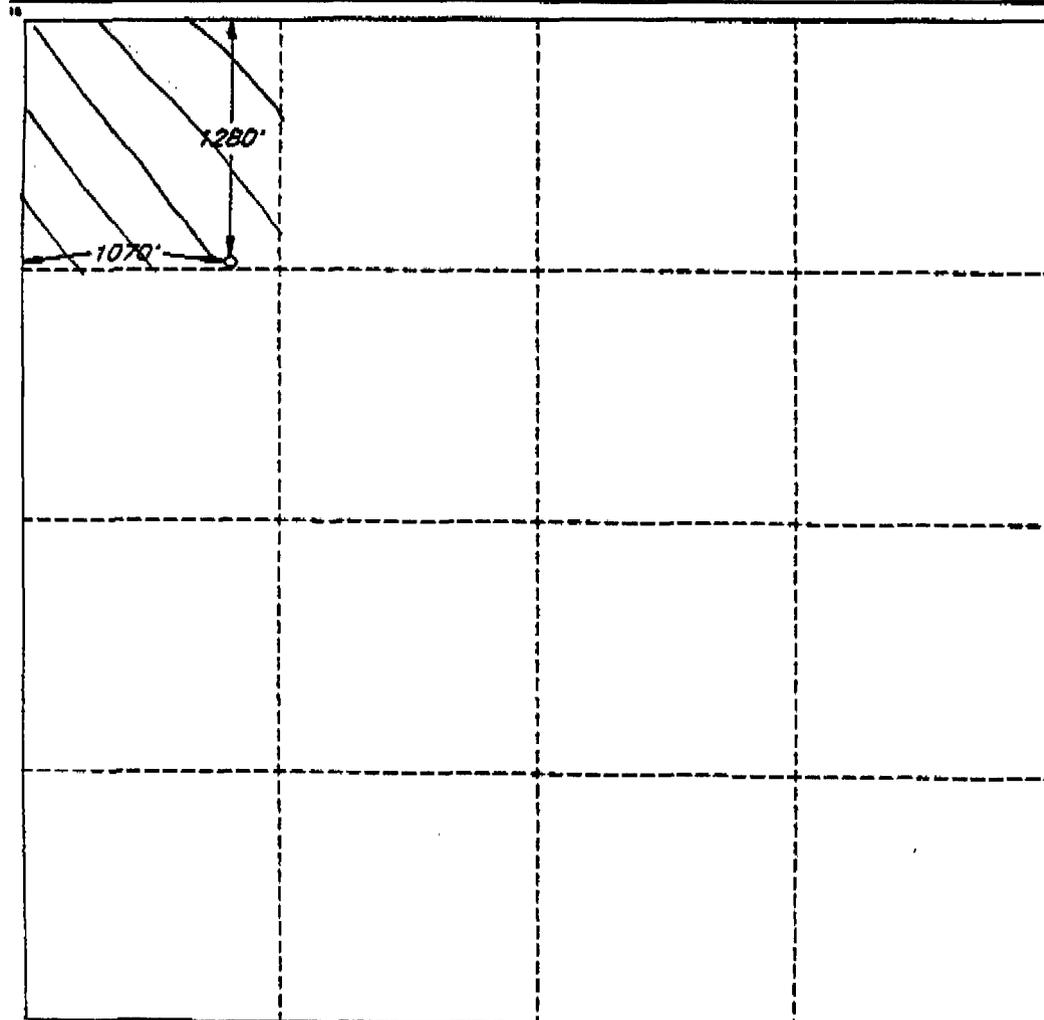
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| | 6 | 17 SOUTH | 31 EAST, N.M.P.M. | | 1280' | NORTH | 1070' | WEST | EDDY |

" 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|-------------------------|-------------------|----------------------|-------------|
| * Dedicated Acres 40 | * Joint or Infill | * Consolidation Code | * Order No. |
|-------------------------|-------------------|----------------------|-------------|

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OPERATOR CERTIFICATION

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

Signature

Randy Jackson
Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

6/15/94

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

MAY 13, 1994

Signature and Seal
Professional Approval

V. Lynn Beznar
V. LYNN
BEZNER
NO. 7920

Certification No.

V. L. BEZNER DISTRICT ENGINEER 7920

JOB #33105-19/88SE&SW/V.H.B.

Submit to the Appropriate District Office
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State of New Mexico
 Energy, Minerals, and Natural Resources Department

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 P. O. Box 2088
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 Artesia, NM 88211-0719

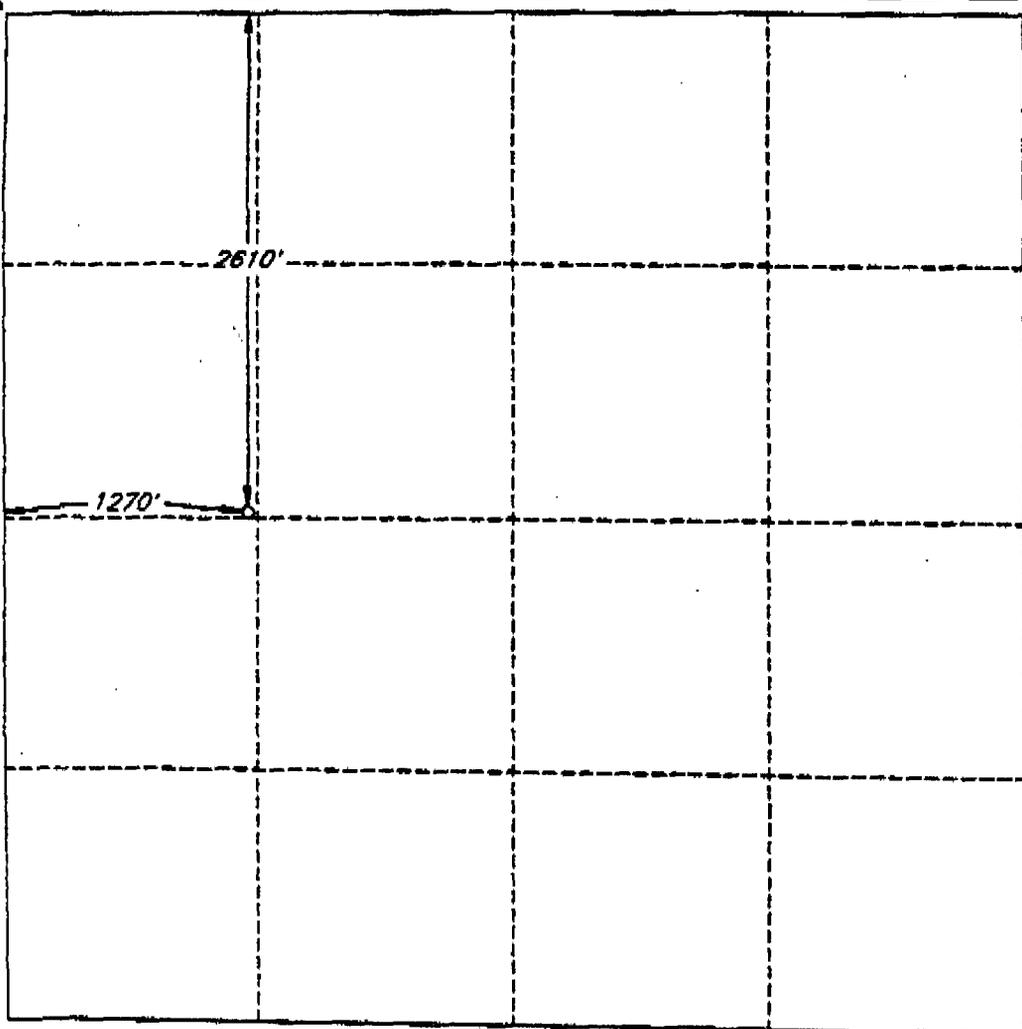
DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|--|---------|--|-------------------|----------------------|---------------|----------------------|---------------|----------------|--------|
| * API Number | | * Pool Code | | * Pool Name | | | | | |
| * Property Code E | | * Property Name WEST 'B' FEDERAL | | | | * Well Number 73 | | | |
| * OGRID No. | | * Operator Name SOCORRO PETROLEUM COMPANY | | | | * Elevation 3917' | | | |
| * SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot No | Feet from the | North/South line | Feet from the | East/West line | County |
| | 4 | 17 SOUTH | 31 EAST, N.M.P.M. | | 2610' | NORTH | 1270' | WEST | EDDY |
| * BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot No | Feet from the | North/South line | Feet from the | East/West line | County |
| * Dedicated Acres 40 | | * Joint or Infill | | * Consolidation Code | | * Order No. | | | |

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

Signature: *Randy Jackson*
 Printed Name: **RANDY JACKSON**
 Title: **DISTRICT ENGINEER**
 Date: *6/16/94*

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: _____
 Signature and Seal of Professional Geologist:

 V. L. BEZNER - P.S. #7920
 JOB #33150-25/98SE&SW/V.H.B.

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

OPERATOR'S COPY

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE BORE MULTIPLE BORE

2. NAME OF OPERATOR
 Socorro Petroleum Company Attn: Jo Ann Hooks

3. ADDRESS AND TELEPHONE
 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: **2000 FNL & 1480' FEL**
 At proposed prod. zone: **SAME**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 4 MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to deepest drig. unit line, if any) **16. NO. OF ACRES IN LEASE**
 100' 606.92

17. NO. OF ACRES ADJACENT TO THIS WELL
 20-40 (536)

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **19. PROPOSED DEPTH**
 1000' 4000'

20. ROPEWAY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DT, RT, GR, etc.) **22. APPROX. DATE WORK WILL START***
 3761' July 15, 1994

5. LEASE DESIGNATION AND SERIAL NO.
 LC-029435-A

6. IF INDIAN, ALLOTED OR TRIBE NAME
 NA

7. OBT. AGREEMENT NAME
 NA

8. BORN OR LEASE NAME WELL NO.
 Keel "A" #20

9. AP WELL NO.

10. FIELD AND POOL, OR WILDCAT
 Grayburg-Jackson

11. SEC., T., R., M., OR DLE. AND SURVEY OR AREA
 Section 7 -T17S-R31E

12. COUNTY OR PARISH **13. STATE**
 Eddy NM

NON-STANDARD LOCATION... SUBJECT TO LIKE APPROVAL BY STATE

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRANULES/OPENING | WEIGHT PER FOOT | CUTTING DEPTH | QUANTITY OF CEMENT |
|--------------|--------------------|-----------------|---------------|--|
| 17 1/2" | 14" | | 60' | Cemented with redmix to surface. |
| 12 1/4" | 8 5/8" J-55 ERM, | 24 ppf | 550' | 125 sks lite + 220 sks Class 'C' |
| | FBN ST&C R-8 | | | cellophane flakes. |
| 7 7/8" | 5 1/2", J-55, ST&C | 15 1/2 ppf | 0-TD | Cemented to surface with 475 sks 35.65 (Poz:Class C) 6% gel + 10% salt + 1/4 lb/sk cellophane flakes and 475 sks Class C + 2% gel + fluid loss additive + 1/4 lb/sk cellophane flakes. |
| | seamless | | | |

* We plan to circulate cement to surface on all casing strings. Socorro Petroleum Company proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Surface Use and Operating Plan
 - Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- Operating Plan**

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease #: LC-029435-A
 Legal Description: Section 7 -T17S-31E
 Formation: Grayburg-Jackson
 Bond Coverage: Nationwide
 BLM Bond #: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. **Randy Jackson**
 SIGNED Randy Jackson TITLE District Engineer DATE MAY 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY: _____

APPROVED BY Scott Powell TITLE AREA MANAGER DATE 8/14/94

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

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 | | 2 Pool Code | | 3 Pool Name | | | |
| 4 Property Code B | | 5 Property Name KEEL 'A' FEDERAL | | | | 6 Well Number 20 | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | 9 Elevation 3761' | |

10 SURFACE LOCATION

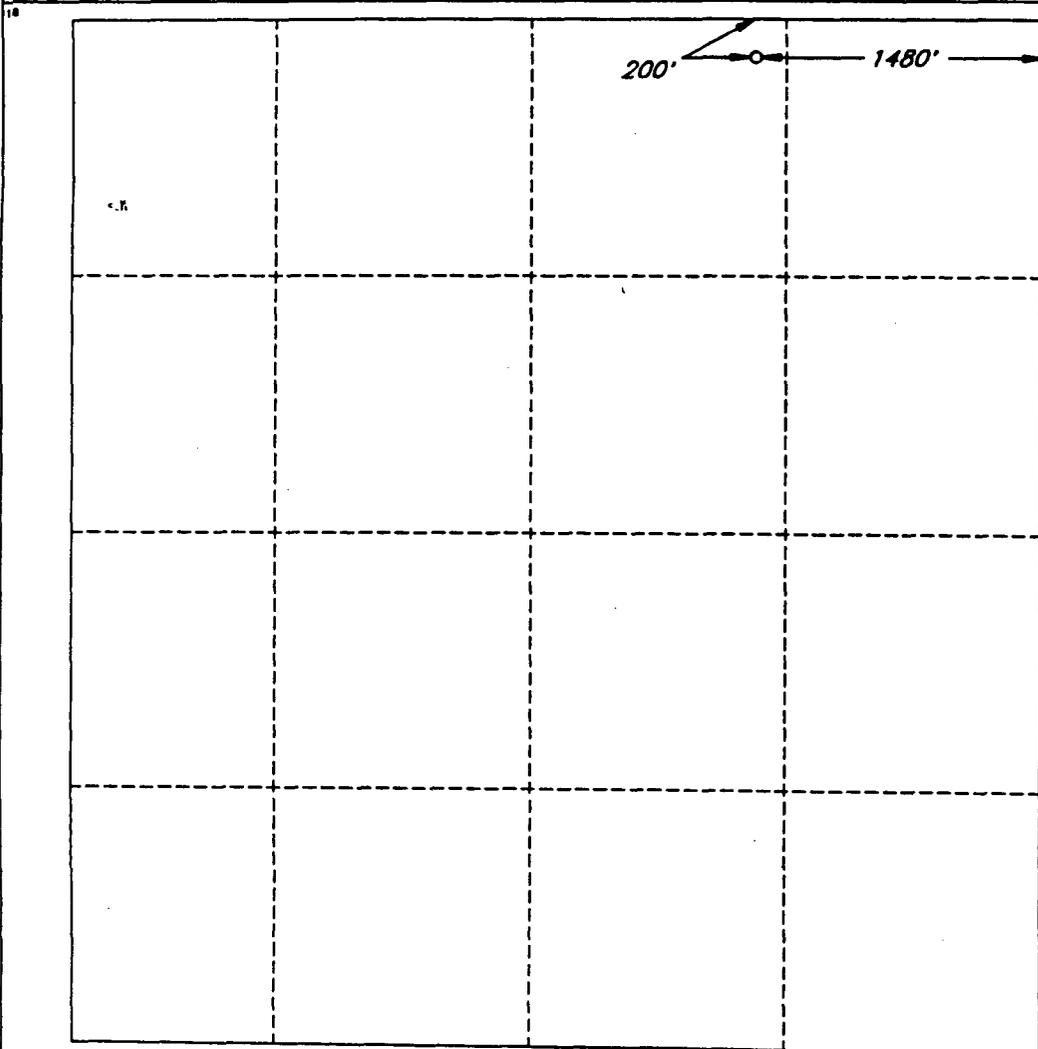
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| | 7 | 17 SOUTH | 31 EAST, N.M.P.M. | | 200' | NORTH | 1480' | EAST | EDDY |

11 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
Randy Jackson
 Printed Name
 RANDY JACKSON
 Title
 DISTRICT ENGINEER
 Date
 July 1, 1994

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
 MAY 16, 1994
 Signature and Seal of Professional Surveyor

 W. LYNN BEZNER
 License No. 7920
 Certificate No.
 V. L. BEZNER AND S.P.S. #7920
 JOB #33100-37-48 SE / cls

OPERATOR'S COPY

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK
 DRILL DEEPEN

B. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
 Socorro Petroleum Company Attn: Jo Ann Hooks

3. ADDRESS AND TELEPHONE NO.
 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 1300' FNL & 60' FEE STANDARD LOCATION... SUBJECT TO FEDERAL LINE APPROVAL BY STATE
 At proposed prod. zone: SAME

5. LEASE DESIGNATION AND SERIAL NO.
 LC-029435-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 NA

7. UNIT AGREEMENT NAME
 Keel "A" # 22

8. FARM OR LEASE FARM WELL NO.
 0

9. AP WELL NO.
 0

10. FIELD AND POOL OR WILDCAT
 Grayburg-Jackson

11. SEC., T., R., N., OR S.E. AND SUBSECT OR AREA
 Section 7 -T17S-R31E

12. COUNTY OR PARISH
 Eddy

13. STATE
 NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 4-MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest Crig. Unit line, if any)
 60'

16. NO. OF ACRES IN LEASE
 606.92

17. NO. OF ACRES ASSIGNED TO THIS WELL
 207 40 (35)

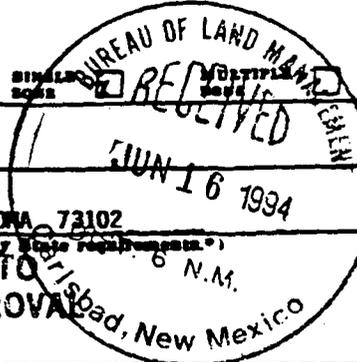
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 900'

19. PROPOSED DEPTH
 4000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DT, RT, OR, etc.)
 3746'

22. APPROX. DATE WORK WILL START*
 July 15, 1994



23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | CASING SPECIFICATION | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------------------------|-----------------|---------------|--|
| 17 1/2" | 14" | | 60' | Cemented with redmix to surface. |
| 12 1/2" | 8 5/8" J-55 ERM, FBN ST&C R-8 | 24 ppf | 550' | 125 sks lite + 220 sks Class 'C' cellophane flakes. |
| 7 7/8" | 5 1/2", J-55, ST&C seamless | 15 1/2 ppf | 0-TD | Cemented to surface with 475 sks 35.65 (Poz:Class C) 6% gel + 10% salt + 1/4 lb/sk cellophane flakes and 475 sks Class C + 2% gel + fluid loss additive + 1/4 lb/sk cellophane flakes. |

* We plan to circulate cement to surface on all casing strings. Socorro Petroleum Company proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Surface Use and Operating Plan
 - Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibits #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease #: LC-029435-A
 Legal Description: Section 7 -T17S-31E
 Formation: Grayburg-Jackson
 Bond Coverage: Nationwide
 BLM Bond #: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Randy Jackson TITLE District Engineer DATE May 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY: APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

APPROVED BY Richard H. Mann TITLE AREA MANAGER DATE 7/20/94

*See Instructions On Reverse Side

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

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

Form C-162
 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

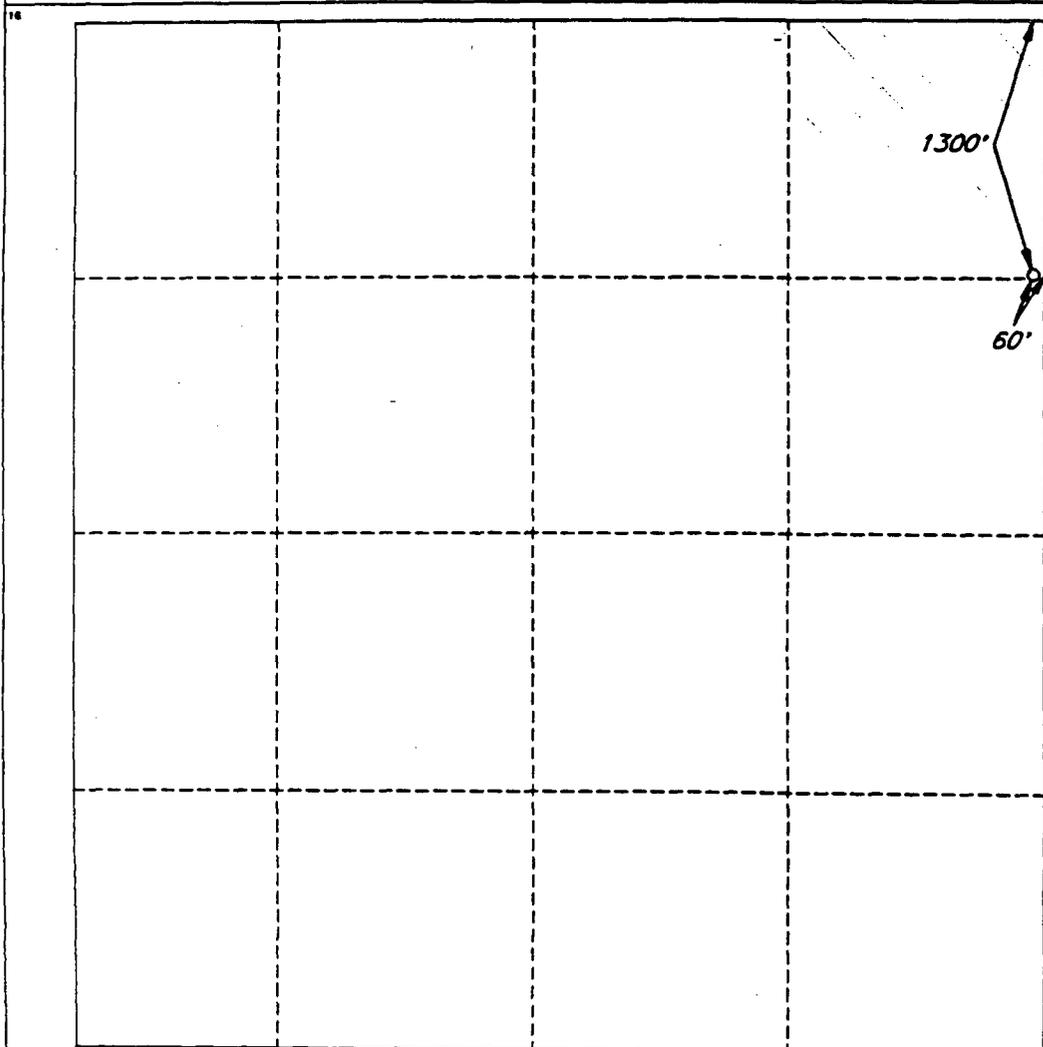
AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|--------------|--|----------------------------|-------------|------------------------|---------------------------|----------------------|------------------------|----------------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code A | | 5 Property Name KEEL 'A' FEDERAL | | | 6 Well Number 22 | | | | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | 9 Elevation 3746' | | | | |
| 10 SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section 7 | Township 17 SOUTH | Range 31 EAST, N.M.P.M. | Lot Ida | Feet from the 1300' | North/South line NORTH | Feet from the 60' | East/West line EAST | County EDDY |
| 11 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

Printed Name

RANDY JACKSON

Title

DISTRICT ENGINEER

Date

6/10/94

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

Signature and Seal of Professional Surveyor

V. LYNN
 BEZNER
 NO. 7920

Certification of V. Lynn Bezner

V. L. BEZNER R.P.S. #7920

JOB #33105-5 / 98SW-SE / cfs

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OPERATIONS COPY

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
 Socorro Petroleum Company Attn: Jo Ann Hooks Phone No. (405) 552-4560

3. ADDRESS AND TELEPHONE
 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102 Mexico

4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations.)
 At surface: 1220' FSL & 1500' FEL
 At proposed prod. zone: SJS
 SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 4 MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY ON LEASE LINE, FT. (Also to nearest dril. unit line, if any)
 1320'

16. NO. OF ACRES IN LEASE
 1885.0'

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40 SJS

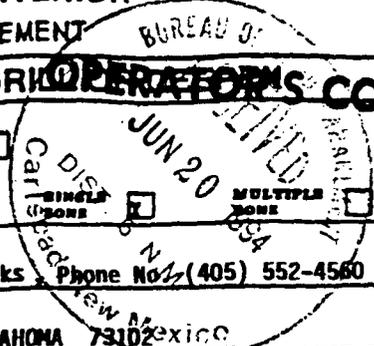
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1000'

19. PROPOSED DEPTH
 4000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DV, RL, OR, etc.)
 3740'

22. APPROX. DATE WORK WILL START
 July 15, 1994



5. LEASE DESIGNATION AND SERIAL NO.
 LC-029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 NA

7. UNIT AGREEMENT NAME

8. NAME OR LEASE NAME WELL NO.
 Keel "B" #53

9. AP WELL NO.

10. FIELD AND POOL OR WILDCAT
 Grayburg-Jackson

11. SEC., T., E., N., OR S.E. AND SUBSTY OR ARDA
 Section 6 - T17S-R31E

12. COUNTY OR PARISH 13. STATE
 Eddy NM

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE AND OPENING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-------------------------------|-----------------|---------------|--|
| 17 1/2" | 14" | | 60' | Cemented with redmix to surface. |
| 12 1/4" | 8 5/8" J-55 ERM, | 24 ppf | 550' | 125 sks lite + 220 sks Class 'C' |
| | FBM ST&C R-8 | | | cellophane flakes. |
| 7 7/8" | 5 1/2" J-55, ST&C seamless | 15 1/2 ppf | 0-TD | Cemented to surface with 475 sks 35.65 (Poz:Class C) 6% gel + 10% salt + 1/4 lb/sk cellophane flakes and 475 sks Class C + 2% gel + fluid loss additive + 1/4 lb/sk cellophane flakes. |

* We plan to circulate cement to surface on all casing strings. Socorro Petroleum Company proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Surface Use and Operating Plan
 - Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease #: LC-029435-B
 Legal Description: Section 6 - T17S-R31E
 Formation: Grayburg-Jackson
 Bond Coverage: Nationwide
 BLM Bond #: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. SIGNED Randy Jackson TITLE District Engineer DATE May 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____ APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to a mineral interest therein.

CONDITIONS OF APPROVAL, IF ANY:
 APPROVED BY Scott Power TITLE Acting AREA MANAGER DATE 9/1/94

*See Instructions On Reverse Side

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

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

Form C-102
 Revised 02-16-94
 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 | | 2 Pool Code | | 3 Pool Name | |
| 4 Property Code 0 | | 5 Property Name KEEL 'B' FEDERAL | | | 6 Well Number 53 |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | 9 Elevation 3740' |

" SURFACE LOCATION

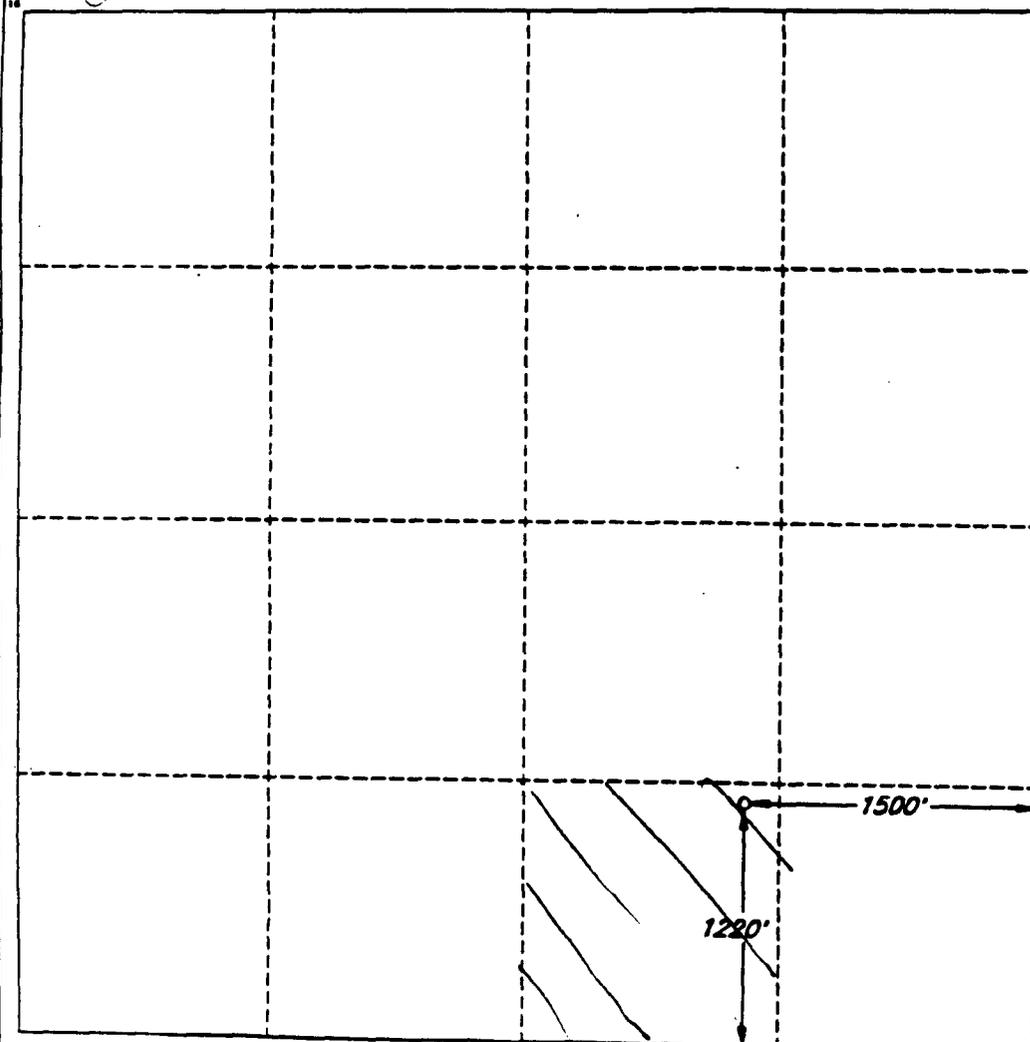
| UL or lot no. | Section | Township | Range | Lot 1/4 | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| | 6 | 17 SOUTH | 31 EAST, N.M.P.M. | | 1220' | SOUTH | 1500' | EAST | EDDY |

" BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

| UL or lot no. | Section | Township | Range | Lot 1/4 | 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 <i>Randy Jackson</i> |
| Printed Name RANDY JACKSON |
| Title DISTRICT ENGINEER |
| Date July 1, 1994 |

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 JULY 01 1994 |
| Signature and Seal of Professional Surveyor <i>V. Lynn Bezner</i> |
| Professional Surveyor V. LYNN BEZNER NO. 7970 |
| Cartographic V. L. BEZNER AND SURVEYORS P.S. #7820 |

OPERATOR'S COPY
UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPlicate

Form approved
 Budget Bureau No. 1074-0136
 Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK DRILL DEEPEN

2. TYPE OF WELL OIL WELL GAS WELL OTHER

3. NAME OF OPERATOR Socorro Petroleum Company Attn: Jo Ann Hooks Phone No. (409) 552-4560

4. ADDRESS AND TELEPHONE NO. 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
 At surface: 10' FNL & 110' FNL
 At proposed prod. zone: SAME

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 4 MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N.M.

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 110'
 (Also to nearest strip, unit line, if any)

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 900'

9. ELEVATIONS (Show whether DF, EC, GR, etc.) 3765'

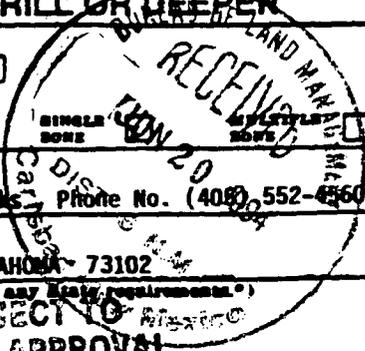
10. NO. OF ACRES IN LEASE 1885.0

11. NO. OF ACRES ASSIGNED TO THIS WELL 20 → 40 (SJS)

12. PROPOSED DEPTH 4000'

13. ROTARY OR CABLE TOOLS Rotary

14. APPROX. DATE WORK WILL START July 15, 1994



15. LEASE DESIGNATION AND SERIAL NO. LC-029435-B

16. IF INDIAN, ALLOTTEE OR TRIBE NAME NA

17. UNIT AGREEMENT NAME

18. NAME OF LEASE HOLE WELL NO. Keel "B" # 54

19. WELL NO.

20. FIELD AND POOL OR WILDCAT Grayburg-Jackson

21. SEC., T., R., N., OR S.E. AND SURVEY OR AREA Section 8 - T17S-R31E

22. COUNTY OR PARISH Eddy **23. STATE** NM

24. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | CASING TYPE/CASE | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|--|-----------------|---------------|--|
| 17 1/2" | 14" | | 60' | Cemented with redmix to surface. |
| 12 1/2" | 8 5/8" J-55 EMI, | 24 ppf | 550' | 125 sks lite + 220 sks Class 'C' cellophane flakes. |
| 7 7/8" | FBN ST&C R-8 5 1/2", J-55, ST&C seamless | 15 1/2 ppf | 0-TD | Cemented to surface with 475 sks 35.65 (Poz:Class C) 6% gel + 10% salt + 1/4 lb/sk cellophane flakes and 475 sks Class C + 2% gel + fluid loss additive + 1/4 lb/sk cellophane flakes. |

* We plan to circulate cement to surface on all casing strings. Socorro Petroleum Company proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Surface Use and Operating Plan
 - Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
- Operating Plan**

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease #: LC-029435-B
 Legal Description: Section 8 -T17S-31E
 Formation: Grayburg-Jackson
 Bond Coverage: Nationwide
 BLM Bond #: PENDING

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or open directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED: Randy Jackson TITLE: District Engineer DATE: May 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY: Scott Powin TITLE: Acting AREA MANAGER DATE: 8/25/94

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS

*See Instructions On Reverse Side

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

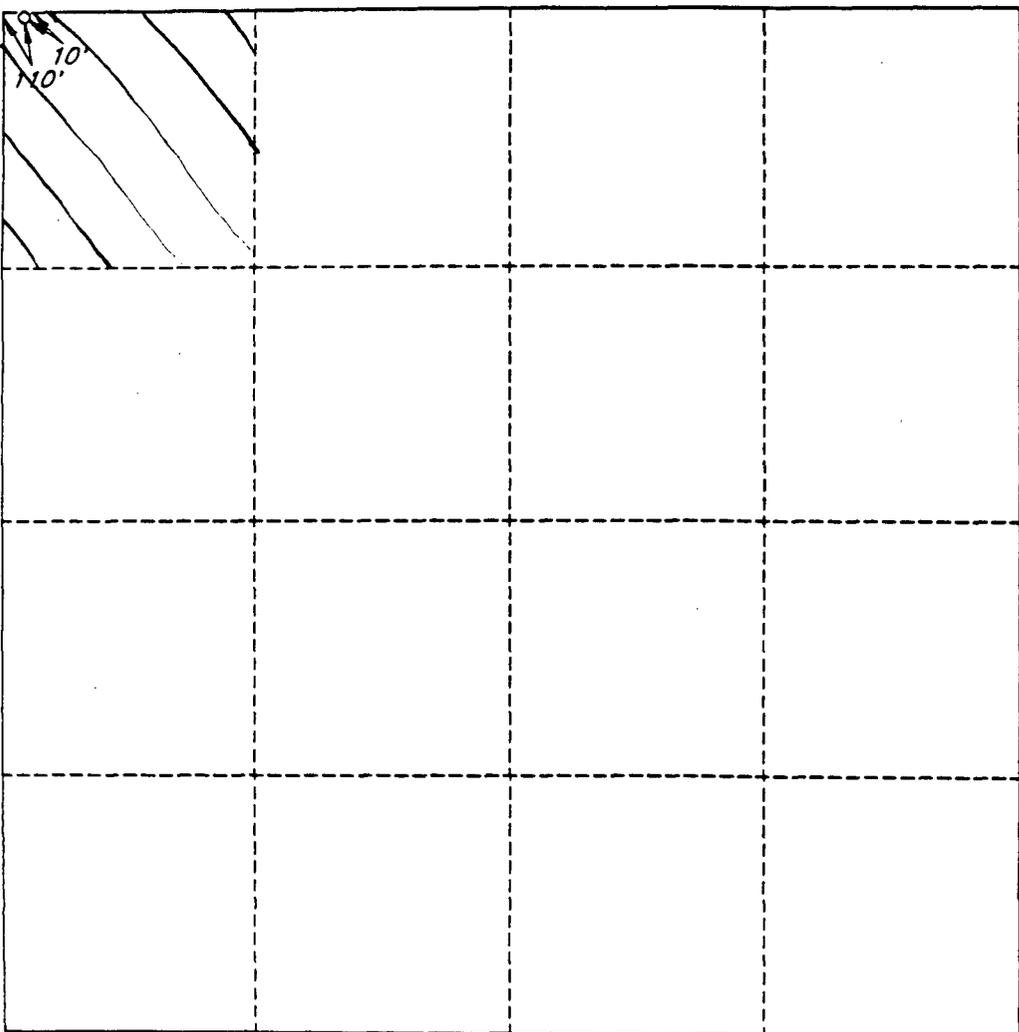
DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|--------------|--|----------------------------|-----------------------|----------------------|---------------------------|-----------------------|------------------------|----------------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code D | | 5 Property Name KEEL 'B' FEDERAL | | | | | | 6 Well Number 54 | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | | 9 Elevation 3765' | |
| 10 SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section 8 | Township 17 SOUTH | Range 31 EAST, N.M.P.M. | Lot Ida | Feet from the 10' | North/South line NORTH | Feet from the 110' | East/West line WEST | County EDDY |
| 11 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. | | | |
| 16 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
Randy Jackson
 Printed Name
RANDY JACKSON
 Title
DISTRICT ENGINEER
 Date
 6/15/94

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
 MAY 1994

Signature and Seal of Professional Surveyor

 V. LYNN BEZNER
 NO. 7920

Certification No. D EARD
 V. L. BEZNER R.P.S. #7920

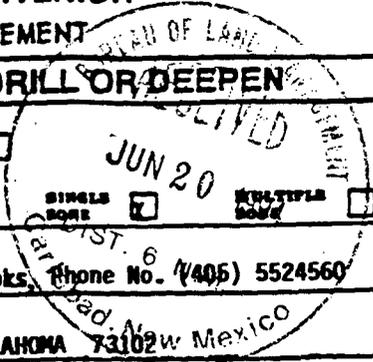
UNITED STATES OPERATORS COPY
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
 Socorro Petroleum Company Attn: Jo Ann Hooks Phone No. (405) 5524560



3. ADDRESS AND TELEPHONE NO.
 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102-1102
 At proposed prod. zone: SAME

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 1280' FNL & 1300' FNL
 At proposed prod. zone: SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 4 MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N.M.

5. LEASE DESIGNATION AND SERIAL NO.
 LC-029435-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 NA

7. UNIT AGREEMENT DATES

8. NAME OR LEASE NAME WELL NO.
 Keel "B" # 56

9. SP WELL NO.

10. FIELD AND POOL OR WPCAT
 Grayburg-Jackson

11. SEC., T., R. N., OR B.L. AND SUBSTY OR AREA
 Section 8 -T17S-R31E

12. COUNTY OR PARISH **13. STATE**
 Eddy NM

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any)
 1300'

17. NO. OF ACRES ASSIGNED TO THIS WELL
 1835.0

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DRILLING COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.
 950'

19. PROPOSED DEPTH
 4000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DT, EC, OR, etc.)
 3747'

22. APPROX. DATE WORK WILL START*
 July 15, 1994

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | WALL THICKNESS | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------------------------|-----------------|---------------|--|
| 17 1/2" | 14" | | 60' | Cemented with redmix to surface. |
| 12 1/2" | 8 5/8" J-55 ERH, FBN ST&C R-8 | 24 ppf | 550' | 125 sks lite + 220 sks Class 'C' cellophane flakes. |
| 7 7/8" | 5 1/2", J-55, ST&C seamless | 15 1/2 ppf | 0-TD | Cemented to surface with 475 sks 35.65 (Poz:Class C) 6% gel + 10% salt + 1/4 lb/sk cellophane flakes and 475 sks Class C + 2% gel + fluid loss additive + 1/4 lb/sk cellophane flakes. |

* We plan to circulate cement to surface on all casing strings. Socorro Petroleum Company proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program**
- Surface Use and Operating Plan
 - Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease #: LC-029435-B
 Legal Description: Section 8 -T17S-31E
 Formation: Grayburg-Jackson
 Bond Coverage: Natiomwide
 BLM Bond #: PENDING

*ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones and proposed new productive zone. If proposal is to drill or open directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED: Randy Jackson TITLE: District Engineer DATE: May 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
 APPROVED BY: Scott Pover TITLE: Acting AREA MANAGER DATE: 9/1/94

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 | | 2 Pool Code | | 3 Pool Name | |
| 4 Property Code D | | 5 Property Name KEEL 'B' FEDERAL | | | 6 Well Number 56 |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | 9 Elevation 3747' |

10 SURFACE LOCATION

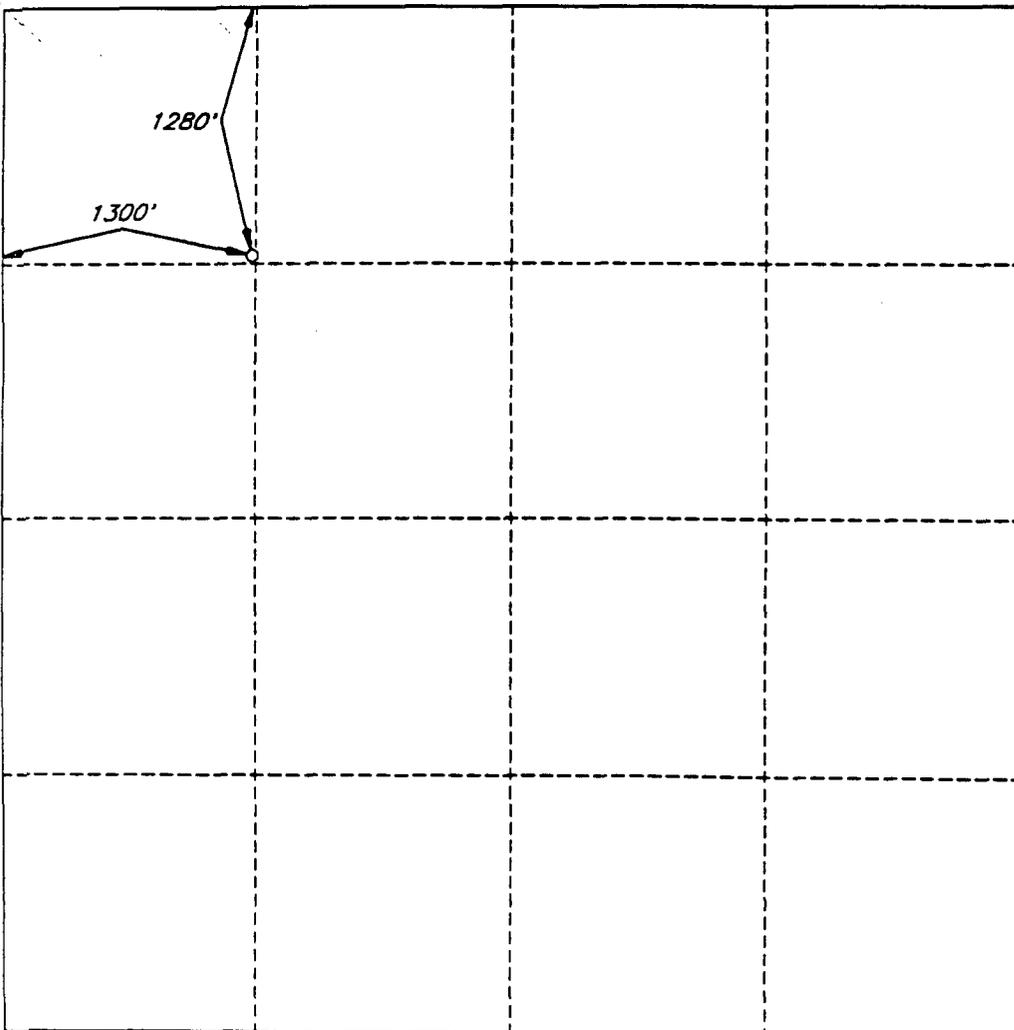
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| | 8 | 17 SOUTH | 31 EAST, N.M.P.M. | | 1280' | NORTH | 1300' | WEST | EDDY |

"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
Randy Jackson
 Printed Name
RANDY JACKSON
 Title
DISTRICT ENGINEER
 Date
 6/15/94

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.

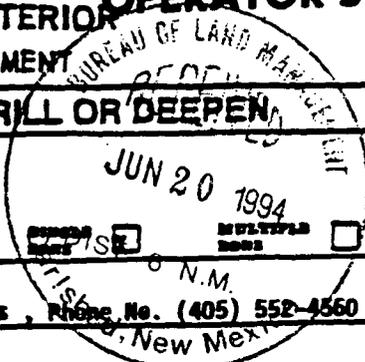
Date of Survey
 MAY 15 1994
 Signature and Seal of Professional Surveyor

 V. L. BEZNER R.P.S. #7920

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

APPLICATION FOR PERMIT TO DRILL OR DEEPEN



1. TYPE OF WORK
 DRILL DEEPEN
 2. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 3. NAME OF OPERATOR
 Socorro Petroleum Company Attn: Jo Ann Hooks, Phone No. (405) 552-4560
 4. ADDRESS AND TELEPHONE NO.
 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

5. LEASE DESIGNATION AND SERIAL NO.
 LC-029435-B
 6. IF INDIA, ALLOTTED OR TRIBE RANG
 NA
 7. UNIT AGREEMENT NAME
 NA
 8. NAME OR LEASE NAME WELL ID
 Kee) "B" # 58
 9. APPROVAL
 NA
 10. FIELD AND POOL OR WELDCAT
 Grayburg-Jackson
 11. SEC., T., R., N. OR D.E. AND SURVEY OR AREA
 Section 8 -T175-R31E
 12. COUNTY OR PARISH 13. STATE
 Eddy NM

5. LOCATION OF WELL (Report location clearly and in accordance with any lease requirements)
 At surface
 1330' FSL & 1290' FM
 At proposed prod. zone
 SAME
 16. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 4-MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N.M.

NON-STANDARD LOCATION... SUBJECT TO LIKE APPROVAL BY STATE

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest city, town, village, or city)
 1290'
 19. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETION, OR APPLIED FOR, OF THIS LEASE, FT.
 1000'
 20. NO. OF ACRES IN LEASE
 1835.0
 21. NO. OF ACRES ASSIGNED TO THIS WELL
 20 + 40 (50)
 22. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETION, OR APPLIED FOR, OF THIS LEASE, FT.
 3718' (SR)
 23. APPROVAL DATE WHEN WELL START
 July 15, 1994

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | CASING/PIPE | WEIGHT PER FOOT | CUTTING DEPTH | QUANTITY OF CEMENT |
|--------------|-------------------------------|-----------------|---------------|--|
| 17 1/2" | 14" | | 60' | Cemented with redmix to surface. |
| 12 1/2" | 8 5/8" J-55 ERM, | 24 wpf | 500' | 125 sks lite + 220 sks Class 'C' cellophane flakes. |
| 7 7/8" | 5 1/2" J-55, STAC seamless | 15 1/2 wpf | 0-TD | Cemented to surface with 475 sks 35.65 (Poz:Class C) 6% gel + 10% salt + 1/4 lb/sk cellophane flakes and 475 sks Class C + 2% gel + fluid loss additive + 1/4 lb/sk cellophane flakes. |

* We plan to circulate cement to surface on all casing strings.
 Socorro Petroleum Company proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Surface Use and Operating Plan

- Exhibits #1/1-A = Blowout Prevention Equipment
- Exhibit #2 = Location and Elevation Plat
- Exhibit #3/3-A = Road Map and Topo Map
- Exhibit #4 = Wells Within 1 Mile Radius
- Exhibit #5 = Production Facilities Plat
- Exhibit #6 = Rotary Rig Layout
- Exhibit #7 = Casing Design

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:

Lease #: LC-029435-B
 Legal Description: Section 8 -T175-R31E
 Formation: Grayburg-Jackson
 Bond Coverage: Nationwide
 BLM Bond #: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones and proposed new productive zones. If proposal is to drill or deepen directionally, give pertinent data on subsurface formations and measured and true vertical depths. Give highest pressure program, if any.

APPROVED BY Randy Jackson TITLE District Engineer DATE May 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
 CONDITIONS OF APPROVAL, IF ANY:
 APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

APPROVED BY Richard M. Mann TITLE AREA MANAGER DATE 8/19/94

*See Instructions On Reverse Side

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

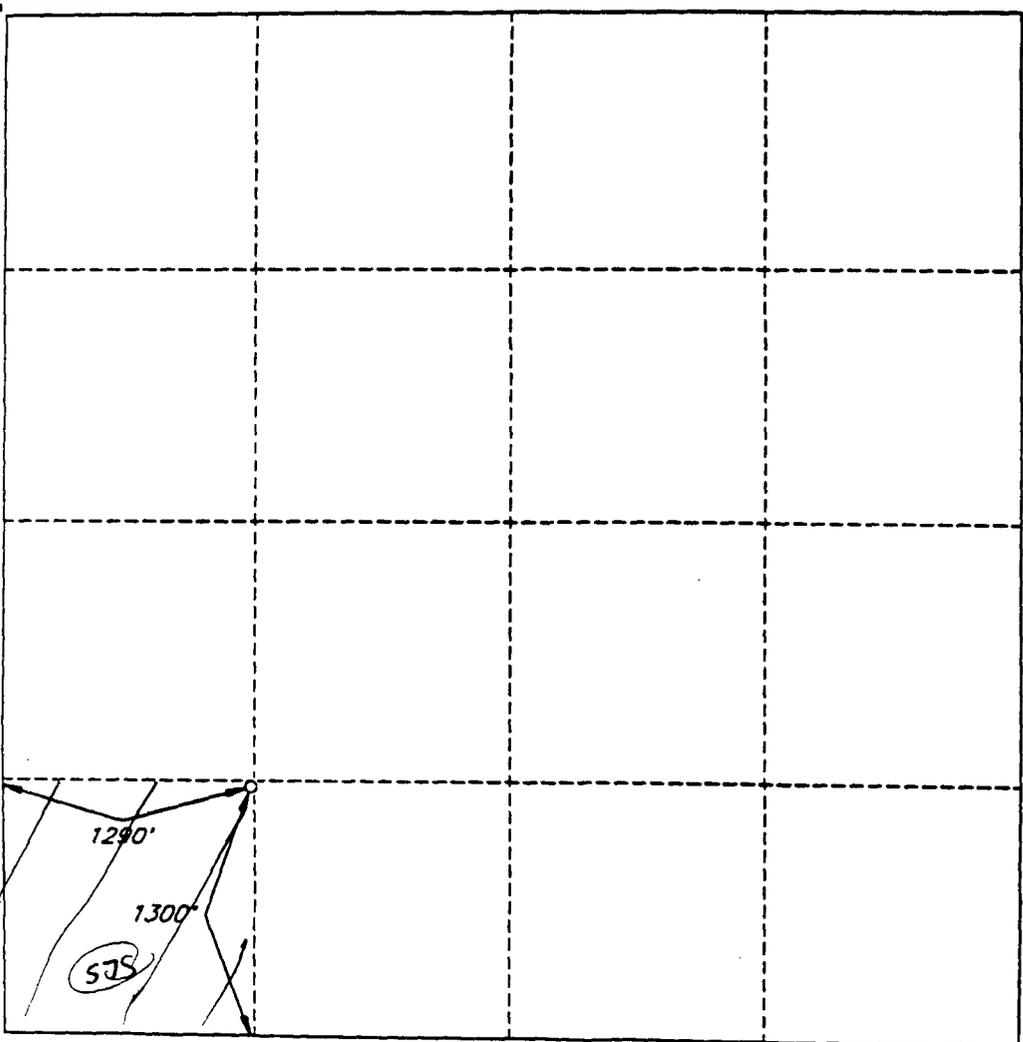
AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|--------------|--|----------------------------|-----------------------|------------------------|---------------------------|------------------------|------------------------|----------------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code M | | 5 Property Name KEEL 'B' FEDERAL | | | | | | 6 Well Number 58 | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | | 9 Elevation 3718' | |
| 10 SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section 8 | Township 17 SOUTH | Range 31 EAST, N.M.P.M. | Lot Ida | Feet from the 1300' | North/South line SOUTH | Feet from the 1290' | East/West line WEST | County EDDY |
| 11 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
Randy Jackson
 Printed Name
RANDY JACKSON
 Title
DISTRICT ENGINEER
 Date
 6/15/94

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
 6/15/94

Signature and Seal of Professional Surveyor

V. LYNN BEZNER
 R.P.S. #7920

Job #33105-18 / 085W

UNITED STATES OPERATOR'S COPY
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK
 DRILL DEEPEN

B. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
 Socorro Petroleum Company Attn: Jo Ann Hooks, Phone No. (405) 552-4560

3. ADDRESS AND TELEPHONE NO.
 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 1280' FNL & 1070' FNL
 At proposed prod. zone: SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 4-MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N.M.

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
 1070'

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, OF THIS LEASE, FT.
 1000'

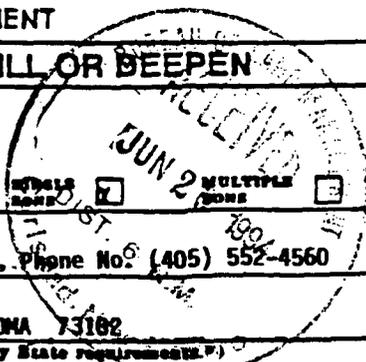
17. NO. OF ACRES ASSIGNED TO THIS WELL
 287 40 SJS

19. PROPOSED DEPTH
 4000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DT, RT, OIL, etc.)
 3791'

22. APPROX. DATE WORK WILL START
 July 15, 1994



NON-STANDARD LOCATION... SUBJECT TO LIKE APPROVAL BY STATE

4. LEASE DESIGNATION AND SERIAL NO.
 LC-029435-B

5. IF INDIAN, ALLOTTED OR TRIBE NAME
 NA

7. DEPT AGREEMENT NAME

8. MAIN OR LEASE NAME WELL ID
 Keel "B" #59

9. AN WELL ID

10. FIELD AND POOL, OR WILDCAT
 Grayburg-Jackson

11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA
 Section 6 -T17S-R31E

12. COUNTY OR PARISH
 Eddy

13. STATE
 NM

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|--|-----------------|---------------|--|
| 17 1/2" | 14" | | 60' | Cemented with redmix to surface. |
| 12 1/2" | 8 5/8" J-55 ERW, | 24 ppf | 550' | 125 sks lite + 220 sks Class 'C' |
| 7 7/8" | FBN ST&C R-8 5 1/2", J-55, ST&C seamless | 15 1/2 ppf | 0-TD | cellophane flakes. Cemented to surface with 475 sks 35.65 (Poz:Class C) 6% gel + 10% salt + 1/4 lb/sk cellophane flakes and 475 sks Class C + 2% gel + fluid loss additive + 1/4 lb/sk cellophane flakes. |

* We plan to circulate cement to surface on all casing strings. Socorro Petroleum Company proposes to drill to 4000' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

- Drilling Program
- Surface Use and Operating Plan
 - Exhibits #1/1-A = Blowout Prevention Equipment
 - Exhibit #2 = Location and Elevation Plat
 - Exhibit #3/3-A = Road Map and Topo Map
 - Exhibit #4 = Wells Within 1 Mile Radius
 - Exhibit #5 = Production Facilities Plat
 - Exhibit #6 = Rotary Rig Layout
 - Exhibit #7 = Casing Design
 - H2S Operating Plan

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:
 Lease #: LC-029435-B
 Legal Description: Section 6 -T17S-R31E
 Formation: Grayburg-Jackson
 Bond Coverage: Nationwide
 BLM Bond #: PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. SIGNER Randy Jackson TITLE District Engineer DATE May 27, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to perform operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Scott Pown TITLE Acting AREA MANAGER DATE 9/1/94

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

*See Instructions On Reverse Side

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

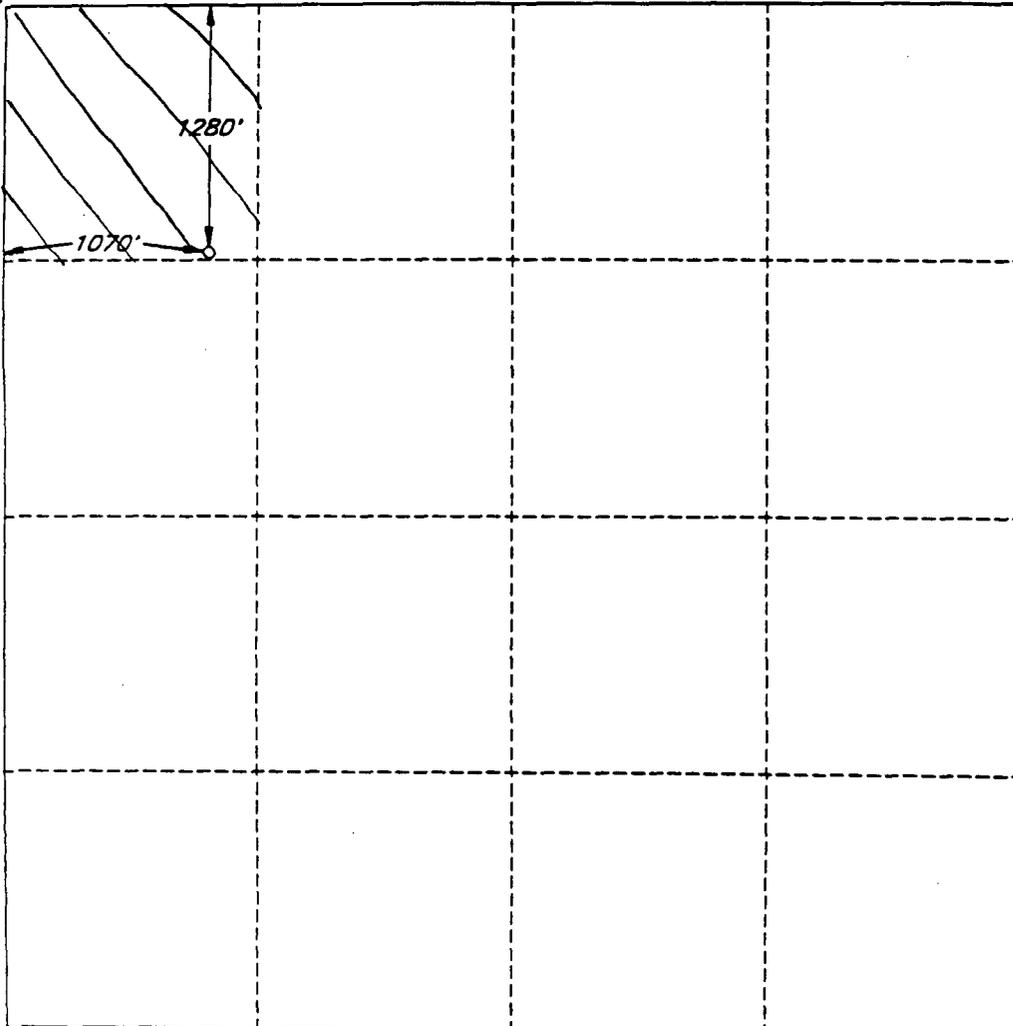
AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|--------------|--|----------------------------|-----------------------|------------------------|---------------------------|------------------------|------------------------|----------------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code D | | 5 Property Name KEEL 'B' FEDERAL | | | | | | 6 Well Number 59 | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | | 9 Elevation 3791' | |
| 10 SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section 6 | Township 17 SOUTH | Range 31 EAST, N.M.P.M. | Lot Ida | Feet from the 1280' | North/South line NORTH | Feet from the 1070' | East/West line WEST | County EDDY |
| 11 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: *Randy Jackson*
 Printed Name: RANDY JACKSON

Title: DISTRICT ENGINEER

Date: 6/15/94

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: MAY 13, 1994

Signature and Seal of Professional Surveyor:

 V. L. BEZNER, P.S. #7920

Certification No. V. L. BEZNER, P.S. #7920

JOB #33105-19798SE&SW/V.H.B.

(December 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED BUDGET BUREAU NO. 1004-0136 EXPIRES: DECEMBER 31, 1991

Form approved Budget Bureau No. 1004-0136 Expires: December 31, 1991

OPERATOR'S COPY

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL [X]

DEEPEN []

b. TYPE OF WELL

OIL WELL [X]

GAS WELL []

OTHER []

2. NAME OF OPERATOR

Socorro Petroleum Company

Attn: Jo Ann Hooks

Phone No. (405) 552-4560

3. ADDRESS AND TELEPHONE NO.

20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*)

At surface

2610' FNL & 1270' FNL

At proposed prod. zone

SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 MILES EAST AND 4 MILES NORTH OF LOCO HILLS, N.M.

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

1270'

15. NO. OF ACRES IN LEASE

1919.88

17. NO. OF ACRES ASSIGNED TO THIS WELL

20 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

950'

19. PROPOSED DEPTH

4350

20. ROTARY OR CABLE TOOL

Rotary

21. ELEVATIONS (Show whether DF, ET, GR, etc.)

3917'

22. APPROX. DATE WORK WILL START*

July 15, 1994

PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: SIZE OF HOLE, GRADE AND WEIGHT OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Includes rows for 17 1/2", 12 1/2", and 7 7/8" hole sizes.

* We plan to circulate cement to surface on all casing strings.

Socorro Petroleum Company proposes to drill to 4350' to test the Grayburg-Jackson formation for commercial quantities of oil. If the Grayburg-Jackson is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Surface Use and Operating Plan

- Exhibits #1/1-A - Blowout Prevention Equipment
Exhibit #2 - Location and Elevation Plat
Exhibit #3/3-A - Road Map and Topo Map
Exhibit #4 - Wells Within 1 Mile Radius
Exhibit #5 - Production Facilities Plat
Exhibit #6 - Rotary Rig Layout
Exhibit #7 - Casing Design

The undersigned accepts all applicable terms, condition, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below:

Lease #: LC-029426-B
Legal Description: Section 4 -T175-31E
Formation: Grayburg-Jackson
Bond Coverage: Nationwide
BLM Bond #PENDING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED: Randy Jackson, District Engineer, DATE: MAY 27, 1994

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

APPROVED BY: Tony J. Howell, AREA MANAGER, DATE: 9-22-94

*See Instructions On Reverse Side

18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DISTRICT I
 P. O. Box 980
 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

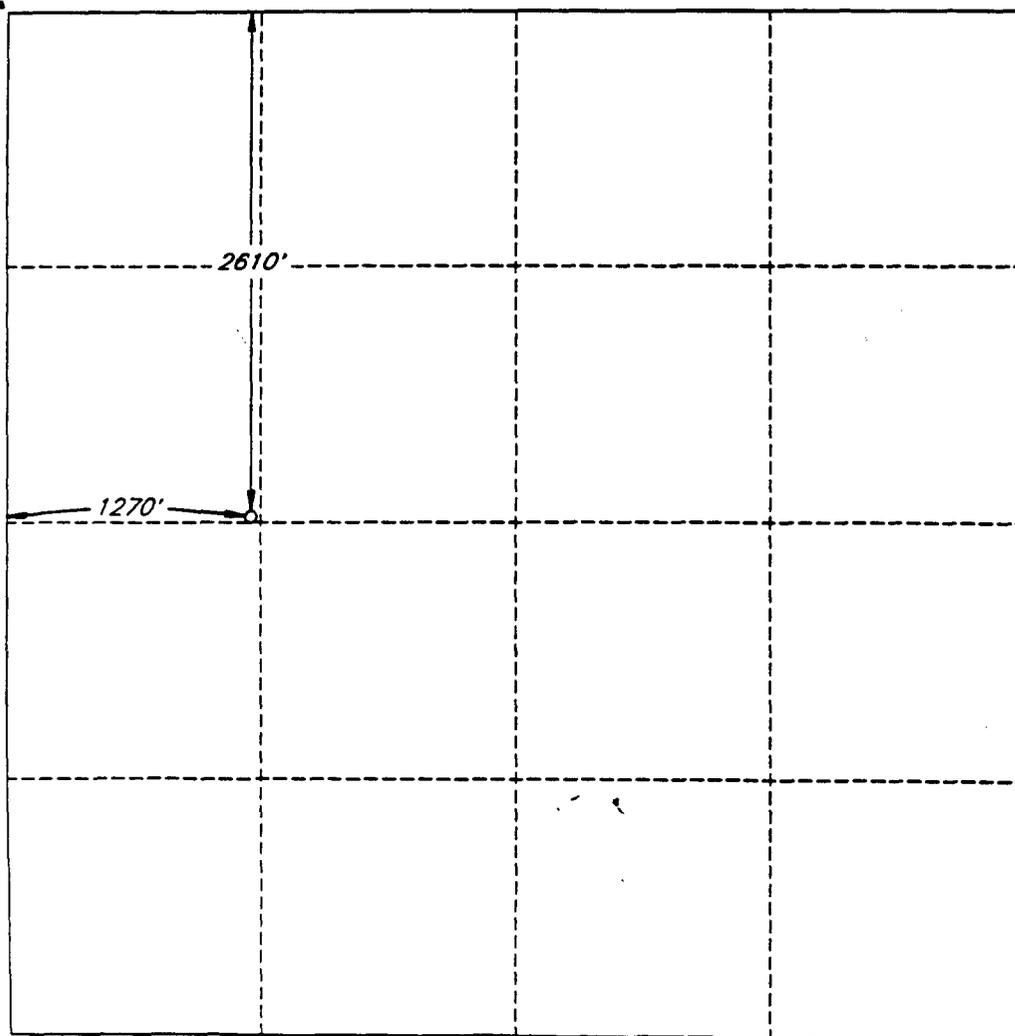
DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|---|---------|--|-------------------|-----------------------|---------------|------------------|---------------|----------------------|--------|
| 1 API Number | | 2 Pool Code | | 3 Pool Name | | | | | |
| 4 Property Code E | | 5 Property Name WEST 'B' FEDERAL | | | | | | 6 Well Number 73 | |
| 7 OGRID No. | | 8 Operator Name SOCORRO PETROLEUM COMPANY | | | | | | 9 Elevation 3917' | |
| 10 SURFACE LOCATION | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
| | 4 | 17 SOUTH | 31 EAST, N.M.P.M. | | 2610' | NORTH | 1270' | WEST | EDDY |
| 11 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
Randy Jackson
 Printed Name
RANDY JACKSON
 Title
DISTRICT ENGINEER
 Date
 6/16/94

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
 Signature and Seal of Professional Surveyor

 V. L. BEZNER R.P.S. #7920

