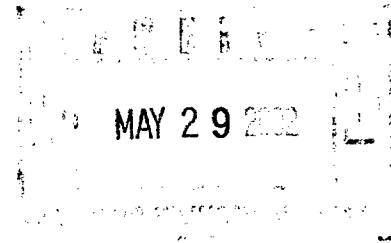


215037097 NSL 6/18/02

XERIC OIL & GAS CORPORATION
PO BOX 352
MIDLAND, TEXAS 79702
(TEL) 915-683-3171
(FAX) 915-683-6348



May 22, 2002

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87504

Attn: Michael Stogner

Re: Herradura #3
I-Sec. 15, T-19-S, R-38-E
1502' FSL & 864' FEL
Lea County, New Mexico

Dear Mr. Stogner:

Xeric Oil & Gas Corporation is proposing permitting the above referenced well in the Nadine Drinkard ABO pool. As Lisa Morriss of our office has previously discussed with you, this is going to be a non-standard location from the unit line not the lease line. We would also like to mention testing in the Tubb and Blinebry pools if necessary. The plats are attached for these additional pools.

Thank you for your attention and consideration in this matter and if you have any questions or need further information please contact me at 915-683-3171.

Sincerely,

Glenda Hunt
Senior Production Analyst

District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

Energy Minerals and Natural Resources

Revised March 17, 1999

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

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

☐ AMENDED REPORT

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

¹ Operator Name and Address Xeric Oil & Gas Corporation PO Box 352 Midland, Texas 79702		² OGRID Number 025482
³ Property Code 27462	⁵ Property Name HERRADURA	⁴ API Number 30 - ⁶ Well No. #3

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot idn	Feet from the	North/South line	Feet from the	East/West line	County
I	15	19-S	38-E		1502	South	864	East	Lea

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot idn	Feet from the	North/South line	Feet from the	East/West line	County
⁹ Proposed Pool 1 Nadine Drinkard ABO						¹⁰ Proposed Pool 2 Nadine Tubb/Nadine Blinebry			

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3595'
¹⁶ Multiple No	¹⁷ Proposed Depth 8500'	¹⁸ Formation ABO	¹⁹ Contractor Key Drilling Co.	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24	1600'	850	Circulated
7 7/8"	5 1/2"	17	8500'	900	Circ-Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Drill 12 1/4" hole to approximately 1600' or hard formation w/fresh water.
2. Set 8 5/8" csg & cement w/650 sx "C" + 4% gel + 2% Cacl + 200 sx "C" + 2% Cacl; circulate cement to surface.
3. Drill 7 7/8" hole with brine water to 8500'. Run open hole logs.
4. Set 5 1/2" csg. Cemnet w/555 sx "C" 35:65 pos + 6% gel + 5% salt + .25% celloflake; tail w/345 sx "C": circulate to surface

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: R. C. Barnett

Title:

President

Date:

5/22/02

Phone:

(915) 683-3171

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

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 February 10, 1994
Submit to 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

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 47510	Pool Name Nadine Drinkard ABO
Property Code 27462	Property Name HERRADURA	Well Number 3
OGRID No. 025482	Operator Name XERIC OIL & GAS CORPORATION	Elevation 3595'

Surface Location

UL or lot No. 1	Section 15	Township 19-S	Range 38-E	Lot Idn	Feet from the 1502	North/South line SOUTH	Feet from the 864	East/West line EAST	County LEA
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Bottom Hole Location If Different From Surface

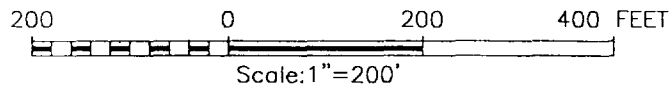
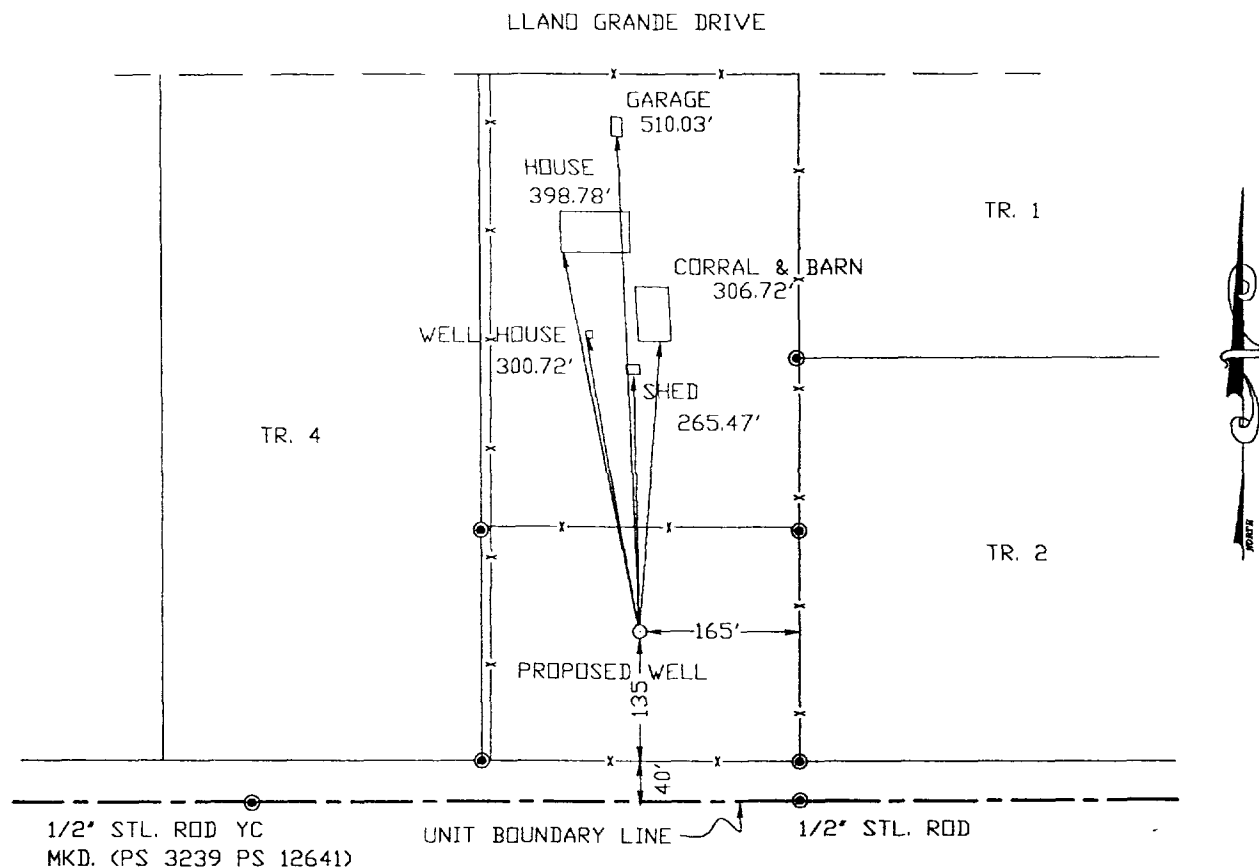
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 40	Joint or Infill No	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>R. C. Barnett</i> Signature R. C. Barnett Printed Name President Title 5/22/02 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. MAY 17, 2002 Date Surveyed AWB Signature & Seal of Professional Surveyor <i>Ronald E. Eidson</i> Professional Surveyor 5/17/02 Date 02-11-0368 Certificate No. RONALD E. EIDSON 3239 GARY EIDSON 12641

**TRACT 3, BLOCK 2, LLANO GRANDE SUBDIVISION,
SECTION 15, TOWNSHIP 19 SOUTH, RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.**



I HEREBY CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

GARY G. EIDSON
GARY G. EIDSON, N.M. P.S.

5/20/02

RONALD J. EIDSON, N.M. P.S. No. 3239
GARY G. EIDSON, N.M. P.S. No. 12641

JOHN WEST SURVEYING COMPANY

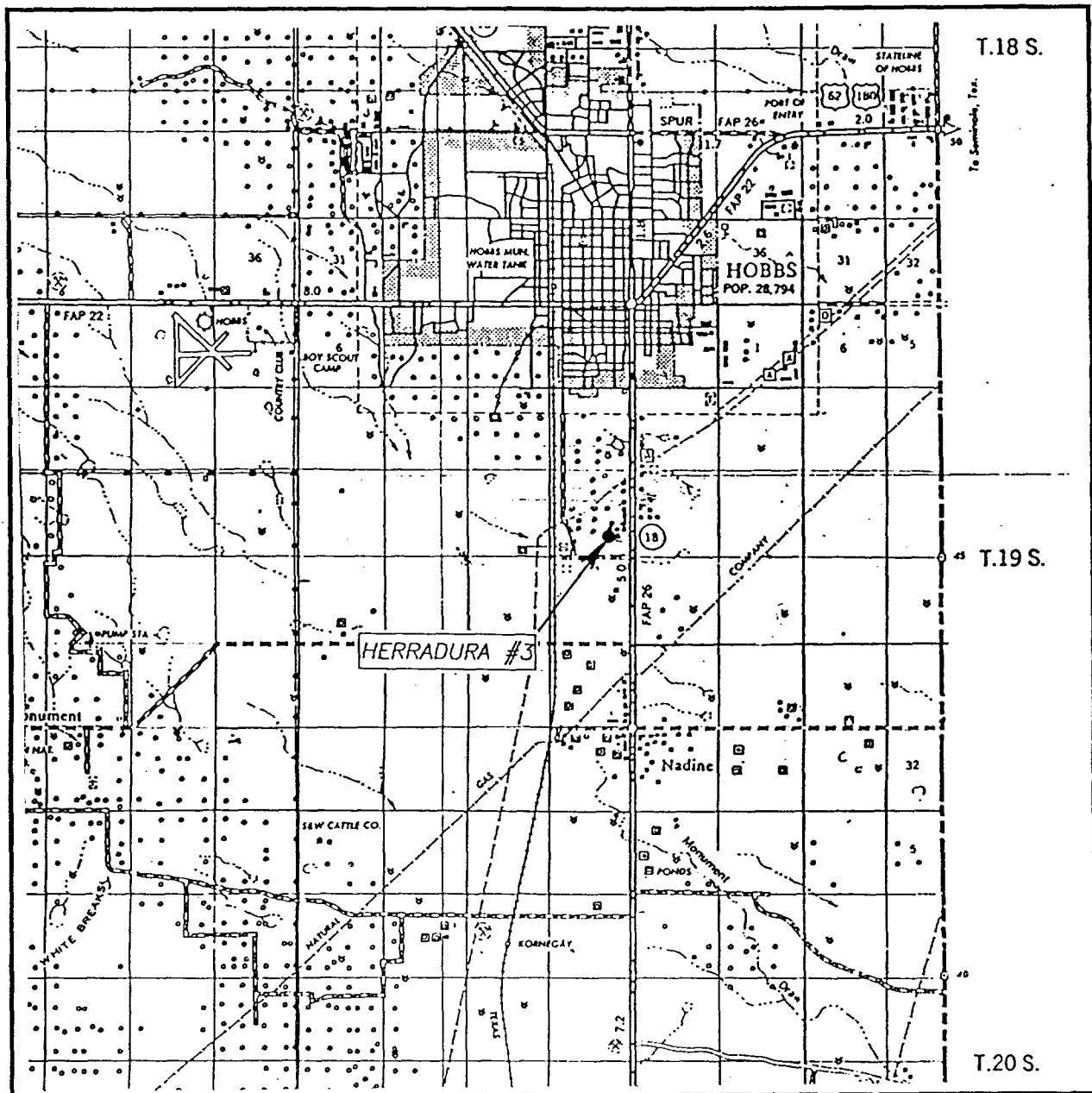
412 N. DAL PASO, HOBBES, NEW MEXICO - 505-393-3117

XERIC OIL & GAS CORPORATION

TOPOGRAPHIC SURVEY OF FACILITIES LOCATED NEAR THE PROPOSED HERRADURA #3 WELL LOCATION LOCATED 1502 FEET FROM THE SOUTH LINE AND 864 FEET FROM THE EAST LINE SECTION 15, TOWNSHIP 19 SOUTH, RANGE 38 EAST, N.M.P.M, LEA COUNTY, NEW MEXICO.

Survey Date: 05/17/02	Sheet 1 of 1 Sheets
W.O. Number: 02.11.0369	Drawn By: A.W.B.
Date: 05/17/02	DISK: CD#6
XERIC-0369	Scale: 1"=200'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 15 TWP. 19-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1502' FSL & 864' FEL

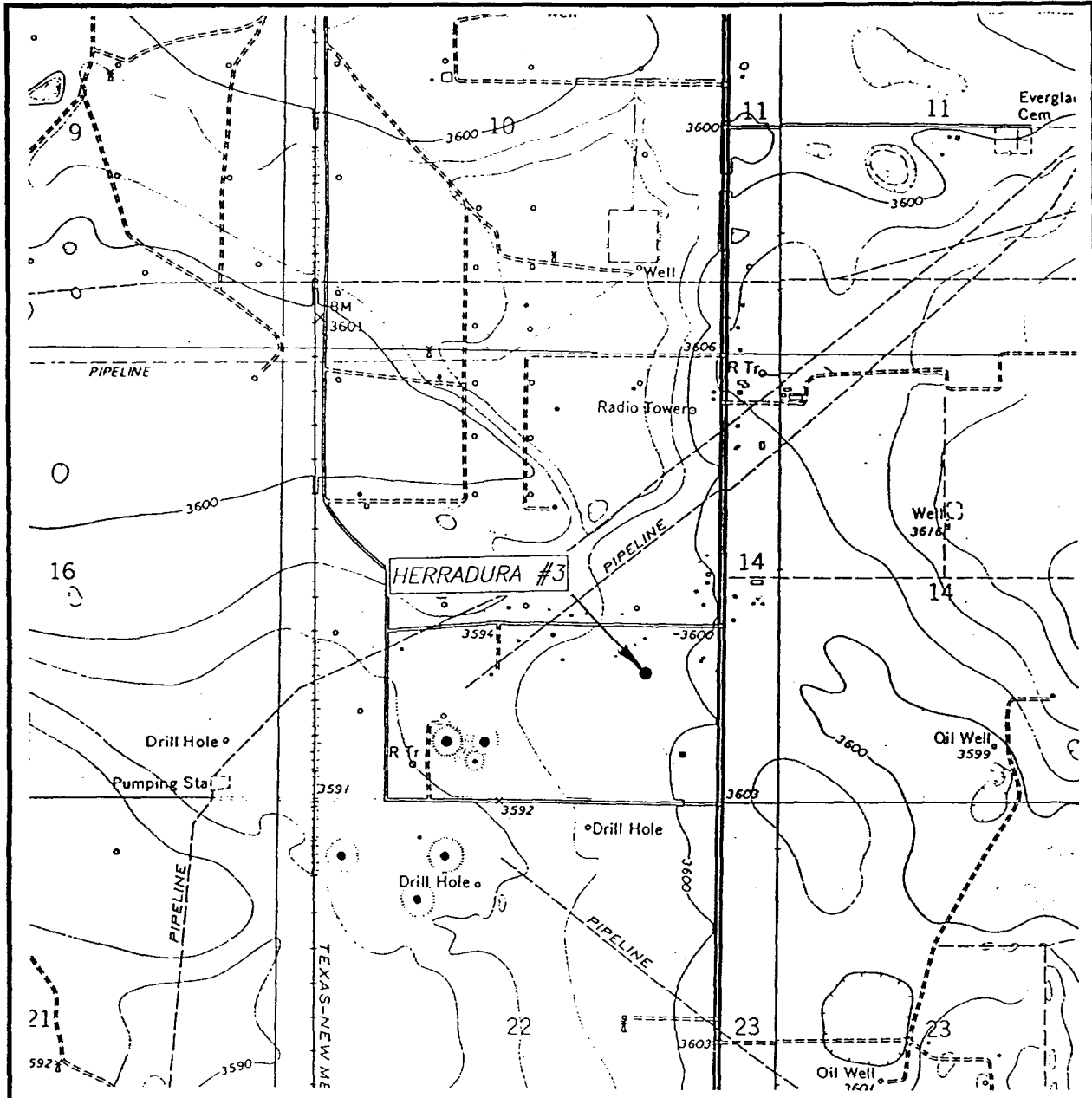
ELEVATION 3595'

OPERATOR XERIC OIL & GAS CORPORATION

LEASE HERRADURA

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 5'

HOBBS WEST, N.M.

SEC. 15 TWP. 19-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1502' FSL & 864' FEL

ELEVATION 3595'

OPERATOR XERIC OIL & GAS CORPORATION

LEASE HERRADURA

U.S.G.S. TOPOGRAPHIC MAP

HOBBS WEST, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to 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

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 47525	Pool Name Nadine Tubb
Property Code 27462	Property Name HERRADURA	Well Number 3
OGRID No. 025482	Operator Name XERIC OIL & GAS CORPORATION	Elevation 3595'

Surface Location

UL or lot No. 1	Section 15	Township 19-S	Range 38-E	Lot Idn	Feet from the 1502	North/South line SOUTH	Feet from the 864	East/West line EAST	County LEA
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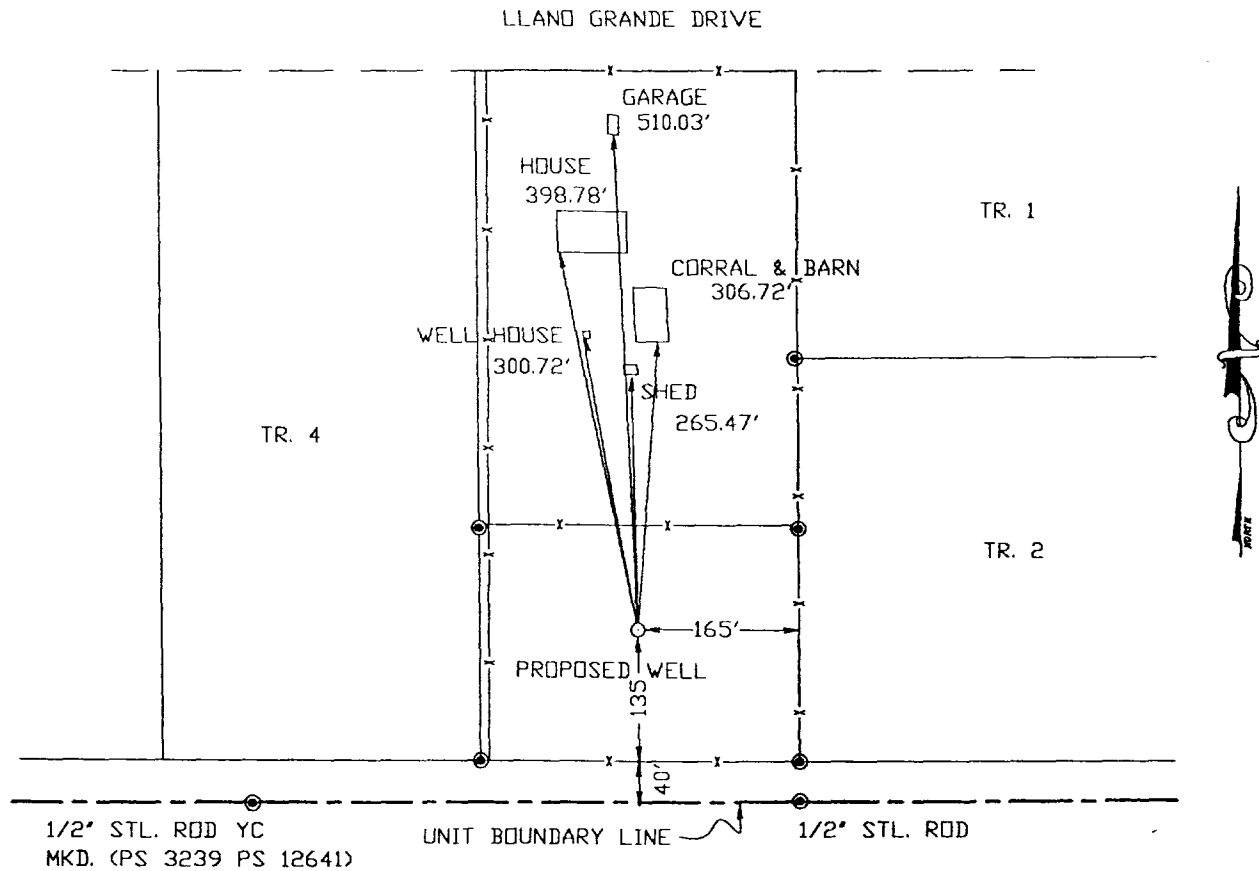
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill No	Consolidation Code	Order No.						

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

	OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature R. C. Barnett Printed Name President Title 5/22/02 Date
	SURVEYOR CERTIFICATION <i>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.</i> MAY 17, 2002 Date Surveyed Signature & Seal of Professional Surveyor Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641

**TRACT 3, BLOCK 2, LLANO GRANDE SUBDIVISION,
SECTION 15, TOWNSHIP 19 SOUTH, RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.**



200 0 200 400 FEET
Scale: 1"=200'

I HEREBY CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

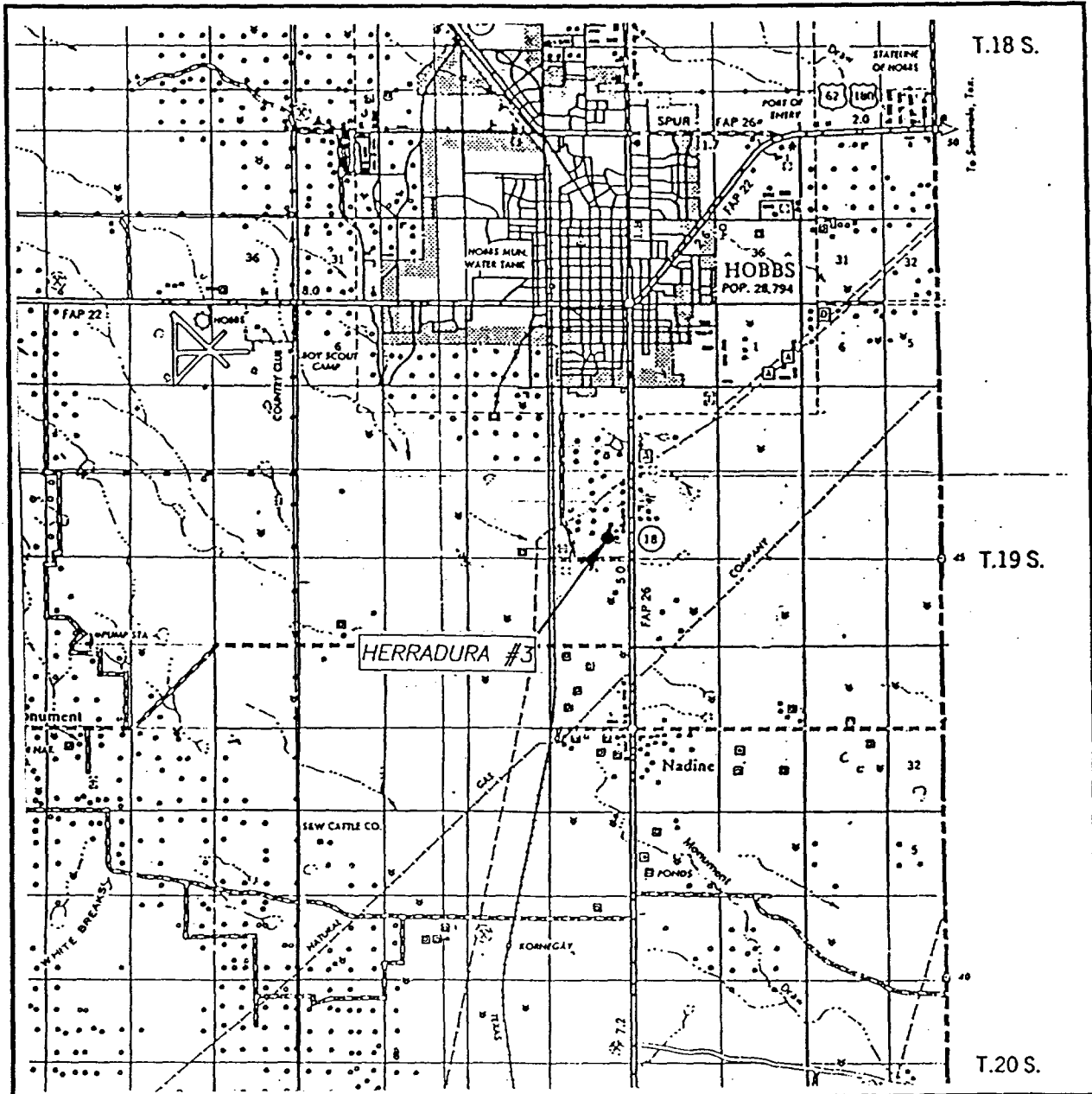
GARY G. EIDSON
NEW MEXICO
5/20/02
RONALD J. EIDSON, N.M. P.S. No. 3239
GARY G. EIDSON, N.M. P.S. No. 12641
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO ST. HOBBBS NEW MEXICO - 505-393-3117

XERIC OIL & GAS CORPORATION

TOPOGRAPHIC SURVEY OF FACILITIES LOCATED NEAR THE PROPOSED HERRADURA #3 WELL LOCATION LOCATED 1502 FEET FROM THE SOUTH LINE AND 864 FEET FROM THE EAST LINE SECTION 15, TOWNSHIP 19 SOUTH, RANGE 38 EAST, N.M.P.M, LEA COUNTY, NEW MEXICO.

Survey Date: 05/17/02	Sheet 1 of 1 Sheets
W.O. Number: 02.11.0369	Drawn By: A.W.B.
Date: 05/17/02	DISK: CD#6
XERIC-0369	Scale: 1"=200'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 15 TWP. 19-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1502' FSL & 864' FEL

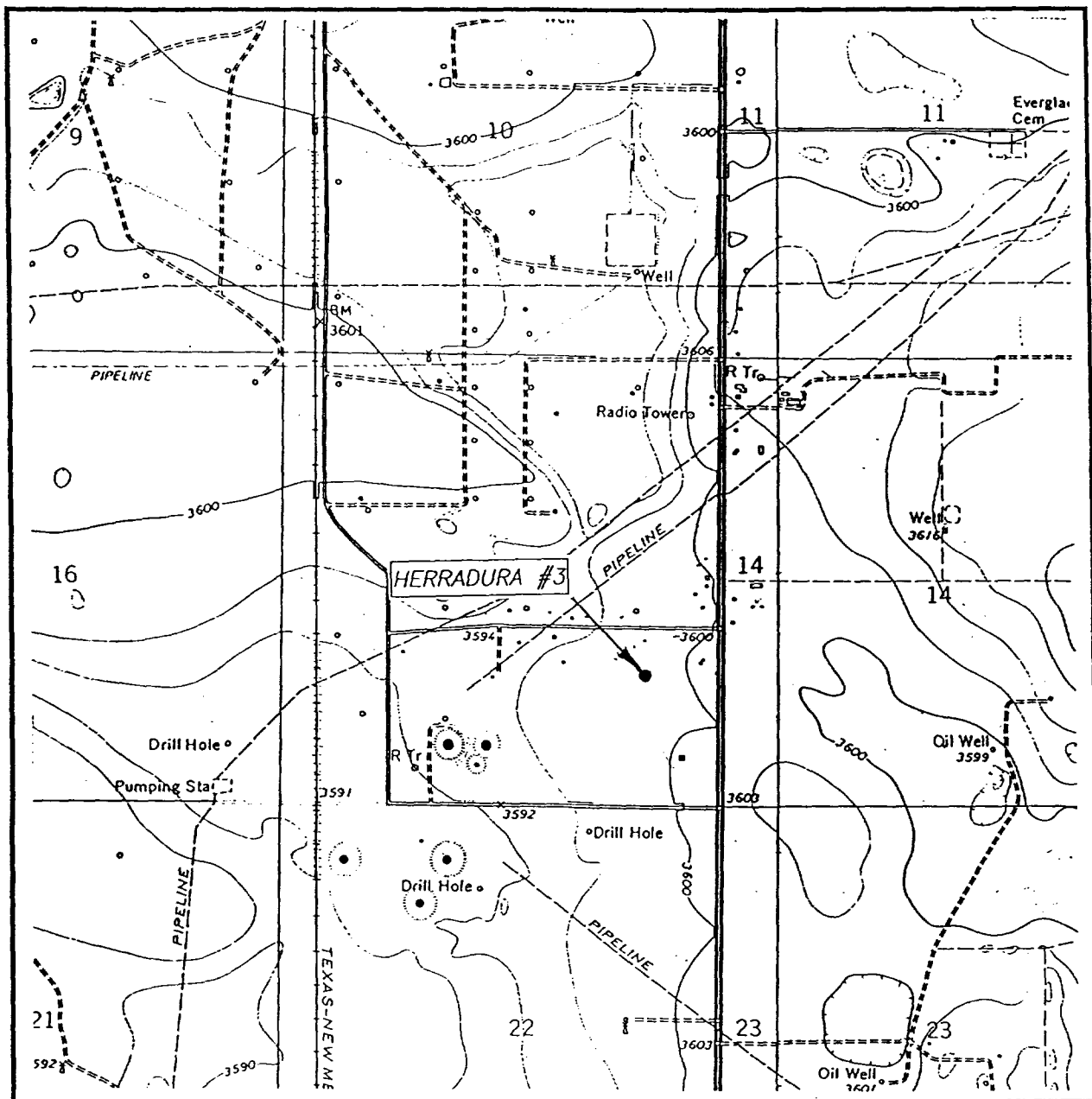
ELEVATION 3595'

OPERATOR XERIC OIL & GAS CORPORATION

LEASE HERRADURA

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 5'
HOBBS WEST, N.M.

SEC. 15 TWP. 19-S. RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1502' FSL & 864' FEL

ELEVATION 3595'

OPERATOR XERIC OIL & GAS CORPORATION

LEASE HERRADURA

U.S.G.S. TOPOGRAPHIC MAP
HOBBS WEST, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

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, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 47395	Pool Name Nadine Blinebry
Property Code 27462	Property Name HERRADURA	Well Number 3
OGRID No. 025482	Operator Name XERIC OIL & GAS CORPORATION	Elevation 3595'

Surface Location

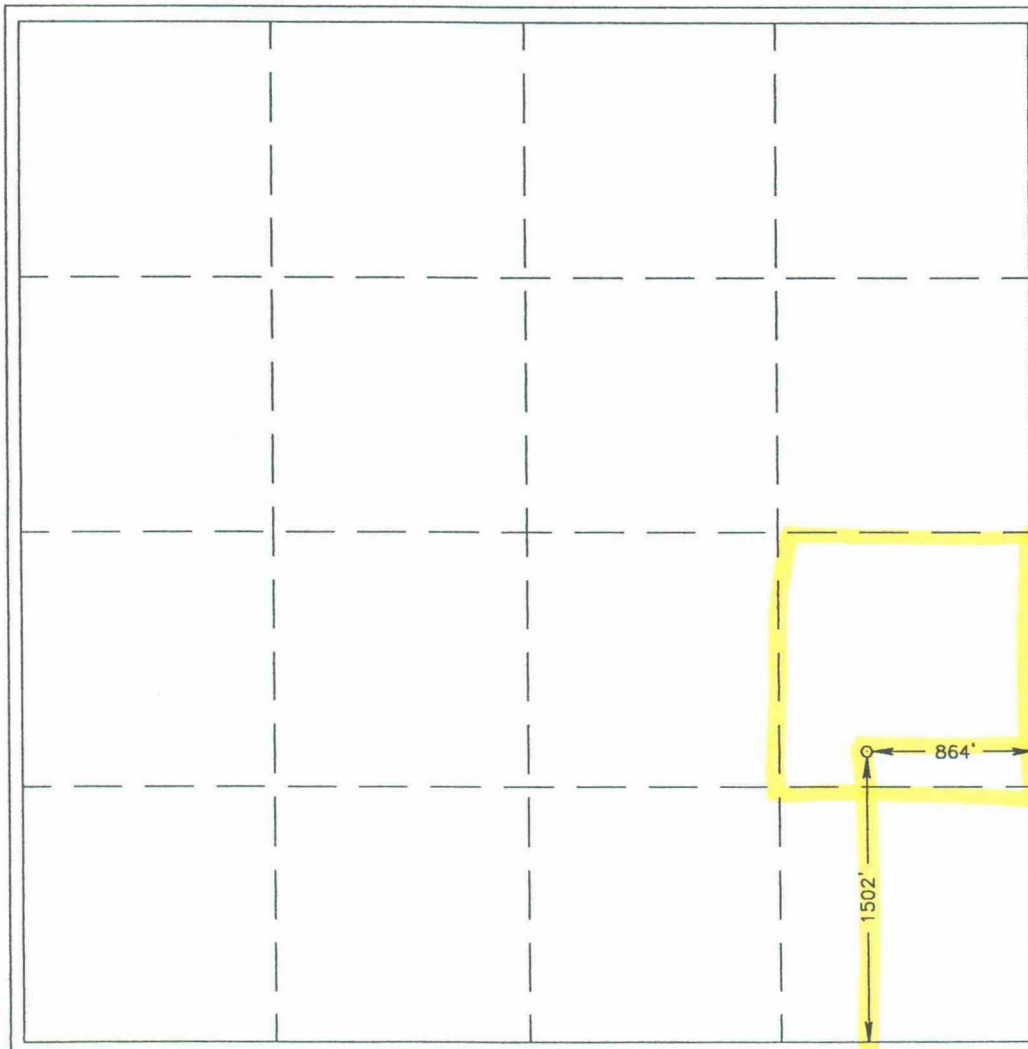
UL or lot No. 1	Section 15	Township 19-S	Range 38-E	Lot Idn	Feet from the 1502	North/South line SOUTH	Feet from the 864	East/West line EAST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 40	Joint or Infill No	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

R. C. Barnett
Signature

R. C. Barnett

Printed Name

President

Title

5/22/02

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.

MAY 17, 2002

Date Surveyed

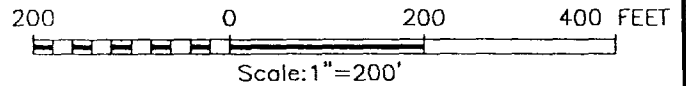
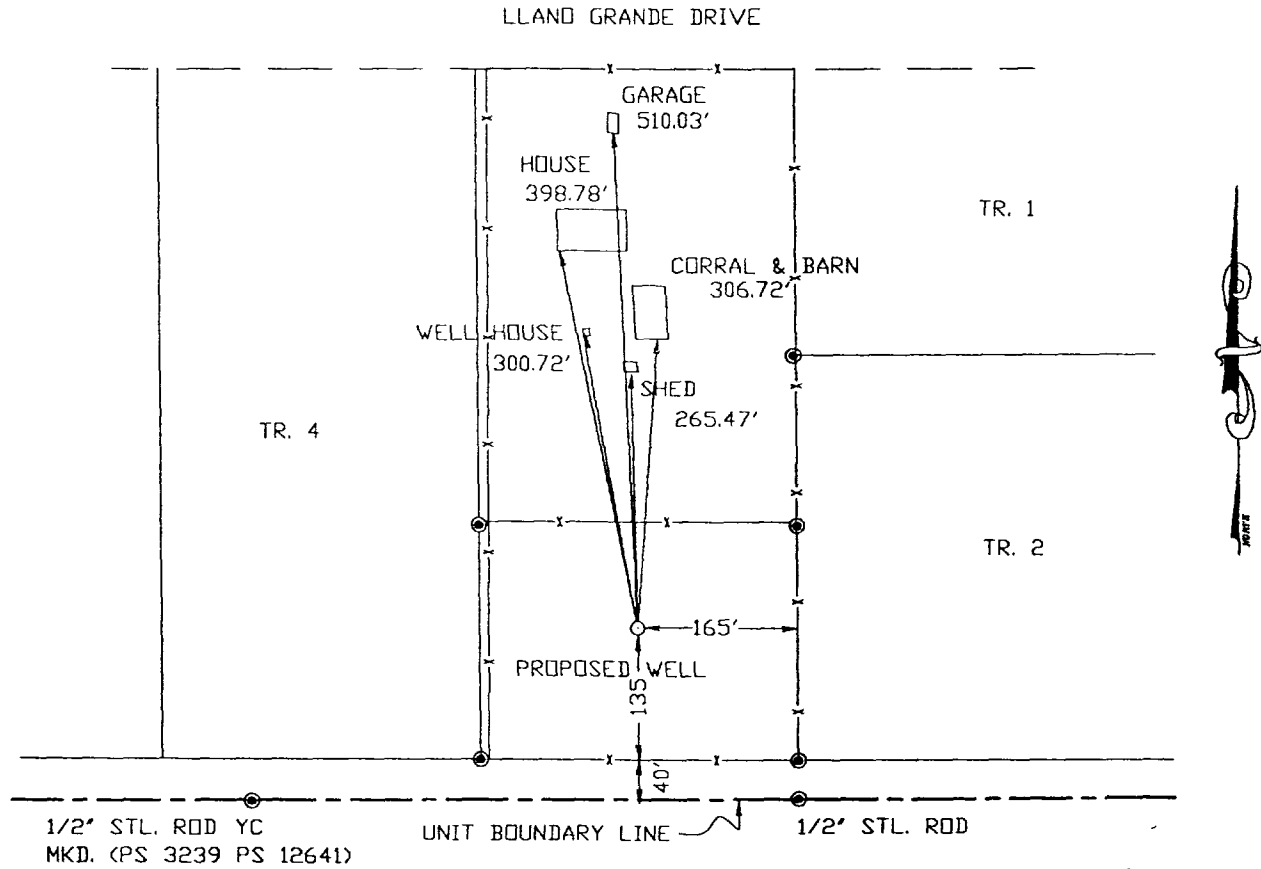
AWB

Signature & Seal of
Professional Surveyor

Ronald J. Edson
02.11.0369

Certificate No. RONALD J. EDSON 3239
GARY EDSON 12641

TRACT 3, BLOCK 2, LLANO GRANDE SUBDIVISION,
SECTION 15, TOWNSHIP 19 SOUTH, RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



I HEREBY CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

GARY G. EIDSON
NEW MEXICO
RONALD J. EIDSON, N.M. P.S.
GARY G. EIDSON, N.M. P.S.

No. 3239
No. 12641

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO, HOBBBS, NEW MEXICO - 505-393-3117

XERIC OIL & GAS CORPORATION

TOPOGRAPHIC SURVEY OF FACILITIES LOCATED NEAR THE PROPOSED HERRADURA #3 WELL LOCATION LOCATED 1502 FEET FROM THE SOUTH LINE AND 864 FEET FROM THE EAST LINE SECTION 15, TOWNSHIP 19 SOUTH, RANGE 38 EAST, N.M.P.M, LEA COUNTY, NEW MEXICO.

Survey Date: 05/17/02

Sheet 1 of 1 Sheets

W.O. Number: 02.11.0369

Drawn By: A.W.B.

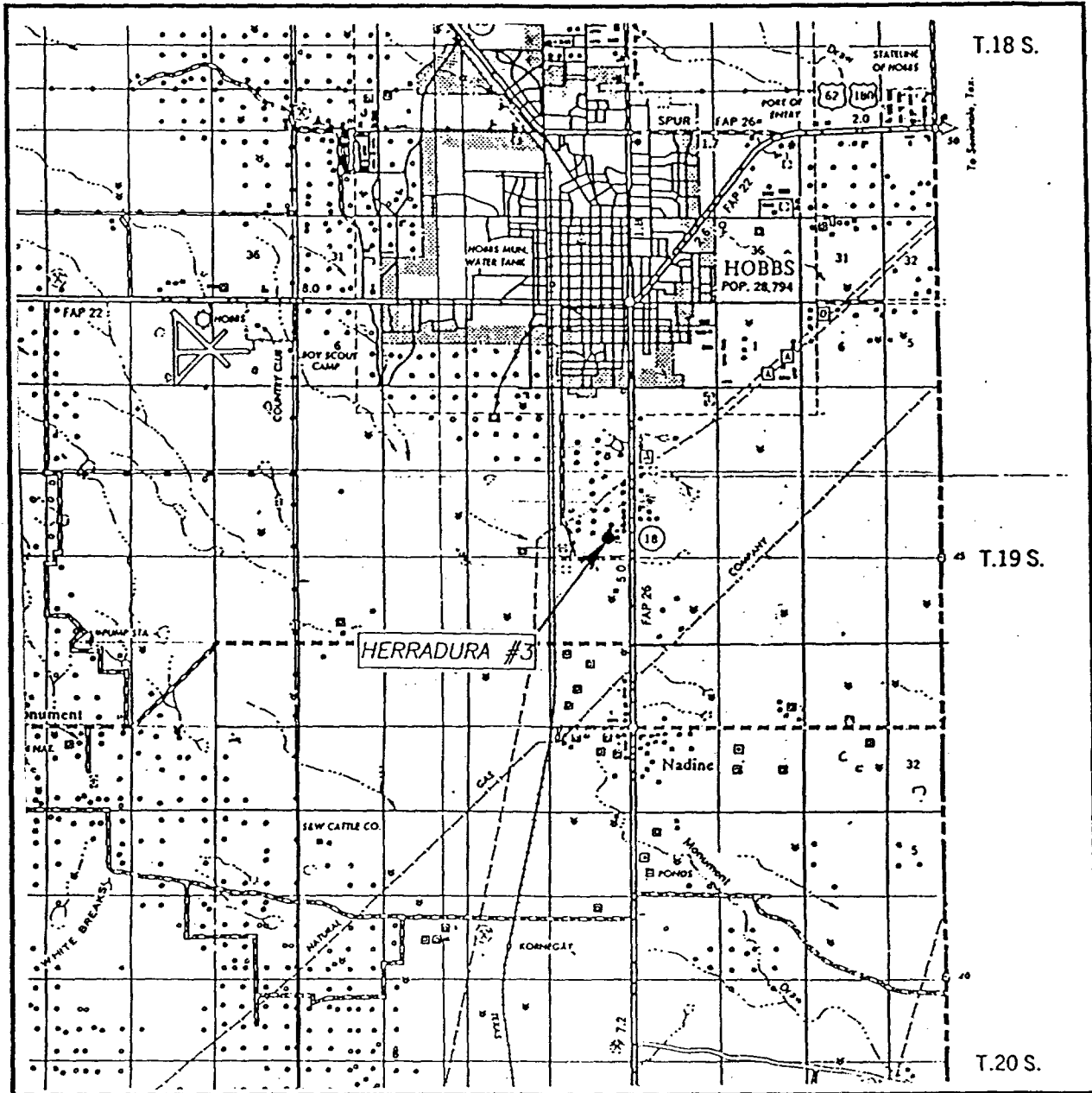
Date: 05/17/02

DISK: CD#6

XERIC-0369

Scale: 1"=200'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 15 TWP. 19-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1502' FSL & 864' FEL

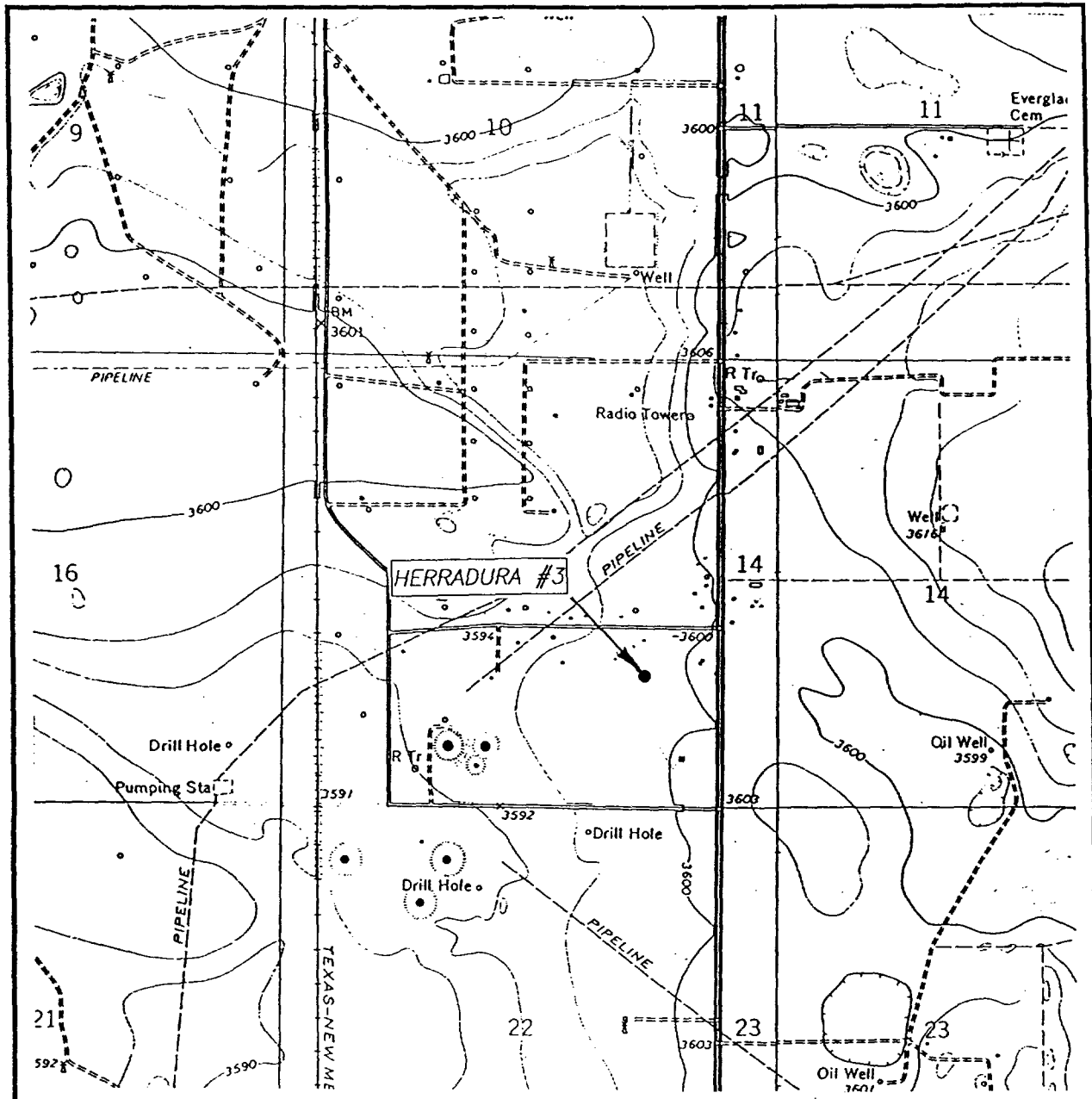
ELEVATION 3595'

OPERATOR XERIC OIL & GAS CORPORATION

LEASE HERRADURA

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 5'
HOBBS WEST, N.M.

SEC. 15 TWP. 19-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1502' FSL & 864' FEL

ELEVATION 3595'

OPERATOR XERIC OIL & GAS CORPORATION

LEASE HERRADURA

U.S.G.S. TOPOGRAPHIC MAP

HOBBS WEST, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

Lisa Morriss FAX #(915) 683-8348

Xeric Oil & Gas Corp.

Fax

To: MICHAEL E. STOGNER **From:** Lisa Morriss
Fax: (505) 476-3482 **Pages:** 2
Phone: (505) 476-3440 **Date:** 05/15/02
Re: SE/4 SEC. 15-19S-38E, LEA CO., NM **CC:** Rob Barnett

☐ Urgent ☐ For Review ☐ Please Comment ☒ Please Reply ☐ Please Recycle

Dear Mr. Stogner

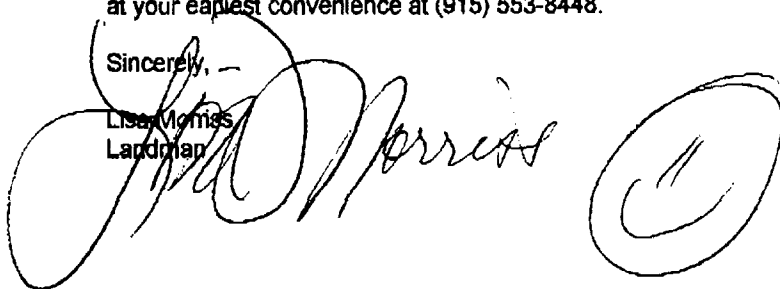
In follow-up to our phone conversation a few days ago regarding the irregular spacing of the Herradura #3 well located in the NE/4SE/4 of Section 15-T19S-R38E in Lea County, New Mexico, we have met with the surface owner and "walked-off" the original location that I had discussed with you. However, it would appear that the barn is quite a bit closer to the proposed wellsite than we originally thought. Therefore, we have had to move the wellsite a little further south, making it closer to the unit line than I originally proposed to you in the plats that I sent to you via express mail and faxed to you a few days ago. However, in discussing this matter with you over the phone the other day, you had indicated that since it was the same lease and same royalty owners and working interest owners for the entire SE/4 where we have already drilled two other producing wells, it was not as pertinent that the well be staked exactly 330' foot off of the unit line, since it will be 1495' off the south lease line and 865' off the east lease line.

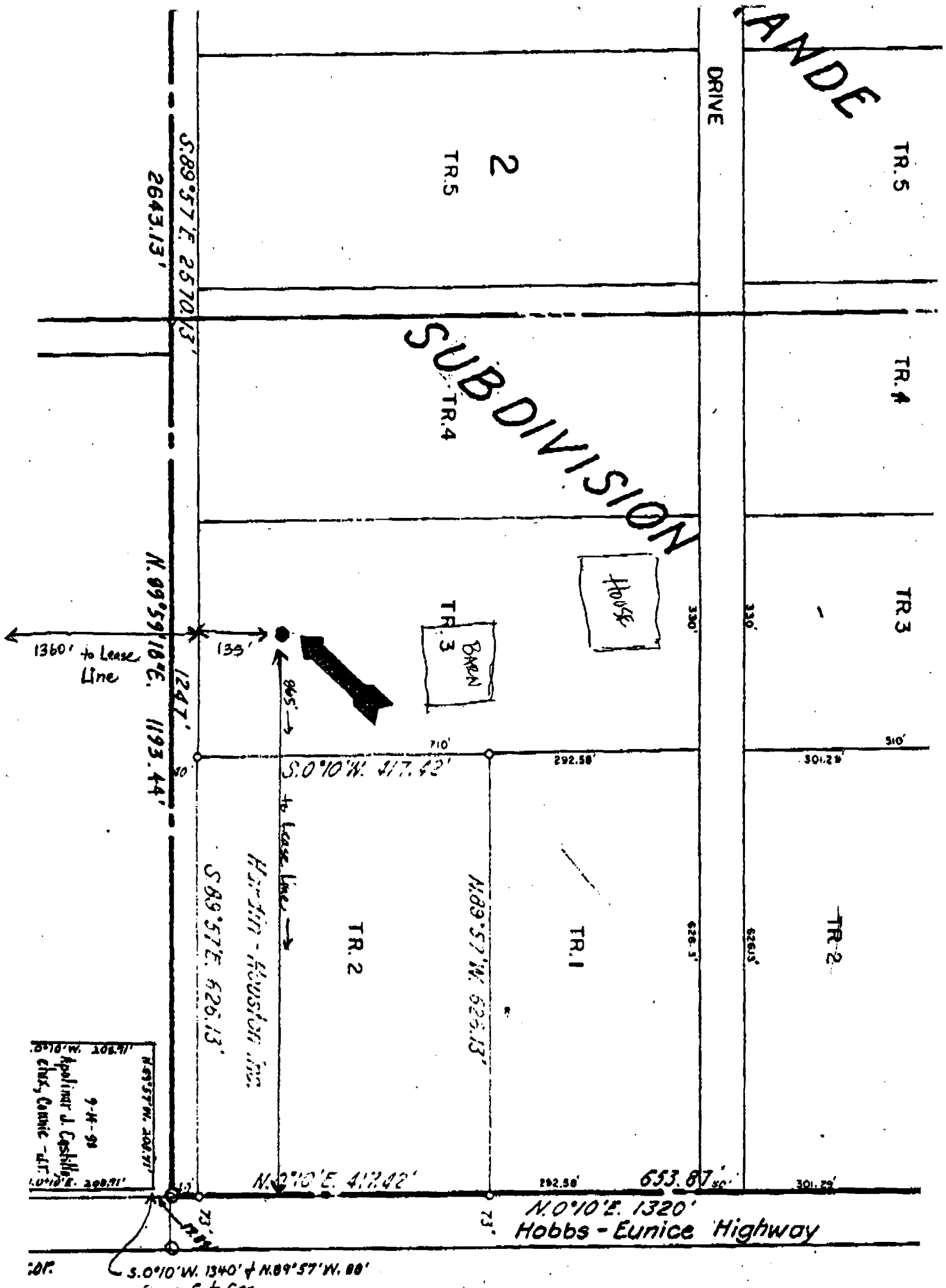
Attached for your review is an amended proposed site showing the footages to the unit line and the lease lines. Again, although the southern boundary of the lease is not visible since this plat cuts off the southern most part of the lease which covers the entire SE/4, the well will be staked 1495' from the south line of the Lease and 865 from the east Lease line. It is my understanding from our conversation that in this instance, notifications will not be required.

Please let me know if the newly proposed wellsite for the Herradura #3 as set out on the attached plat is acceptable so that we may proceed with the staking and permitting of this well. Please let me know at your earliest convenience at (915) 553-8448.

Sincerely, —

Lisa Morriss
Landman





Xeric Oil & Gas Corp.

Fax

MAY 13

To:	MICHAEL E. STOGNER	From:	Lisa Morriss
Fax:	(505) 476-3462	Pages:	45
Phone:	(505) 476-3440	Date:	05/10/02
Re:	SE/4 SEC. 15-19S-38E, LEA CO., NM	CC:	Rob Barnett

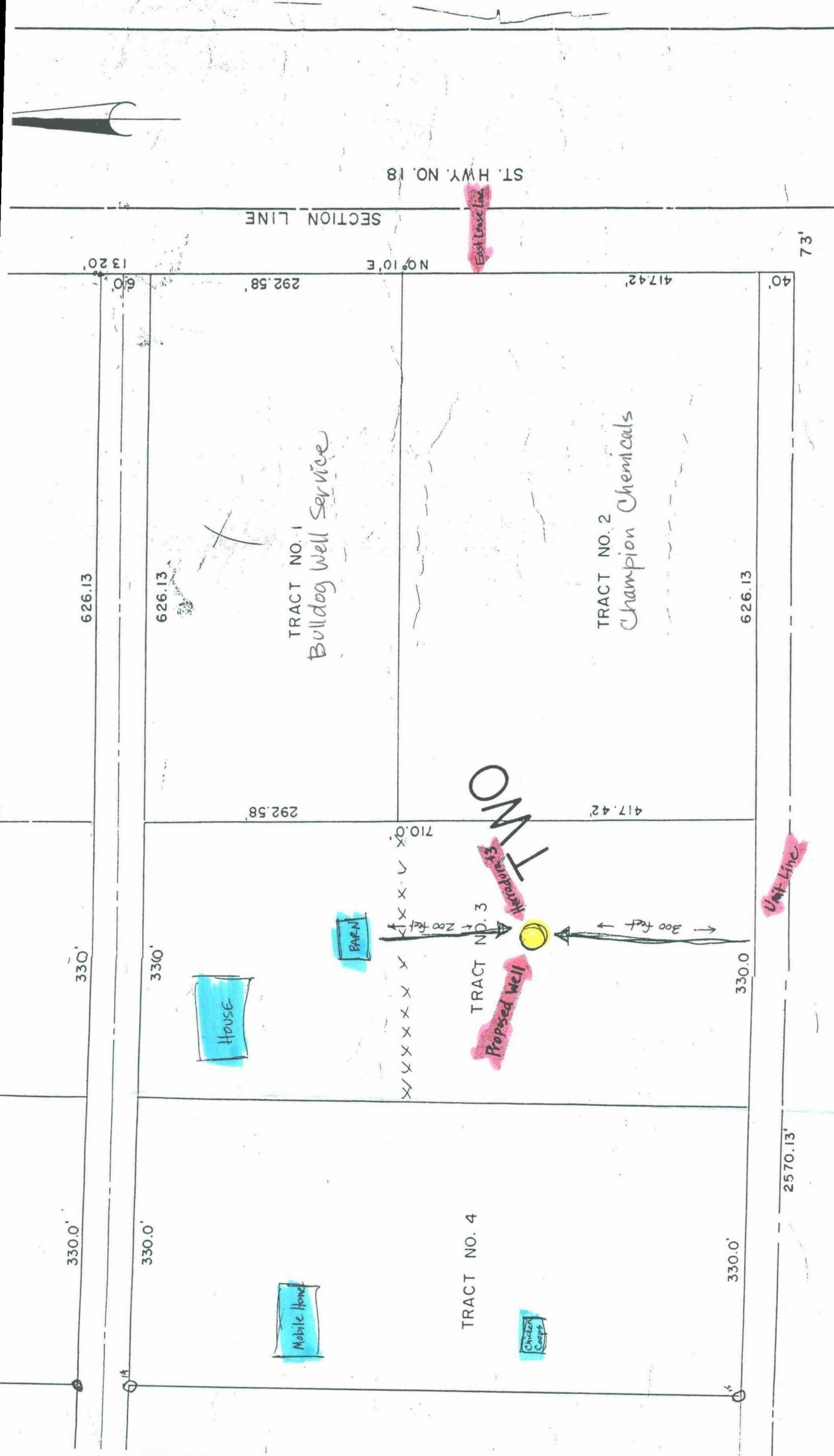
☐ Urgent ☐ For Review ☐ Please Comment ☒ Please Reply ☐ Please Recycle

Dear Mr. Stogner

Attached please find a copy of an aerial photograph of our Herradura lease where we have drilled and completed two wells on the 160-acre tract. As you may be aware, the Herradura #1 was drilled and completed in the SE/4 of the SE/4 and the Herradura #2 was recently drilled and completed in the SW/4 of the SE/4 of this same section. We are now trying to locate a drill site for the Herradura #3. However, as you can see from the attached arial photo provided to us by John West Engineering, the north half of this quarter section is located in a subdivision called the Llano Grande Subdivision. We have attached a copy of a plat prepared by John West Engineering of this subdivision for your review.

As we have indicated on the attached plats, there are houses and barns located on this quarter-quarter section, being the NE/4 of the SE/4 of Section 15-19S-38E. We are trying to comply with our lease requirements which, of course, require that we not be within 200 feet of any barn or house; however, this presents a problem with us complying with the Commission's requirements of being 330' off the unit line. We have set out on the attached

COUNTY, NEW MEXICO





Back of Tract 4
Chicken Coops



Back of Tract 4 -
Chicken Coops & Mobile Home

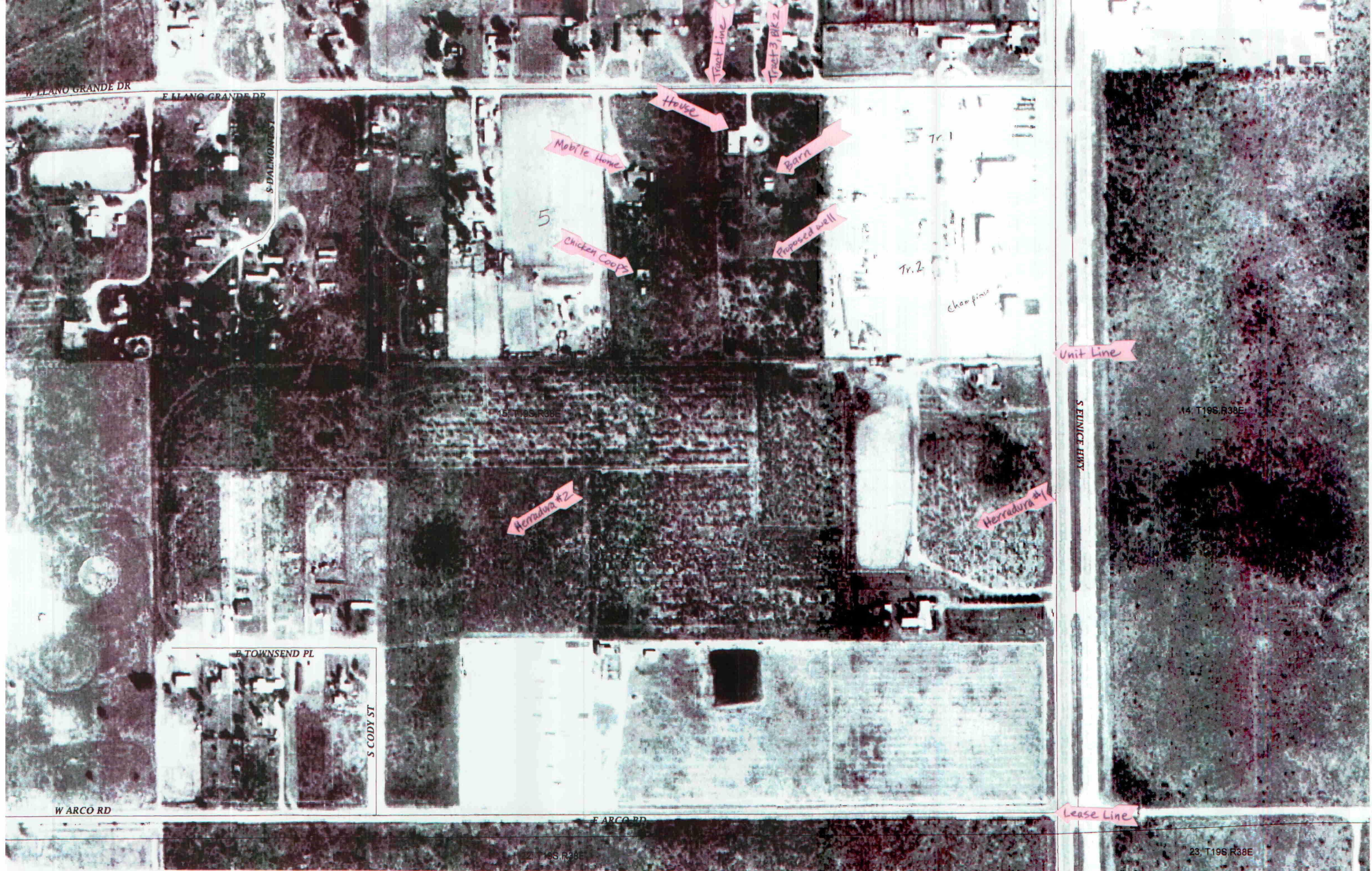
ILLEGIBLE



Front of Tract 3 - BARN & HOUSE



Back of Tract 3 - Back of Barn



W LLANO GRANDE DR

E LLANO GRANDE DR

S DALMOWEST

E TOWNSEND PL

S CODY ST

W ARCO RD

E ARCO RD

Unit Line

S EUNICE HWY

Lease Line

15. T19S, R38E

14. T19S, R38E

32. T19S, R38E

23. T19S, R38E

Lisa Morriss FAX #(915) 683-6348

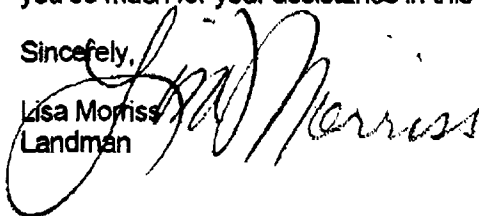
Fax**To:** MICHAEL E. STOGNER**From:** Lisa Morriss**Fax:** (505) 476-3462**Pages:** 15**Phone:** (505) 476-3440**Date:** 05/10/02**Re:** SE/4 SEC. 15-19S-38E, LEA CO., NM**CC:** Rob Barnett☐ Urgent☐ For Review☐ Please Comment☒ Please Reply☐ Please Recycle

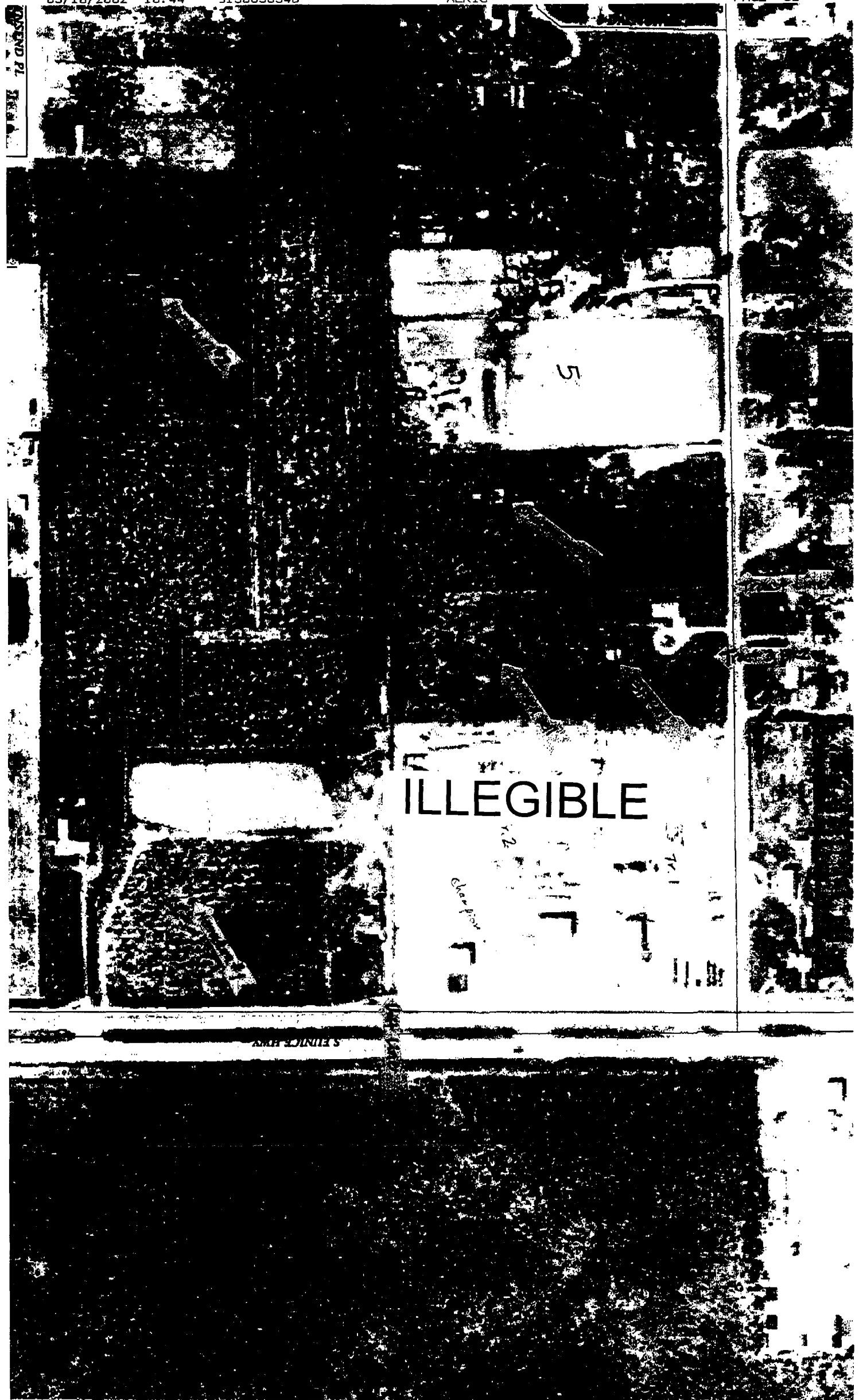
Dear Mr. Stogner

Attached please find a copy of an aerial photograph of our Herradura lease where we have drilled and completed two wells on the 160-acre tract. As you may be aware, the Herradura #1 was drilled and completed in the SE/4 of the SE/4 and the Herradura #2 was recently drilled and completed in the SW/4 of the SE/4 of this same section. We are now trying to locate a drill site for the Herradura #3. However, as you can see from the attached arial photo provided to us by John West Engineering, the north half of this quarter section is located in a subdivision called the Llano Grande Subdivision. We have attached a copy of a plat prepared by John West Engineering of this subdivision for your review.

As we have indicated on the attached plats, there are houses and bams located on this quarter-quarter section, being the NE/4 of the SE/4 of Section 15-19S-38E. We are trying to comply with our lease requirements which, of course, require that we not be within 200 feet of any barn or house; however, this presents a problem with us complying with the Commission's requirements of being 330' off the unit line. We have set out on the attached plats the best scenario that we can work out after discussing this matter at length with the surveyors at John West Engineering yesterday. Therefore, we request that you contact us at your earliest convenience to discuss the possibility of getting the Commission's approval of an irregular spacing for this oil well location. We would greatly appreciate your input prior to our staking this well. Please call me at your earliest convenience at (915) 553-8448. Thank you so much for your assistance in this matter.

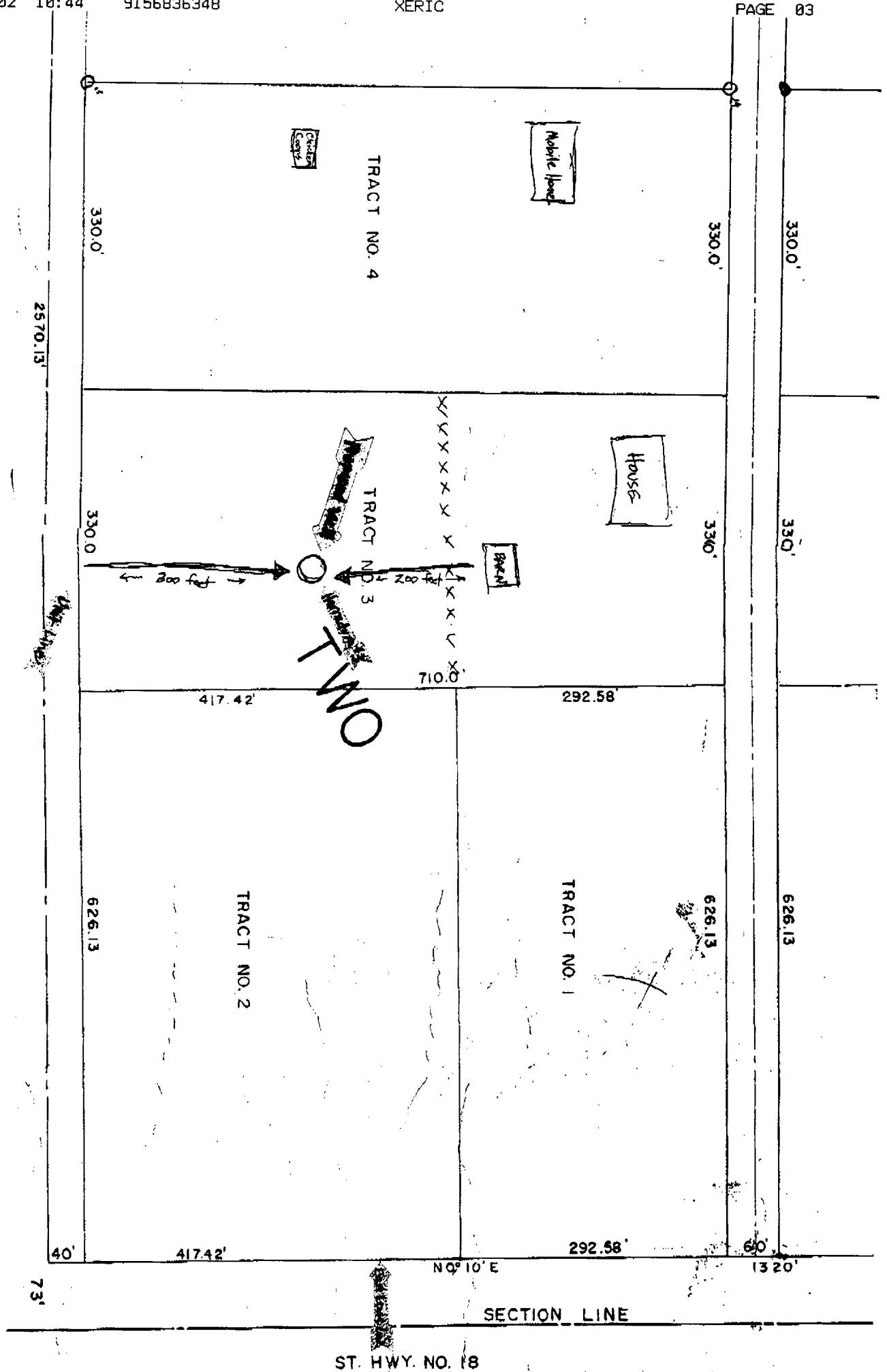
Sincerely,

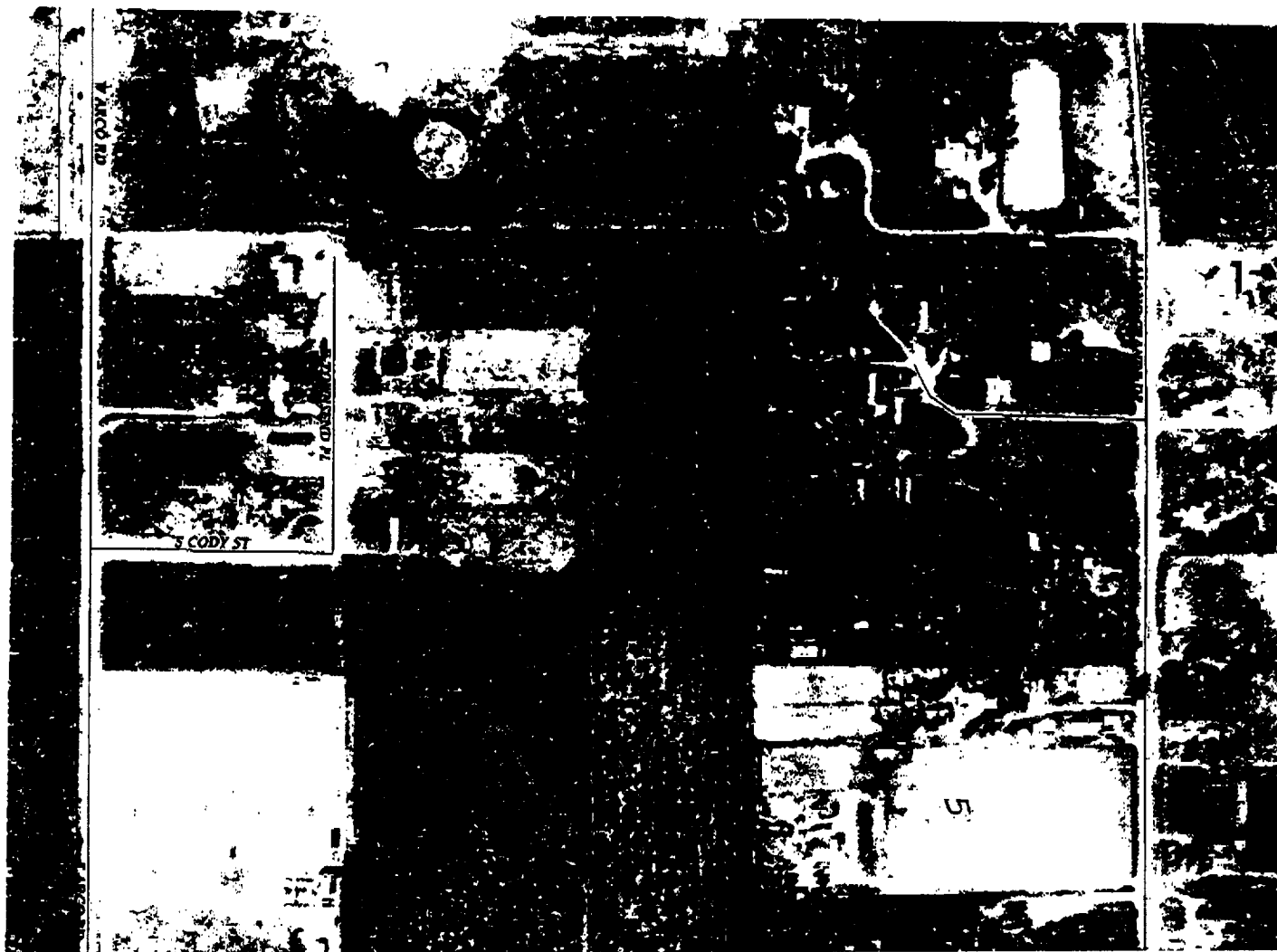
Lisa Morriss
Landman



ANDE SUBDIVISION

COUNTY, NEW MEXICO





ILLEGIBLE



Back of Tract 4
Chicken Coops

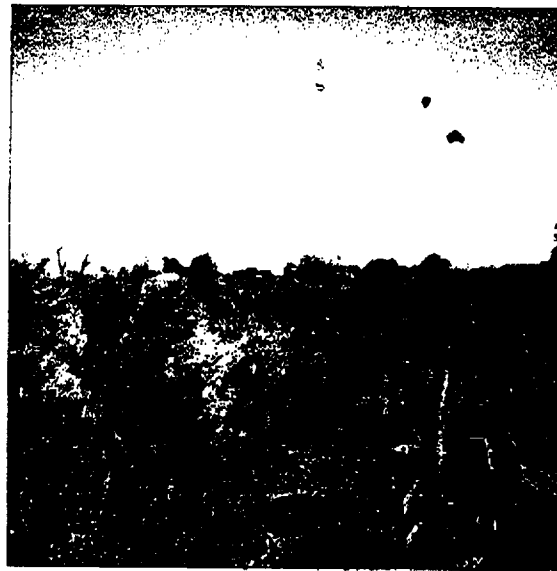


Back of Tract 4 -
Chicken Coops & Mobile Home

ILLEGIBLE



Front of Tract 3 - BARN & HOUSE



Back of Tract 3 - Back of Barn

TRANSACTION REPORT

P. 01

MAY-10-2002 FRI 09:49 AM

FOR:

RECEIVE

DATE	START	SENDER	RX TIME	PAGES	TYPE	NOTE	M#	DP
MAY-10	09:44 AM	9156836348	5' 24"	5	RECEIVE	OK		

CMD : ONGARD
OG5SECT INQUIRE LAND BY SECTION

05/13/02 09:06:52
OGOMES -TQCA
PAGE NO: 2

Sec : 15 Twp : 19S Rng : 38E Section Type : NORMAL

L	K	J	I
40.00	40.00	40.00	40.00
Fee owned U	Fee owned U A	Fee owned U A	Fee owned U A
M	N	O	P
40.00	40.00	40.00	40.00
Fee owned U	Fee owned U P	Fee owned U A	Fee owned U A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

9:00 am Monday May 13, 2002
Talked w/ Ms. Lisa Morris
about the fax of 5/10/02

Will submit 6-10-02 and 6-10-02
See to complete this filing.

County Lea

Pool Nadine Blinebry

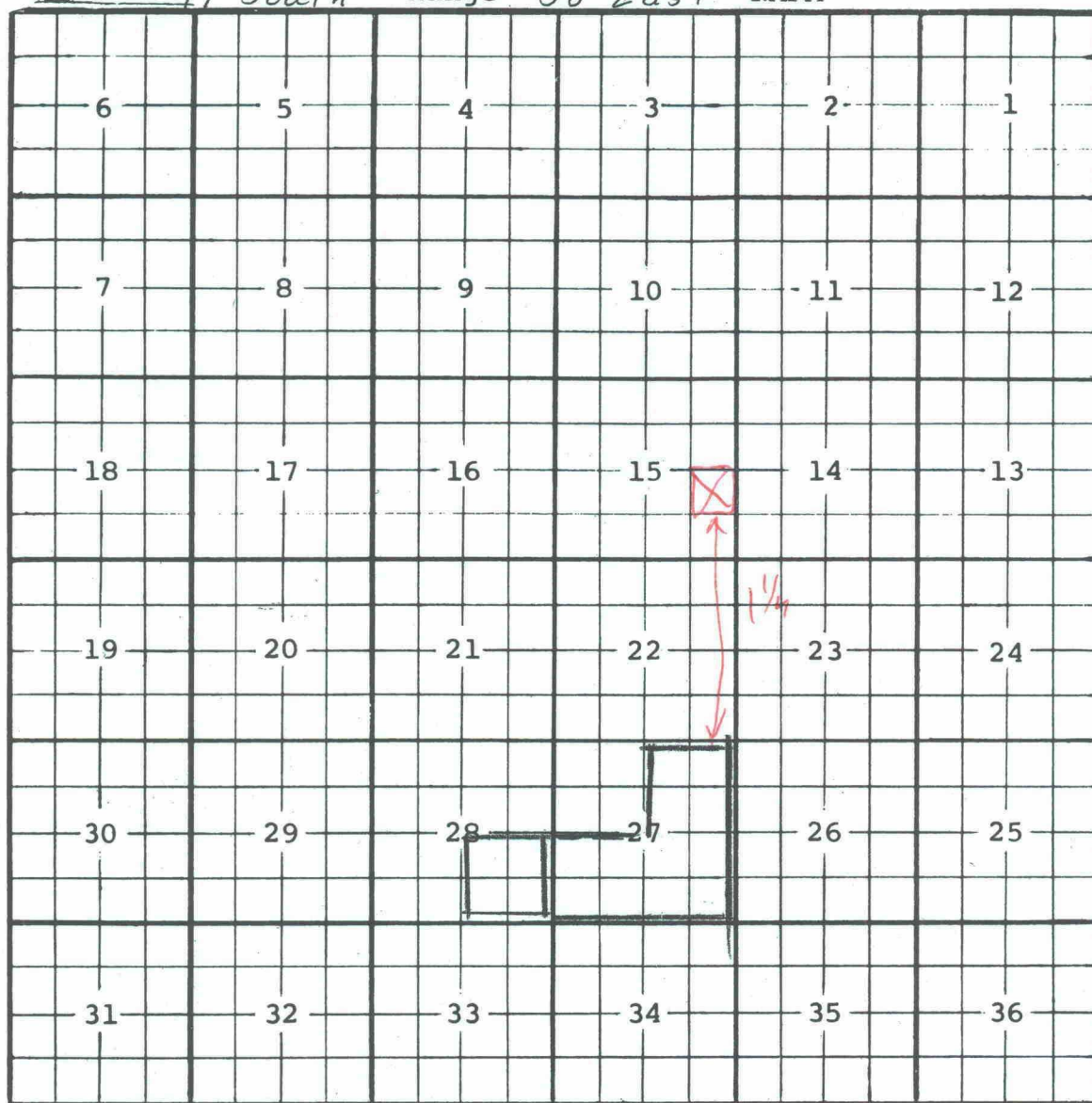
TOWNSHIP

19 South

Range

38 East

NMPM



Description: SE 1/4 Sec. 28 (R-7502, 4-20-84)

Exti NE 1/4 and S 1/2 Sec. 27 (R-10972, 4-13-98)

COUNTY

Lea

POOL

Nadine-Tubb

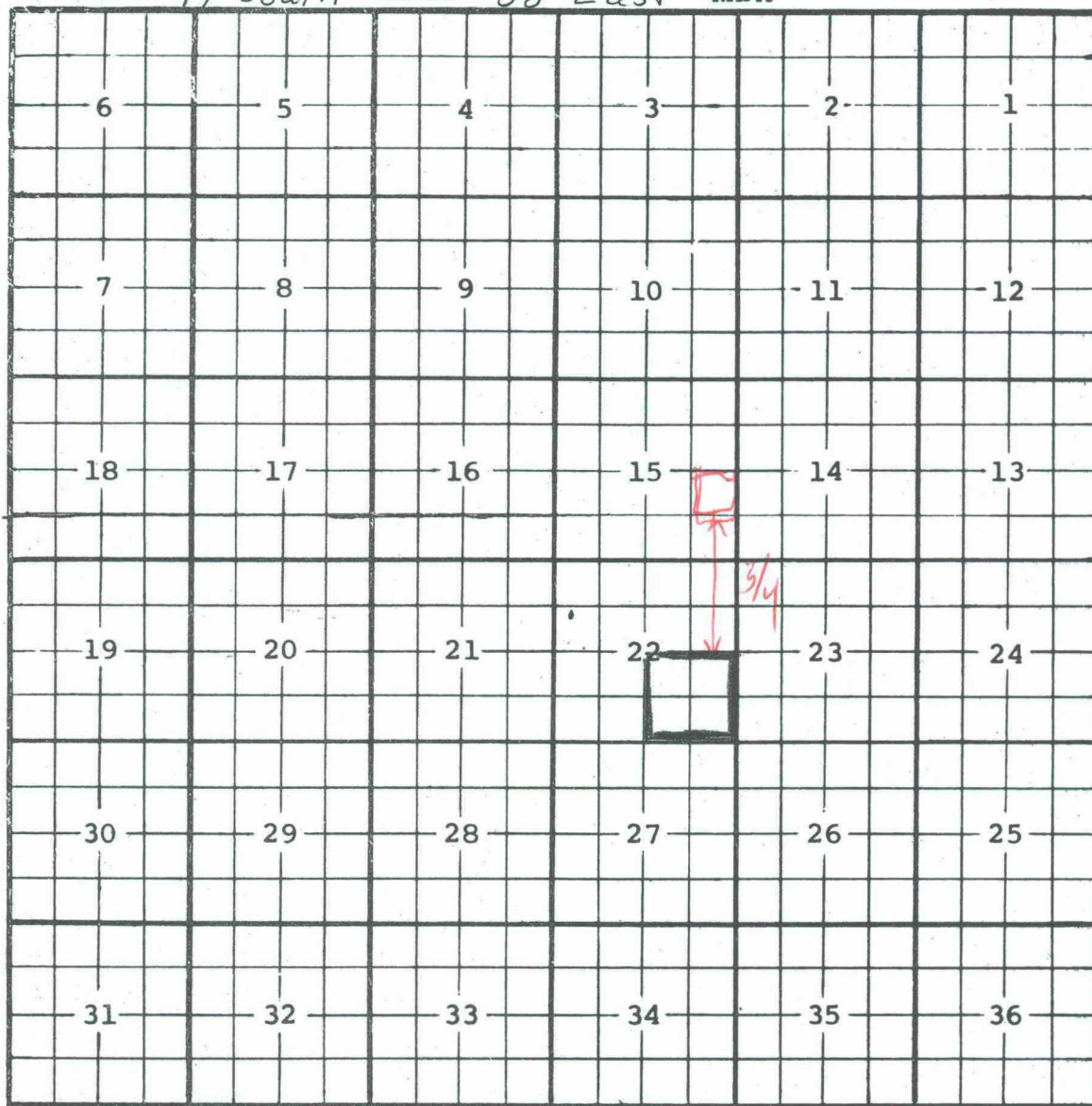
TOWNSHIP

19 South

RANGE

38 East

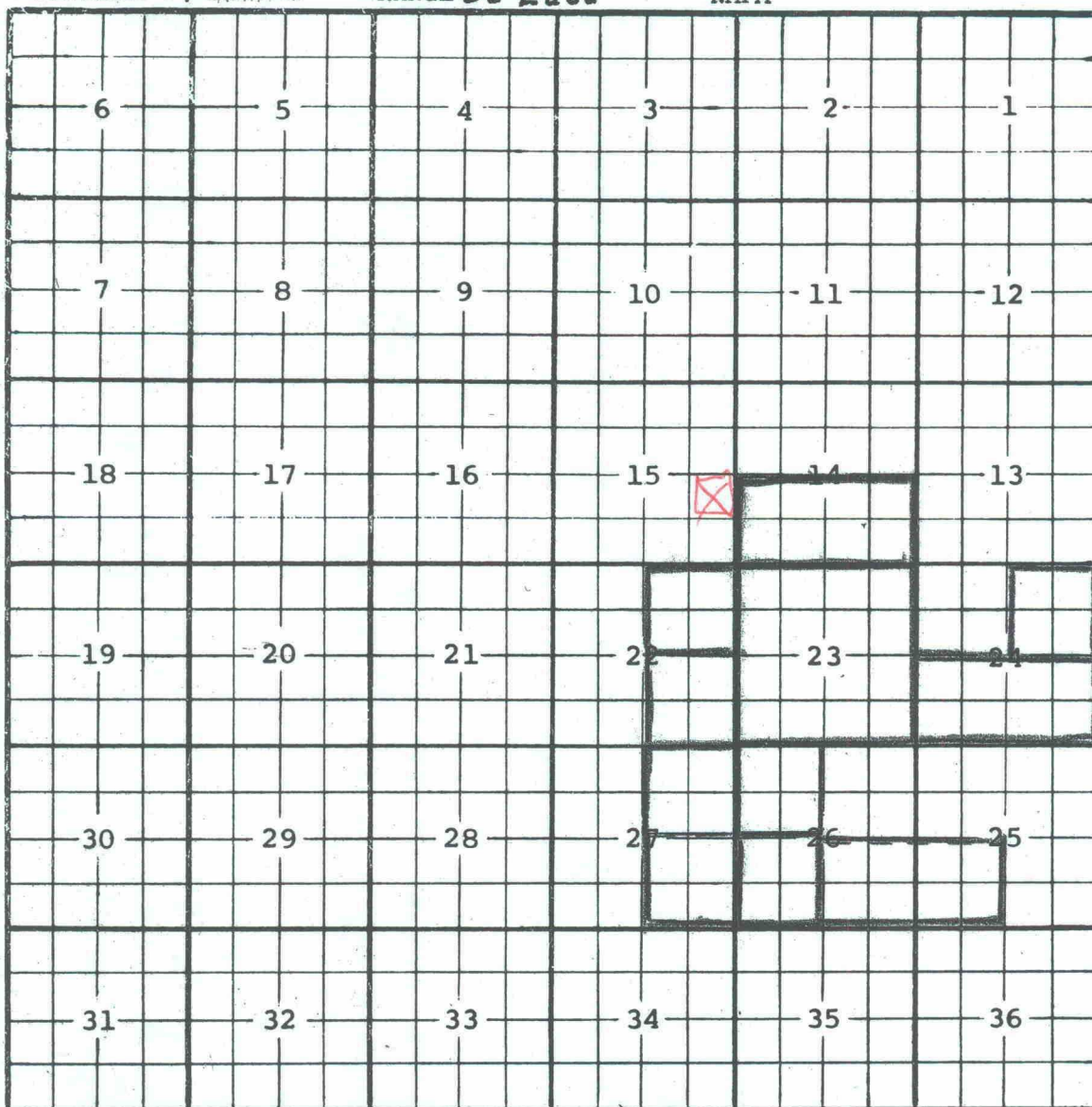
NMPM



Description: $\frac{SE}{4}$ Sec. 22 (R-7279, 517-83)

COUNTY LeaPOOL Nadine - Drinkard - AboTOWNSHIP 19 SouthRANGE 38 East

NMFM



Description: All Sec. 23 (R-17-A, 5-22-50)

Ext: $\frac{S}{2}$ Sec. 14 (R-38, 12-20-50) - $\frac{NW}{4}$ Sec. 26 (R-3237, 6-1-67)

DESIG: Vertical Limits extended to include Abo and Redesignated Nadine - Drinkard - Abo Pool. (R-6420, 8-1-80)

Ext: $\frac{NE}{4}$ Sec. 27 (A-6576, 2-10-81) EXT: $\frac{NE}{4}$ Sec. 22 (R-6876, 1-22-82)

EXT: $\frac{SE}{4}$ SEC 22 (R-9038, 12-1-89) EXT: $\frac{SW}{4}$ SEC 26 (R-9095, 1-1-90)

Ext: $\frac{SE}{4}$ Sec. 27 (R-9271, 8-28-90) EXT: $\frac{SW}{4}$ Sec. 25, $\frac{SE}{4}$ Sec. 26 (R-9585, 9-30-91)

Ext: $\frac{S}{2}$ Sec. 24 (R-11475, 10-24-00) EXT: $\frac{NE}{4}$ Sec. 24 (R-11728, 2-20-02)

CMD : ONGARD 05/31/02 07:23:58
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPIW

API Well No : 30 25 35815 Eff Date : 02-09-2002 WC Status : A
Pool Idn : 47510 NADINE;DRINKARD-ABO
OGRID Idn : 25482 XERIC OIL & GAS CORP
Prop Idn : 27462 HERRADURA

Well No : 002
GL Elevation: 3597

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	:	O	15	19S	38E	FTG 850 F S FTG 1650 F E	A
Lot Identifier:							
Dedicated Acre:	40.00						
Lease Type	:	P					
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :							

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GOTO	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 05/31/02 07:24:06
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPIW
Page No : 1

API Well No : 30 25 35815 Eff Date : 02-09-2002
Pool Idn : 47510 NADINE;DRINKARD-ABO
Prop Idn : 27462 HERRADURA Well No : 002
Spacing Unit : 55894 OCD Order : Simultaneous Dedication:
Sect/Twp/Rng : 15 19S 38E Acreage : 40.00 Revised C102? (Y/N) :
Dedicated Land:

S Base U/L Sec Twp Rng Acreage L/W Ownership Lot Idn

O 15 19S 38E 40.00 N FE

E0005: Enter data to modify or PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 05/31/02 07:24:19
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPIW
Page No: 1

OGRID Identifier :
Pool Identifier : 47510 NADINE;DRINKARD-ABO
API well No : 30 25 35815 Report Period - From : 01 2000 To : 04 2002

API well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water Stat
-----	-----	-----	-----

Reporting Period Total (Gas, Oil) : -----

E6485: There was no prodn for the well/pool in given prd
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD 05/31/02 07:24:35
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPIW

API Well No : 30 25 35633 Eff Date : 07-30-2001 WC Status : A
Pool Idn : 47510 NADINE;DRINKARD-ABO
OGRID Idn : 25482 XERIC OIL & GAS CORP
Prop Idn : 27462 HERRADURA

Well No : 001
GL Elevation: 3604

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	:	P	15	19S	38E	FTG 850 F S FTG 330 F E	A
Lot Identifier:							
Dedicated Acre:	40.00						
Lease Type	:	P					
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :							

M0025: Enter PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD : ONGARD
OG6ACRE C102-DEDICATE ACREAGE

05/31/02 07:24:42
OGOMES -TPIW
Page No : 1

API Well No : 30 25 35633 Eff Date : 07-30-2001
Pool Idn : 47510 NADINE;DRINKARD-ABO
Prop Idn : 27462 HERRADURA
Spacing Unit : 55549 OCD Order :
Sect/Twp/Rng : 15 19S 38E Acreage : 40.00
Dedicated Land: Simultaneous Dedication:
Revised C102? (Y/N) :

S Base U/L Sec Twp Rng Acreage L/W Ownership Lot Idn

P 15 19S 38E 40.00 N FE

E0005: Enter data to modify or PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD :
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

05/31/02 07:24:53
OGOMES -TPIW
Page No: 1

OGRID Identifier : 25482 XERIC OIL & GAS CORP
Pool Identifier : 47510 NADINE;DRINKARD-ABO
API well No : 30 25 35633 Report Period - From : 01 2000 To : 04 2002

API well No	Property Name	Prodn. Days		Production Volumes			Well Stat
		MM/YY	Prod	Gas	Oil	Water	
30 25 35633	HERRADURA	10 01	12		472		F
30 25 35633	HERRADURA	11 01	22	11321	642		F
30 25 35633	HERRADURA	12 01	31	11630	921		F
30 25 35633	HERRADURA	01 02	30	9459	871	119	F
30 25 35633	HERRADURA	02 02	28	7487	728	41	F
30 25 35633	HERRADURA	03 02	31	8001	750	3	F

Reporting Period Total (Gas, Oil) : 47898 4384 163

M0025: Enter PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/31/02 07:22:57
OGOMES -TPIW
PAGE NO: 1

Sec : 15 Twp : 19S Rng : 38E Section Type : NORMAL

D	C	B	A
40.00	40.00	40.00	40.00
SDSV	SDSV		
A01212 0002	A01212 0002		
OCCIDENTAL PERMIA	OCCIDENTAL PERMIA	Fee owned	Fee owned
U	U	U	U
10/18/38	10/18/38		
A	A A	A	A
E	F	G	H
40.00	40.00	40.00	40.00
SDSV			
A01212 0002			
OCCIDENTAL PERMIA	Fee owned	Federal owned	Fee owned
U	U	U	U
10/18/38			
A A	A	A	

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

05/31/02 07:23:06
OGOMES -TPIW
PAGE NO: 2

Sec : 15 Twp : 19S Rng : 38E Section Type : NORMAL

L 40.00 Fee owned U	K 40.00 Fee owned U A	J 40.00 Fee owned U A	I 40.00 Fee owned U A
M 40.00 Fee owned U	N 40.00 Fee owned U P	O 40.00 Fee owned U A	P 40.00 Fee owned U A

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF06
PF12

[illegible]