



[Signature]

N.M. Oil Cons. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM 7724
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Cabal Energy Corporation		7. If Unit or CA Agreement, Name and No. N/A 32105
3a. Address 415 W. Wall, Ste 1700, Midland, TX 79701	3b. Phone No. (include area code) 915-682-0440	8. Lease Name and Well No. Henshaw 7 Fed #1
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1320' FWL & 1110' FSL At proposed prod. zone Same		9. API Well No. 30-015-32676
14. Distance in miles and direction from nearest town or post office* 7.5 miles northwest of the Village of Loco Hills		10. Field and Pool, or Exploratory Wildcat/Chester
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1320'		11. Sec., T., R., M., or Blk. and Survey or Area Section 7, T-16-S, R-30-E
16. No. of Acres in lease 2480'		12. County or Parish Eddy
17. Spacing Unit dedicated to this well 320 Acre (S 1/2 of Sec.7)		13. State New Mexico
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 600'		19. Proposed Depth ±11,100'
20. BLM/BIA Bond No. on file NM 2860		21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3758 GL
22. Approximate date work will start* 2/18/2003		23. Estimated duration 60
24. Attachments Reentry Controlled Water Basin		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>[Signature]</i>	Name (Printed/Typed) Randell K. Ford	Date 1/29/03
Title President		
Approved by (Signature) /S/ JOE G. LARA	Name (Printed/Typed) /S/ JOE G. LARA	Date MAR 07 2003
Title ACTING FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify the 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, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on reverse)

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 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	Pool Name
Property Code	Property Name HENSHAW "7" FED. COM.		Well Number 1
OGRID No. 194930	Operator Name CABAL ENERGY CORPORATION		Elevation 3758'

Surface Location

UL or lot No. N	Section 7	Township 16-S	Range 30-E	Lot Idn	Feet from the 1110	North/South line SOUTH	Feet from the 1320	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

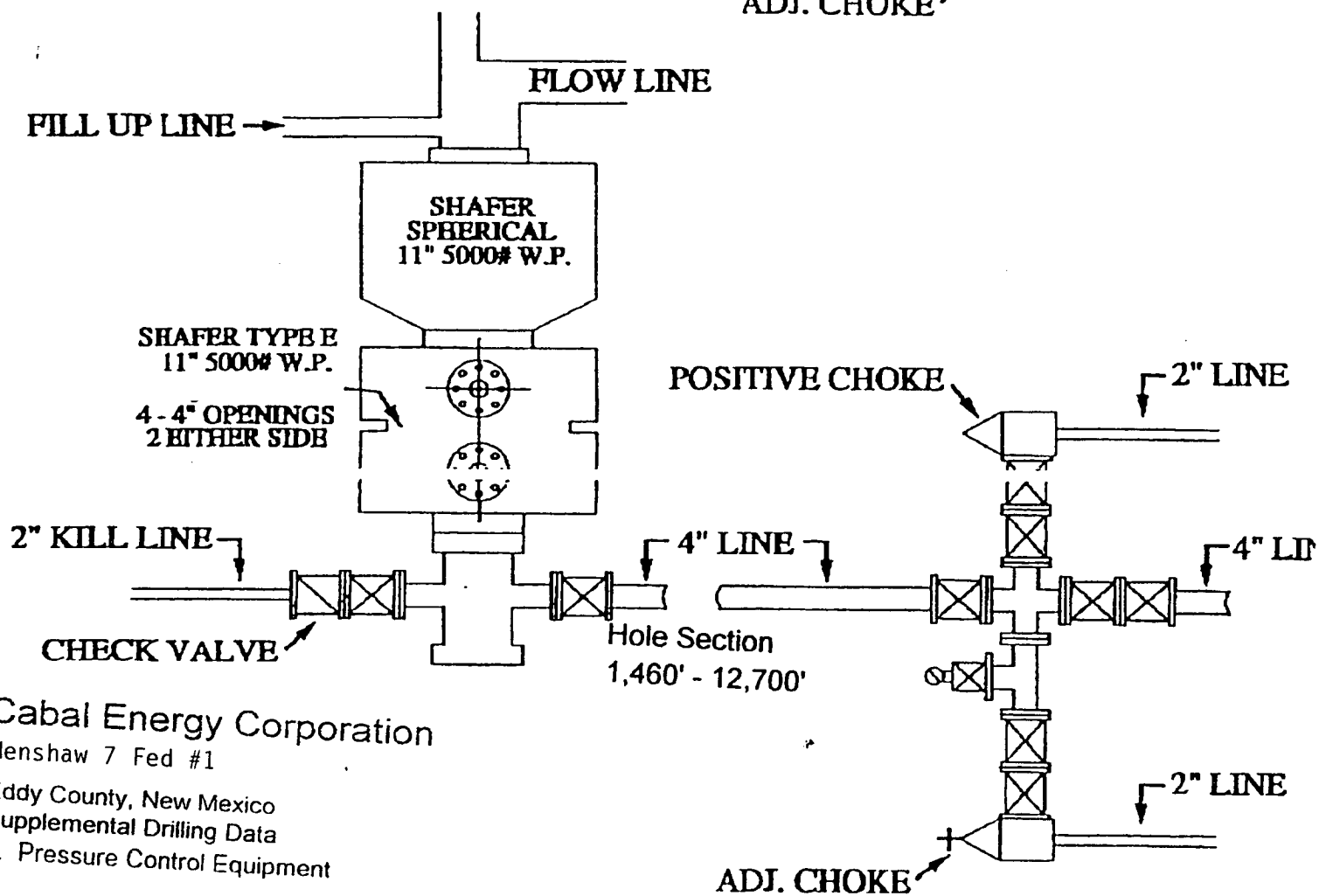
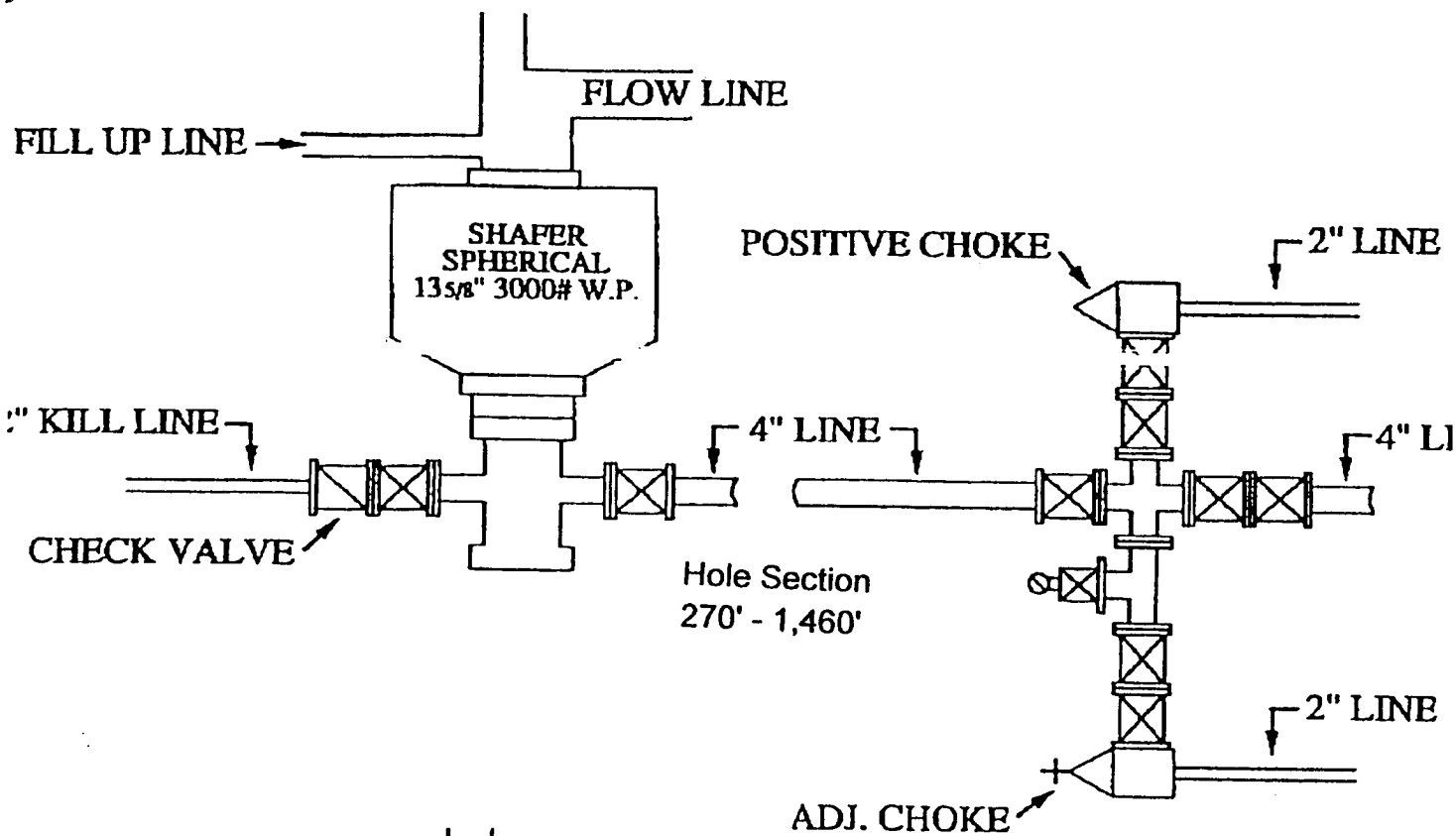
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320		Joint or Infill	Consolidation Code	Order No.					

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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Randell K. Ford Printed Name President Title January 29, 2003 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. JANUARY 24, 2003 Date Surveyed Signature & Seal of Professional Surveyor 03.11.0124 Certificate No. RONALD J. EIDSON 3239 GARY EIDSON 12641	

Exhibit E
Surface Use & Operations Plan

Location has been moved 100' S. per BLM archeologist request since original NOS submitted.



Cabal Energy Corporation
Henshaw 7 Fed #1
Eddy County, New Mexico
Supplemental Drilling Data
5. Pressure Control Equipment