Submit to Appropriate District Office State Lease — 6 copies Fee Lease — 5 copies

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-101 Revised 1-1-89

12 - M 12 - AUN 18 - OP

DISTRICT I P.O. Box 1980, Hobbs, NM 88240 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410 OIL CONSERVATION DIVISION P.O. Box 2088 P.O. Box 2088 P.O. Box 2088 Santa Fe, New Mexico 87504-2088 APP 10 '89 STATE FEE 6. State Oil & Gas Lease No.
DISTRICT II P.O. Drawer DD, Artesia, NM 88210 DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410 APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLACE Santa Fe, New Mexico 87504-2088 5. Indicate Type of Lease STATE STATE FEE 6. State Oil & Gas Lease No.
P.O. Drawer DD, Artesia, NM 88210 APR 10 '89 STATE STATE FEE APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK
DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410 6. State Oil & Gas Lease No. APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK
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1a Time of West.
7. Lease Name or Unit Agreement Name DRILL X RE-ENTER DEEPEN PLUG BACK
b. Type of Well:
OIL GAS SINGLE MULTIPLE ZONE ZONE ZONE
- Foran State
6. WEIL 140.
Morexco, Inc. 1 3. Address of Operator
P. O. Box 481, Artesia, NM 88211-0-81 Grayburg-Jackson SR-Q-G-J.
4. Well Location
Unit Letter H: 2310 Feet From The North Line and 330 Feet From The East Line
Section 16 Township 17S Range 31E NMPM Eddy County
10. Proposed Depth 11. Formation 12. Rotary or C.T.
A000' Rotary
13. Elevations (Show whether DF, RT, GR, etc.) 3860 Grd. 14. Kind & Status Plug. Bond Statewide 15. Drilling Contractor April 12,1989
17. PROPOSED CASING AND CEMENT PROGRAM
SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH SACKS OF CEMENT EST. TOP
12 1/2" 8 5/8" 23# 350' Sufficient to circulate
7 7/8" 5 1/2" 10.5-15.5# 4000' Sufficient to circulate
Plan to spud test well on or before April 12, 1989 with a 12 1/2" bit. Set 350' of 8 5/8" with sufficient cement to circulate to surface. Drill out with a 7 7/8" bit with 10# brine to a depth of 4000' or less. If commercial shows are present, 5 1/2" casing will be set with cement sufficient to circulate to surface. If dry hole, proper plugs will be set as directed by the N.M.O.C.D.

mme Production Clerk

(This space for State Use)

TYPE OR PRINT NAME

SIONATURE

Original Signed By

Rebecca Olson

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

Mike Williams mrs

APR 1 2 1989

TELEPHONE NO. 746-6520

DATE 4-10-89

CONDITIONS OF APPROVAL, IF ANY: