

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
OIL CONSERVATION DIV  
811 S 1st ST.  
ARTESIA, NM 88210-2834

Submit in Triplicate\*

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

154

APPLICATION FOR PERMIT TO DRILL, DEEPEN,

1a. Type of Work

DRILL ☒

SEP 3 1996

DEEPEN ☐

PLUG BACK ☐

b. Type of Well

Oil Well ☒

Gas Well ☐

Other ☐

Single Zone ☒

Multiple Zone ☐

2. Name of Operator Pendragon Energy Partners, Inc.

145295

3. Address of Operator

621 17th St., Suite 750, Denver CO, 8129

4. Location of Well

At surface: 2,283' FWL\1,564' FNL Sec 26, T17S-R30E Eddy County

At proposed depth SAME

UNIT F

14. Distance in Miles and Direction From Nearest Town Or Post Office

25 miles east of Artesia NM

15. Distance From Proposed\*

Location to Nearest Property or Lease Line, ft. 1564' FNL

16. No of Acres in Lease

40

17. No of Acres Assigned to This Well

20

18. Distance From Proposed Location to Nearest Well, Drilling, Completed, or Applied for, On This Lease, ft.

19. Proposed Depth

3,325'

20. Rotary or Cable Tools

ROTARY

21. Elevations (show whether DF, RT, GR, etc.)

3,634

22. Approx Date Work Will Start

Oct 20, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Quantity of Cement
12.250	8 5/8"	24.0 J55-STC	545	275 SXS
7.875	5 1/2"	17.0 J55-LTC	3,325	200 SXS

PROPOSED DRILLING & COMPLETION PROGRAM

- MIRU, Drill 12.25" Hole to 545', Set 8 5/8" Casing & Cement to Surface.
- NU BOP & Test to APD Specifications, Drill 7 7/8" Hole to +/- 3,325' Set & Cement 5 1/2" Production Casing to Surface. MIRU Completion Equipment and Complete a Pumping Oil Well According to Good Operating Practices.
- Install Production Facilities and Commence Production into Existing Processing Facilities.

CERTIFICATION:

I HEREBY CERTIFY THAT I AM RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE OPERATION IN CONJUNCTION WITH THE APPLICATION. BOND COVERAGE PURSUANT TO 43 CFR 3104 FOR LEASE ACTIVITIES IS BEING PROVIDED BY PENDRAGON ENERGY PARTNERS, INC. UNDER THEIR STATEWIDE SURETY BOND NO. 9009300.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: if proposal is to deepen or plug back, give data on present productive zone and proposed new 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 John Luchetta *Luchetta* Title Agent Date Aug 29, 1996

Permit No. Approval Date

Approved By: */s/ Gary Bowers* Title AGENT *Acting /* Date OCT 2 1996

conditions of approval, if any:

\* See Instructions On Reverse Side

Title 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 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 86211-0719

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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29200	Pool Code 28509	Pool Name Grayburg-Jackson (TRUS-RN)-6B-3A
Property Code	Property Name GRAYBURG - JACKSON UNIT	Well Number 105
OGRID No.	Operator Name PENDRAGON ENERGY PARTNERS, INC.	Elevation 3634

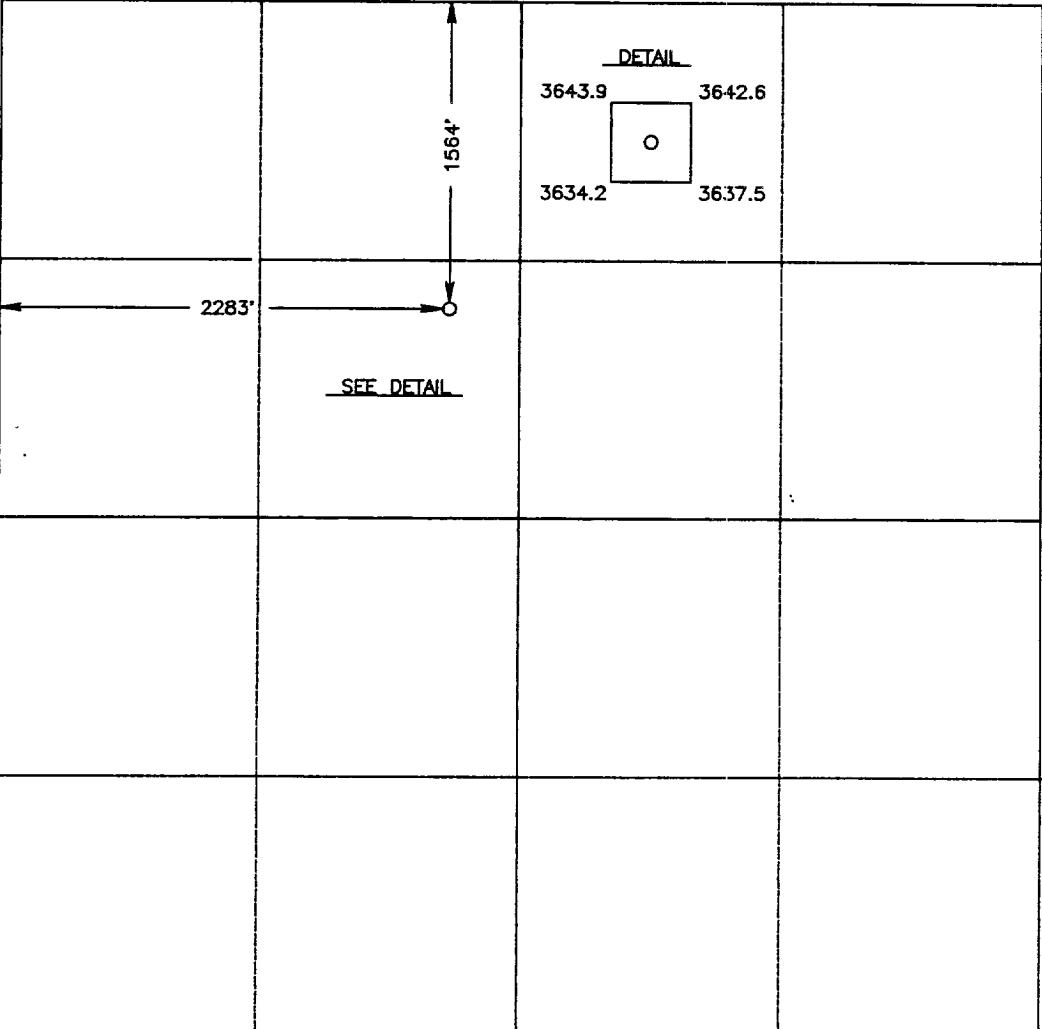

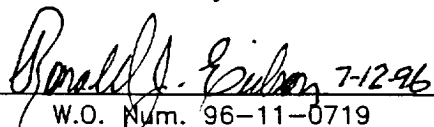
Surface Location

UL or lot No. F	Section 26	Township 17-S	Range 30-E	Lot Idn	Feet from the 1564'	North/South line NORTH	Feet from the 2283'	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 4.0	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

	<b>OPERATOR CERTIFICATION</b> <i>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature JOHN LUCHETTA Printed Name AGENT Title AUGUST 29, 1996 Date	
	<b>SURVEYOR CERTIFICATION</b> <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> JULY 3, 1996 Date Surveyed Signature & Seal of Professional Surveyor  W.O. Num. 96-11-0719 Certificate No. JOHN W. WEST 676 RONALD J. EIDSON 3239 GARY EIDSON 12641	

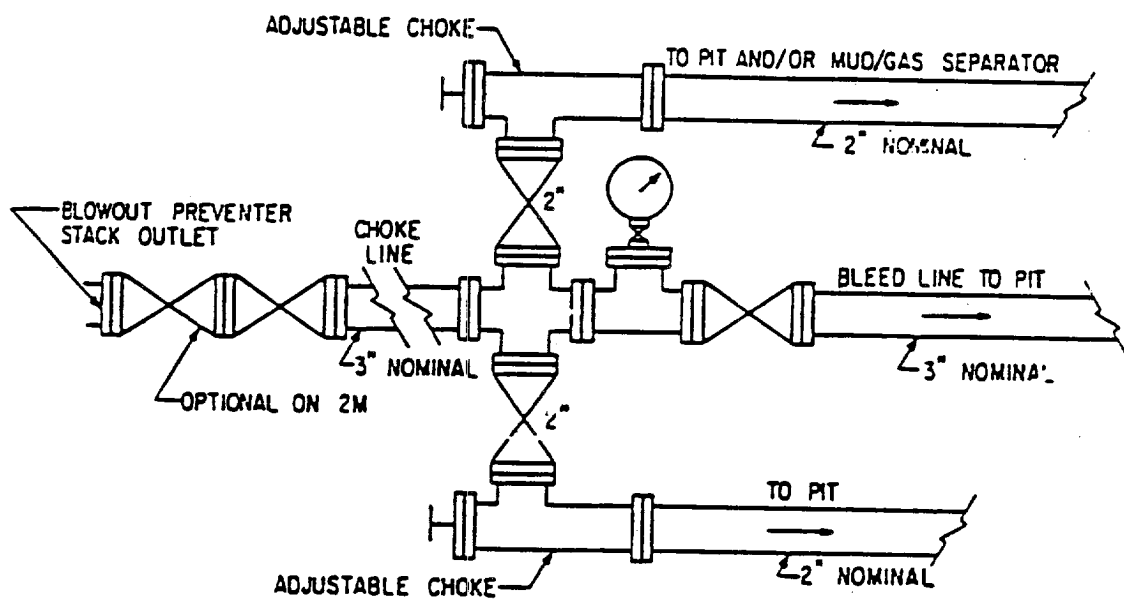


FIG. 3.A.1  
 TYPICAL CHOKE MANIFOLD ASSEMBLY  
 FOR 2M AND 3M RATED WORKING  
 PRESSURE SERVICE — SURFACE INSTALLATION