

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN 1. PLICATE*
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 96248
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---
2. NAME OF OPERATOR PENROC OIL CORPORATION		7. UNIT AGREEMENT NAME ---
3. ADDRESS AND TELEPHONE NO. P. O. BOX 5970, HOBBS, NM 88241 (505) 397-3596		8. FARM OR LEASE NAME, WELL NO. BARNES FEDERAL NO. 1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 330' FNL 1650 FEL At proposed prod. zone SAME AS SURFACE 13		9. API WELL NO. 30-025-21759
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 1.5 MILES NORTHEAST OF CROSSROADS, NEW MEXICO		10. FIELD AND POOL, OR WILDCAT WILDCAT ABO
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330 FNL	16. NO. OF ACRES IN LEASE 280	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 24-09-35
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT. NONE	19. PROPOSED DEPTH 9000	12. COUNTY OR PARISH LEA
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4113'		13. STATE NM
23. PROPOSED CASING AND CEMENTING PROGRAM		20. ROTARY OR CABLE TOOLS PULLING UNIT
22. APPROX. DATE WORK WILL START* WITHIN 45 DAYS OF APP VAL		

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/4"	13 3/8"	46	458	475 sxs.
12 1/4"	8 5/8"	20-24	4910	2775 sxs.
7 7/8"	5 1/2"	17	9719	250 sxs.

Propose to remove dry hole marker. Rig up well servicing unit, BOP and reverse unit with steel pit. Drill out surface plug (10 sxs), 50 sxs. plug at 2200', 60 sxs. plug at 4900' and 35 sxs. plug at 8400'. Circulate hole clean to 9200'. Set CIBP at 9200' w/ 35' cement on top. Load hole with fluid and run cement bond log to at least cover the proposed pay and above. If CBL good, run CNL from 9000-8700'. Est perms: 8816-79'. Swab test. If necessary acidize. If commercial, put on production.

OPER. OGRID NO. 17213

PROPERTY NO. 27862

POOL CODE

DATE 5-1-01

30-025-21759

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

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.

SIGNED [Signature] TITLE PRESIDENT DATE 12/26/00
(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 15/ Joe G. Lora FILE FILE DATE DATE

*See Instructions On Reverse Side