

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

Form C-101  
Revised 10-1-78

|                        |  |
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P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

NOV 05 1981

OIL CONSERVATION DIVISION  
SANTA FE

API # 30-037-20024

|                                           |                              |
|-------------------------------------------|------------------------------|
| 1A. Indicate Type of Lease                |                              |
| STATE <input checked="" type="checkbox"/> | FEE <input type="checkbox"/> |
| 3. State Oil & Gas Lease No.              |                              |
| 69-002                                    |                              |

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|                                                                                                                                                                                           |                          |                                |                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------------|----------------|
| 1a. Type of Work                                                                                                                                                                          |                          | 7. Unit Agreement Name         |                |
| DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>                                                                              |                          | -                              |                |
| b. Type of Well                                                                                                                                                                           |                          | 8. Farm or Lease Name          |                |
| OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> |                          | State                          |                |
| 2. Name of Operator                                                                                                                                                                       |                          | 9. Well No.                    |                |
| NUCORP ENERGY, INC.                                                                                                                                                                       |                          | 1                              |                |
| 3. Address of Operator                                                                                                                                                                    |                          | 10. Field and Pool, or Wildcat |                |
| 1250 N. E. Loop, Suite 400, San Antonio, Texas 78209                                                                                                                                      |                          | Wildcat                        |                |
| 4. Location of Well                                                                                                                                                                       |                          | 12. County                     |                |
| UNIT LETTER <u>P</u> LOCATED <u>850</u> FEET FROM THE <u>South</u> LINE<br>AND <u>500</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>24</u> TWP. <u>13N</u> RGE. <u>31E</u> NMPM           |                          | Quay                           |                |
| 11. Elevations (Show whether DF, RT, etc.)                                                                                                                                                |                          | 19. Proposed Depth             | 19A. Formation |
| 3819.3 Gr.                                                                                                                                                                                |                          | 3500'                          | Granite Wash   |
| 21A. Kind & Status Plug. Bond                                                                                                                                                             | 21B. Drilling Contractor | 20. Rotary or C.T.             |                |
| Blanket                                                                                                                                                                                   | Swanson Drilling Co.     | Rotary                         |                |
| 22. Approx. Date Work will start                                                                                                                                                          |                          | December 15, 1981              |                |

23. PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|----------|
| 12-1/4"      | 8-5/8"         | 24#             | 500           | 270             | surface  |
| 7-7/8"       | 4-1/2"         | 11.6            | 3500          | 250             | 1000'    |

Blowout preventors : 8" Series 900 Bladder Type - Dorland Manufacturing  
Completion to be conventional perforation and treatment.  
Acreage is not covered by existing gas contract.

APPROVAL VALID FOR 90 DAYS  
PERMIT EXPIRES 2-3-82  
UNLESS DRILLING UNDERWAY

OIL CONSERVATION COMMISSION TO BE NOTIFIED  
WITHIN 24 HOURS OF BEGINNING OPERATIONS

4. ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed R. H. Denman Title Vice President Engineering Administration Date 11/2/81

(This space for State Use)

APPROVED BY Carl Wilcox TITLE SENIOR PETROLEUM GEOLOGIST DATE 10/5/81

CONDITIONS OF APPROVAL, IF ANY:

COLLECT AND CASH SAMPLES FOR  
NEW MEXICO BUREAU OF MINES, SOCORRO  
AT AT LEAST TEN FOOT INTERVALS