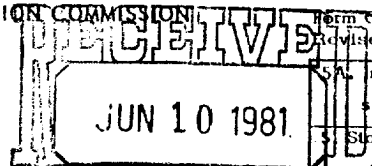


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NEW MEXICO OIL CONSERVATION COMMISSION



Form O-101  
Revised 1-1-65

5. Indicate Type of Lease  
STATE ☐ FEE ☒  
6. State Oil & Gas Lease No.

OIL CONSERVATION DIVISION

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|                                                                                                                                                                                                                         |                               |                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------------------|
| 1a. Type of Work<br>DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>                                                                                        |                               | 7. Unit Agreement Name                    |
| b. Type of Well<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> |                               | 8. Farm or Lease Name<br>Addison          |
| 2. Name of Operator<br>BLUE QUAIL ENERGY, INC.                                                                                                                                                                          |                               | 9. Well No.<br>1                          |
| 3. Address of Operator<br>Suite 1223<br>%Morris B. Jones, First Interstate Bank Bldg., Albuquerque, NM 87101                                                                                                            |                               | 10. Field and Pool, or Wildcat<br>Wildcat |
| 4. Location of Well<br>UNIT LETTER G LOCATED 2310 FEET FROM THE North LINE<br>AND 1980 FEET FROM THE East LINE OF SEC. 13 TWP. 2N RGE. 7E NMPM                                                                          |                               | 12. County<br>Torrance                    |
| 19. Proposed Depth<br>4000                                                                                                                                                                                              |                               | 19A. Formation<br>Pennsylvanian           |
| 20. Rotary or C.T.<br>Rotary                                                                                                                                                                                            |                               |                                           |
| 21. Elevations (Show whether DF, RT, etc.)<br>6680 Gr.                                                                                                                                                                  | 21A. Kind & Status Plug. Bond | 21B. Drilling Contractor<br>Stewart Bros. |
| 22. Approx. Date Work will start<br>June 15, 1981                                                                                                                                                                       |                               |                                           |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP  |
|--------------|----------------|-----------------|---------------|-----------------|-----------|
| 13 1/2       | 10 3/4         | 52.5            | 200           | 100             | Circulate |
| 7 7/8        | 5 1/2          | 15.5            | 4000          | 150             | 3200      |

Plan to spud 13 1/2" hole and drill to 210' and set 200 feet of 10 3/4" casing with sufficient cement to circulate to surface. Drill 7 7/8" hole to a total depth of 4000' or depth sufficient to test the Pennsylvanian formation. Appropriate logs will be run and if production is indicated, will run 5 1/2" casing to total depth, cement with 150 sxs of cement, perforate and stimulate if required.

Double Gate Hydraulic BOP tested to 3000 psi will be on well during all drilling operations.

IN 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.

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

Signed Morris B. Jones Title Morris B. Jones, Engineer Date June 3, 1981

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY: