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NEW MEXICO OIL CONSERVATION COMMISSION

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AUG 6 1979

O. C. C.
ARTESIA OFFICE

30-015-22981

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease	
STATE <input type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. B-2613	
7. Unit Agreement Name	
8. Farm or Lease Name New Mexico "DC" State	
9. Well No. 3	
10. Field and Pool, or Wildcat Grayburg-Julesburg (G-B-S-A)	
12. County Eddy	
19. Proposed Depth 3900	19A. Formation Grayburg, S.A.
20. Rotary or C.T. Rotary	
21. Elevations (Show whether DF, RT, etc.) 3995	22. Approx. Date Work will start 10-1-79

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK			
1a. Type of Work			
b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			
c. Name of Operator Kennedy Oil Company, Inc.			
d. Address of Operator Box 151 Artesia, N.M. 88210			
e. Location of Well UNIT LETTER I LOCATED 1650 FEET FROM THE South LINE AND 300 FEET FROM THE East LINE OF SEC. 2 TWP. 17S RGE. 31E NMPM			
21. Elevations (Show whether DF, RT, etc.) 3995			
21A. Kind & Status Plug. Bond State Wide		21B. Drilling Contractor WEK Drilling Co.	
22. Approx. Date Work will start 10-1-79			

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11"	8 5/8"	24	775	250	Circulate
7 7/8"	5 1/2"	15.5	3900	350	1850'

Propose to drill with Rotary Tools thru the Grayburg and the Lovington Sand member of the San Andres Formation.

Propose to drill with water and native mud, hole will be mudded up prior to reaching total depth. A 3,000" blowout prevention will be used.

Propose to run production casing, perforate, and stimulate porous zones of interest.

APPROVAL AND
FOR 90 DAYS UNLESS
DRILLING COMMENCED,

EXPIRES 11-8-79

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 _____ Title President Date _____

(This space for State Use)

APPROVED BY W. A. Gussatt TITLE SUPERVISOR, DISTRICT II DATE AUG 8 1979

CONDITIONS OF APPROVAL, IF ANY: