

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. LC 029395-B	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> IN-FILL WELL <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---	
2. NAME OF OPERATOR AVON ENERGY CORPORATION			7. UNIT AGREEMENT NAME ---	
3. ADDRESS OF OPERATOR P.O. Box 38 Loco Hills, New Mexico 88255			8. FARM OR LEASE NAME Turner "B"	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 160' FSL 1370' FWL, Sec. 17-17S-31E At proposed prod. zone Same			9. WELL NO. 104	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 5.3 air miles ENE of Loco Hills, New Mexico			10. FIELD AND POOL, OR WILDCAT Grayburg-Jackson	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1370'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 17-17S-31E	
16. NO. OF ACRES IN LEASE 1786.15			12. COUNTY OR PARISH Eddy	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			13. STATE N.M.	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 750'±			20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, CR, etc.) 3672' GL.			22. APPROX. DATE WORK WILL START* As Soon As Possible	

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24.0# J-55	600'±	300 sx Class C (Circulate)
7-7/8"	5-1/2"	15.5# K-55	3700'±	200 sx Class C + 600 sx Lite
				(Tie Back To 8-5/8")

Propose to drill to about 3700' and complete as an in-fill non-standard Grayburg producer. State approval of the unorthodox location is pending. Set 5-1/2" production casing to TD, cemented with sufficient cement to isolate all porosity zones. Selectively perforate favorable Grayburg zones.

Run 2-7/8" tubing to perforations and treat formation with 15% HCL. Sand-frac formation and test to tanks.

See attached Drilling Data and Surface Use Plan.

The surface grazing lessee has been advised of the proposed operation.

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. 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 <u>Jerry M. Long</u> TITLE <u>Permit Agent</u> DATE <u>February 15, 1991</u>	
(This space for Federal or State office use)	
PERMIT NO. _____	APPROVAL DATE _____
APPROVED BY _____	TITLE _____
DATE <u>3-29-91</u>	

APPROVAL SUBJECT TO:  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

\*See Instructions On Reverse Side

ATTACHED  
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.