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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

OCT -5 '89

|   |                      |  |                       |                                    |                     |
|---|----------------------|--|-----------------------|------------------------------------|---------------------|
| APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK   |                      |  |                       |                                    |                     |
| 1a. Type of Work:<br>DRILL <input type="checkbox"/> RE-ENTER <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>   |                      |  |                       |                                    |                     |
| b. Type of Well:<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>                     |                      |  |                       |                                    |                     |
| 2. Name of Operator<br>Arch Petroleum Inc.  |                      |  |                       |                                    |                     |
| 3. Address of Operator<br>Suite IIA, 777 Taylor St., Ft. Worth, Tx. 76102   |                      |  |                       |                                    |                     |
| 4. Well Location<br>Unit Letter <u>P</u> : <u>246</u> Feet From The <u>South</u> Line and <u>878</u> Feet From The <u>East</u> Line<br>Section <u>32 29</u> Township <u>18 South</u> Range <u>28 East</u> NMPM <u>Eddy</u> County |                      |  |                       |                                    |                     |
| 10. Proposed Depth<br>2049  |                      | 11. Formation<br>1st. Grayburg                 |                       | 12. Rotary or C.T.<br>Rotary       |                     |
| 13. Elevations (Show whether DF, RT, GR, etc.)<br>3540 GR   |                      | 14. Kind & Status Plug. Bond<br>Active Blanket |                       | 15. Drilling Contractor<br>Unknown |                     |
| 16. Approx. Date Work will start<br>10-16-89  |                      |  |                       |                                    |                     |
| 17. PROPOSED CASING AND CEMENT PROGRAM  |                      |  |                       |                                    |                     |
| SIZE OF HOLE<br>7½  | SIZE OF CASING<br>4½ | WEIGHT PER FOOT<br>9.50                        | SETTING DEPTH<br>2049 | SACKS OF CEMENT<br>500             | EST. TOP<br>surface |

Drill with rotary tools to TD, Run 4½ casing and cement back to surface. Perf. and Frac Well.

Note: 254' 10" left in well.  
338' 8½" left in well.

Bit size limited by ID of 8½" casing left in hole.

Post ID-1  
10-13-89  
New-LOC.

Former Well - 1st

11.647 #18

ATL-2049 10-13-89 10-13-89

APPROVAL VALID FOR 180 DAYS  
EXPIRES 4-6-90  
WELLS DRILLING UNDERWAY

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.

SIGNATURE Jim B. Paschall TITLE V. P. Operations

DATE 10-3-89

TYPE OR PRINT NAME Jim B. Paschall

817 332 9209  
TELEPHONE NO.

(This space for State Use)

ORIGINAL SIGNED BY  
MIKE WILLIAMS

APPROVED BY SUPERVISOR, DISTRICT II

TITLE

DATE

OCT 6 1989

CONDITIONS OF APPROVAL, IF ANY:

Notify N.M.O.C.C. in sufficient time to witness

Re-entry

|                           |            |
|---------------------------|------------|
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| TRANSPORTER               | OIL<br>GAS |
| PRODUCTION OFFICE         |            |
| OPERATOR                  |            |

**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

FORM C-128  
 Revised 5/1/57

*WR*

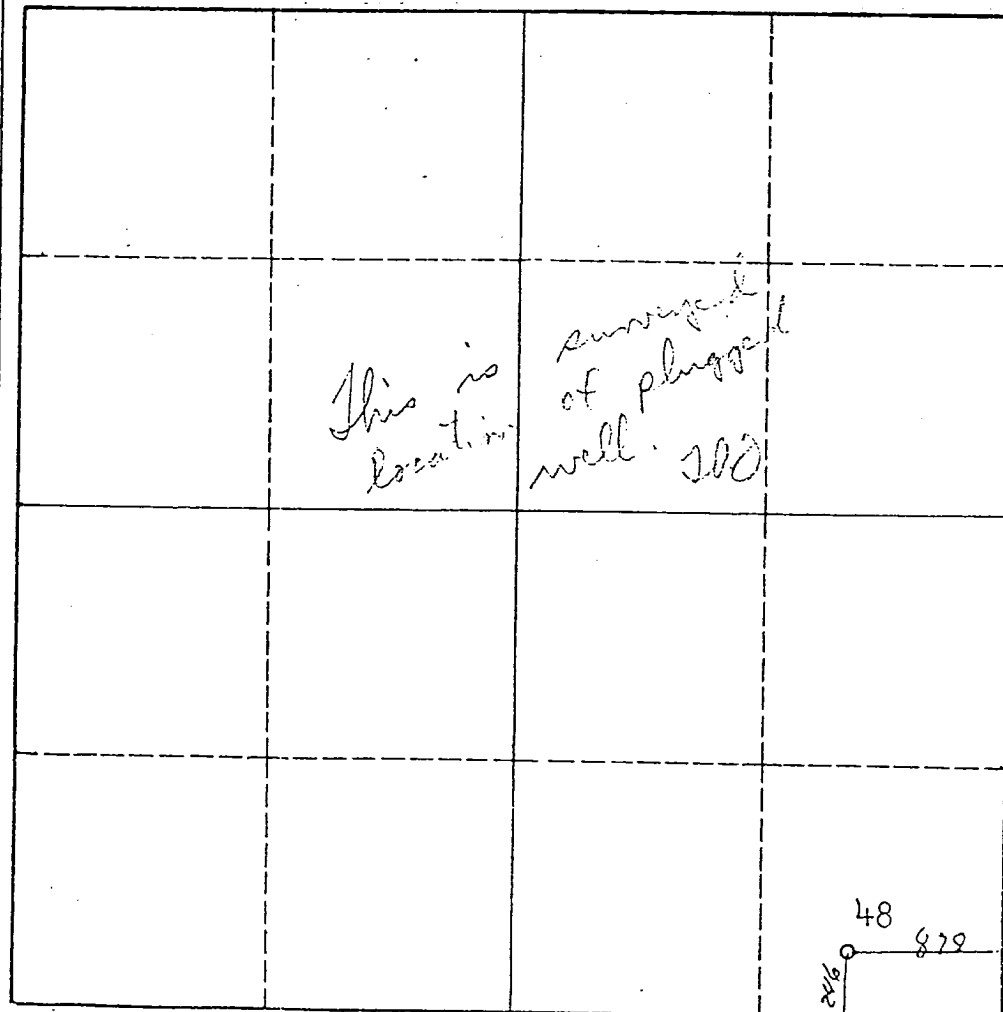
**SECTION A**

|  |  |                                    |                                       |                       |
|--|--|------------------------------------|---------------------------------------|-----------------------|
| Operator<br><b>Graridge Corporation</b>  |  | Lease<br><b>Resler Yates State</b> |                                       | Well No.<br><b>48</b> |
| Unit Letter<br><b>P</b>  | Section<br><b>29</b>                       | Township<br><b>18South</b>         | Range<br><b>28East</b>                | County<br><b>Eddy</b> |
| Actual Footage Location of Well:<br><b>246</b> feet from the <b>South</b> line and <b>878</b> feet from the <b>East</b> line |  |                                    |                                       |                       |
| Ground Level Elev.<br><b>3540</b>  | Producing Formation<br><b>1st Grayburg</b> | Pool<br><b>Artesia</b>             | Dedicated Acreage:<br><b>40</b> Acres |                       |

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES \_\_\_\_\_ NO \_\_\_\_\_. ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES \_\_\_\_\_ NO \_\_\_\_\_. If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

| Owner | Land Description |
|-------|------------------|
|       |                  |
|       |                  |

**SECTION B**



**CERTIFICATION**

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

|          |
|----------|
| Name     |
| Position |
| Company  |
| Date     |

I hereby certify that the well location shown on the plat in SECTION B was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

|   |
|---|
| Date Surveyed<br><b>6/25/62</b>   |
| Registered Professional Engineer and/or Land Surveyor<br><i>John A. Muthers Jr.</i> |
| Certificate No.<br><b>7502</b>  |

