Submit to Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies

State of New Mexico y, Minerals and Natural Resources Departme.

C/51m	
Form C-101 Revised 1-1-89	_

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

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

OIL	CO	NSE	R	VA	TIC	N	DIV	ISI	ON

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

API NO. (ssigned by	OCD on New	Wells)	
30-	015-	29215		
	Type of L			
		STATE	FEE	X

		6. State Oil & Ga	80 LA-10.	
1000 Rio Brazos Rd., Aztec, NM 87410				
TO PAILL DEEPEN, C	R PLUG BACK			
The same of the sa	7	7. Lease Name of	r Unit Agreement Name	
	PLUG BACK		1241	
OCT 10 1935	MULTIPLE	_ Ballard (
ZONE	ZONE	San Andre	es Unit, Tract #25	
YIII (CANNI DAY	/_	8. Well No.		
	00817	5		
DIST. 2		1	Wildcat 39520	
NM 88255		Loco Hills	s, Queen, Grayburg S	
From The South	Line and	.200 Feet From	The East Line	
7.0.				
waship 18S Rai	nge 29E	NMPM	Eddy County	
waship 18S Rau 10. Proposed Depth 3200 '		1. Formation	Eddy County 12. Rotary or C.T. A Rotary	
10. Proposed Depth		1. Formation Grayburg & Sector 16. A	12. Rotary or C.T.	
10. Proposed Depth 3200'	15. Drilling Contract	1. Formation Frayburg & Stator 16. / Mi	12. Rotary or C.T. SA Rotary Approx. Date Work will stan	
10. Proposed Depth 3200' 14. Kind & Status Plug. Bond Blanket	15. Drilling Contract ND CEMENT PRO SETTING DEPTH	1. Formation Grayburg & Stor 16.4 Mi	12. Rotary or C.T. SA Rotary Approx. Date Work will stant. And November, 1996	
10. Proposed Depth 3 2 0 0 ¹ 14. Kind & Status Plug. Bood Blanket PROPOSED CASING AN WEIGHT PER FOOT 2 4 #	15. Drilling Contract ID CEMENT PROSETTING DEPTH 330'	1. Formation Frayburg & Stor 16.4 Mi	12. Rotary or C.T. ROTARY Approx. Date Work will stant. Id November, 1996 MENT EST. TOP Surface	
10. Proposed Depth 3 2 0 0 ' 14. Kind & Status Plug. Bond Blanket PROPOSED CASING AN WEIGHT PER FOOT	15. Drilling Contract ND CEMENT PRO SETTING DEPTH	1. Formation Grayburg & Stor I6. / Mi GRAM H SACKS OF CE	12. Rotary or C.T. SA Rotary Approx. Date Work will stant. Id November, 1996 MENT EST. TOP	
_	OCT 10 19 DOTALION OCT NM 88255	ER DEEPEN PLUG BACK ON OCT 10 1955 MULTIPLE ZONE ZONE ZONE ZONE ZONE ZONE ZONE ZON	7. Lease Name of OCT 10 Spring PLUG BACK Ballard San Andre Sone 000817 Ballard San Andre San An	

*Cement will be circulated to surface on all casing strings.

Anadarko Petroleum Corp plans to drill to 3200'+/- to test the grayburg and San Andres Formation for commercial quantities of oil. If the well is deemed non-commercial, the wellbore will be plugged and abandoned per State & Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Exhibit #1 - Blowout Prevention Equipment

Exhibit #2 - Location and Elevation Plat

Exhibit #3 - Planned Access Roads

Exhibit #4 - Wells Within a One Mile Radius

Exhibit #5 - Production Facilities Plan

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described above.

Post #D-1 10-18-96 Men Loc + API

DATE 10/15/96

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 be	elief.	
SKINATURE TITLE	Field Foreman	10-08-96
Mike Braswell		505/677-2411
TYPE OR PRINT NAME		TELEPHONE NO.
(This space for State Use ORIGINAL SIGNED BY TIM W. GUM DISTRICT IS BUPERVISOR		1. 11.5 19.1

CONDITIONS OF AFPROVAL, IF ANY:

APPROVED BY

Permit expires 10/15/97