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NEW MEXICO OIL CONSERVATION DIVISION **RECEIVED**
30-015-26037
Form C-101
Revised 1-1-65

DEC 02 '88
O. C. D.
ARTESIA, OFFICE

5A. Indicate Type of Lease	
STATE <input checked="" type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No.	
K-4222	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> 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"/>		8. Farm or Lease Name JMD State	
2. Name of Operator Morexco, Inc.		9. Well No. 2	
3. Address of Operator P. O. Box 481, Artesia, NM 88210		10. Field and Pool, or Wildcat W. Millman GR	
4. Location of Well UNIT LETTER <u>L</u> LOCATED <u>1650</u> FEET FROM THE <u>South</u> LINE AND <u>330</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>12</u> TWP. <u>19S</u> RGE. <u>27E</u> NMPM		12. County Eddy	
19. Proposed Depth 2000'		19A. Formation	
20. Rotary or C.T. Rotary		21. Elevations (Show whether DF, RT, etc.) 3472' Grd.	
21A. Kind & Status Plug. Bond Blanket		21B. Drilling Contractor United Drilling	
22. Approx. Date Work will start December 5, 1988			

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/2"	8 5/8"	24#	310'	200 SXS.	
7 7/8"	5 1/2"	10.5-15.5#	2000'	600 SXS.	

Plan to spud West Millman Grayburg test on or before December 5, 1988 with a 12 1/2" bit. Set 310' of 8 5/8" with 200 sxs. Drill out with a 7 7/8" bit with 10# brine to a depth of 2000' or less. If any commercial shows are present, 5 1/2" casing will be set with 600 sxs. and circulated to the surface. If dry hole, proper plugs will be set as prescribed by the New Mexico Oil Conservation Division.

Past ID-1
 NL & API
 12-9-88

APPROVAL VALID FOR 180 DAYS
 PERMIT EXPIRES 6/5/89
 UNLESS 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.

Signed Rebecca J. Olson Title Agent Date 12-1-88

(This space for State Use)

Original Signed By

APPROVED BY Mike Williams TITLE DATE DEC 5 1988

CONDITIONS OF APPROVAL, IF ANY:

the 8 5/8" casing

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

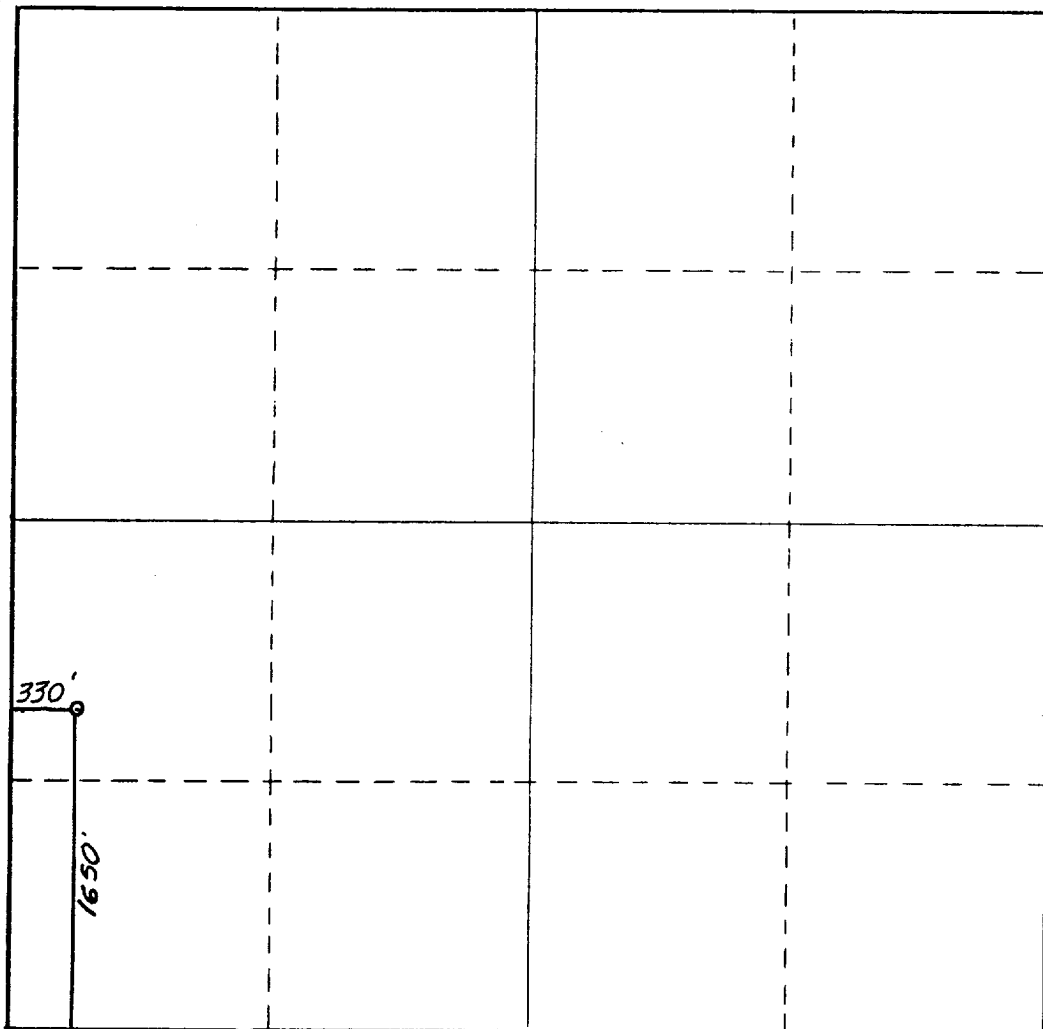
Operator MOREXCO, INC.			Lease J M D State			Well No. 2
Unit Letter L	Section 12	Township 19 South	Range 27 East	County Eddy County, N.M.		
Actual Footage Location of Well: 16 50 feet from the South line and 330 feet from the West line						
Ground Level Elev. 3472.	Producing Formation		Pool UND. W. MILLMAN GR.	Dedicated Acreage: 40 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Rebecca J. Olson

Name
Rebecca J. Olson

Position
Agent

Company
Morexco, Inc.

Date
December 1, 1988

DAN R. REDDY
NEW MEXICO
5412
I hereby certify that the well location shown on this plat 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.
REGISTERED PROFESSIONAL ENGINEER

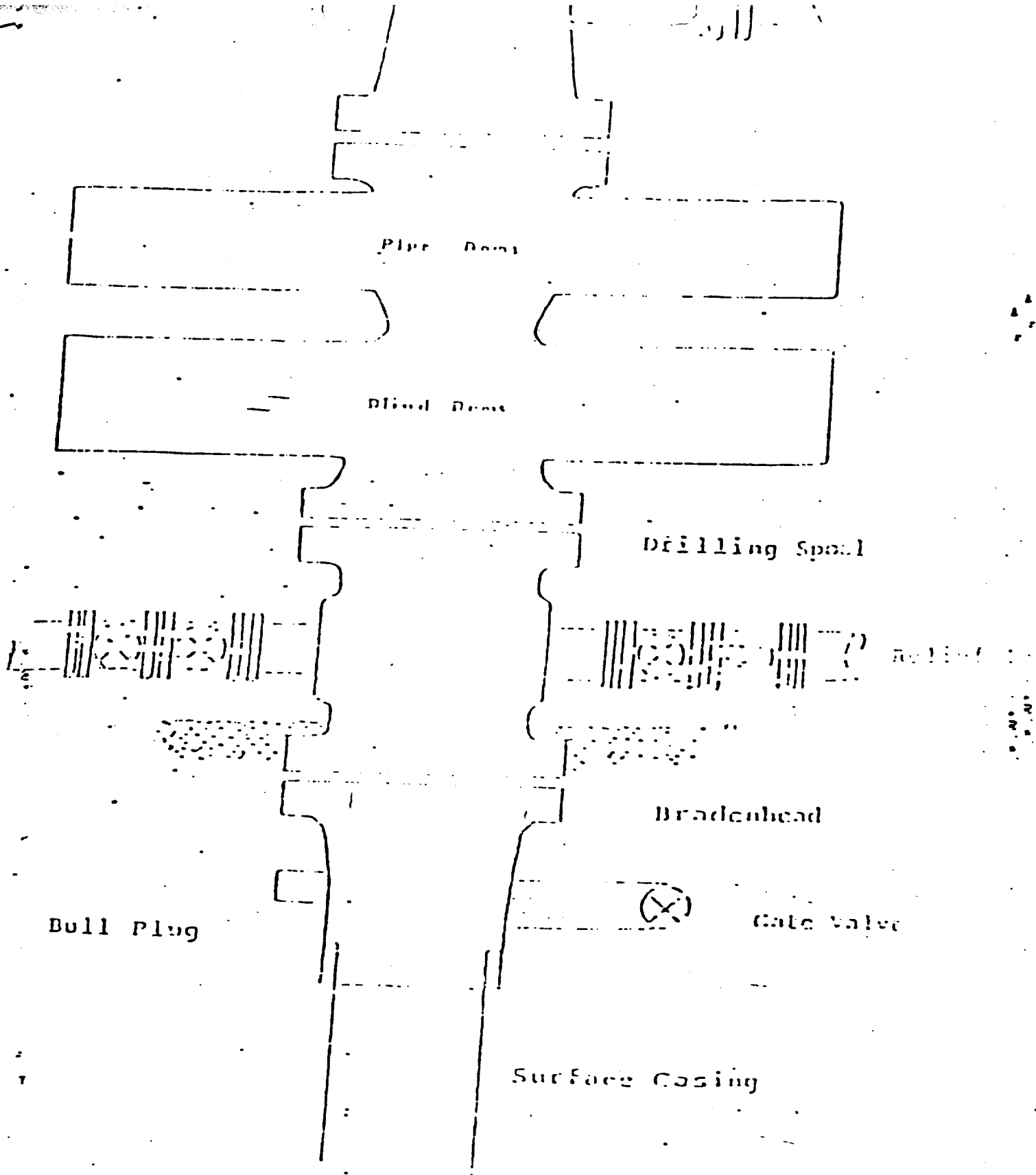
Date Surveyed
November 28, 1988

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.

NM PE&LS NO. 5412





Series 900 Double Gate BOP, rated
at 3000 psi Working Pressure

BLOWOUT PREVENTER ASSEMBLY