

|                 |   |
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JUL 20 1981  
O. C. D.  
ARTESIA OFFICE

5A. Indicate Type of Lease  
STATE ☒ FEE ☐  
5. State Oil & Gas Lease No.  
L-6424

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work  
b. Type of Well  
OIL WELL ☒ GAS WELL ☐ OTHER ☐  
2. Name of Operator  
DINERO OPERATING COMPANY  
3. Address of Operator  
Post Office Drawer 10505, Midland, Texas 79702  
4. Location of Well  
UNIT LETTER C LOCATED 660 FEET FROM THE North LINE  
AND 1980 FEET FROM THE West LINE OF SEC. 32 TWP. 24S RCE. 28E  
19. Proposed Depth  
7,800'  
19A. Formation  
Bone Springs  
20. Rotary or C.T.  
Rotary  
21. Elevations (Show whether DT, RT, etc.)  
3010.5  
21A. Kind & Status Plug. Bond  
Blanket Bond on file  
21B. Drilling Contractor  
J.D.J. Drilling Co.  
22. Approx. Date Work will start  
July 29, 1981

7. Unit Agreement Name  
8. Farm or Lease Name  
Huber State  
9. Well No.  
1  
10. Field and Pool, or Wildcat  
(Wildcat) Bone Spring  
12. County  
Eddy

23. PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|----------|
| 17 1/2       | 13 3/8         | 54#K            | 400           | 450 sx.         | Circ.    |
| 11           | 8 5/8          | 24#K-55         | 2500          | 1250 sx.        | Circ.    |
| 7 7/8        | 4 1/2          | 10.5#K-55       | 7800          | 1300 sx.        | 2500'    |

Est. Tops:

Fresh Water 250'  
Salt-Anhy. to 2850'  
Lamar Lime  
Bell Canyon  
Cherry Canyon  
Brushy Canyon  
Bone Springs-6320'

Test:

Only reliable shows  
Logs-Schlumberger:  
Dual Laterlog-Comp. Neutron  
Formation Density-NGT.  
Mud:  
Fresh Water to 400'  
Salt Gel to 2500'  
2500-5800-Salt Gel.  
5800-7800-9.2# Vis. 34

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 1-28-82  
UNLESS DRILLING UNDERWAY

BOP is attached

Gas is not dedicated.

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 Lavande Nana Title Production Clerk Date July 17, 1981

(This space for State Use)

APPROVED BY W.A. Gressett TITLE SUPERVISOR, DISTRICT II DATE JUL 28 1981

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

RECEIVED

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

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

JUL 20 1981

|   |  |                             |                             |                                       |                                       |
|---|--|-----------------------------|-----------------------------|---------------------------------------|---------------------------------------|
| Operator<br><b>DINERO OPERATING COMPANY</b>   |  |                             | Lease<br><b>HUBER STATE</b> |                                       | Well No.<br><b>1</b>                  |
| Well Letter<br><b>C</b>   | Section<br><b>32</b>                       | Township<br><b>24 SOUTH</b> | Range<br><b>28 EAST</b>     | County<br><b>ARTESIA, OFFICE EDDY</b> |                                       |
| Actual Footage Location of Well:<br><b>660</b> feet from the <b>NORTH</b> line and <b>1980</b> feet from the <b>WEST</b> line |  |                             |                             |                                       |                                       |
| Ground Level Elev.<br><b>3010.5</b>   | Producing Formation<br><b>Bone Springs</b> |                             | Pool<br><b>Wildcat</b>      |                                       | Dedicated Acreage:<br><b>40</b> 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.

|          |             |             |          |
|----------|-------------|-------------|----------|
|          |             | MADDOX      | MADDOX   |
| DINERO   | UNION TEXAS | UNION TEXAS | MADDOX   |
| DINERO   | UNION TEXAS | UNION TEXAS | DINERO   |
| SUPERIOR | SUPERIOR    | SUPERIOR    | SUPERIOR |

CERTIFICATION

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

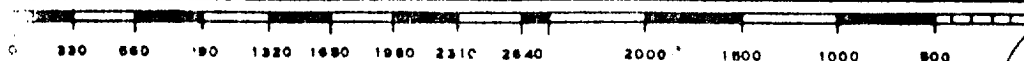
Name  
**L. C. LeCLURE**  
Position  
**Field Supt.**  
Company  
**DINERO OPERATING COMPANY**  
Date  
**July 17, 1981**

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.

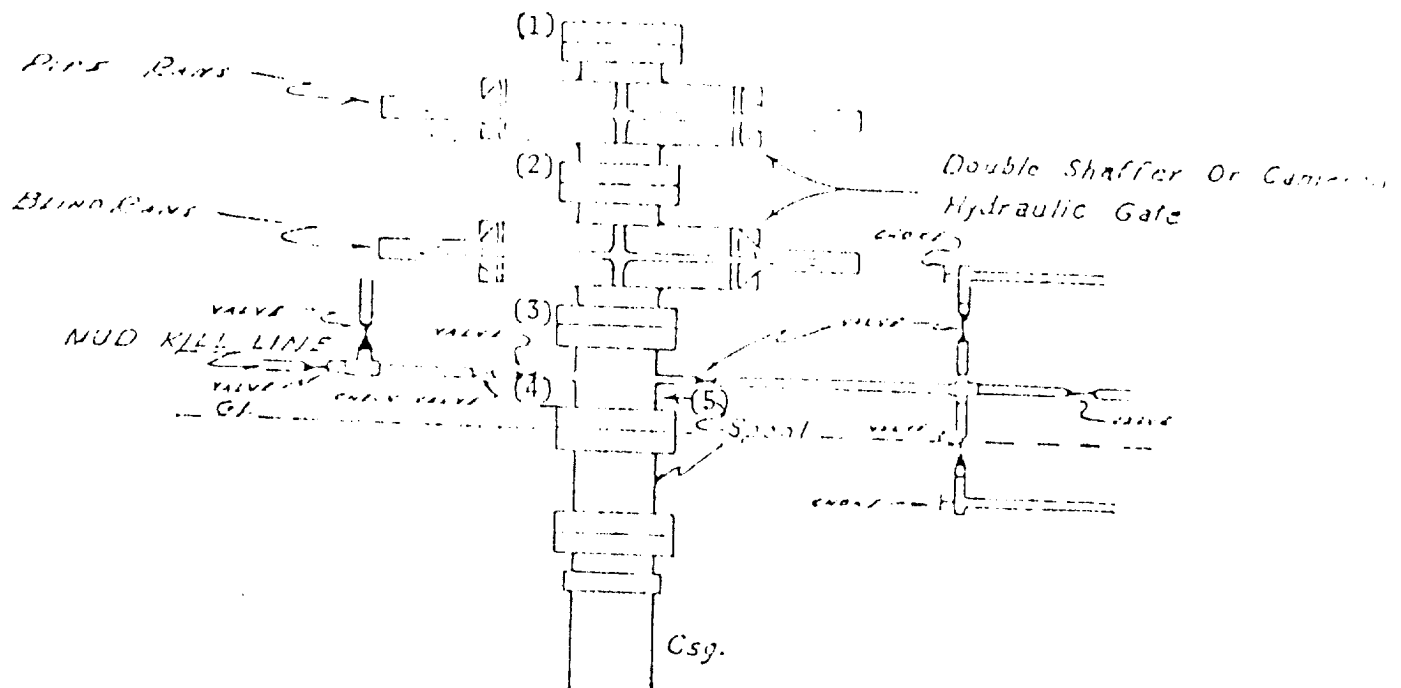
Date Surveyed  
**7-10-81**

Registered Professional Engineer and/or Land Surveyor

Certificate No. **JOHN W. WEST 678**  
**PATRICK A. ROMERO 6863**  
**Ronald J. Eldon 3239**



JDI Drlg CO



NOTE:

MANUAL AND HYDRAULIC CONTROLS WITH  
CLOSING UNIT NO LESS THAN 75' FROM  
WELL HEAD. REMOTE CONTROLS ON RIG  
FLOOR.

(1) 10"-3,000#

(2) 10"-3,000#

(3) 10"-3,000#

(4)&(5) Values 3,000#