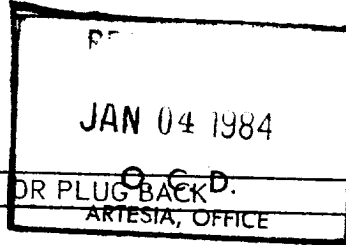


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| OPERATOR | <input checked="" type="checkbox"/> |

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---------------------------------|--|------------------------------------|--|-----------------------------------|--|--|--|--------------------------------|--|---|--|--|--|---------------|--|--|--|--|--|---|--|-------------------------|--|-----|--|------------------------|--|------|--|
| 1a. Type of Work | | 1b. Type of Well | | 2. Name of Operator | | 3. Address of Operator | | 4. Location of Well | | 5. State Oil & Gas Lease No. | | 6. Farm or Lease Name | | 7. Unit Agreement Name | | 8. Well No. | | 9. Field and Pool, or Wildcat | | 10. Und.S. Carlsbad Morrow | | 11. County | | 12. Eddy | | | | | | | |
| DRILL <input checked="" type="checkbox"/> | | DEEPEN <input type="checkbox"/> | | PLUG BACK <input type="checkbox"/> | | OIL WELL <input type="checkbox"/> | | GAS WELL <input checked="" type="checkbox"/> | | OTHER <input type="checkbox"/> | | SINGLE ZONE <input checked="" type="checkbox"/> | | MULTIPLE ZONE <input type="checkbox"/> | | Jake L. Hamon | | 611 Petroleum Building, Midland, Texas 79701 | | UNIT LETTER N LOCATED 1980 660 FEET FROM THE West South LINE | | 1780 AND 660 FEET FROM THE South LINE OF SEC. 25 TWP. 23-S RGE. 26-E NMPM | | Forehand Federal 25 COM | | 1 | | Und.S. Carlsbad Morrow | | Eddy | |
| 21. Elevations (Show whether DF, RT, etc.) | | 21A. Kind & Status Plug. Bond | | 21B. Drilling Contractor | | 22. Approx. Date Work will start | | 23. | | 24. | | 25. | | 26. | | 27. | | 28. | | 29. | | 30. | | 31. | | 32. | | | | | |
| 3213.8' GR. | | Blanket in force | | Hondo Drilling Company | | January 5, 1984 | | | | | | | | | | | | | | | | | | | | | | | | | |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|---------------------|---------------|-----------------|------------------|
| 20" | 16" | 55# | 40' | 4yds Redimix | Surface |
| 15" | 10-3/4" | 40.50# | 450' | 400 | Surface |
| 9-7/8" | 7-5/8" | 26.40, 29.70, 33.7# | 9000' | 2900 | Stage to surface |
| 6-1/2" | Liner 4-1/2" | 13.5 & 15.10# | 8800'-12,200' | 500 | |

1. Drill 15" hole to 450', set 10-3/4" casing and cement to surface.
2. Install 3000# or 5000# BOP's.
3. Drill 9-7/8" hole to 9000', set 7-5/8" casing and cement to surface with staging tools.
4. Install 5000# BOP's and test to rated W.P.
5. Drill 6-1/2" hole to T.D. using S.W. base mud.
6. D.S.T. any significant shows of oil or gas & run electric logs.
7. If production is indicated, run 4-1/2" liner from approximately 8800' to TD and cement with sufficient cement to cover from T.D. to top of liner.
8. Perforate productive zone and acidize and/or hydraulically fracture as needed.

Gas is not dedicated.

APPROVAL VALID FOR 180 DAYS
 PERMIT EXPIRES 3-3-84
 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 Leslie A. Clements Title Drilling Foreman Date December 29, 1983

(This space for State Use)

Original Signature
 Leslie A. Clements
 Supervisor District II

APPROVED BY _____ TITLE _____ DATE JAN 03 1984

CONDITIONS OF APPROVAL, IF ANY:

Posted a log
 JD-1272 Book
 1-6-84