|  | UNITED STATES (Other instructions on<br>reverse side)<br>DEPARTMENT OF THE INTERIOR |                                       |                           |                    | Form approved.  |  |
|--|---|---------------------------------------|---------------------------|--------------------|---|--|
| Form 3160-3<br>(December 1990)   |   |                                       |                           |                    | Budget Bureau No. 1004-0136<br>Expires: December 31, 1991 |  |
| (December 1990)  |   |                                       |                           |                    | LEASE DESIGNATION AND SEELAL NO.                          |  |
| BUREAU OF LAND MANAGEMENT  |   |                                       |                           |                    | LC-063136-A   |  |
| APPLICATION FOR PERMIT TO DRILL OR DEEPEN  |   |                                       |                           |                    | 8. IF INDIAN, ALLOTTEE OR TRIBE NAME                      |  |
|  |   |                                       |                           |                    | T. UNIT AGEBEMBNT NAMD<br>POKER LAKE UNIT                 |  |
| b. TIPE OF WELL<br>OIL CA<br>WELL WI   | S OTHER   |                                       |                           |                    | 8. FARM OR LEASE NAME, WELL NO.<br>POKER LAKE UNIT #57    |  |
| 30-0   |   |                                       |                           |                    | 9. AT WELL NO.<br>30-015-24269                            |  |
| 3. ADDRESS AND THE PHONE NO.<br>P. O. BOX 2760, MIDLAND, TX 79702 915-683-2277   |   |                                       |                           |                    | 10. FIELD AND FOOL, OR WILDCAT<br>BIG SINKS (DELAWARE)    |  |
| At surface   |   |                                       |                           |                    | 11. SBC., T., B., M., OB BLK.<br>AND SUBVEY OR AREA       |  |
| 330' FSL & 1980' FWL, SECTION 28, T25S, R31E<br>At proposed prod. zone   |   |                                       |                           |                    | SEC 28, T25S, R31E  |  |
| 14. DIBTANCE IN MILES AND DIRECTION FROM NEAREBY TOWN OF POST OFFICE*<br>18 MILES SE OF MALAGA, NEW MEXICO   |   |                                       |                           |                    | 12. COUNTY OF PARISH 13. STATS<br>EDDY NM                 |  |
| 15. DISTANCE FROM PROPUSED <sup>®</sup><br>LOCATION TO NEAREST<br>PROFERTY OR LEASE LINE, FT.  |   | 330' 560.0                            |                           | TO THI             | ACRES ASSIGNED<br>IS WELL 40                              |  |
| (Also to nearest drig, unit line, if any)<br>18. DISTANCE FROM FROPOSED LOCATION <sup>®</sup><br>TO NEAREST WELL, DRILLING, COMPLETED,<br>OF AFFLIED FOR, ON THIS LEASE, FT. |   | N/A 19.                               | PROPOSED PEPTH<br>8425    | 20. ROTAR          | r or carry ROTARY   |  |
| 21. ELEVATIONS (Show whether DF. RT. GR. etc.) GR 3315.9'  |   |                                       |                           |                    | 22. APPROX. BATE WORK APPROVAL                            |  |
| 23.  |   | PROPOSED CASING A                     | ND CEMENTING PRO          | GRAM               |   |  |
| SIZE OF HOLE   | GRADE, SIZE OF CASING   | WEIGHT PER FOOT                       | SETTING DEPTH             | 600                | QUANTITY OF CEMENT<br>SX(EXISTING-CIPC to surface         |  |
| - 12-1/4"  | 9-5/8" K-55<br>7" J-55,N-8  |                                       |                           |                    | sx(Existing TOC 5986')                                    |  |
|  | 4-1/2" N-80   | 1                                     |                           | 270                | sx(Liner w/top @ 6071')                                   |  |
| Pace Entorpr   | ises Production   | Company propo                         | ses to deepen             | this well          | 100' and recomplete in th                                 |  |
| Bone Spring  | formation. The  | e original Dela                       | aware perforat            | tions will         | be isolated by the 4-1/2<br>erve pit area is obvious      |  |
|  |   |                                       |                           |                    | erve pit area is obvious<br>of this well expires Apr      |  |
| 10, 1995. S  | See attached Sur  | ndry notice.                          |                           | BOR                | MED   |  |
| 10, 1995. See attached Sundry notice.  |   |                                       |                           |                    |   |  |
| APR 1 1 1995   |   |                                       |                           |                    |   |  |
| OIL CON. DIV.  |   |                                       |                           |                    |   |  |
| FDC/RMN  |   |                                       |                           |                    | ST. 2   |  |
| ertified ZI  |   | If proposal is to deepen, give        | data on present productiv | e zone and propose | d new productive zone. If proposal is to drill or         |  |
| deepen directionally, give pe  | BE PROPOSED PROGRAM:<br>rtinent data on subsurface local                            | tions and measured and true v         |                           | a protonia prop    | al las  |  |
| 24.<br>SIGNED Will   | ian R Dans  | neh TITIE                             | DIVISION DR               | ILLING SUPT        | . DATE 3/27/45  |  |
| (This space for Fed  | deral or State office use)  |                                       |                           |                    |   |  |
| PERMIT NO.   |   | · · · · · · · · · · · · · · · · · · · | APPROVAL DATE             |                    | would entitle the applicant to conduct operations the     |  |
| CONDITIONS OF APPROV   | AL, IF ANY:   |                                       |                           |                    | would entitle the applicant to conduct operations the     |  |
| 1<1-   | Tranthy P. C  | Bried mak                             | ACTING AREA               | MANAGE             | L DATE 4.10.95  |  |
| APPROVED BY  | 111011191   | *See Instructi                        | ons On Reverse Si         | de                 | <b>•</b>  |  |

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Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.