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

CONDITIONS OF APPROVAL, IF ANY:

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-101

OII. CONSERVATION DIVISION

Revised 1-1-89

DISTRICT I		CONSERVATIO		API NO. (assigned by OCD on New Wells)				
P.O. Box 1980, Hobbs, N		P.O. Box 208	· -	30-05-20438				
DISTRICT II		anta Fe, New Mexico	87504-2088	5. Indicate Type of Lease STATE XX FEE				
P.O. Drawer DD, Artesia,	NM 88210		(2)					
DISTRICT III 1000 Rio Brazos Rd., Azte	- 17/ 07/10	1.5	(P1 %)	6. State Oil & Gas Lease No.				
1000 NO BIAZOS KO., AZI	ec, NM 8/410		.**	B - 10679	· · · · · ·			
APPLICA'	TION FOR PERMIT	O DRILL, DEEPEN, C	DE PLIKE BACK					
la. Type of Work:			ZITT EUG BAOK					
DRIL	L XX RE-ENTER			7. Lease Name or Unit A	Agreement Name			
b. Type of Well:	L XX RE-ENTER	DEEPEN	PLUG BACK					
OIL XX WELL	7	SINGLE	MULTIPLE					
	OTHER	ZONE	ZONE _	Poker Lake Unit				
2. Name of Operator				8. Well No.				
Fortson (Dil Company '			79				
3. Address of Operator				9. Pool name or Wildcat				
301_Comme	erce St., Ste 3301.	Fort Worth. TX 76102		Poker Lake () / /.			
4. Well Location		OLG MOLGHE TX 70102		roker Lake L	llaugre			
Unit Letter	1_: 660 Feet Fr	om The South	Line and	660 Feet From The	111			
		000071		OOO rea riom the	West Line			
Section 2	Towns	hip 25–S Ran	ige 30-E }	·				
			lge	IMPM Eddy	County			
		10. Proposed Depth	11.5					
			į.	ormation	12. Rotary or C.T.			
13. Elevations (Show wheth	er DF RT GR etc.)	4. Kind & Status Plug. Bond		elaware	Rotarv			
3357' GR	or DI, KI, OK, ELC.)	Blanket	15. Drilling Contractor		Date Work will start			
17.			To be selected					
	PR	OPOSED CASING AN	D CEMENT PROGR	AM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP			
17.50"	13.375"	48 - 60#	700'	800	circulate			
12.25"	8.625"	24 - 32#	4100'	1500	circulate			
7.875''	5.50"	15.5 - 20#	8000'	2 stage 1000	600' above pay			
and according to A Well Location IN ABOVE SPACE DESC	D. 17 non-productive prudent engineering and Acreage Dedicated	to a depth sufficie, the well be plugg g practice. ion Plat and BOP ske	ed in a manner cons tches are attached.	istent with State I	Pegulations Pegulations Fig. 10 (
	TIERTROGRAM, IF ALTT.			PRESENT PRODUCTIVE ZONE AN	TO PROPOSED NEW PRODUCTIVE			
I nereby certify that the inform	ation above is true and complete	to the best of my knowledge and b	eli c f.					
G. Thane A	Many Affair	·mu	. Agent	DA1	me May 14, 1993			
TYPE OR PRINT NAME	K115, F.E.			TEL	EPHONE NO (915) 682-451			
(This space for State Use)								
APPROVED BY	who hally	- 111111	Leal	DAT	6-1)-9 >			

Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

<u>DISTRICT I</u> P.O. Box 1980, Hobbs, NM 88240

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

OIL CONSERVATION DIVISION

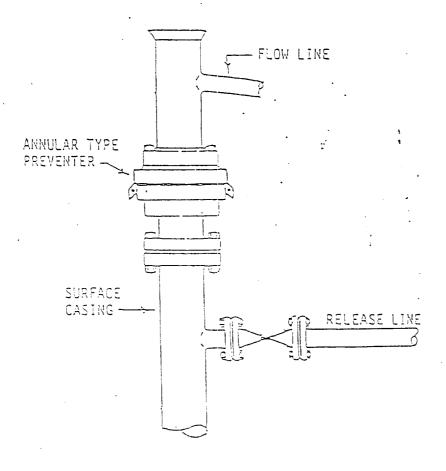
P.O. Box 2088 Santa Fe, New Mexico 87504-2088

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator				Lease					Well No.			
FORTSON OIL COMPANY				POKER LAKE UNIT			ŀ	79				
Unit Letter Section Township				Range			Coun	· ·				
М	2	•	SOUTH	1	7 A C/TF		Conti	•	COID			
Actual Footage Location	_	2.5	300111	30 1	EAST	NMP:	<u>M</u>	FDDA	COUNTY,	NM		
=												
	ot mom uic	SOUTH	line and	660		feet from	m the	WEST	line			
Ground level Elev.	Producin	g Formation		Pool					Dedicated Acre	age:		
3357.		elaware		77-	1 1							
1. Outline the	e acreage dedicates	d to the subject w	ell by colored per	cil or bachure r	ker Lake	valouv			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 interest 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												
if answer is	no list the owner	s and tract descrip	tions which have	actually been c	onsolidated. (Use	reverse side	of					
this form if n												
or until a non	will be assigned to a-standard unit, elim	io ine well unul al	interests have be	een consolidated	i (by communitizai	tion, unitizati	on, force	d-pooling	, or otherwise)			
Of Whith & Hot	i-standard min, en	minating such this	rest, has been app	sioved by the D	IVISION.			· · · · · · · · · · · · · · · · · · ·				
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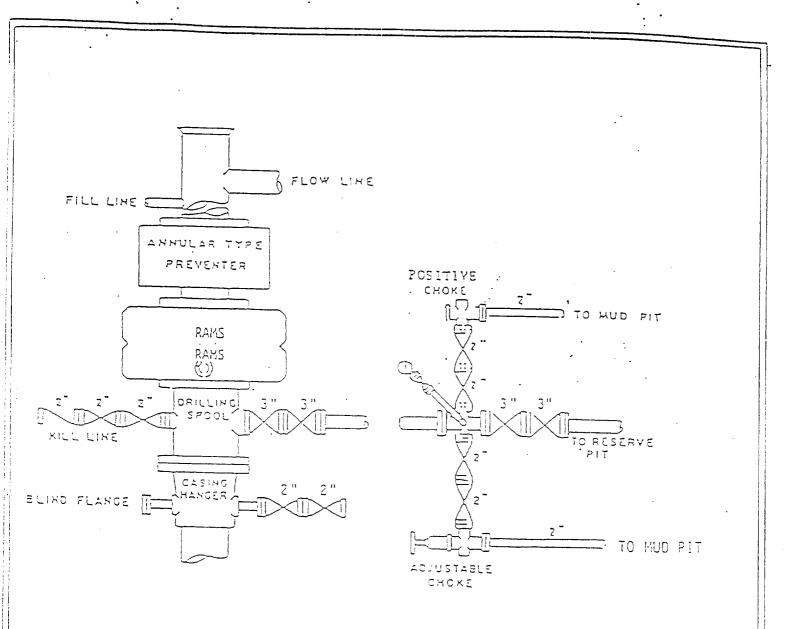


1500 PSI WORKING PRESSURE

IN USE WHILE DRILLING BELOW SURFACE CASING

Exhibit No. 1 BOP ARRANGEMENT

Fortson Poker Lake Unit No. 79



BOP STACK

3000 PSI WORKING PRESSURE

IN USE WHILE DRILLING BELOW 8-5/8" CASING SEAT

Exhibit No. IA BOP ARRANGEMENT

Fortson Poker take Unit No. 79