Form 3160-3 (July 1992)

SUBMIT IN TRIPLICATE. (Other Instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

UNITED STATES DEPARTMENT OF THE INTERIOR

S. LEASE DESIGNATION AND SERIAL BO.

| BUREAU OF LAN | ID MANAGEMENT | LC-060527 |
|--|--|---|
| APPLICATION FOR PERM | IIT TO DRILL OR DEEPE | 6. W INDIAN, ALLOTTES OR TRIBS HAM |
| DRILL D | DEEDEN 🗆 | J. DRIT AGREEMENT WAMB |
| WELL X WELL OTHER | BONE X AN ENTE | 6. MANOR LEASE NAME DELL NO 2035 |
| SOUTHWEST ROYALTIES INC. 2/35 (Ne | elson Patton) | McIntyre "F" # 3 |
| 8. ADDRESS AND TELEPHONE NO. | 79702 Ph. 915-68 6-002 | 30-015-29354 |
| 4. LOCATION OF WELL (Report location clearly and in account of Muriace | ordance with any State requirements.*) | GRAYBURG JACKSON J TRUS, On , Grbg , San |
| 2310' FSL & 990' FEL SEC. | 17 T17S-R30E EDDY CO | NM 11. BBC., T., R., M., OR BLE. T.850C |
| At proposed prod. sone Same Unit I | | T17S-R30E |
| 4. DIRTANCE IN MILES AND DIRECTION PRON HEAREST TO .75 miles Northwest of Loco Hills | | 12. COUNTY OR PARISH 18. STATE |
| LOCATION TO REARREST 990 TO PROPERTY OR LEARS LINE, ST. (Also to nearest drig, unit line, if any) | 16. No. of acres in lease 80 | 17. NO. OF ACRES ASSIGNED TO THIS WELL 40 |
| 8. DISTANCE FROM PROPOSED LOCATIONS TO STARREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS BRASE, PT. 500 | 39. PHOPORED DEPTH 5000 1 | 20. BOTARY OR CABLE TOULS Rotary |
| _ | 2' GR. | As soon as approved |
| 3. PROPOS | ED CASING AND CEMENTING PROGRA | |

BIRE OF MOLE WEIGHT PER POOT STATE BE OF CASH SETTING BEPTH QUARTITY OF CEMBRY 26" 20" Conductor NA 40' Cement to surface/Redi-Mixwith 12½" 8 5/8" 24 550' circulate to surfacewi 7 7/8" 51/3" J-55 15.5 5000' T.C. 600' of upper pay 500 Sx.

- 1. Drill 26" hole to 40'. Set 40' of 20" conductor and cement to surface with Redi-Mix.
- 2. Drill $12\frac{1}{4}$ " hloe to 550'. Run and set 550' of J-55 8 5/8" 24# ST&C casing. Cement with 225 Sx. Class "C" + 2% CaC1 + $\frac{1}{2}$ # Flocele/ Sx. Circulate cement to surface.
- 3. Drill 7 7/8" hole to 5000'. Run and set 5000' of J-55 $5\frac{1}{2}$ " 15.5# ST&C casing. Cement with 500 Sx. Class "C" cement + 2% Ge1 + 5# Salt/Sx. + 10# Microbond/Sx. + .4% LAP-1. Top of cement to be 600' above upper most Hydrocarbon bearing zone.

Posted IO-1 HL & API IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone an deepen directionally, give gertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any 12/04/96 Agent Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY: (ORIG. SGD.) TONV CAGUS

APPROVED BY

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any denast

ADM. MINERALS

*See Instructions On Reverse Side

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II P.O. Drawer DD, Artesia, NM 88211-0719

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

DISTRICT IV P.O. BOX 2088, SANTA FE, N.M. 87504-2088

| | WELL LOCATION AND AC | REAGE DEDICATIO | N PLAT | |
|---------------|----------------------|-----------------|----------------|-----------|
| API Number | Pool Code 61 | aybung Jackson; | Pool Name 7RUS | 5, |
| 30-015-29354 | 79570 78509 | | GRAYBURG, SAN | ANDRES |
| Property Code | Property | | Well Number | |
| | McINTYRE | | 3 | |
| OGRID No. | Operator | Name | | Elevation |
| 021355 | SOUTHWEST ROY | ALTIES INC. | : <u>.</u> . | -3672 |

Surface Location

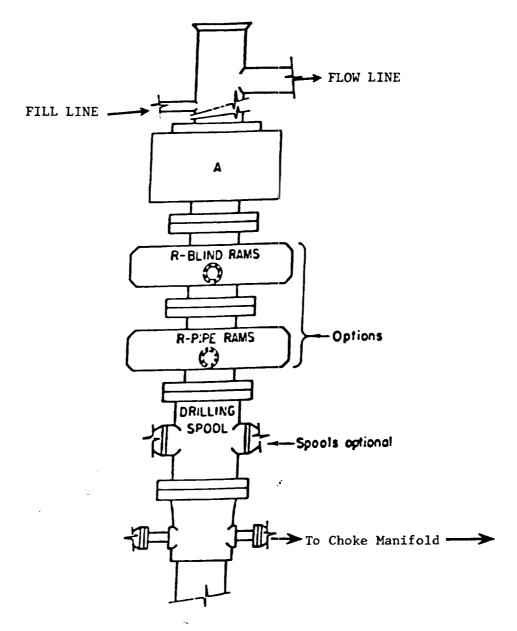
| ļ | UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | 1 | 17 | 17 S | 30 E | | 2310 | SOUTH | 990 | EAST | EDDY |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|---------|-------------|---------------|----------|---------------|------------------|---------------|----------------|--------|
| Dedicated Acres | Joint o | r Infill Co | nsolidation (| Code Ore | der No. | | | <u> </u> | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| ON A NOW STRICTURE ONLY THE DEEN ALL ROYED BY THE DIVISION | |
|--|--|
| OPERATOR CERTI I hereby certify the contained herein is true and best of my knowledge and be Signature Joe T. Janica Printed Name Agent Tiue 12/04/96 Date SURVEYOR CERTI I hereby certify that the use on this plat was plotted from this plat was plotted from catual surveys made by my supervisor, and that the surveys my su | FICATION I location shown m field notes of a or under my the location is true and y belief. |



ARRANGEMENT SRRA

900 Series 3000 PSI WP

EXHIBIT "E"

B.O.P. SKETCH TO BE USED ON

SOUTHWEST ROYALTIES INC.

McINTYRE "F" # 3

2310' FSL & 990' FEL SEC. 17

T17S-R30E EDDY CO. NM