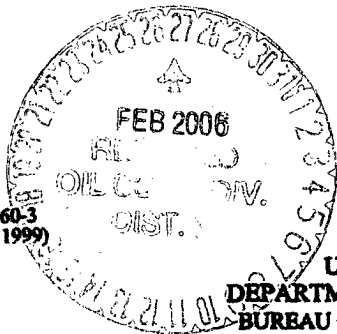


Form 3160-3
(August 1999)



2005 DEC 13 PM 1 04

RECEIVED

070 FARMINGTON NM

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.

NM 114365

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

GEORGE #3

9. API Well No.

30-043-21008

10. Field and Pool, or Exploratory

SOUTH SAN LUIS

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 28 18N 3W

K

12. County or Parish

SANDOVAL

13. State

N.M.

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other

☒ Single Zone ☐ Multiple Zone

2. Name of Operator

INTEGRA PETROLEUM INC.

3a. Address

P.O. BOX 807 CAMAS WA 98607

3b. Phone No. (include area code)

505 270 7328

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface 2310' FSL 2310' FWL

At proposed prod. zone SAME

14. Distance in miles and direction from nearest town or post office*

4.5 Miles S.E. From TORREDON

15. Distance from proposed*

location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)

2310'

16. No. of Acres in lease

1200

17. Spacing Unit dedicated to this well

40 Acres U.L.K

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

650'

19. Proposed Depth

820'

20. BLM/BIA Bond No. on file

NMB000319

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

6574.8

22. Approximate date work will start*

DECEMBER/JAN 2005/6

23. Estimated duration

10 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan

3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the
authorized officer.

25. Signature

Name (Printed/Typed)

DAVID T. WILSON

Date

12/03/05

Title

AGENT

Approved by (Signature)

Name (Printed/Typed)

AFM

Date

2/23/06

Title

Office

FFO

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct
operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

*(Instructions on reverse)

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOC

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-043-21008		* Pool Code 53630	* Pool Name MESA VERDE SOUTH SAN LUIS
* Property Code 35517	* Property Name GEORGE		* Well Number 3
* OGRID No. 240208	* Operator Name INTEGRA PETROLEUM INC.		* Elevation 6574.8 GL

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	28	18N	3W		2310	SOUTH	2310	WEST	SANDOVAL

11 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 40		* Joint or Infill		* Consolidation Code		* Order No. B-2975 simultaneous Dedication w #5			

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.

<p>16</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>David T. Wilson</i> Date: 3/6/2006</p> <p>DAVID T WILSON</p> <p>Printed Name</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>Date of Survey: AUGUST 16, 2005</p> <p>Signature and Seal of Professional Surveyor: <i>[Signature]</i></p> <p>Certificate Number: 9750</p>

Drilling Program George #3

1. Estimated top of Important Geologic Markers:

Top menefee sand 639'

2. Estimated depth of water:

Fresh water @ 120' Will be cemented behind casing. Menefee oil sand estimated @ 630'. Will be cemented behind casing.

3. Pressure Control:

B.O.P. will be installed after surface casing is cemented .
Weatherford 3000 psi. B.O.P. will be used. See Drawing A.

4. Program :

120'
Pressure re-test
After pad is built and pits dug, move in rig. Drill 13" hole to 105'.
Set ~~100'~~ of 10 3/4" J-55 48.00# castig.
Cement to surface with 60sx cement and wait 24 hours.
Drill out with 7 7/8" bit to approximately 815"
Coring may be performed from approximately 630' to 675'.
Set 800' of 5 1/2" J-55 15.50# casing
Cement to surface with 160 sx cement.
Wait 24 hours.
Run Bond Log, Run Cyber Log
Perforate and test.

4a Cementing Plan :

Surface casing will be cemented using 60 sx neat cement. Circulate to surface with 25% excess. Yield = 1 cu.ft. Weight = 15.6 PPG
Expansion = 1.19 cu.ft.
Production casing will be cemented using 160 sx neat cement.
Circulate to surface with 25% excess. Yield = 1cu.ft.
Weight =15.6 PPG Expansion = 1.19 cu.ft.

5. Type and Characteristics of Circulating Medium:

Surface to 105'
Native mud with fresh water
8.5 PPG 30 vis

105' to 810'
Fresh water / Bentonite mud
9.5 PPG 40 vis

No weighting materials will be used.
Weight and viscosity will be measured every 4 (four) hours.
No mud logging will be used. Quantity of mud will be 6,000 gallons.

6. Testing, Logging and Coring:

No DST will be run
Cyberlog will be to T.D.
Menefee sand will possibly be cored.

7. BPH :

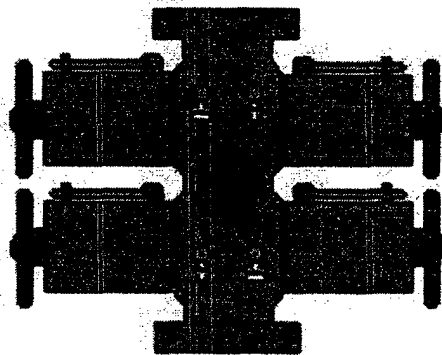
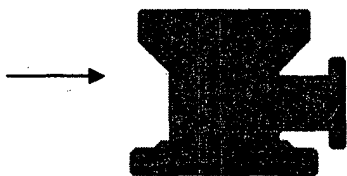
BPH will be 351 psi. No hazards or abnormal BPH are anticipated.

8. None

Weatherford®
Drilling & Intervention Services

Williams Rotating Head, 11"
3m (shorty)

BOP, 11" 3m Shaffer LWS
double w/ pipe rams and
CSO rams. The BOP has 4
outlets, 2 below each ram,
these outlets could be used
to save height and
eliminate the drilling spool.
BOP 72 3/4" length,
25 7/8" width
Actual room needed to
open doors and change
rams 84"



HEIGHT

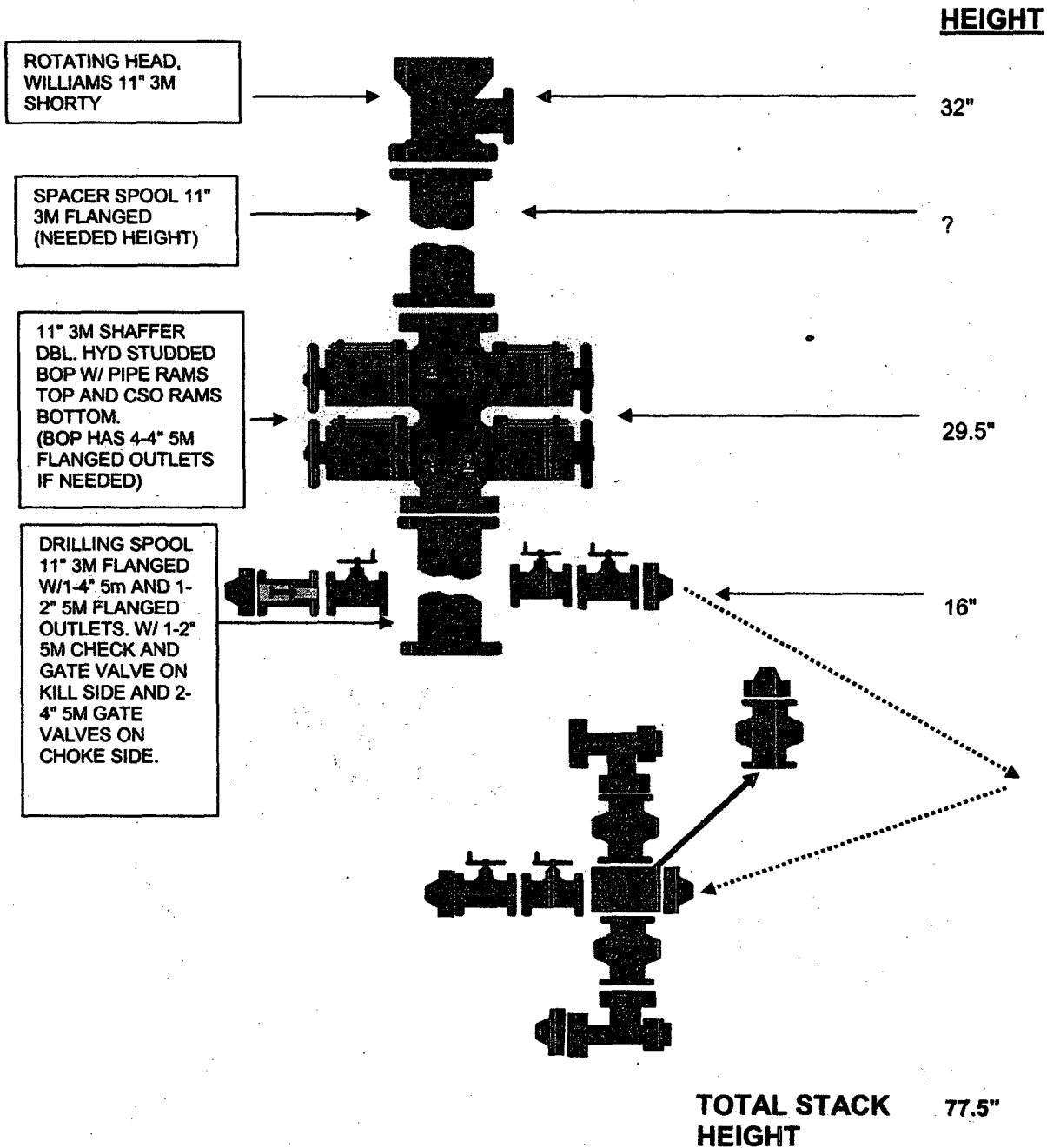
32"

29 1/2"

Stack Height 61.5"

Weatherford®

Drilling & Intervention Services



DRAWING A