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070 FARMINGTON NM

2005 DEC 13 PM 1 02

Form 3160-3
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

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070 FARMINGTON NM

| | | | |
|--|--|---|-------------------|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 7. If Unit or CA Agreement, Name and No. | |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 8. Lease Name and Well No. GEORGE # 1 | |
| 2. Name of Operator INTEGRA PETROLEUM INC. | | 9. API Well No. 30-043-21009 | |
| 3a. Address P.O. BOX 807 CAMAS, WA 98607 | 3b. Phone No. (include area code) 505-270-7328 | 10. Field and Pool, or Exploratory SOUTH SAN LUIS Mesa Verde | |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface Sec 28 18N 3W 1069' FSL 2182' FWL At proposed prod. zone SAME | | 11. Sec. T., R., M., or Blk. and Survey or Area N Sec 28 18.N 3W | |
| 14. Distance in miles and direction from nearest town or post office* 4.5 Miles S.E. from Torreon | | 12. County or Parish SANDOVAL | 13. State N.M. |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1069' | 16. No. of Acres in lease 1200 | 17. Spacing Unit dedicated to this well 40 ACRES ULN | |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. N/A | 19. Proposed Depth 810' | 20. BLM/BIA Bond No. on file NM B000319 | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6552 GL | 22. Approximate date work will start* DECEMBER 2005 | 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:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPD shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- 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 |
| Approved by (Signature) | Name (Printed/Typed) AFM | Date 2/23/06 |
| Title AFM | Office PFO | |

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

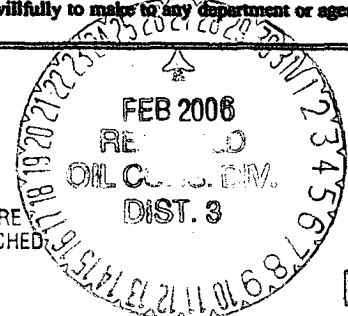
Conditions of approval, if any, are attached.

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 88249
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 30-043-21009 | | 'Pool Code 53630 | | 'Pool Name MESA VERDE SOUTH SAN LUIS | |
| 'Property Code 35517 | | 'Property Name GEORGE | | | 'Well Number 1 |
| 'OGRID No. 240208 | | 'Operator Name INTEGRA PETROLEUM INC. | | | 'Elevation 6552 GL |

10 Surface Location

| | | | | | | | | | |
|--------------------|---------------|------------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|--------------------|
| UL or lot no. N | Section 28 | Township 18 N | Range 3 W | Lot Idn | Feet from the 1069 | North/South line SOUTH | Feet from the 2182 | East/West line WEST | County 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. |
|------------------------|------------------|---------------------|------------|

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.

| | |
|---|--|
| <div data-bbox="97 945 1071 1890"> <p>16</p> </div> | <p>17 OPERATOR CERTIFICATION 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 unless 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: 3/9/2006</p> <p>DAVID T WILSON Printed Name</p> |
| | <p>18 SURVEYOR CERTIFICATION 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>August 16, 2005 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: <i>Russ P. Hugg</i></p> <p>Certificate Number: <i>9750</i></p> |
| | |
| | <p>Russ P. Hugg</p> |

Drilling Program George #1

1. Estimated top of Important Geologic Markers:

Top menefee sand 605'

2. Estimated depth of water:

Fresh water @ 120' Will be cemented behind casing. Menefee oil sand estimated @ 605'. 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 test
After pad is built and pits dug, move in rig. Drill 13" hole to 105'.
~~Set 100'~~ 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 605' to 650'.
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 :

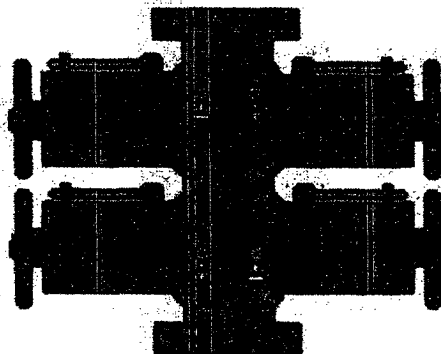
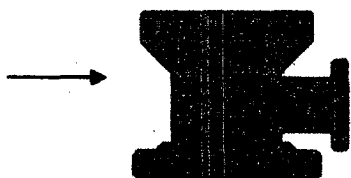
BPH will be 351 psi. No hazards or abnormal BPH are anticipated.

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

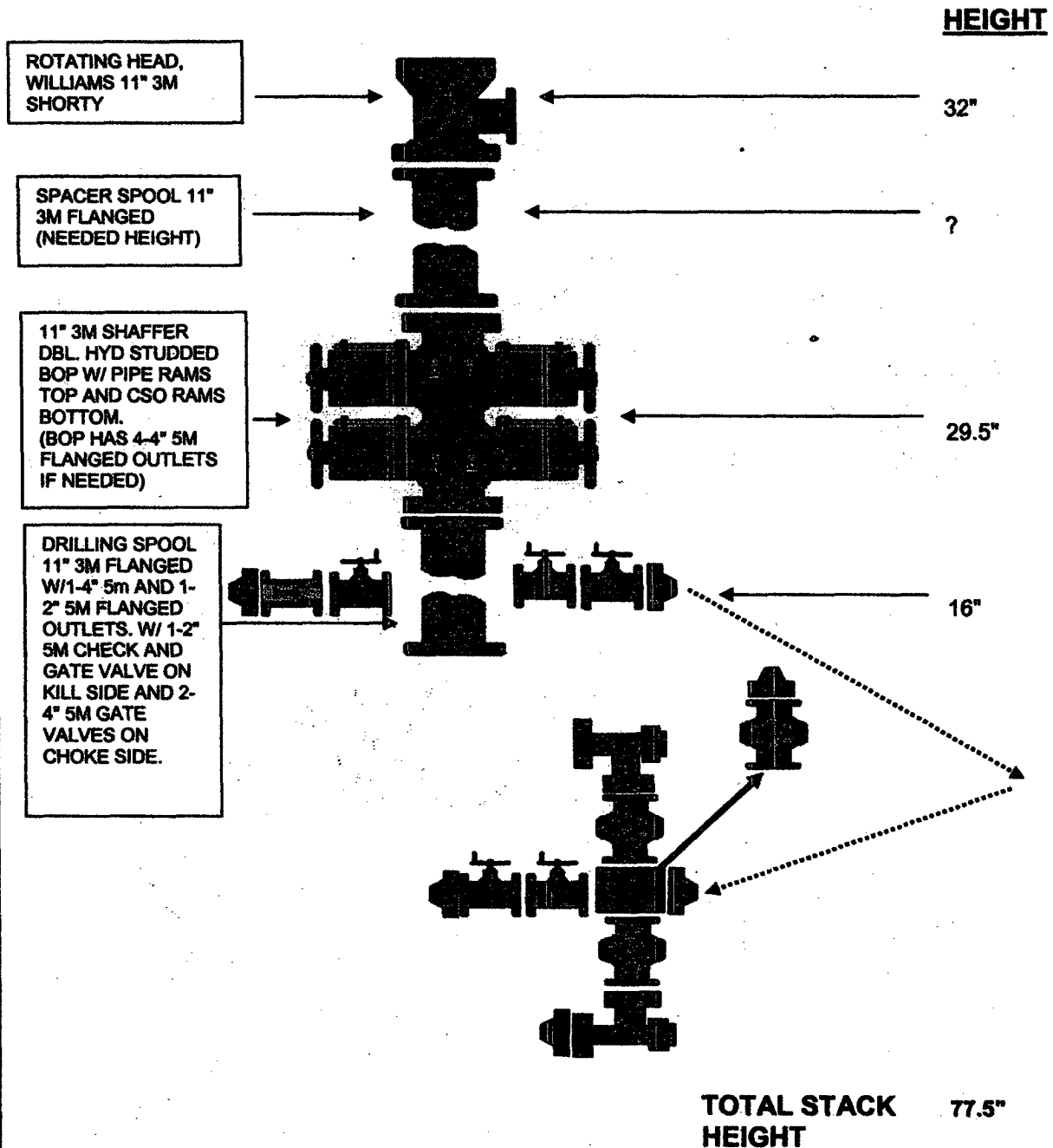
32"

29 1/2"

Stack Height 61.5"

Weatherford®

Drilling & Intervention Services



DRAWING A.