District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Ave., 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 and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

11	Operator Name and Address TEXAKOMA OIL & GAS CORP				
5400 LBJ Freeway Dallas, TX 75240		API Number 30-045-31619			
Property Code 26928	Property Name Farmington Lake	Well No. 002			

Surface Location

TILLIAM COMMETTER	UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	I	21	30N	12W		1964	S	838	Е	San Juan

Proposed Pools

BASIN FRUITLAND COAL (GAS) 71629

Work Type	Well Type			Ground Level Elevation	
New Well	Gas			5664	
Multiple N	Proposed Depth 2200	Formation Fruitland Coal	Contractor	Spud Date 05/01/2003	

Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Casing Weight/ft Setting Depth Sacks of Cement		Estimated TOC
Surf	8.75	7	20	170	65	0
Prod	6.25	4.5	10.5	2200	240	0

Casing/Cement Program: Additional Comments

THE PRODUCTION CASING WILL BE CEMENTED TO SURFACE USING A LITE LEAD SLURRY WITH A YIELD OF ABOUT 2 CUBIC FEET PER SACK TO COVER 1100 OF THE HOLE AND A TAIL SLURRY OF REGULAR CEMENT WILL BE PUMPED TO COVER THE BOTTOM 1100 OF HOLE WITH A YIELD OF ABOUT 1.2 CUBIC FEET PER SACK.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer	
Annular	2000	1000	REGAN	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Tom Sprinkle

Title: Drilling Manager

Date: 04/09/2003

Phone: 972-701-9106

OIL CONSERVATION DIVISION

Electronically Approved By: Charlie Perrin

Title: Manager

Approval Date: 04/17/2003 Expiration Date: 04/17/2004

Conditions of Approval: No Conditions

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Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-31619	Pool Name BASIN FRUITLAND COAL (GAS)	Pool Code 71629
Property Code 26928	Property Name Farmington Lake	Well No. 002
OGRID No. 22521	Operator Name TEXAKOMA OIL & GAS CORP	Elevation 5664

Surface And Bottom Hole Location

UL or Lot	Section 21	Township 30N	Range 12W	Lot Idn	Feet From 1964	N/S Line S	Feet From 838	E/W Line E	County San Juan
1	Dedicated Acres 320		Infill	Consoli	dation Code		Order	No.	

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OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By: Tom Sprinkle

Title: Drilling Manager Date: 04/09/2003

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.

Surveyed By: Gerald Huddleston Date of Survey: 03/26/2003 Certificate Number: 6844

Permit Comments

Operator: TEXAKOMA OIL & GAS CORP, 22521

Well: Farmington Lake #002

User Name	Comment	Comment Date
	WELL WILL DRILLED TO TOTAL DEPTH AND OPEN HOLE LOGS WILL BE RUN AND IF CASING IS SET TO ATTEMPT A COMMERCIAL COMPLETION THE WELL WILL BE FRACTURE STIMULATED. SURFACE AND PRODUCTION CASING WILL HAVE CENTRALIZERS AT APPROPRIATE DEPTHS.	3/26/2003
CPERRIN	Contact, Mike Sullivan, city of Farmington, 599-1282 regarding Farmington Lake set back requirements	4/17/2003