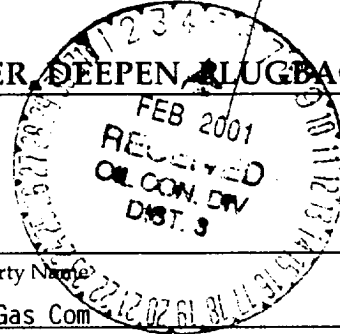


District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT



APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

| | | |
|--|---------------------------------|-------------------------------|
| 1 Operator name and Address Cross Timbers Operating Company 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401 | | 2 OGRID Number 167067 |
| 4 Property Code 22691 | 5 Property Name Duff Gas Com | 3 API Number 30-0 45-30544 |
| | | 6 Well No. #3 |

7 Surface Location

| UL or lot no. | Section | Township | Range | Lot. Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|----------|
| P | 27 | 30N | 12W | | 1,210 | South | 660' | East | San Juan |

8 Proposed 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 |
|---------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|----------|
| K | 27 | 30N | 12W | | 1,980' | South | 1,620' | West | San Juan |

9 Proposed Pool 1

10 Proposed Pool 2

Flora Vista - Blanco Mesaverde

| | | | | |
|--------------------------|----------------------------------|---------------------------|-----------------------------------|-------------------------------------|
| 11 Work Type Code N - | 12 Well Type Code G | 13 Cable/Rotary R | 14 Lease Type Code P - | 15 Ground Level Elevation 5,623' |
| 16 Multiple No | 17 Proposed Depth 6,239' MD - | 18 Formation Mesaverde | 19 Contractor Bearcat Drilling | 20 Spud Date 2/19/01 |

21 Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 12-1/4" | 9-5/8" | 36.0#/ft | 400' | +215 sx | Surface |
| 8-3/4" | 7" | 23.0#/ft | 3,600' MD | | Surface |
| 6-1/8" | open hole | open hole | 6,239' MD - | n/a | n/a |

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Set 9-5/8" surf pipe @ 400' with +215 sx cl B or Type III cmt. Circ cmt to surf.
Set 7" intermediate csg @ 3,600 MD (3,450' TVD) with (lead) +200 sx lightweight cmt (cl B w/3% extender) mixed at 11.4 ppg followed by (tail) 250 sx cl B or Type III cmt mixed at 14.6 ppg. Circ cmt to surface. The 7" casing will be set through the curve. The curve will begin (KOP) 3,200' and should be completed by 3,450'. The rig will then PU downhole motor & MWD and drill 6-1/8" open hole horizontal to the target location. The horizontal open hole section will not use casing. This well will be completed as an open hole.
A drawing of the BOP stack and testing procedure is attached. A copy of the directional plan is also inc.

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

Signature:

JW Patton 1/31/01

Printed name: Jeffrey W. Patton

Title: Drilling Engineer

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title:

Approval Date:

Expiration Date:

Directional survey
Bottom hole is NSL

Dorothy,

They will be submitting a
Sundry changing the Bottom
Hole location to a standard
location, to do away with the
Hold for NSL

30-045-30544
