

Form 3160-3
(August 2007)**ORIGINAL**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 20105. Lease Serial No.
NM 593856. If Indian, Allottee or Tribe Name
N/A

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

1a. Type of work: ☒ DRILL☐ REENTER1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

2. Name of Operator Unit Petroleum Company

(115970)

8. Lease Name and Well No.
HB3 Federal #3H

(38588)

9. API Well No.

30-015-39076

(71520)

3a. Address 7130 South Lewis, Suite 1000
Tulsa, Oklahoma 741363b. Phone No. (include area code)
(918) 493-770010. Field and Pool, or Exploratory
Cedar Canyon; BONE SPRING

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

At surface 2170' FSL & 330' FEL (I)

At proposed prod. zone BHL: 1800' FSL & 330' FWL

11. Sec., T. R. M. or Blk. and Survey or Area
3, T24S-R29E14. Distance in miles and direction from nearest town or post office*
6.2 miles ENE Malaga NM12. County or Parish
Eddy13. State
NM15. Distance from proposed* location to nearest property or lease line, ft.
(Also to nearest drig. unit line, if any)

330'

16. No. of acres in lease
~~400~~ 7.5.17. Spacing Unit dedicated to this well
N2S2 160 AC 7.5.

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

1800 ft.

19. Proposed Depth
~~12,300~~ 7850 TUD
12,239 MD20. BLM/BIA Bond No. on file
MTB00002721. Elevations (Show whether DF, KDB, RT, GL, etc.)
3054

22. Approximate date work will start*

23. Estimated duration
60 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must 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 must 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 BLM.

25. Signature

Name (Printed/Typed)
Carl D. HansenDate
12/02/2010

Title

Vice President

Approved by (Signature)

/s/ Linda S. C. Rundell

Name (Printed/Typed)

/s/ Linda S. C. Rundell

Date
MAR 29 2011

Title

STATE DIRECTOR

Office

NM STATE OFFICE

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, are attached.

APPROVAL FOR TWO YEARS

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.

(Continued on page 2)

*(Instructions on page 2)

K2 05/26/11

CARLSEAD CONTROLLED WATER BASIN

SEE ATTACHED FOR
CONDITIONS OF APPROVALAPPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

DRILLING PROGRAM

Operator:
Unit Corporation

Project Name:
HB3 Federal #3H

Project Location:
Surface Hole: 2,170' FSL & 330' FEL Section 3-24S-29E
Bottom Hole: 1,800' FSL & 330' FWL Section 3-24S-29E
Eddy County, New Mexico

Federal Nexus:
Mineral Estate

Prepared By:
Brent A. Keys

Date Prepared:
November 10th, 2010

Submitted To:
Bureau of Land Management

Please address inquiries, questions, scheduling of meetings and deficiency statements,
if any, to Brent Keys at the address shown below:

Unit Petroleum Company
7130 South Lewis, Suite 1000
Tulsa, OK 74136
918-493-7700
brent.keys@unitcorp.com

1.0 Drilling Program

1.1 Estimated Formation Tops

Formation	TVD@ Surface Loc	TVD@ KOP	TMD
RUSTLER	328	-	-
TOS MD	700	-	-
BOS MD	2920	-	-
BELL CANYON MD	3184	-	-
CHERRY CANYON	4070	-	-
BRUSHY CANYON	5259	-	-
BONE SPRINGS	6874	-	12300

12,239'

2.1.1 Target Formation and Total Depth

The total depth of the proposed well is 7,850' TVD located in the 1st Bone Springs Formation.

1.2 Pressure Control Equipment

Three thousand psi working pressure 13 5/8" BOP's and Annular Preventer will be installed on 13 3/8" surface casing. Five thousand psi working pressure 11" BOP's and Annular Preventer will be installed on 9 5/8" casing. A third party testing company will conduct pressure tests and record on a chart prior to drilling out below 9 5/8" casing.

The BOP, Choke, Choke Manifold, Upper and Lower Kelly Cocks, and Floor Safety Valves will be tested to full working pressure (5,000 psi). The Annular Preventer will be tested to 2,500 psi.

Floor Safety Valves that are full open and sized to fit Drill Pipe and Collars will be available on the rig floor in the open position when the Kelly is not in use.

In addition, the BOP equipment will be tested after any repairs to the equipment. Pipe rams, blind rams, and annular preventer will be activated on each trip, and weekly BOP drills will be held with each crew.

test
required
prior to drilling
out surface
casing, also

Floor Safety Valves that are full open and sized to fit Drill Pipe and Collars will be available on the rig floor in the open position when the Kelly is not in use.

In addition, the BOP equipment will be tested after any repairs to the equipment as well as drilling out below any casing string. Pipe rams, blind rams, and annular preventer will be activated on each trip, and weekly BOP drills will be held with each crew.

1.3 Proposed Casing and Cementing Program

1.3.1 Proposed Casing Program

Interval	Length	Size	Weight/ ft	Grade	Thread	Cond	Size <i>Hole</i>	Wash out factor	Cement Yield
Conductor	40'	20"	53.3#	A	Welded	New	30"	150 %	Grout to surface
Surface	<i>700'</i> <i>620'</i>	13 3/8"	48#	H-40	STC	New	17-1/2"	100%	1.75/1.3 Ft/sk cmt to surface
Intermediate	3130'	9-5/8"	40#	J-55	LTC	New	12-1/4"	50%	2.12/1.3 cu. Ft/sk cmt to surface
Production	12300' <i>12,239'</i>	5 1/2"	17#	P110	LTC	New	8-3/4" Lateral	20%	2.05/1.3 cu. Ft/sk TOC at 7000'

Conductor: 20" pipe to a depth of 40'. Wall thickness of 0.250".

Surface Casing:

Top	Bottom	Size	Weight/Ft	Grade	Collapse psi	Internal Yld psi	Body Yld Strength	Joint Strength
Surface	<i>700'</i>	13-3/8"	48"	H-40	770	1730	541,000	322,000

Intermediate Casing:

Top	Bottom	Size	Weight/Ft	Grade	Thread	Collapse psi	Internal Yld psi	Body Yld Strength	Joint Strength
Surface	3130'	9-5/8"	40#	J-55	LTC	2,570	3,950	630,000	520,000

Production Casing:

Top	Bottom	Size	Weight/Ft	Grade	Thread	Collapse psi	Internal Yld psi	Body Yld Strength	Joint Strength
Surface	12,300' 12,239'	5- 1/2"	17#	P110	LTC	7,460	10,640	546,000	445,000

Design Parameter Factors:

Casing Size	Collapse Design Factor	Burst Design Factor	Tension Design Factor
13 3/8"	2.29	1.42	9.58
9 5/8"	1.50	1.42	4.15
5 1/2"	1.82	2.60	2.12

1.3.2 Proposed Cement Program

Conductor: Grout to Surface (est. 8cu yards on backside)

13-3/8" Surface: Lead 385 sx Class 'C' Cement + 4% Bentonite + 2% Calcium Chloride + 0.125 LB/SK Cello Flake at 13.5 ppg, 1.75 ft³/sx, 9.17 gps (483' lead). Tail 250 sx Class C Cement + 2% Calcium Chloride + 0.125 LB/SK Cello Flake at 14.8 ppg, 1.35 ft³/sx, 6.35 gps (217' tail)

9-5/8" Intermediate: Lead 550 sx 35:65 POZ:Fly Ash Class 'C' + 5% Sodium Chloride + 0.125 LB/SK Cello Flake + 4% Bentonite + 1% Sodium Metasilicate + 5% MPA-5 at 12.80 ppg, 1.97 ft³/sx, 10.56 gps. Tail 200 sx Class C Cement + 1% Calcium Chloride + 0.125 LB/SK Cello Flake at 14.80 ppg, 1.34 ft³/sx, 6.34 gps.

5-1/2" Production: Lead 681sx 35:65 POZ:Fly Ash Class 'H' + 0.125 LB/SK Cello Flake + 6% Bentonite + 0.1% R-3 + 0.5% FL-25 at 12.50 ppg, 1.94 ft³/sx, 10.64 gps. Tail 271 sx 35:65 POZ:Fly Ash Class 'H' + 5% Sodium Chloride + 0.4% CD-32 + 0.5% FL-25 + 2% Bentonite + 0.5% Sodium Metasilicate + 0.5 FL-52A at 14.80 ppg, 1.34 ft³/sx, 6.34 gps. (~5350' Fill lateral and curve)

See
COA

**Unit Corp reserves the right to change cement designs as
hole conditions may warrant.**

1.4 Proposed Mud Program

<u>Interval</u>	<u>Type</u>	<u>Mud Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
40' to 700' <i>620</i>	Premix	8.4 - 9.2	32 - 50	NC
<i>700</i> -3130'	Brine	9.0 - 10.5	29 - 36	8-20
3130' - KOP	Brine	8.4 - 9.4	29 - 40	<15
KOP- TD	Brine	9.0 - 10	29 - 40	<15

1.4.1 Mud System Requirements

Mud weight increases are for hole stability in the curve/lateral sections of the hole, not pressure control.

The Mud System will run as a closed loop system with PVT monitoring. All drill cuttings and liquid mud will be hauled to an approved New Mexico Commission site for disposal or soiled farmed upon receiving appropriate approval.

1.5 Evaluation Program

Samples: Samples taken every 30' from Surface to TD.
Every 10' when determining casing point.

See COA
Logging: MWD w/ Gamma Ray from KOP-TD
Coring: None planned
Drill Stem Tests: None planned

1.6 Downhole Conditions

Zones of possible lost circulation:	N/A
Zones of possible abnormal pressure:	N/A
Maximum bottom hole temperature:	180° F
Maximum bottom hole pressure:	7,000 psi or less.

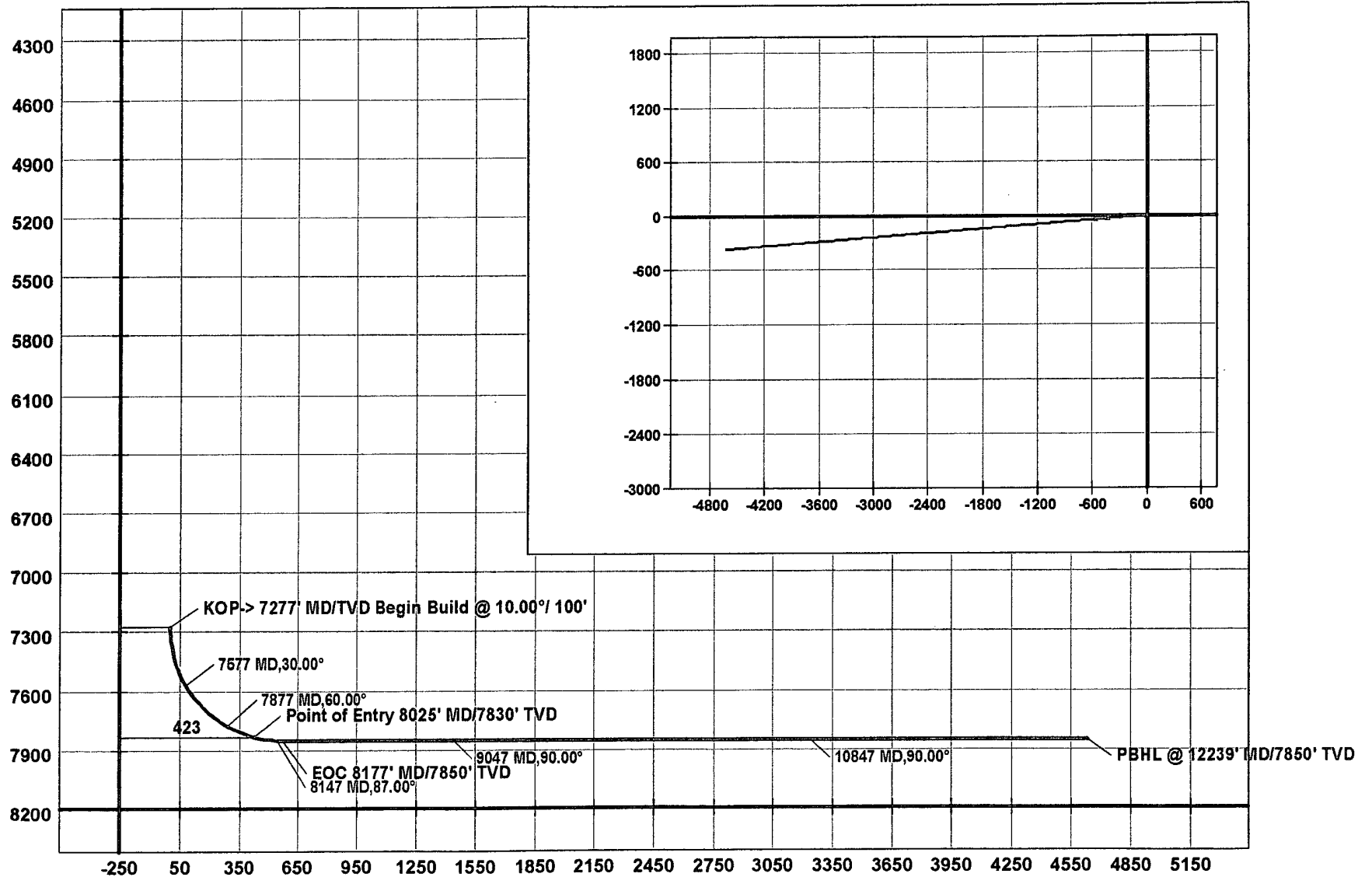
No H₂S in Area - GIS

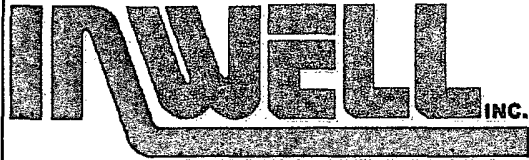
1.7 Flare Pit

~~The proposed well will not require a flare pit.~~

Flare Stack to be a minimum of 100' from wellhead per Onshore Order #2

Company: Unit Petroleum
Lease/Well: HB 3 FED #3H
Location: Eddy County
State/Country: New Mexico





Job Number:
 Company: Unit Petroleum
 Lease/Well: HB 3 FED #3H
 Location: Eddy County
 Rig Name:
 RKB:
 G.L. or M.S.L.:

State/Country: New Mexico
 Declination:
 Grid:
 File name: P:\SURVEYS\UNIT\HB3F3H.SVY
 Date/Time: 06-Dec-10 / 14:08
 Curve Name: Plan Rev 0 10.27.2010

Inwell Inc

WINSERVE PROPOSAL REPORT
 Minimum Curvature Method
 Vertical Section Plane 265.42
 Vertical Section Referenced to Wellhead
 Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	Dogleg Severity Deg/100
KOP-> 7277' MD/TVD Begin Build @ 10.00°/ 100'							
7277.04	.00	265.42	7277.04	.00	.00	.00	.00
7307.04	3.00	265.42	7307.03	-.06	-.78	.79	10.00
7337.04	6.00	265.42	7336.93	-.25	-3.13	3.14	10.00
7367.04	9.00	265.42	7366.67	-.56	-7.03	7.05	10.00
7397.04	12.00	265.42	7396.17	-1.00	-12.48	12.52	10.00
7427.04	15.00	265.42	7425.33	-1.56	-19.46	19.52	10.00
7457.04	18.00	265.42	7454.10	-2.24	-27.95	28.04	10.00
7487.04	21.00	265.42	7482.37	-3.04	-37.93	38.06	10.00
7517.04	24.00	265.42	7510.08	-3.95	-49.38	49.53	10.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	Dogleg Severity Deg/100
7547.04	27.00	265.42	7537.16	-4.99	-62.25	62.45	10.00
7577.04	30.00	265.42	7563.52	-6.13	-76.52	76.76	10.00
7607.04	33.00	265.42	7589.10	-7.38	-92.14	92.43	10.00
7637.04	36.00	265.42	7613.82	-8.74	-109.08	109.42	10.00
7667.04	39.00	265.42	7637.62	-10.19	-127.28	127.69	10.00
7697.04	42.00	265.42	7660.43	-11.75	-146.70	147.17	10.00
7727.04	45.00	265.42	7682.18	-13.40	-167.28	167.81	10.00
7757.04	48.00	265.42	7702.83	-15.13	-188.97	189.57	10.00
7787.04	51.00	265.42	7722.31	-16.95	-211.71	212.38	10.00
7817.04	54.00	265.42	7740.58	-18.85	-235.43	236.18	10.00
7847.04	57.00	265.42	7757.57	-20.83	-260.07	260.90	10.00
7877.04	60.00	265.42	7773.24	-22.87	-285.56	286.48	10.00
7907.04	63.00	265.42	7787.55	-24.97	-311.84	312.84	10.00
7937.04	66.00	265.42	7800.47	-27.14	-338.83	339.91	10.00
7967.04	69.00	265.42	7811.95	-29.35	-366.45	367.63	10.00
7997.04	72.00	265.42	7821.96	-31.61	-394.64	395.90	10.00
Point of Entry 8025' MD/7830' TVD							
8025.21	74.82	265.42	7830.00	-33.76	-421.54	422.89	10.00
8027.04	75.00	265.42	7830.48	-33.90	-423.31	424.66	10.00
8057.04	78.00	265.42	7837.48	-36.23	-452.38	453.83	10.00
8087.04	81.00	265.42	7842.95	-38.58	-481.78	483.33	10.00
8117.04	84.00	265.42	7846.86	-40.96	-511.43	513.07	10.00
8147.04	87.00	265.42	7849.22	-43.35	-541.24	542.97	10.00
EOC 8177' MD/7850' TVD							
8177.05	90.00	265.42	7850.00	-45.74	-571.13	572.96	10.00
8207.05	90.00	265.42	7850.00	-48.14	-601.04	602.96	.00
8237.05	90.00	265.42	7850.00	-50.53	-630.94	632.96	.00
8267.05	90.00	265.42	7850.00	-52.93	-660.84	662.96	.00
8297.05	90.00	265.42	7850.00	-55.32	-690.75	692.96	.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	Dogleg Severity Deg/100
8327.05	90.00	265.42	7850.00	-57.72	-720.65	722.96	.00
8357.05	90.00	265.42	7850.00	-60.11	-750.56	752.96	.00
8387.05	90.00	265.42	7850.00	-62.50	-780.46	782.96	.00
8417.05	90.00	265.42	7850.00	-64.90	-810.37	812.96	.00
8447.05	90.00	265.42	7850.00	-67.29	-840.27	842.96	.00
8477.05	90.00	265.42	7850.00	-69.69	-870.17	872.96	.00
8507.05	90.00	265.42	7850.00	-72.08	-900.08	902.96	.00
8537.05	90.00	265.42	7850.00	-74.48	-929.98	932.96	.00
8567.05	90.00	265.42	7850.00	-76.87	-959.89	962.96	.00
8597.05	90.00	265.42	7850.00	-79.27	-989.79	992.96	.00
8627.05	90.00	265.42	7850.00	-81.66	-1019.69	1022.96	.00
8657.05	90.00	265.42	7850.00	-84.06	-1049.60	1052.96	.00
8687.05	90.00	265.42	7850.00	-86.45	-1079.50	1082.96	.00
8717.05	90.00	265.42	7850.00	-88.85	-1109.41	1112.96	.00
8747.05	90.00	265.42	7850.00	-91.24	-1139.31	1142.96	.00
8777.05	90.00	265.42	7850.00	-93.64	-1169.22	1172.96	.00
8807.05	90.00	265.42	7850.00	-96.03	-1199.12	1202.96	.00
8837.05	90.00	265.42	7850.00	-98.43	-1229.02	1232.96	.00
8867.05	90.00	265.42	7850.00	-100.82	-1258.93	1262.96	.00
8897.05	90.00	265.42	7850.00	-103.22	-1288.83	1292.96	.00
8927.05	90.00	265.42	7850.00	-105.61	-1318.74	1322.96	.00
8957.05	90.00	265.42	7850.00	-108.01	-1348.64	1352.96	.00
8987.05	90.00	265.42	7850.00	-110.40	-1378.55	1382.96	.00
9017.05	90.00	265.42	7850.00	-112.80	-1408.45	1412.96	.00
9047.05	90.00	265.42	7850.00	-115.19	-1438.35	1442.96	.00
9077.05	90.00	265.42	7850.00	-117.59	-1468.26	1472.96	.00
9107.05	90.00	265.42	7850.00	-119.98	-1498.16	1502.96	.00
9137.05	90.00	265.42	7850.00	-122.38	-1528.07	1532.96	.00
9167.05	90.00	265.42	7850.00	-124.77	-1557.97	1562.96	.00
9197.05	90.00	265.42	7850.00	-127.17	-1587.88	1592.96	.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	Dogleg Severity Deg/100
9227.05	90.00	265.42	7850.00	-129.56	-1617.78	1622.96	.00
9257.05	90.00	265.42	7850.00	-131.96	-1647.68	1652.96	.00
9287.05	90.00	265.42	7850.00	-134.35	-1677.59	1682.96	.00
9317.05	90.00	265.42	7850.00	-136.75	-1707.49	1712.96	.00
9347.05	90.00	265.42	7850.00	-139.14	-1737.40	1742.96	.00
9377.05	90.00	265.42	7850.00	-141.54	-1767.30	1772.96	.00
9407.05	90.00	265.42	7850.00	-143.93	-1797.21	1802.96	.00
9437.05	90.00	265.42	7850.00	-146.33	-1827.11	1832.96	.00
9467.05	90.00	265.42	7850.00	-148.72	-1857.01	1862.96	.00
9497.05	90.00	265.42	7850.00	-151.12	-1886.92	1892.96	.00
9527.05	90.00	265.42	7850.00	-153.51	-1916.82	1922.96	.00
9557.05	90.00	265.42	7850.00	-155.91	-1946.73	1952.96	.00
9587.05	90.00	265.42	7850.00	-158.30	-1976.63	1982.96	.00
9617.05	90.00	265.42	7850.00	-160.70	-2006.54	2012.96	.00
9647.05	90.00	265.42	7850.00	-163.09	-2036.44	2042.96	.00
9677.05	90.00	265.42	7850.00	-165.49	-2066.34	2072.96	.00
9707.05	90.00	265.42	7850.00	-167.88	-2096.25	2102.96	.00
9737.05	90.00	265.42	7850.00	-170.28	-2126.15	2132.96	.00
9767.05	90.00	265.42	7850.00	-172.67	-2156.06	2162.96	.00
9797.05	90.00	265.42	7850.00	-175.07	-2185.96	2192.96	.00
9827.05	90.00	265.42	7850.00	-177.46	-2215.86	2222.96	.00
9857.05	90.00	265.42	7850.00	-179.86	-2245.77	2252.96	.00
9887.05	90.00	265.42	7850.00	-182.25	-2275.67	2282.96	.00
9917.05	90.00	265.42	7850.00	-184.65	-2305.58	2312.96	.00
9947.05	90.00	265.42	7850.00	-187.04	-2335.48	2342.96	.00
9977.05	90.00	265.42	7850.00	-189.44	-2365.39	2372.96	.00
10007.05	90.00	265.42	7850.00	-191.83	-2395.29	2402.96	.00
10037.05	90.00	265.42	7850.00	-194.23	-2425.19	2432.96	.00
10067.05	90.00	265.42	7850.00	-196.62	-2455.10	2462.96	.00
10097.05	90.00	265.42	7850.00	-199.02	-2485.00	2492.96	.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	Dogleg Severity Deg/100
10127.05	90.00	265.42	7850.00	-201.41	-2514.91	2522.96	.00
10157.05	90.00	265.42	7850.00	-203.81	-2544.81	2552.96	.00
10187.05	90.00	265.42	7850.00	-206.20	-2574.72	2582.96	.00
10217.05	90.00	265.42	7850.00	-208.60	-2604.62	2612.96	.00
10247.05	90.00	265.42	7850.00	-210.99	-2634.52	2642.96	.00
10277.05	90.00	265.42	7850.00	-213.39	-2664.43	2672.96	.00
10307.05	90.00	265.42	7850.00	-215.78	-2694.33	2702.96	.00
10337.05	90.00	265.42	7850.00	-218.18	-2724.24	2732.96	.00
10367.05	90.00	265.42	7850.00	-220.57	-2754.14	2762.96	.00
10397.05	90.00	265.42	7850.00	-222.97	-2784.05	2792.96	.00
10427.05	90.00	265.42	7850.00	-225.36	-2813.95	2822.96	.00
10457.05	90.00	265.42	7850.00	-227.76	-2843.85	2852.96	.00
10487.05	90.00	265.42	7850.00	-230.15	-2873.76	2882.96	.00
10517.05	90.00	265.42	7850.00	-232.55	-2903.66	2912.96	.00
10547.05	90.00	265.42	7850.00	-234.94	-2933.57	2942.96	.00
10577.05	90.00	265.42	7850.00	-237.33	-2963.47	2972.96	.00
10607.05	90.00	265.42	7850.00	-239.73	-2993.38	3002.96	.00
10637.05	90.00	265.42	7850.00	-242.12	-3023.28	3032.96	.00
10667.05	90.00	265.42	7850.00	-244.52	-3053.18	3062.96	.00
10697.05	90.00	265.42	7850.00	-246.91	-3083.09	3092.96	.00
10727.05	90.00	265.42	7850.00	-249.31	-3112.99	3122.96	.00
10757.05	90.00	265.42	7850.00	-251.70	-3142.90	3152.96	.00
10787.05	90.00	265.42	7850.00	-254.10	-3172.80	3182.96	.00
10817.05	90.00	265.42	7850.00	-256.49	-3202.71	3212.96	.00
10847.05	90.00	265.42	7850.00	-258.89	-3232.61	3242.96	.00
10877.05	90.00	265.42	7850.00	-261.28	-3262.51	3272.96	.00
10907.05	90.00	265.42	7850.00	-263.68	-3292.42	3302.96	.00
10937.05	90.00	265.42	7850.00	-266.07	-3322.32	3332.96	.00
10967.05	90.00	265.42	7850.00	-268.47	-3352.23	3362.96	.00
10997.05	90.00	265.42	7850.00	-270.86	-3382.13	3392.96	.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	Dogleg Severity Deg/100
11027.05	90.00	265.42	7850.00	-273.26	-3412.04	3422.96	.00
11057.05	90.00	265.42	7850.00	-275.65	-3441.94	3452.96	.00
11087.05	90.00	265.42	7850.00	-278.05	-3471.84	3482.96	.00
11117.05	90.00	265.42	7850.00	-280.44	-3501.75	3512.96	.00
11147.05	90.00	265.42	7850.00	-282.84	-3531.65	3542.96	.00
11177.05	90.00	265.42	7850.00	-285.23	-3561.56	3572.96	.00
11207.05	90.00	265.42	7850.00	-287.63	-3591.46	3602.96	.00
11237.05	90.00	265.42	7850.00	-290.02	-3621.36	3632.96	.00
11267.05	90.00	265.42	7850.00	-292.42	-3651.27	3662.96	.00
11297.05	90.00	265.42	7850.00	-294.81	-3681.17	3692.96	.00
11327.05	90.00	265.42	7850.00	-297.21	-3711.08	3722.96	.00
11357.05	90.00	265.42	7850.00	-299.60	-3740.98	3752.96	.00
11387.05	90.00	265.42	7850.00	-302.00	-3770.89	3782.96	.00
11417.05	90.00	265.42	7850.00	-304.39	-3800.79	3812.96	.00
11447.05	90.00	265.42	7850.00	-306.79	-3830.69	3842.96	.00
11477.05	90.00	265.42	7850.00	-309.18	-3860.60	3872.96	.00
11507.05	90.00	265.42	7850.00	-311.58	-3890.50	3902.96	.00
11537.05	90.00	265.42	7850.00	-313.97	-3920.41	3932.96	.00
11567.05	90.00	265.42	7850.00	-316.37	-3950.31	3962.96	.00
11597.05	90.00	265.42	7850.00	-318.76	-3980.22	3992.96	.00
11627.05	90.00	265.42	7850.00	-321.16	-4010.12	4022.96	.00
11657.05	90.00	265.42	7850.00	-323.55	-4040.02	4052.96	.00
11687.05	90.00	265.42	7850.00	-325.95	-4069.93	4082.96	.00
11717.05	90.00	265.42	7850.00	-328.34	-4099.83	4112.96	.00
11747.05	90.00	265.42	7850.00	-330.74	-4129.74	4142.96	.00
11777.05	90.00	265.42	7850.00	-333.13	-4159.64	4172.96	.00
11807.05	90.00	265.42	7850.00	-335.53	-4189.55	4202.96	.00
11837.05	90.00	265.42	7850.00	-337.92	-4219.45	4232.96	.00
11867.05	90.00	265.42	7850.00	-340.32	-4249.35	4262.96	.00
11897.05	90.00	265.42	7850.00	-342.71	-4279.26	4292.96	.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	Dogleg Severity Deg/100
11927.05	90.00	265.42	7850.00	-345.11	-4309.16	4322.96	.00
11957.05	90.00	265.42	7850.00	-347.50	-4339.07	4352.96	.00
11987.05	90.00	265.42	7850.00	-349.90	-4368.97	4382.96	.00
12017.05	90.00	265.42	7850.00	-352.29	-4398.88	4412.96	.00
12047.05	90.00	265.42	7850.00	-354.69	-4428.78	4442.96	.00
12077.05	90.00	265.42	7850.00	-357.08	-4458.68	4472.96	.00
12107.05	90.00	265.42	7850.00	-359.48	-4488.59	4502.96	.00
12137.05	90.00	265.42	7850.00	-361.87	-4518.49	4532.96	.00
12167.05	90.00	265.42	7850.00	-364.27	-4548.40	4562.96	.00
12197.05	90.00	265.42	7850.00	-366.66	-4578.30	4592.96	.00
12227.05	90.00	265.42	7850.00	-369.06	-4608.21	4622.96	.00
PBHL @ 12239' MD/7850' TVD							
12238.88	90.00	265.42	7850.00	-370.00	-4620.00	4634.79	.00

Unit Petroleum Company

HB "3" Federal 3H

Section 3-24S-29E; Eddy Co., N.M.

Unit Petroleum Company

Proposed Blowout Preventor Stack

Valve Nomenclature

- 1.) 2 1/16" 5m Check Valve
- 2.) 2 1/16" 5m Manual Gate Valve
- 3.) 4 1/16" 5m Manual Gate Valve
- 4.) 4 1/16" 5m Hydraulic Gate Valve
- 5.) 2 1/16" 5m Manual Gate Valve

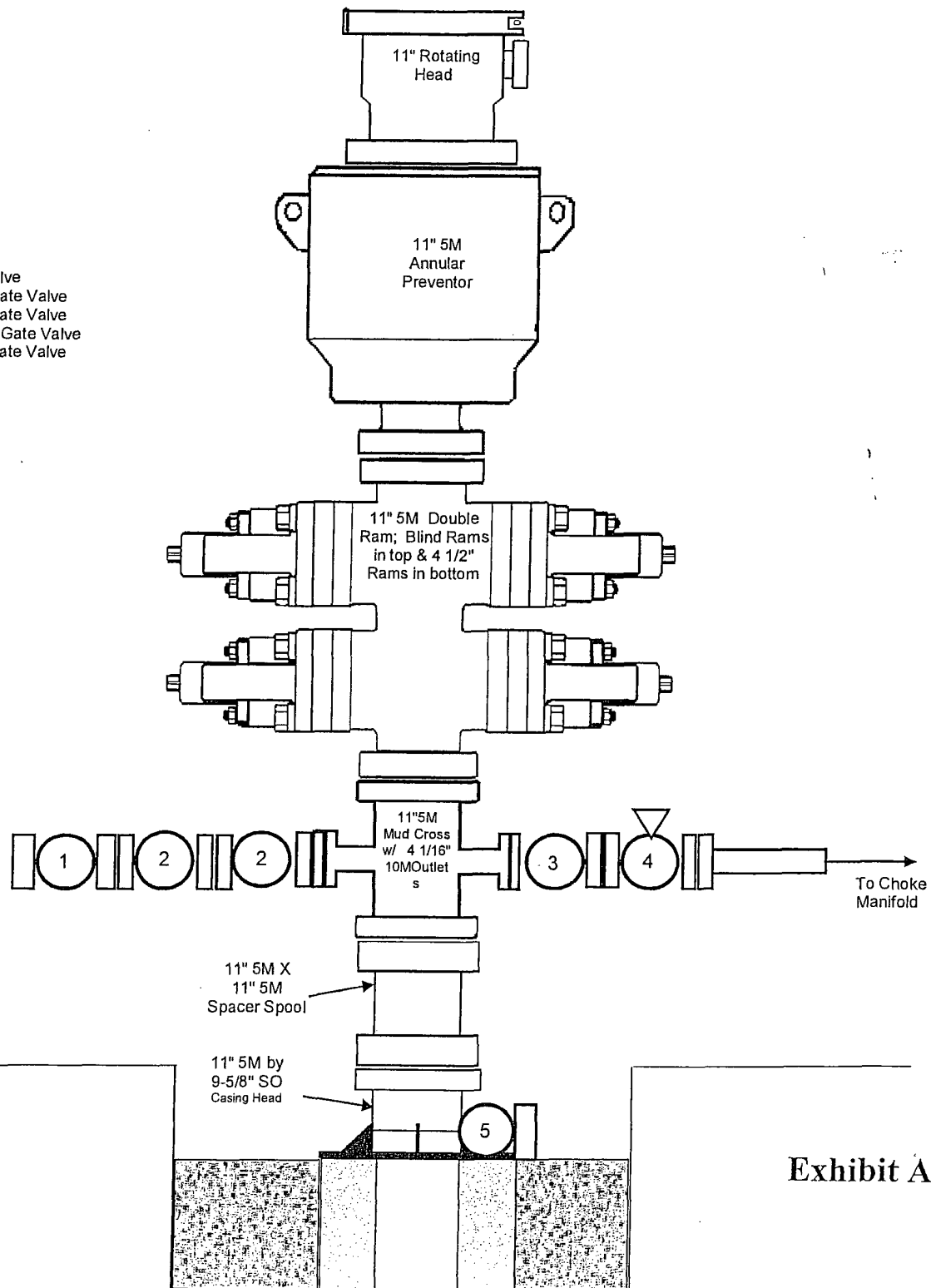


Exhibit A

Unit Petroleum Company
HB "3" Federal 3H
Eddy County, N

Choke Manifold

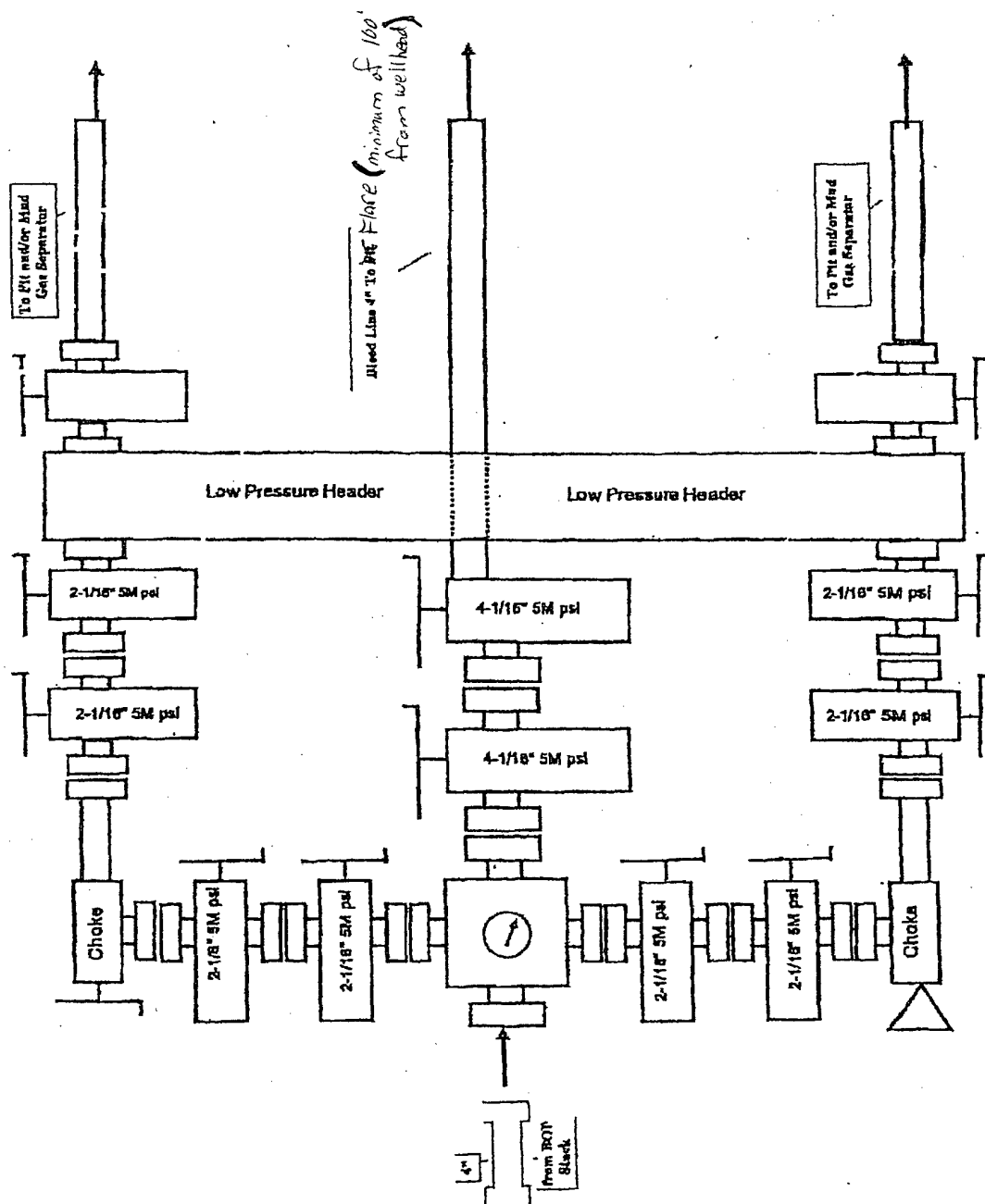
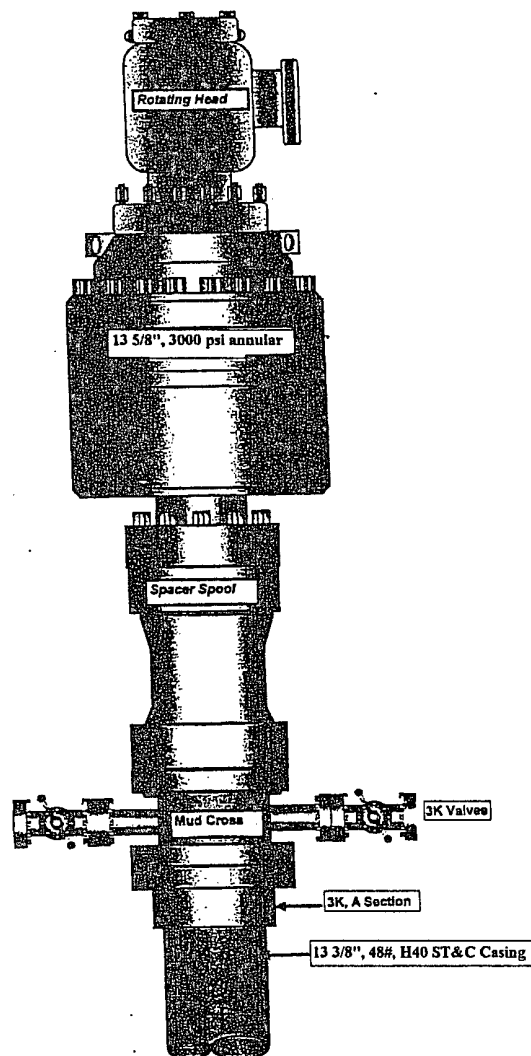


Exhibit B

13 5/8" x 3K Annular



DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator UNIT PETROLEUM CO OGRID # 115970
 Well Name & # H33 FEDERAL # 311 Surface Type (F) (S) (P)
 Location: UL I Sect 3 Township 24 s, RNG 28
L 3 24 29 Sub-surface Type (F) (S) (P)

*overlap
in u/l 5-3-24-29
30-015-24-266*

A. Date C101 rec'd / / C101 reviewed / /

B. 1. Check mark, Information is OK on Forms:

OGRID X, BONDING FEI, PROP CODE 7, WELL # 2, SIGNATURE 2

2. Inactive Well list as of: 04-12-11 # wells 22, # Inactive wells 1

a. District Grant APD but see number of inactive wells:
 No letter required X; Sent Letter to Operator , to Santa Fe

3. Additional Bonding as of: / /

a. District Denial because operator needs addition bonding:
 No Letter required ; Sent Letter to Operator , To Santa Fe

b. District Denial because of Inactive well list and Financial Assurance:
 No Letter required ; Sent Letter to Operator , To Santa Fe

C. C102 YES X, NO , Signature 2
 1. Pool CEDAR CANYON BS, Code 11520

a. Dedicated acreage 100, What Units IJKL

b. SUR. Location Standard X; Non-Standard Location

c. Well shares acres: Yes , No , # of wells plus this well #

2. 2nd. Operator in same acreage, Yes , No

Agreement Letter , Disagreement letter

3. Intent to Directional Drill Yes X, No

a. Dedicated acreage 100, What Units

b. Bottomhole Location Standard X, Non-Standard Bottomhole IJKL

4. Downhole Commingle: Yes , No

a. Pool #2 , Code , Acres
 Pool #3 , Code , Acres
 Pool #4 , Code , Acres

5. POTASH Area Yes , No X

D. Blowout Preventer Yes X, No

E. H2S Yes , No , PART FEA APD

F. C144 Pit Registration Yes , No X, need

G. Does APD require Santa Fe Approval:

1. Non-Standard Location: Yes , No X, NSL #

2. Non-Standard Proration: Yes , No X, NSP #

3. Simultaneous Dedication: Yes , No X, SD #

Number of wells Plus #

4. Injection order Yes , No X; PMX # or WFX #

5. SWD order Yes , NO X; SWD #

6. DHC from SF ; DHC-HOB ; Holding

7. OCD Approval Date 12/2

8. Reviewers 12/2

API #30-0 15-39076