District I PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

| McKay P.O. E | 011 Co | NM 874 87504-2 FOR Orpor | PEF | RMIT T | Santa O DRII Operator Na. | PO Box 2 Fe, NM 8 | 7504-2088 V E R, DEÉI | A PEN, | PLUGB | | State State Fee AMEN OR Al | tructions of the District Lease - 6 Lease - 5 DED REI | t Office Copies Copies PORT | |
|------------------------------|--------------------------|-----------------------------------|-------------------------|----------------------------|-----------------------------|-------------------------------------|--------------------------------------|---------------|--------------------|-------------------------|------------------------------|---|--------------------------------------|--|
| Roswell, New Mexico 88202 | | | | | | 20160 2000 | | | | | 35-63 | | | |
| Property Code | | | | | | Property Name 8293 | | | | | | 'Wall | io. | |
| 28 | 07 | | <u> </u> | <u>New</u> | MExic | o "CS" "B" | | | | | | 2 | | |
| UL or lot no. | Section | Town | | n 1 | | ⁷ Surface | | | | | | | | |
| I | 2 | ŀ | 'S | Range 22E | Lot Ida | Feet from the | North/South Ea | | cool | FEL | est Enc | Chave | 25 | |
| 1 | | | | | Pottom | 1980' | 1 | | 690' | | | Cilavi | | |
| UL or lot no. | Section | Town | PI(| Range | Locida | Feet from the | ion If Diffe | | rom Sur | | , , , | T | | |
| | | | | | 200 102 | i car ii via tae | .vorca/socus n.s | r | ec irom the | East/ W | est line | County | | |
| W. | Pecos | | - | d P∞l 1 Abo | | | | | 14 Propos | ed Pool 2 | l . | | · | |
| " Work T | ype Code | | 12 | -Well Type | Code | 13 Cable | Rotery | | 14 Lesse Type Code | | 13 Gross | 13 Ground Level Elevation | | |
| N | | l_ | <u> </u> | | | Rotary | | | S | | 4221 | | | |
| " Multip le No | | - | " Proposed Depth 3,200" | | Abo | | | 1º Contractor | | • | Spud Date | | | |
| | | | | 21 | Propose | ed Casing a | nd Cement | Progr | am | | | | | |
| | Hole Size | | Casing Size Cas | | Casir | ng weight/loot | Setting Dep | elb. | , | Cement | | Estimated T | ос | |
| 12¼" | 12¼" | | 8-5/8" | | 23 | # X-42 | 950 | + | 750± | | surface | | _ | |
| 7-7/8 | 11 | 4 | 1 II | . | 9. | 5# J-55 | TD | | 1200+ | | 150 |)' to 8 | 300' | |
| | | | | | | | | | | | | | | |
| | | | | | | | | | ļ | | | | | |
| " Describe the p | proposed pr | ogram. | If thi | applicatio | He is to DEE. | PEN or PLUG BA | CK give the data o | on the p | resest producti | Ye 20 ac 1 | ad propos | d sew prodi | active | |
| McKay 950' produ | Oil C of sur ction | orpo face casi | rat ca ng | ion pr sing w will b | oposes vill be | to drill set and c and cement | and test cemented t ted with a | o su | rface. | If co r, po cospu | ommerc erfora D&TIME | ial, 4½ ted and TOWITN | <u>ነ</u> " ქ ESS | |
| 15 I bereby certif | y that the in | formatic | on give | a above is t | rue and comp | lete to the best | OII | <u></u> | | | | | _ | |

| | as above is true and complete to the t | Approved by: ORIGINAL SIGNED BY TIM W. GUM |
|----------------------------|--|---|
| Printed name: Bill J. Mils | tead | Title: |
| Title: Vice Preside | ent | Approval Date: MAY 2 5 2002 Expiration Date: MAY 2 5 2012 |
| Date: 5 - 22 -0/ | Phone: 505-623-4735 | Conditions of Approval : |

DISTRICT I 1825 N. French Dr., Hobbs, NM 88240

State of New Mexico

Energy, Kinerals and Natural Resources Department

Form C-102 Revised August 15, 2000 Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT II 811 South First, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION

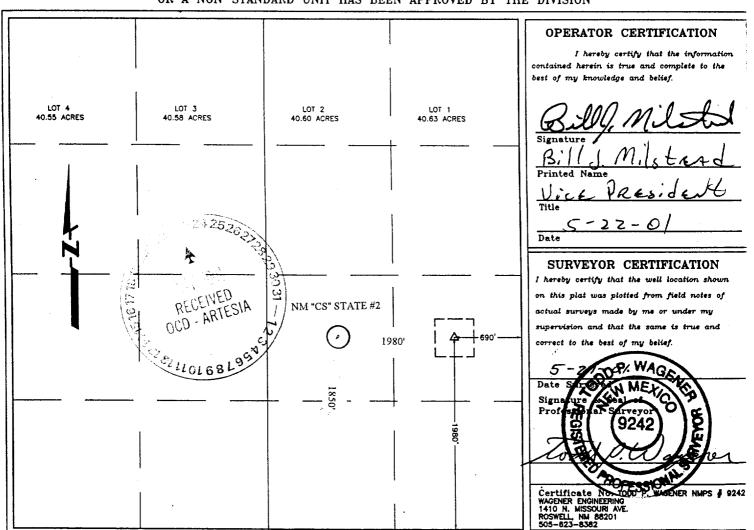
1220 South St. Francis Dr. Santa Fe, New Mexico 87505

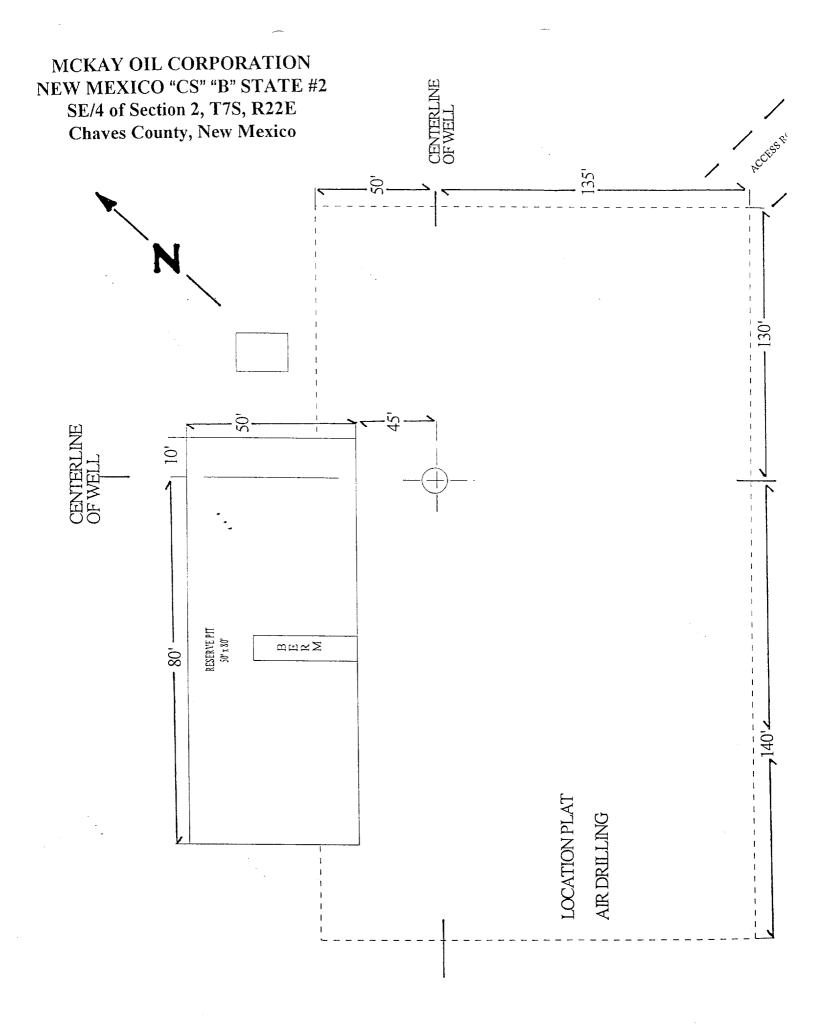
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API | | | Pool Code | | Pool Name | | | | | |
|----------------|--------------|--------------|----------------------------------|---------|-----------------|--------------------------------|---------------|------------------------|------------------|--|
| Property | Code | NM "C | Property Name NM "CS" "B" STATE | | | | | | | |
| OGRID N | o. | McKAY | Elevation 4221 | | | | | | | |
| | | | | | Surface Loc | ation | | • | | |
| UL or lot No. | Section 2 | Township 7 S | Range 22 E | Lot Idn | Feet from the | North/South line SOUTH | Feet from the | East/West line EAST | County CHAVES | |
| | | | Bottom | Hole Lo | cation If Diffe | erent From Sur | face | <u> </u> | · | |
| UL or lot No. | Section | Township | Range Lot Idn | | Feet from the | Feet from the North/South line | | East/West line | County | |
| Dedicated Acre | s Joint | or Infill Co | nsolidation | Code Or | der 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





MCKAY OIL CORPORATION NEW MEXICO "CS" "B" STATE #2 SE/4 of Section 2, T7S, R22E Chaves County, New Mexico

EXHIBIT "B"

