Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

New Mexico Oil Conservation Division, District I
625 N. French Drive
Hobbs, NM 88240

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: NM-65441
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: ---
7. UNIT AGREEMENT NAME: ---

1a. TYPE OF WORK: DRILL [XX] DEEPEN [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [XX] OTHER — SINGLE ZONE [XX] MULTIPLE ZONE [ ]

8. FARM OR LEASE NAME, WELL NO.: MADERA "24" FEDERAL # 2

2. NAME OF OPERATOR: PURE RESOURCES, L.P. (KEN KRAWIETZ 432-498-2655)

9. API WELL NO.: 30-025-36918

3. ADDRESS AND TELEPHONE NO.: 500 WEST ILLINOIS MIDLAND, TEXAS 79701

10. FIELD AND POOL, OR WILDCAT: WILDCAT-MORROW

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 660' FSL & 660' FEL SECTION 24 T26S-R34E LEA CO. NM
At proposed prod. zone: SAME Unit P

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SECTION 24 T26S-R34E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 18 miles Southwest of Jal New Mexico

12. COUNTY OR PARISH: LEA CO. 13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
660'	640 12.80	320
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
3400'	16,500'	ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3192' GR.

22. APPROX. DATE WORK WILL START*: WHEN APPROVED

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor 20"	NA	40'	Redi-mix cement to surface
17½"	J-55 13 3/8"	54.5 WITNESS	1080'	900 Sx. circulate to surface
12¼"	L-80 9 5/8"	43.5	5400'	1600 Sx. " " "
8½"	P-110 7 5/8"	39	13,400'	1900 Sx. Est TOC 5200'
6½"	P-110 5½"	23	16,500-13,200'	200 Sx cement to top of liner.

OPER. OGRID NO. 150628
PROPERTY NO. 33690
POOL CODE ✓
EFF. DATE 10/20/04
API NO. 30-025-36918

SEE ATTACHED SHEET

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

CARLSBAD CONTROLLED WATER BASIN

OCT 2004
RECEIVED
Hobbs
OCD

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Joe T Janica TITLE Agent DATE 08/24/04

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

Ke

APPROVED BY /s/ Joe G. Lara TITLE FIELD MANAGER DATE OCT 13 2004

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001, makes 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.

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.

2. Drill 17½" hole to 1080'. Run and set 1080' of 13 3/8" 54.5# J-55 ST&C casing. Cement with 650 Sx. of Class "C" 35/65 POZ +6% Bentonite, + 2% CaCl, + ¼# Flocele/ Sx., tail in with 250 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.

3. Drill 12¼" hole to 5400'. Run and set 5400' of 9 5/8" 43.5# L-80 LT&C casing. Cement with 1200 Sx. of Class "C" 35/65 POZ + 6% Bentonite, + 5% Salt, + ¼# Flocele/Sx., tail in with 400 Sx. of Class "C" cement + 1% CaCl, circulate cement to surface.

4. Drill 8½" hole to 13,400'. Run and set 13,400' of 7 5/8" 39# P-110 STL casing. Cement in two stages, DV Tool at 7500'±. Cement 1st stage with 765 Sx. of Class "H" 50/50 POZ, + 3% LCM-1, + .4% FL-25, + 10% FL-52, + 10% Gel, + .2% R-21, tail in with 175 Sx. of Class "H" 50/50 POZ , + .6% FL-25, + IDC-32, + 2% Gel. Cement 2nd Stage with 865 Sx. of Class "H" 50/50 POZ, + 3% LCM-1, + .4% FL-25, + 10% FL-52, + 10% Gel, + 5% Salt, tail in with 100 Sx. of Class "H" neat cement. Estimate top of cement 5200' from surface.

5. Drill 6½" hole to 16,500'. Run and set a 3300' 5½" 23# P-110 STL liner. Hang liner at 13,200'±. Cement with 200 Sx. of Class "H" Premium cement + additives, cement to top of liner.

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

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 and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
30-025-36918	✓	WILDCAT MORROW

Property Code	Property Name	Well Number
33690	MADERA FEDERAL "24"	2

OGRID No.	Operator Name	Elevation
150628	PURE RESOURCES, L.P.	3192'

Surface Location

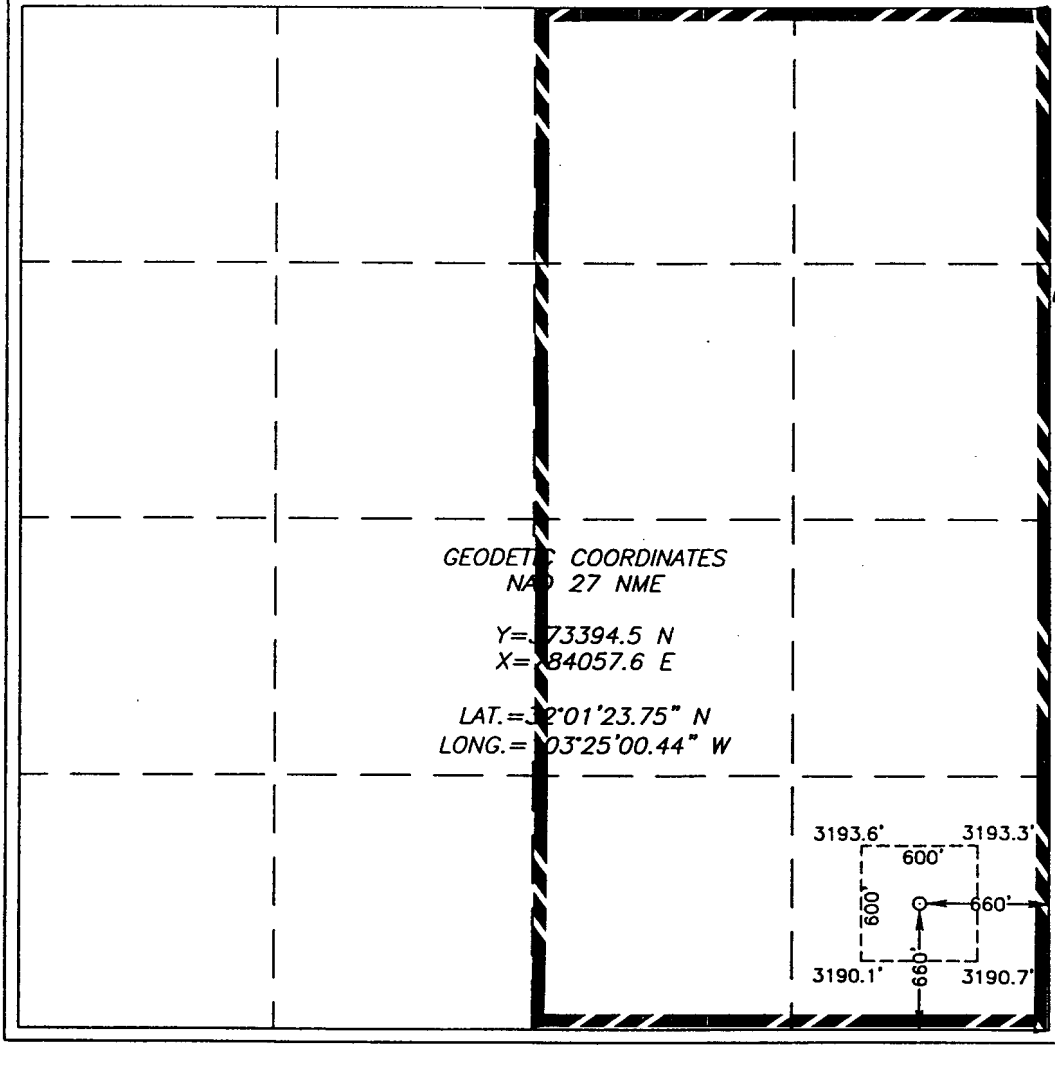
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	24	26-S	34-E		660'	SOUTH	660'	EAST	LEA

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	Joint or Infill	Consolidation Code	Order No.
320			

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



OPERATOR CERTIFICATION

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

Joe T. Janica
Signature

Joe T. Janica
Printed Name

Agent
Title

08/24/04
Date

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 supervison, and that the same is true and correct to the best of my belief.

JUNE 17, 2004
Date Surveyed LA

Signature & Seal of Professional Surveyor

Gary G. Eidson 6/21/04

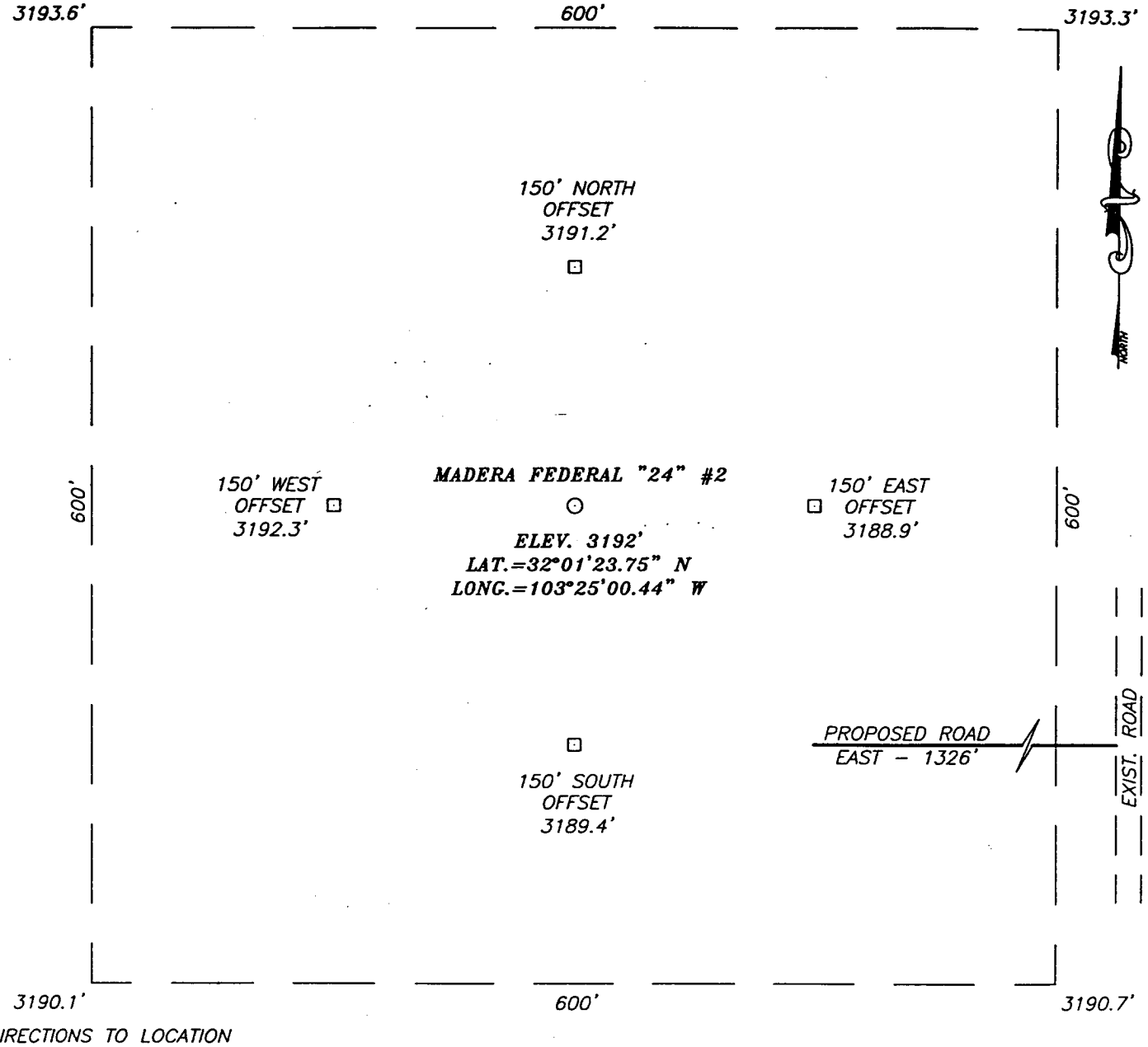
04.11.0722

Certificate No. GARY EIDSON 12641

EXHIBIT "A"

SECTION 24, TOWNSHIP 26 SOUTH, RANGE 34 EAST, N.M.P.M.,

LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

GOING SOUTH ON STATE HWY. #18 TURN RIGHT AT MILE MARKER 7.7 ONTO WHITWORTH LANE. GO WEST 0.3 MILES AND TURN LEFT ONTO ST. RD. #205. TAKE ST. #205 FROM JAL SOUTH 7.2 MILES TO STATE LINE. ROAD CONTINUES AS FRYING PAN RD SOUTH-SOUTHWEST FOR 5.7 MILES. TURN RIGHT AT CALICHE LEASE ROAD AND GO NORTH-NORTHWEST 6.2 MILES. TURN RIGHT AT TEE AND GO NORTHWEST 6.7. TURN RIGHT AT TEE AND GO NORTHEAST 0.4 MILES. TURN LEFT AND GO NORTH 1.5 MILES. TURN RIGHT AND GO EAST 0.5 MILES. TURN LEFT AND GO NORTH 0.75 MILES. PROPOSED LOCATION IS APPROX. 0.25 MILES WEST.

100 0 100 200 Feet

Scale:1"=100'

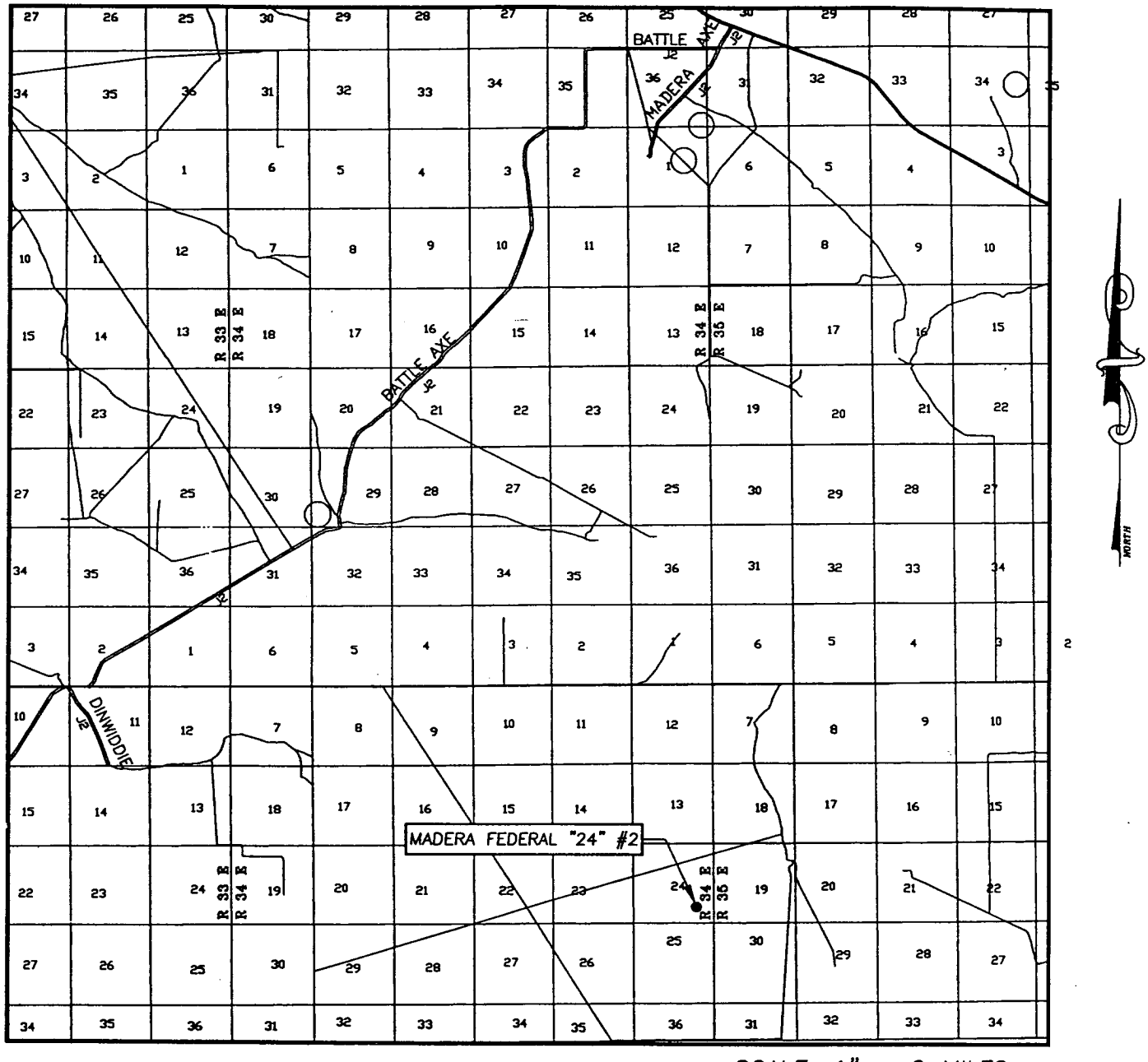
PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

PURE RESOURCES, L.P.

MADERA FEDERAL "24" #2 WELL
LOCATED 660 FEET FROM THE SOUTH LINE
AND 660 FEET FROM THE EAST LINE OF SECTION 24,
TOWNSHIP 26 SOUTH, RANGE 34 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

Survey Date: 6/16/04	Sheet 1 of 1 Sheets		
W.O. Number: 04.11.0722	Dr By: LA	Rev 1:N/A	
Date: 6/21/04	Disk: CD#3	04110722	Scale:1"=100'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 24 TWP. 26-S RGE. 34-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 660' FSL & 660' FEL

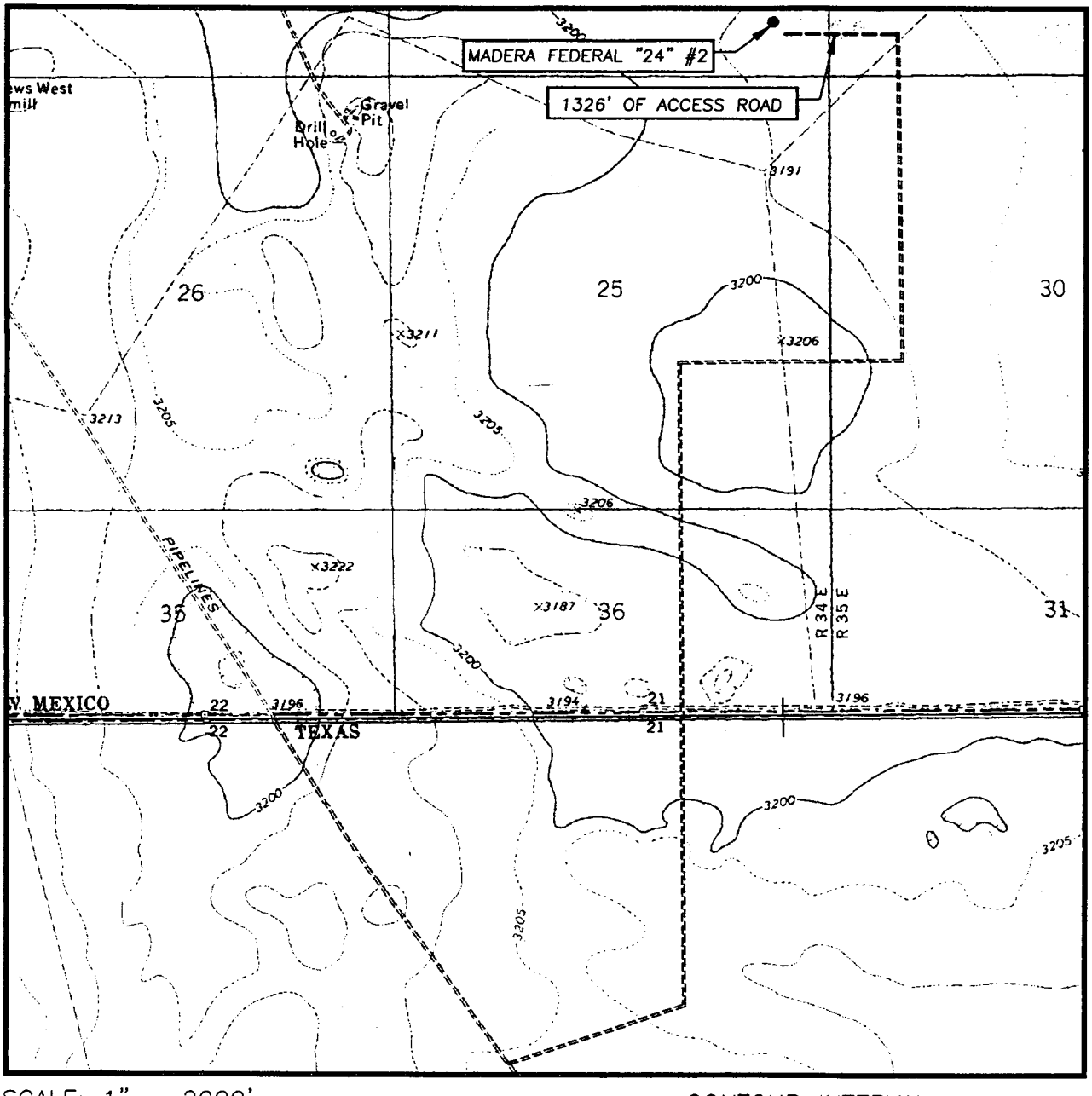
ELEVATION 3192'

OPERATOR PURE RESOURCES, L.P.

LEASE MADERA FEDERAL "24"

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
ANDREWS PLACE, N.M. – 10'

SEC. 24 TWP. 26-S RGE. 34-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 660' FSL & 660' FEL

ELEVATION 3192'

OPERATOR PURE RESOURCES, L.P.

LEASE MADERA FEDERAL "24"

U.S.G.S. TOPOGRAPHIC MAP
ANDREWS PLACE, N.M.

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

APPLICATION TO DRILL

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

1. Location: 660' FSL & 660' FEL SECTION 24 T26S-R34E LEA CO. NM

2. Elevation above Sea Level: 3192' GR.

3. Geologic name of surface formation: Quaternery Aeolian Deposits.

4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.

5. Proposed drilling depth: 16,500'

6. Estimated tops of geological markers:

Rustler Anhydrite	1030'	Wolfcamp	12,225'
Delaware	5155'	Strawn	14,095'
Brushy Canyon	8160'	Atoka	15,230'
Bone Spring	9145'	Morrow	15.940'

7. Possible mineral bearing formations:

Bone Spring	Oil	Strawn	Gas
Strawn	Oil	Atoka	Gas
		Morrow	Gas

8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade
25"	0-40'	20"	NA	NA	NA	Conductor
17½"	0-1080'	13 3/8"	54.5	8-R	ST&C	J-55
12¼"	0-5400'	9 5/8"	43.5	8-R	LT&C	L-80
8½"	0-13,400'	7 5/8"	39	8-R	STL	P-110
6½"	13,200-16,500'	5½"	23	8-R	STL	P-110

APPLICATION TO DRILL

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

9. CEMENTING & CASING SETTING:

20"	Conductor	Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
13 3/8"	Surface	Set 1080' of 13 3/8" 54.5# J-55 ST&C casing. Cement with 650 Sx. of Class "C" 35/65 POZ + 6% Bentonite, + 2% CaCl, ¼# Flocele/Sx. tail in with 250 Sx. of Class "C" cement + 2% CaCl, circulate cement to surface.
9 5/8"	Intermediate	Set 5400' of 9 5/8" 43.5# L-80 LT&C casing. Cement with 1200 Sx. of Class "C" 36/65 POZ, + 6% Bentonite, + 5% Salt, + ¼# Flocele/Sx., tail in with 400 Sx. of Class "C" cement + 1% CaCl, circulate cement to surface.
7 5/8"	2nd Intermediate	Set 13.400' of 7 5/8" 39# P-110 STLcasing. Cement in two stages with DV Tool at 7500'±. Cement 1st stage with 765 Sx. of of Class "H" 50/50 POZ, + 3% LCM-1, + .4% FL-25, + 10% FL-52, + 10% Gel, + .2% R-21, tail in with 175 Sx. of Class "H" 50/50 POZ, + .6% FL-25, + idc-32, + 2% Gel. Cement 2nd stage with 865 Sx. of Class "H" 50/50 POZ, + 3% LCM-1, + .4% FL-25, + 10% FL-52, + 10% Gel, + 5% Salt, tail in with 100 Sx. of Class "H" neat cement, estimate top of cement 5200' from surface.
5½"	Production Liner	Set 3300' of 5½" 23# P-110 STL liner, hang liner at 13,200'. Cement with 200 Sx. of Class "H" Premium cement + additives, cement to top of liner.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 10,000 PSI working pressure B.O.P. Conistion of SRSRRA stack the lower drilling spool is optional with outlets on lower ram. The b.o.p. will be nippled up on the 13 3/8" casing and will be tested to API specifications after each casing string is run and cemented. The B.O.P. will be operated once each 24 hour period and the blind rams will be worked when the drill pipe is out of hole. A full opening stabbing valve and upper kelly cock will be utilized. Exhibit "E-1" shows a 3" 10,000 PSI choke manifold with dual remote controled chokes. No abnormal pressures or temperatures are expected while drilling this well.

APPLICATION TO DRILL

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
40-1080'	8.4-8.7	29-34	NC	Fresh water spud mud use paper to control seepage.
1080' 5400'	10.0-10.2	29-38	NC	Brine water use paper to control seepage and high viscosity sweeps to clean hole.
5400-13,400'	9.4-9.8	29-38	NC	Cut brine use high viscosity sweeps to clean hole.
13,400-16,500'	12-15.5	34-42	6-10 cc	Use a weighted Polymer system to control water loss and weight.

Sufficient mud materials will be kept on location at all times in order to combat last circulation, and/or unexpected kicks. If necessary to alter mud system and weights this may be accmplished at the descrition of the drilling engineer.

12. LOGGING, COREING, AND TESTING PROGRAM:

A. Open hole logs: Run 1 from 13,400' to 5400' Dual Laterolog, CNL, LDT,MSFL, SONIC Gamma Ray, Caliper. Run 2 TD back to 13,400' same as above but with slim hole tools. Gamma Ray Neutron from TD to surface.

B. Mud logger rigged up at 5400' and remain on hole to TD.

C. No cores or DST's are planned at this time.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. There is no known prescense of H^2S in this area. If H^2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 10,000 PSI, and estimated BHT 197°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin as soon as an approved APD is received. Anticipated spud date will be soon as a rig is available. Move in and and drilling operations will be approximately 65 days, if production casing is run an additonal 45 days will be required to complete well and construct production facilities.

15. OTHER FACETS OF OPERATIONS:

After production casing is run, Gamma Ray Neutron Collar logs will be run over potential pay zones. It is anticipated that the Morrow formation will be productive, this will be perforated, treated in order to establish production in the morrow and completed as a Gas well.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. All Company and Contract personnel admitted on location must be trained by a qualified H_2S safety instructor to the following:

   A. Characteristics of H_2S
   B. Physical effects and hazzards
   C. Proper use of safety equipment and life support systems.
   D. Principle and operation of H_2S detectors, warning system and briefing areas.
   E. Evacuation procedure, routes and first aid.
   F. Proper use of 30 minute pressure demand air pack.

2. H_2S Detection and Alarm Systems

   A. H_2S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.

3. Windsock and/or wind streamers

   A. Windsock at mudpit area should be high enough to be visible.
   B. Windsock at briefing area should be high enough to be visible.
   C. There should be a windsock at entrance to location.

4. Condition Flags and Signs

   A. Warning sign on access road to location.
   B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H_2S present in dangerous concentration. Only emergency personnel admitted to location.

5. Well control equipment

   A. See exhibit "E"

6. Communication

   A. While working under masks chalkboards will be used for communication.
   B. Hand signals will be used where chalk board is inappropriate.
   C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.

7. Drillstem Testing

   A. Exhausts will be watered.
   B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
   C. If location is near any dwelling a closed D.S.T. will be performed.

8. Drilling contractor supervisor will be required to be familiar with the effects H_2S has on tubular goods and other mechanical equipment.

9. If H_2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas seperator will be brought into service along with H_2S scavengers if necessary.

SURFACE USE PLAN

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

1. EXISTING ROADS & PROPOSED ROADS: Area maps; Exhibit "B" is a reproduction of a County General Hi-way Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.

   A. Exhibit "A" shows the proposed well site as staked.

   B. From Jal New Mexico take CR 205 South to Bennett (4± miles), continue South on Frying Pan Road 4.5 miles to Beckam Ranch Bear Right (West) go 7.5 miles on Ranch road, continue 3.2 miles on newly constructed road to location.

   C. Exhibit "F" shows possible route of gas flowline to an existing gas line in section 25 T26S-R34E. If the Madera "24"Federal # 1 is completed as a gas well a Sundry Report will be filed requesting R-O-W for this flowline.

2. PLANNED ACCESS ROADS: Approximately 3.2 miles of new road will be constructed.

   A. The access roads will be crowned and ditched to a 12' wide travel surface with a 40' Right-of-Way.

   B, Gradient of all roads will be less than 5.00%.

   C. If turn-outs are necessary they will be constructed.

   D. If needed roads will be surfaced with a mimimum of 4" of caliche. This material will be obtained from a local source.

   E. Center-line for new roads will be flagged. Earth-work will be will be done as field conditions require.

   F. Culverts will be placed in the access road if they are necessary. The roads will be constructed to utilaze low water crossings for drainage as required by topography.

3. LOCATIONS OF EXISTING WELLS IN A ONE MILE RADIUS. EXHIBIT "A-1"

   A. Water wells -One approximately 1.8 miles Northeast.

   B. Disposal wells - None known

   C. Drilling wells - None known

   D. Producing wells - As shown on Exhibit "A-1"

   E. Abandoned wells - As shown on Exhibit "A-1"

4. If on completion this well is a producer the operator will lay pipelines and construct powerlines along existing road R-O-W's or other existing R-O-W's. Possible routes of pipelines, flowlines and powerlines are shown on Exhibit "F".

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped to location in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the excavation of drill site, if additional material is needed it will be obtained from a local source and transported over the access roads as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the reserve pits.

B. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.

C. Salts remaining after completion of well will be picked up by the supplier, including broken sacks.

D. Waste water from living quaters will be drained into holes with a minium of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-John will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.

E. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for furthed drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approve disposal site. Later pips will be broken out to speed drying. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in storage tanks and sold.

8. ANCILLARY FACILITIES:

A. No camps or air strips will be constructed on location.

9. WELL SITE LAYOUT

A. Exhibit "D" shows the proposed well site layout.

B. This exhibit indicated proposed location of reserve and sump pits and living facilities.

C. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.

D. If needed, the reserve pit is to be lined with polyethelene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will be anchored down.

E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be contoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

SURFACE USE PLAN

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

11. OTHER INFORMATION:

A. Topography consists of low lying sand dunes with a slight dip to the West. The deep sandy soil supports shinnery oak, native grasses,

B. The surface is owned by The U.S. Department of Interior and is administered by The Bureau of Land Management. The surface is used for the grazing of livestock and the production of Oil & Gas.

C. An archaeological survey will be conducted of the location and roads, a report will be filed with The Bureau of Land Management Carlsbad Field Office.

D. There are no dwellings in the near vicinity of this location.

12. OPERATIOR'S REPRESENTIVES:

Before Construction:

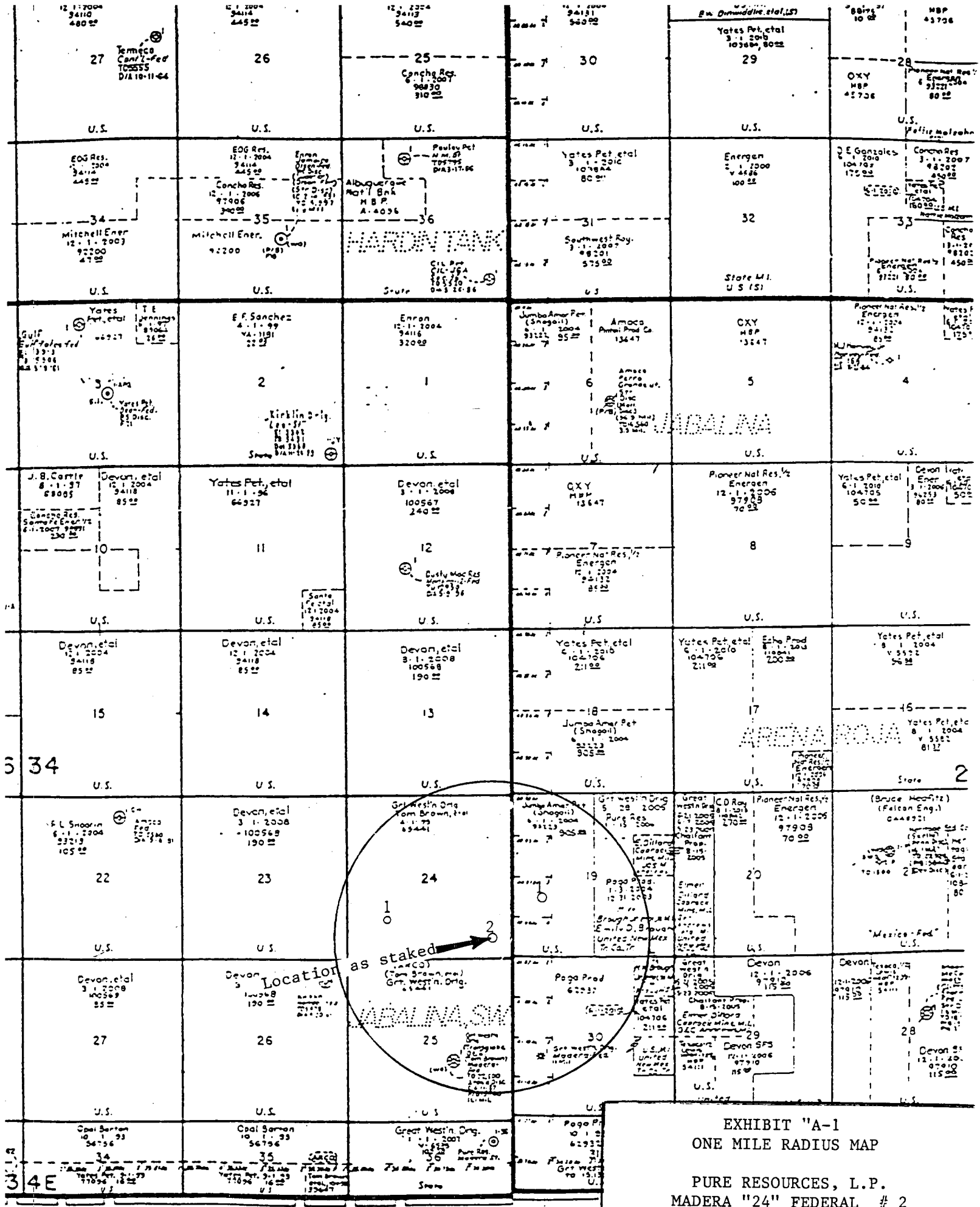
TIERRA EXPLORATION, INC.
P.O. BOX 2188
HOBBS, NEW MEXICO 88241
OFFICE Ph. 505-391-8503
JOE T. JANICA

During and after Construction:

PURE RESOURCES, L.P.
500 WEST ILLINOIS
MIDLAND, TEXAS 79701
KEN KRAWIETZ
Ph. 432-498-2655

13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and the access roads, and that I am familiar with the conditions which currently exist, that the statements made in this plan are to the best of my knowledge are true and correct, and that the work associated with the operations proposed herein will be performed by PURE RESOURCES, L.P. it's contractors/subcontractors is in confirmity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false report.

NAME : Joe T Janica
DATE : 08/24/04
TITLE : Agent


Location as staked
MADERA
EXHIBIT "A-1"
ONE MILE RADIUS MAP
PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

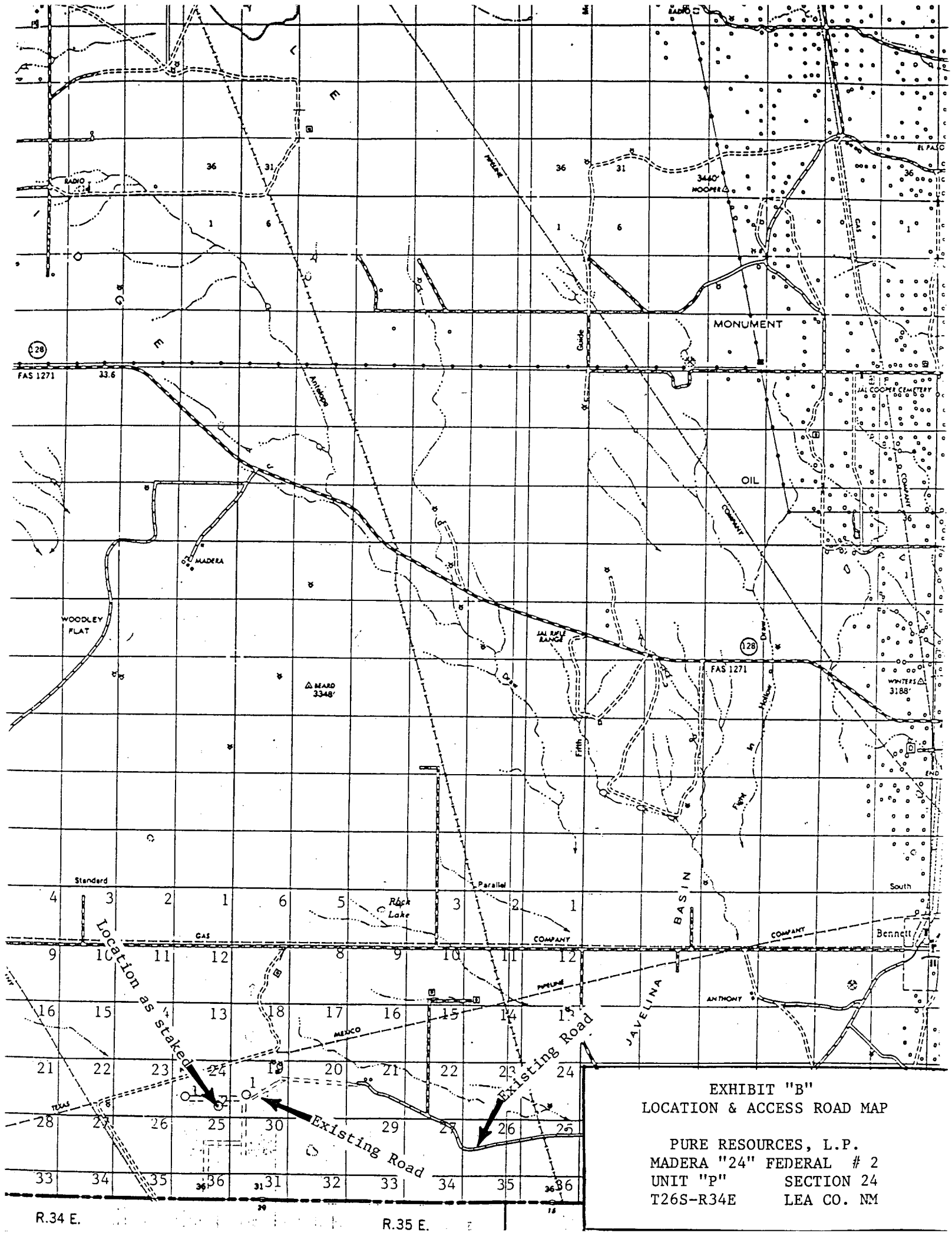


EXHIBIT "B"
LOCATION & ACCESS ROAD MAP

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

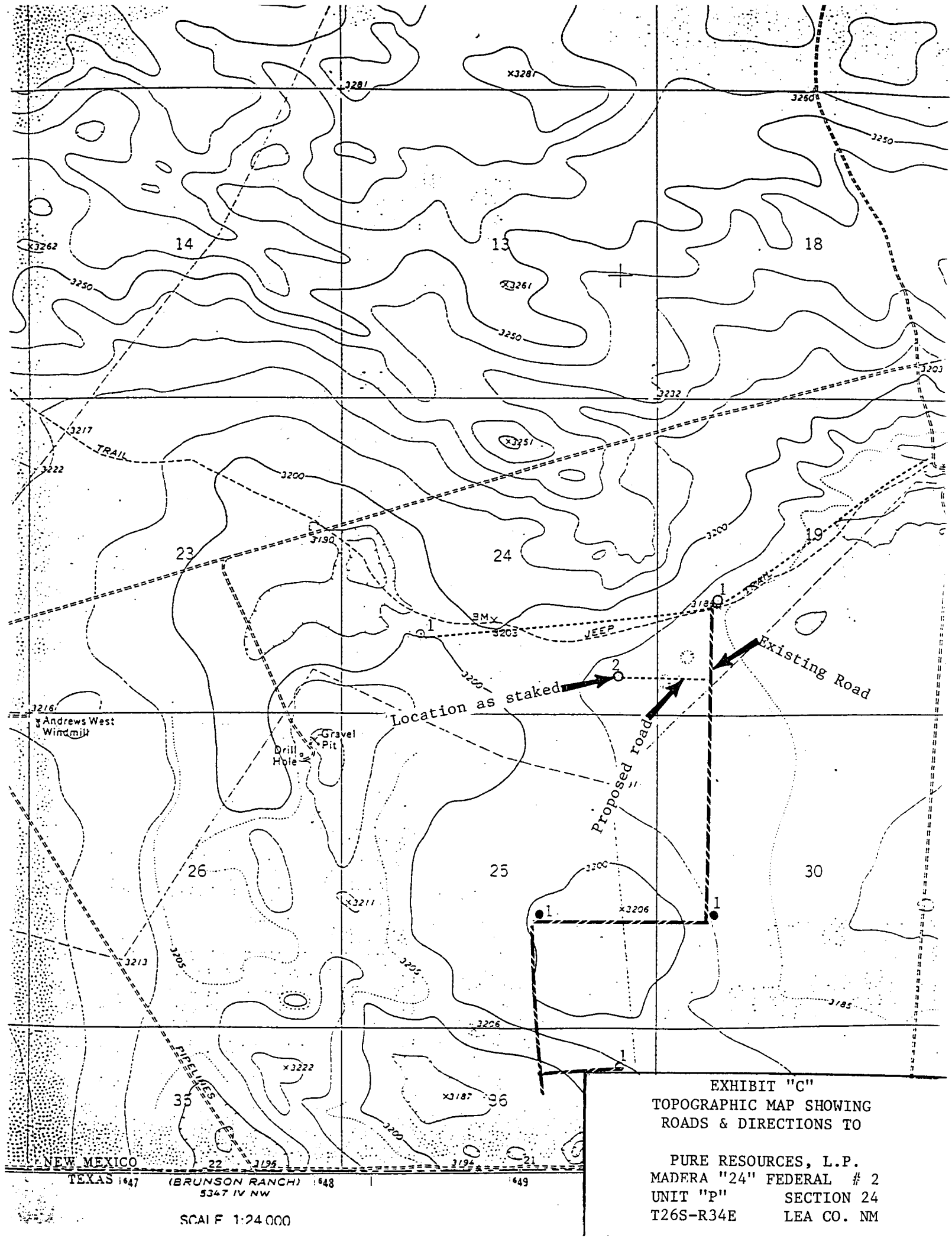
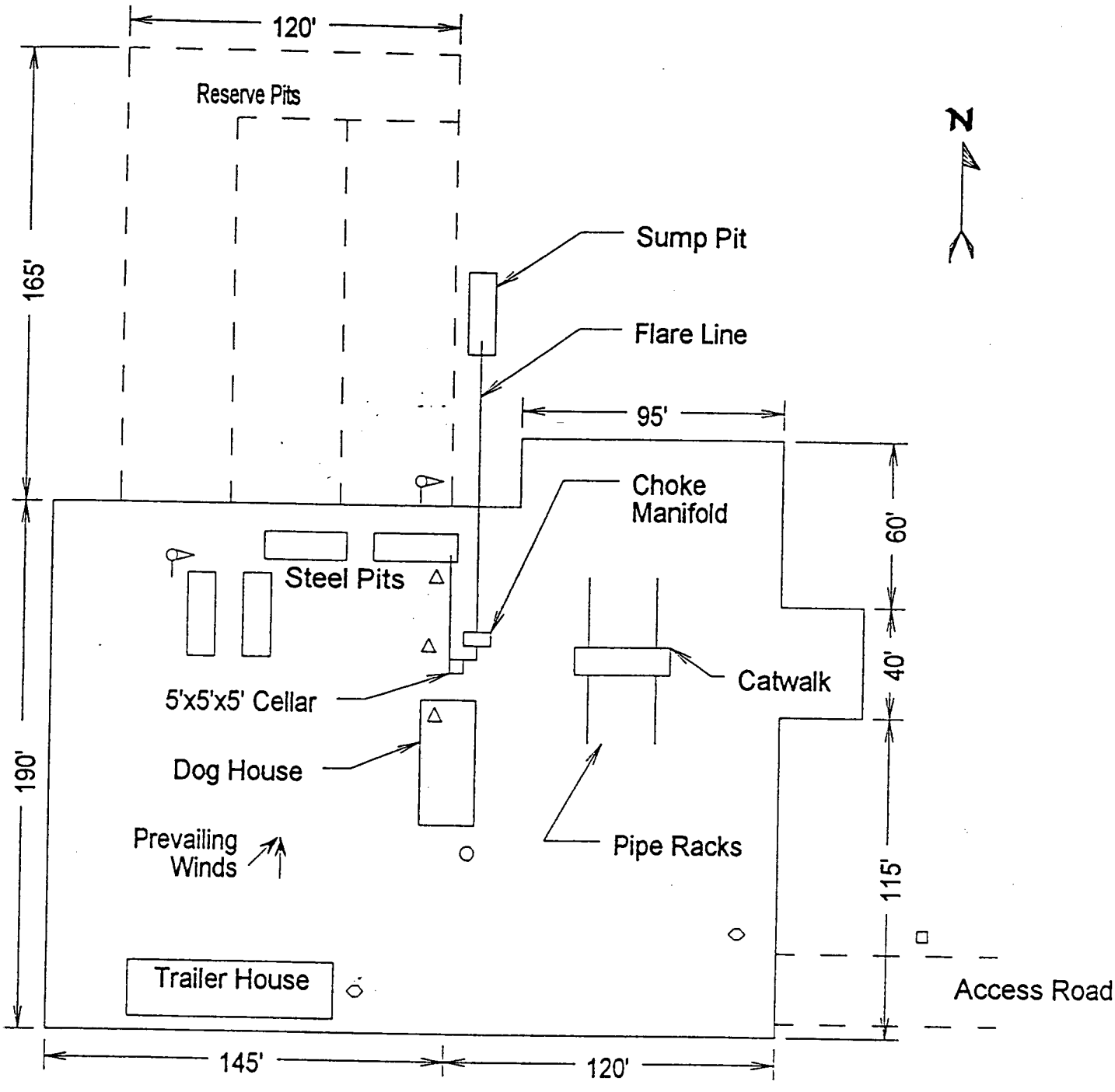


EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM



- Wind Direction Indicators (wind sock or streamers)
- △ H2S Monitors (alarms at bell nipple and shale shaker)
- ⬭ Briefing Areas
- ○ Remote BOP Closing Unit
- □ Sign and Condition Flags

EXHIBIT "D"
RIG LAY OUT PLAT

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

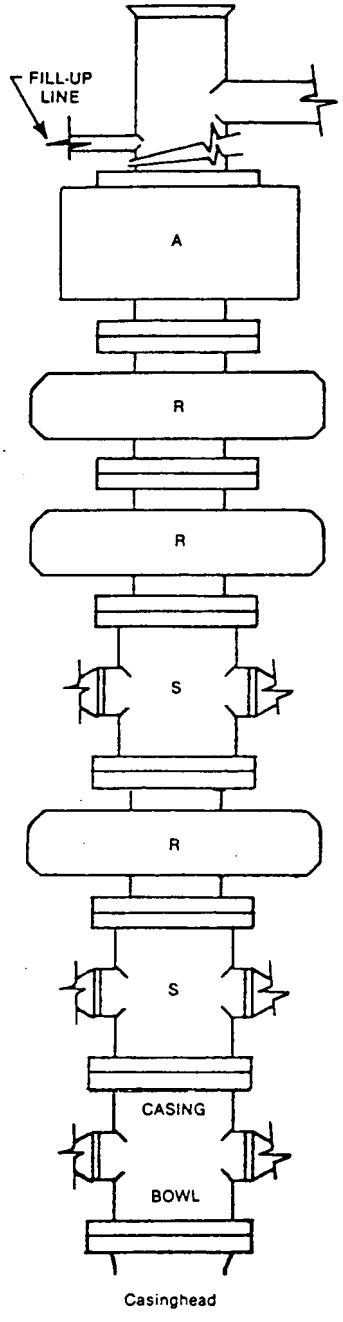


FIGURE K1-3. Recommended IADC Class 10 BOP stack arrangement SRSRRA, 10,000 psi WP. Lower drilling spool is optional with outlets on lower ram. Annular preventers may be 5000 or

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

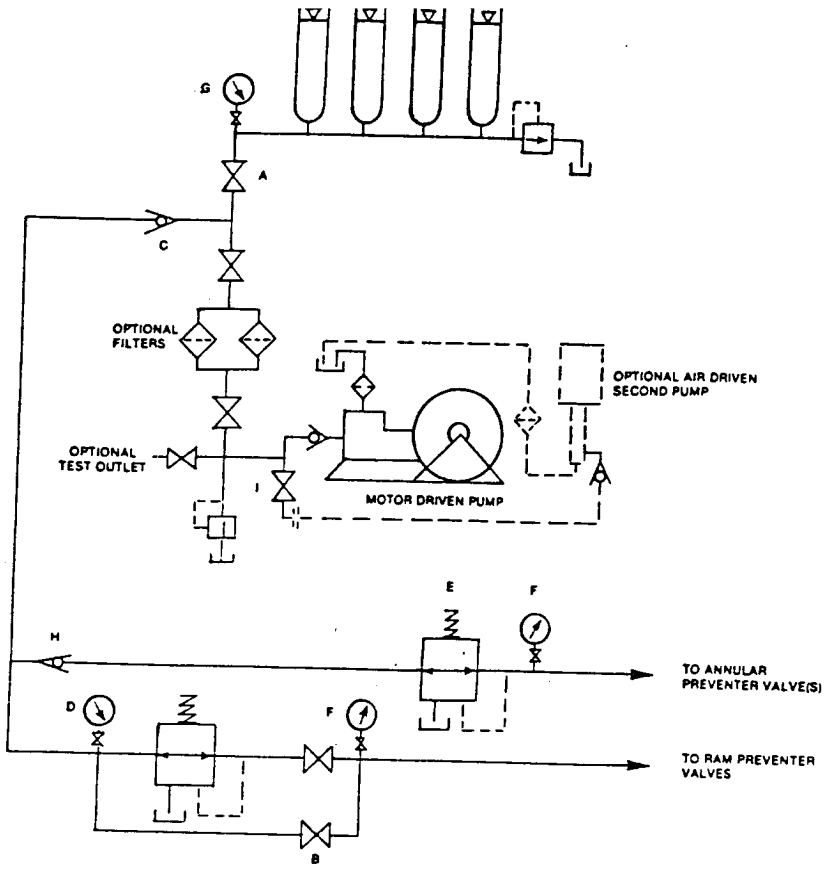


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

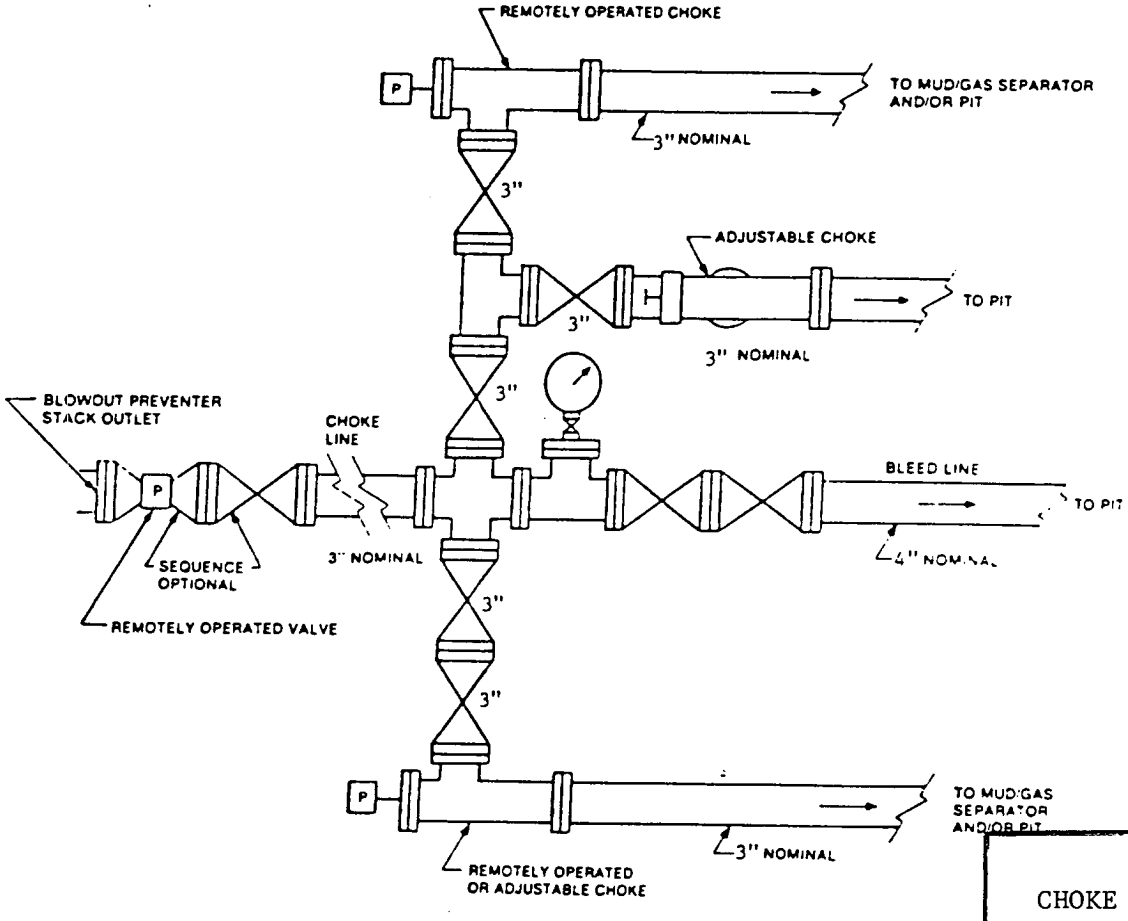


FIGURE K4-3. Typical choke manifold assembly for 10M and 15M rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

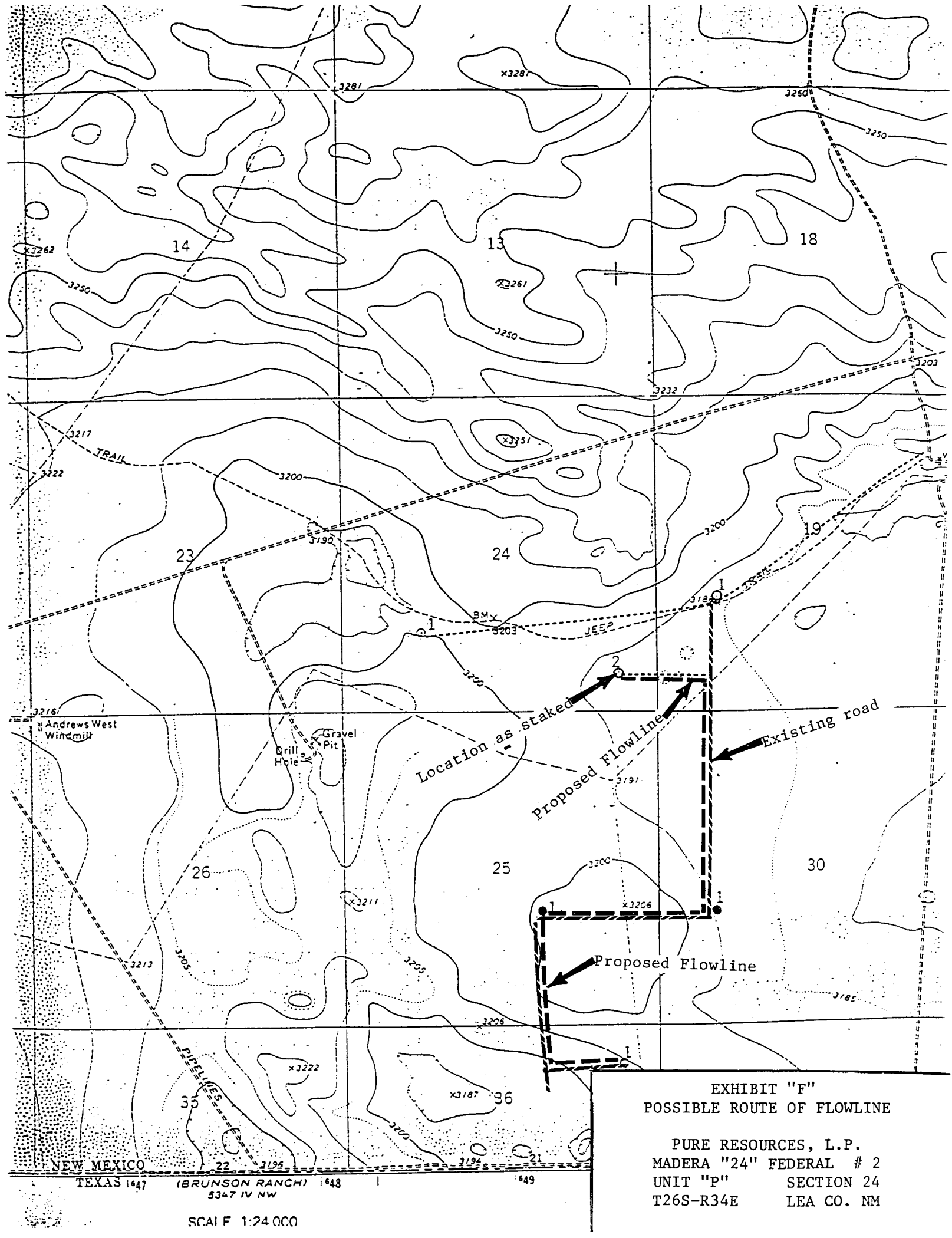


EXHIBIT "F"
POSSIBLE ROUTE OF FLOWLINE

PURE RESOURCES, L.P.
MADERA "24" FEDERAL # 2
UNIT "P" SECTION 24
T26S-R34E LEA CO. NM

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐
Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☐

Operator: PURE RESOURCES, L.P. Telephone: e-mail address:
Address: 500 WEST ILLINOIS MIDLAND, TEXAS 79701
Facility or well name: MADERA "24" FED# 2 API #: 30-025-36918 U/L or Qtr/Qtr P Sec 24 T 26S R 34E
County: LEA Latitude 32°01'24"N Longitude 30°25'00"W NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank		
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☐ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Pit Volume 10,000 bbl	Volume: ____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not.		
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)	0
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (0 points)	0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.) Stock tank 1.3 miles Northeast	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)	0
	Ranking Score (Total Points)		

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite ☐ offsite ☐ If offsite, name of facility_____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface_____ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.**

Date: 10/19/04
Printed Name/Title Joe T. Janica Agent Signature Joe T. Janica

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
Printed Name/Title _____ Signature _____ Date: _____