

District I  
1625 N French Dr., Hobbs, NM 88240  
Phone (575) 393-6161 Fax (575) 393-0720  
District II  
811 S First St., Artesia, NM 88210  
Phone (575) 748-1283 Fax (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone (505) 334-6178 Fax (505) 334-6170  
District IV  
1220 S St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico

Form C-101  
Revised August 1, 2011

Energy Minerals and Natural Resources

Permit

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED  
OCT 21 2011

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

<sup>1</sup> Operator Name and Address DENTON EXPLORATION NM, INC. C/O OIL REPORTS & GAS SERVICES, INC 1008 W. BROADWAY HOBBS, NM 88240		<sup>2</sup> OGRID Number <b>2866D3</b>
		<sup>3</sup> API Number 30-025-30052
<sup>4</sup> Property Code <b>38880</b>	<sup>5</sup> Property Name AINSWORTH "DB"	<sup>6</sup> Well No. 001

<sup>7</sup> Surface Location

UL - Lot M	Section 23	Township 09S	Range 33E	Lot Idn	Feet from 660	N/S Line S	Feet From 660	E/W Line W	County LEA
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<sup>8</sup> Pool Information

VADA UPPER PENN	62459
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Additional Well Information

<sup>9</sup> Work Type RE-ENTRY	<sup>10</sup> Well Type OIL	<sup>11</sup> Cable/Rotary ROTARY	<sup>12</sup> Lease Type FEE	<sup>13</sup> Ground Level Elevation
<sup>14</sup> Multiple NO	<sup>15</sup> Proposed Depth 9700'	<sup>16</sup> Formation PENN	<sup>17</sup> Contractor	<sup>18</sup> Spud Date UPON APPROVAL
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

<sup>19</sup> Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
		SEE	ORIGINAL	PROGRAM		

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DOUBLE RAM	3000 PSI	1000 PSI	N/A

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . <i>Gaye Heard</i>		OIL CONSERVATION DIVISION	
Printed name: GAYE HEARD		Approved By: <i>[Signature]</i>	
Title: AGENT		Title: <b>PETROLEUM ENGINEER</b>	
E-mail Address: gheard@oilreportsinc.com		Approved Date:	Expiration Date:
Date: 10/20/11		OCT 25 2011	
Phone: 575-393-2727		Conditions of Approval Attached	

Permit Expires 2 Years From Approval  
Date Unless Drilling Underway  
Re Entry

OCT 25 2011

<div data-bbox="86 936 329 1178" data-label="Diagram"> </div>				<div data-bbox="1055 936 1524 1178" data-label="Text"> <p><b>17 OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <div data-bbox="1055 1152 1524 1243"> <div data-bbox="1055 1152 1334 1243"> </div> <div data-bbox="1334 1152 1524 1243"> 10/20/11 Date </div> </div> <div data-bbox="1055 1272 1524 1310"> GAYE HEARD Printed Name </div> <div data-bbox="1055 1339 1524 1379"> gheard@oilreportsinc.com E-mail Address </div> </div>
				<div data-bbox="1055 1423 1524 1671" data-label="Text"> <p><b>18 SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> </div>
<div data-bbox="86 1671 329 1911" data-label="Diagram"> </div>				<div data-bbox="1055 1671 1524 1911" data-label="Text"> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>Certificate Number</p> </div>

DENTON EXPLORATION NM, INC

AINSWORTH "DB" #1

UNIT M, SEC 23-T09S-R33E

RE-ENTRY PROCEDURE (COASTAL OIL & GAS CORP P&A 11/05/87):

DO PLUGS TO 5310'

SET 5 ½" CSG 5400' OR 5500'

CIRC CMT UP TO 4000'

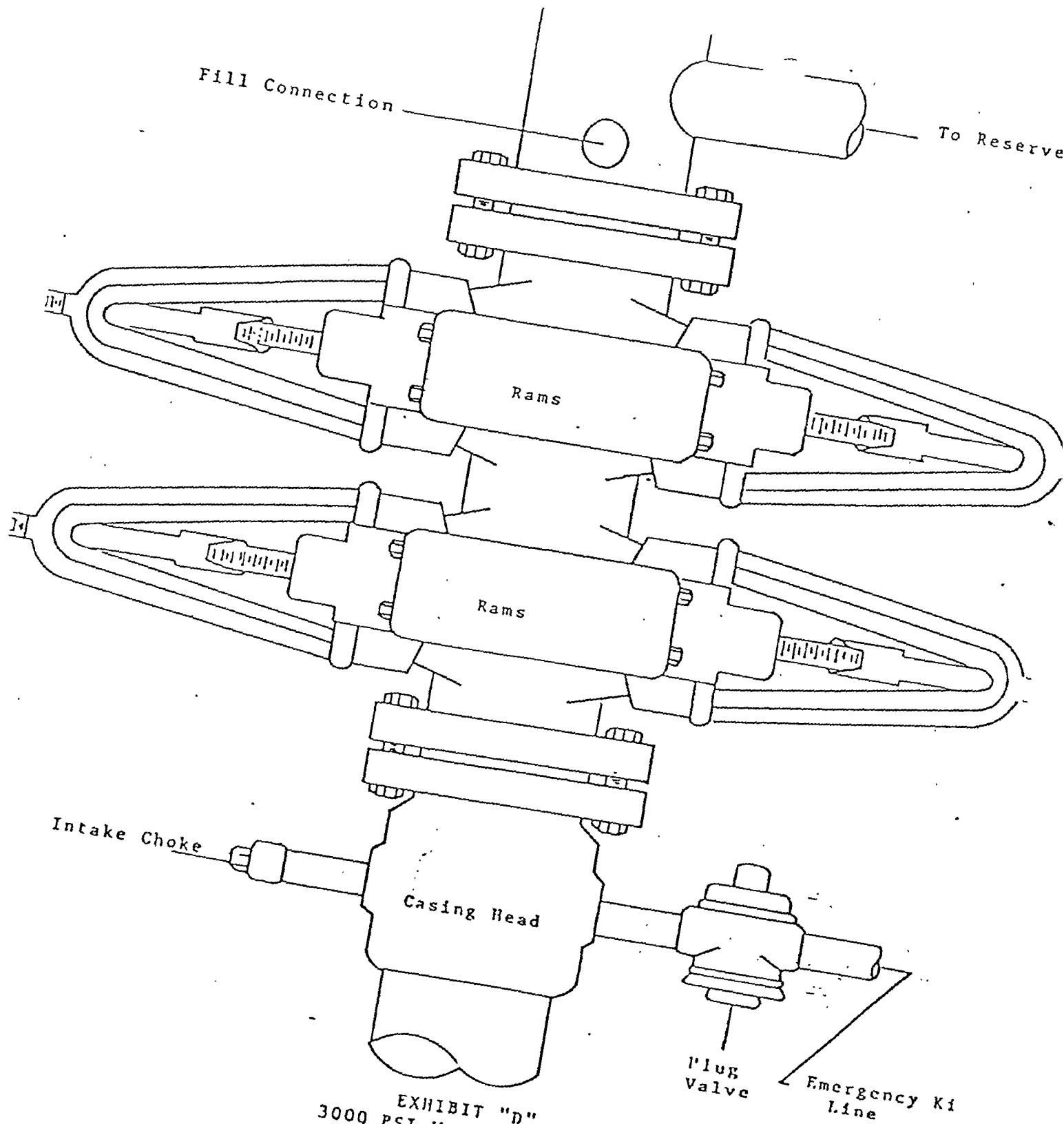


EXHIBIT "D"  
3000 PSI Working Pressure  
Blowout Preventer Stack