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. Francis Dr., Santa Fe, NM 87505

State of New Mexico **Energy Minerals and Natural Resources**

Form C-101 Revised March 17, 1999

Oil Conservation Division 1220 S. St. Francis Dr. Santa Fe. NM 87505

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

| | · | 1 PC, 14WI 8750 | | | Juliu | . 0, 111 | | | | | NDED RE | |
|-------------------------------------|-----------------------|--------------------------------|--------------------------|--------------|---------------------------------------|--|---------------------------|---|--------------------|-----------------------------|------------------|---|
| APPL | CATIO | | PERMIT Deperator Name a | | | NTE | R, DEEPEN | , PLUGBAC | ² OGRID | R ADD Number | A ZON | NE |
| MNA Ente | rprises Lt | | | | | | | 124768 | | | | |
| 106 W. Alabama, Hobbs, NM 88242 | | | | | | | | ³ API Number 30 - 025-03962 | | | | |
| ⁴ Proper 28639 | ty Code | | Catron B Sta | te | ⁵ Property N | | | | | ⁶ Well No. #1 | | |
| | | | | | ⁷ Surface L | ocatio | on | - | | · • | | |
| UL or lot no. | Section | Township | Range | Lot I | | | North/South line | Feet from the | East/\ | West line | County | |
| A | 11 | 18S | 36E | | 660 | | North | 660 | East | | Lea | |
| | | 8 1 | Proposed E | 3ottom I | Hole Location | on If I | Different Fro | m Surface | | | | |
| UL or lot no. | Section | Township | Range | Lot le | | | North/South line | Feet from the | East/West line | | Сонг | ıty |
| Arkansa | s Junction | ° Pro | oposed Pool 1 | <u></u> | | | | ¹⁰ Prop | osed Pool | 2 | | |
| 11 Work | Type Code | | Well Type Code | | | 13 Cable/Rotary | | 14 Lease Type Code | | 15 Ground Level Eleva | | ation |
| E Multiple | | | G 17 Proposed Depth | | | R 18 Formation | | S Contractor | | 3802.76 20 Spud Date | | |
| | N | | 4700 | | Que | | | | • | | | |
| | | т | | Proposed | d Casing an | d Cen | nent Progran | n | | <u> </u> | | |
| Hole S | ize | † | Casing Size | | Casing weight/foot | | Setting Depth | Sacks of C | Sacks of Cement | | Estimated TOC | |
| 17-1/4" | | 13-3/8" | | 50# | | 320 | | 300 | | | Surface/In Place | |
| 11" | | 8-5/8" | | 24# | | 1885 | | 0 | | | In Place | |
| 8" | • | 5-1/2 | | 15.50# | | 5115 | | 350 | | 2100 | | |
| | | <u> </u> | | <u> </u> | | <u> </u> | | | | \bot | | |
| | | <u></u> | | <u> </u> | · · · · · · · · · · · · · · · · · · · | | | | | | | |
| Describe the I | olowout prevached Re- | vention progra -Entry Proce | nm, if any. Use edure | additional s | sheets if necessar | | the data on the p | resent productive z | 314151673 | | , 2004 ,VED | 252627 252627 |
| Permit Da | Expire te Unic | ins Learnin | r From Ang Under | | •• | | | | 21010127 | F82 | OCD Jopps | 20 20 / 20 / 20 / 20 / 20 / 20 / 20 / 2 |
| | | | iven above is tr | ue and com | plete to the | | OIL C | CONSERVA | | | ON PESA | / |
| best of my kno Signature: | Day Day | . 1 | alejar | ulu | | Appro | ved by: | NASE S | ROFF | | GINEER | |
| Printed name: Daniel Alexander | | | | | | | Title: | | | | | |
| Title: Manager | | | | | | Approval Date: 1888 0 1 000 Expiration Date: | | | | | | |
| Date: 01/05/04 Phone: 505-392-2702 | | | | | | Condi | JAN tions of Approval: | 1 % 1 ZUU4 | | | | |
| | | | | | | Attach | ed 🗆 | | | | | |

District 1

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

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102

Revised June 10, 2003 Submit to Appropriate District Office

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

State Lease - 4 Copies

Fee Lease - 3 Copies

| 1220 S. St. Francis | s Dr., Santa F | • | | | | | | | IDED REPORT | |
|--|----------------|--|--------------------|------------|--|---------------------------|-------------------|--------------------------------|---------------|--|
| ¹ API Number ² I | | | | | ATION AND ACREAGE DEDICATION PLAT Pool Code 70600 Arkansas Junction Queen Gas | | | | | |
| ⁴ Property 28639 | Code | | <u> </u> | 70000 | Arkansas Janetton Qu | *Well Number | | | | |
| ⁷ OGRID 124768 | | SOperator Name MNA Enterprises Ltd. Co. MNA Enterprises Ltd. Co. | | | | | | ⁹ Elevation 3802.76 | | |
| | | Y | | | 10 Surface L | ocation | | | | |
| UL or lot no. | Section 11 | Township 18S | Range 36E | Lot Idn | Feet from the 660 | North/South line North | Feet from the 660 | East/West line East | County Lea | |
| | | | | | | Different From | Surface | | | |
| UL or lot no. | | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| 12 Dedicated Acres | I | r Infill 14 N | Consolidation O | Code 15 Or | rder No. | | 1 | | | |

STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 16 **OPERATOR CERTIFICATION** I hereby certify that the information contained herein 999 is true and complete to the best of my knowledge and 660 Vaniel alexander Daniel Alexander Printed Name Manager MNA106@leaconet.com Title and E-mail Address 1/05/04 Date 18 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 supervision, and that the

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-

Proposed Re-Entry Procedure MNA Enterprises Ltd.Co Catron State B # 1 API# 30-025-03962 Unit Letter "A" 660 feet FNL X 660 feet FEL Section 11, T18S, R36E

MNA proposes to re-enter the wellbore of the San Andres test of Cactus Drilling Company that was plugged and abandoned in 1965. Pulling unit and reverse rig will be used to drill out cement plugs and restore 5 ½" casing integrity down to the bottom of the 5 ½" casing at 5115 feet. If no plugs are encountered below the bottom plug set from 4450 feet down to 4660 feet. A cast iron bridge plug will be set at 5100 feet and capped with 35 feet of cement to isolate the old open hole completion in the San Andres for a commercial test of the Queen.

Mud Program: If $5 \frac{1}{2}$ " casing is found in the top part of the wellbore, 2% KCL water will be used to drill out plugs. If there is no $5 \frac{1}{2}$ " casing down to calculated cement top of 2100 feet, then brine will be used through the salt section.

BOP Program: A 13 3/8" 3000 psi well head will be welded to 13 3/8" casing stub at the surface. It well be equipped with 2 - 2" outlets for well control. Appropriated BOP will be installed and tested during drill out operations.