

Submit to Appropriate District Office
 State Lease - 6 copies
 For Lease - 5 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-101
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1970, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

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

API NO. (assigned by OCD on New Wells)
30-025-22740

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 K-1112

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
 DRILL RE-ENTER DEEPEN PLUG BACK
 b. Type of Well:
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

7. Lease Name or Unit Agreement Name
 Continental State

2. Name of Operator
 Read & Stevens, Inc.

8. Well No.
 2

3. Address of Operator
 P.O. Box 1518, Roswell, NM 88202

9. Pool name or Wildcat
 Lane Abo

4. Well Location
 Unit Letter M : 660 Feet From The South Line and 660 Feet From The West Line
 Section 7 Township 10S Range 34E NMPM Lea County

10. Proposed Depth 8933 11. Formation Abo 12. Rotary or C.T. N/A

13. Elevations (Show whether DF, RT, GR, etc.) 4201' GL 14. Kind & Status Plug. Bond Blkt. 15. Drilling Contractor N/A 16. Approx. Date Work will start 3-12-90

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP

Read & Stevens proposes to abandon the Bough C perforations 9,838'-9,842', and test the Abo from 8,912'-8,933'. The Abo will be perforated, acidized, then production tested.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
 SIGNATURE John C. Maxey, Jr. TITLE Petroleum Engineer DATE 3-7-90
 TYPE OR PRINT NAME John C. Maxey, Jr. TELEPHONE NO. 505/622-3770

(This space for State Use)
 APPROVED BY ORIGINAL SIGNED BY JERRY SEXTON TITLE _____ DATE _____
DISTRICT I SUPERVISOR
 CONDITIONS OF APPROVAL, IF ANY:

MAR 12 1990