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| |
|--|
| 5A. Indicate Type of Lease |
| STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 5. State Oil & Gas Lease No. |
| OG-671 |

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | | |
|--|--|---|--|
| 1a. Type of Work | | 7. Unit Agreement Name | |
| b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> | | 8. Farm or Lease Name Indian Red | |
| 2. Name of Operator Patterson Petroleum, Inc. | | 9. Well No. 1 | |
| 3. Address of Operator P. O. Drawer 1416, Snyder, Texas 79549 | | 10. Field and Pool, or Wildcat Mescalero (Devonian) | |
| 4. Location of Well UNIT LETTER D LOCATED 330 FEET FROM THE West LINE AND 990 FEET FROM THE North LINE OF SEC. 26 TWP. 10S RGE. 32E NMPM | | 12. County Lea | |
| 19. Proposed Depth 9500 | | 19A. Formation Devonian | |
| 20. Rotary or C.T. Rotary | | 21. Elevations (Show whether DF, KI, etc.) 4321.1 GL | |
| 21A. Kind & Status Plug. Bond Cash | | 21B. Drilling Contractor Patterson Drlg. Co. | |
| 22. Approx. Date Work will start July 1, 1988 | | | |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|---------------|
| 17-1/2 | 13-3/8 | 54.5# | 400 | 420 sx "C" | Circ to surf. |
| 11 | 8-5/8 | 24 & 32 | 3800 | A: See Below | Circ to surf. |
| 7-7/8 | 5-1/2 | 15.5 & 17 | 9500 | B: See Below | 3400 |

It is proposed to drill a straight hole to a TD of 9500' and complete as a single Devonian oil well. Attached is Form C-102 and BOP specs.

- A. 1150 sx Halliburton Light and 200 sacks Class "C"
B. 1st stage - 600 sacks Class "H" (DV tool @ 6500').
2nd stage - 800 sacks Class "H".

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.

Signed Joe R. Harder Title Vice President Date 6/21/88

(This space for State Use)

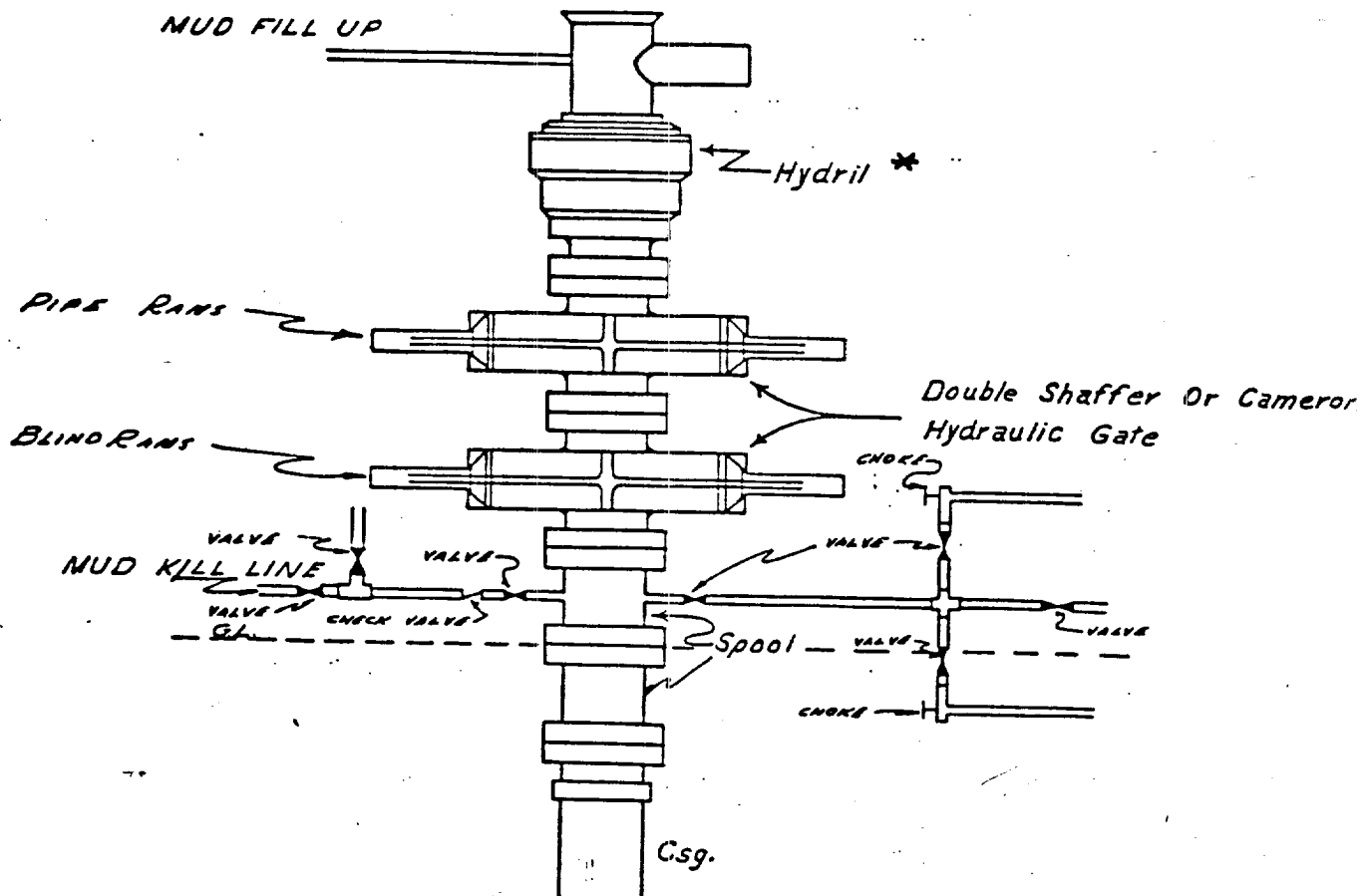
ORIGINAL SIGNED BY JERRY SEXTON

APPROVED BY DISTRICT I SUPERVISOR TITLE DATE JUN 29 1988

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval

BLOW-OUT PREVENTER SPECIFICATIONS



NOTE:

Manual and Hydraulic controls with closing unit no less than 75' from well head.
Remote controls on rig floor.

*

DUE TO SUBSTRUCTURE CLEARANCE, HYDRIL
MAY OR MAY NOT BE USED.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-122
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

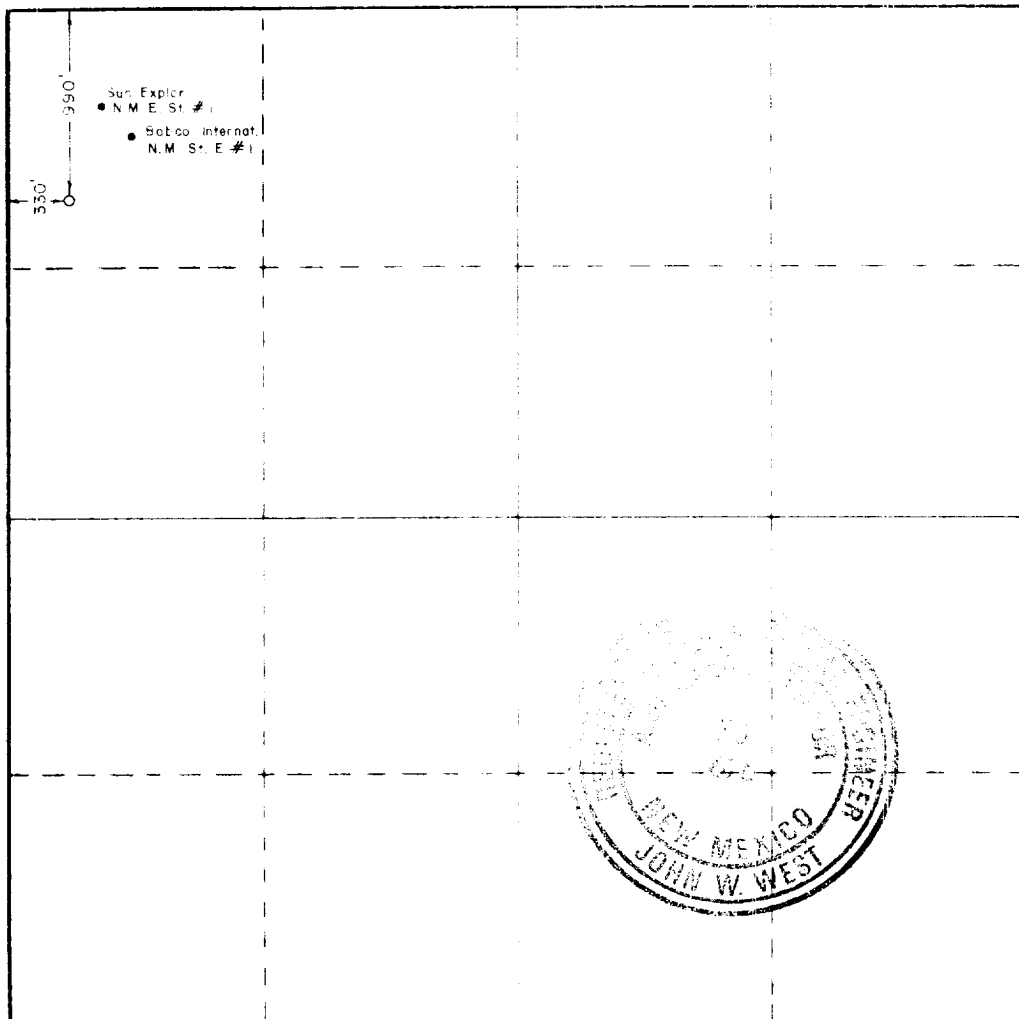
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|--|---------------------------------|-------------------------------|-------------------------------|---------------|
| Operator Patterson Petroleum Company | | Lease Leasing And | | Well No. 1 |
| Tract Letter D | Section 24 | Township 1 N. 30 E. | Range 12 East | County Lea |
| Actual Surface Location of Well: 240 feet from the North line and 100 feet from the West line | | | | |
| Ground Level Elev. 4321.1 | Producing Formation Devonian | Perm. Mescalero (Devonian) | Estimated Acreage 40 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

By: Joe D. Hardin
V-Pres.
Patterson Petr. Inc.
Date: 6/24/98

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 knowledge and belief.

Date Surveyed
June 22, 1998
Registered Professional Engineer and Land Surveyor
Ronald J. Eidson
Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239

ELF
HSC 10-3-88

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JUN 20 1988

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