

OPE OGRID NO. 169355
 PROPERTY NO. 29596
 POOL CODE 81460
 EFF. DATE 3-12-02
 API NO. 30-025-35861

District 1
 Hobbs, NM 88249
 D STATES
 OF THE INTERIOR

PLEASE EXPEDITE DRILLING RIG WAITING
 SUBMIT IN TRIPLICATE*
 (Other instructions on
 reverse side)

Form approved.
 Budget Bureau No. 1004-0136
 Expires December 31, 1991

Fonn approved.
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Expires December 31, 1991

0300

5. LEASE DESIGNATION AND SERIAL NO.
NM 96249

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

APR#30-025-3586

8. FARM OR LEASE NAME

Kukui "31"

9. WELL NO.

A

10. FIELD AND POOL OR WILDCAT

North Morton (BRUNSON Mesa)

11. SEC., T., R., M., OR BLK

AND SURVEY OR AREA

B, Sec. 31, T14S, R35E

12. COUNTY OR PARISH

Lea County

13. STATE

NM

NO. OF ACRES ASSIGNED TO THIS WELL

321.01

4. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

March 10, 2002

PROPOSED CASING AND CEMENTING PROGRAM

Lea County Controlled Water Basin

1. Drill 36" hole to 50'. Set 50' of 20" conductor & cement to surface with ready-mix
2. Drill 17-1/2" hole to 450'. Run & set 450' of 13-3/8" H-40, 48# ST&C csg, cmt w/400 sx o Class "C" cement + 2% circulate to surface.
3. Drill 11" hole to 6200'. Run & set 6200' of 8-5/8" HCK55, 32# LT&C csg. Cmt w/900 sx 35/65 POZ Class C + 6% 5% salt + 0.25#/sd Cello 1 and tail in with 260 sx of Class C cmt, circ cmt to surface.
4. Drill 7-7/8" hole to 14000'. If logs indicate commercial production, run & set 14000' of 5-1/2" 17# LT&C csg. Cement w/875 sx Class C 15/61/11 POZ w/additives.

Estimated top of cement 500' above uppermost productive interval. Cement volumes will be adjusted based on open hole caliper log.

APPROVAL **01/15/2020**

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

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. 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.

SIGNED Janice McMillan TITLE Sr. Regulatory Specialist DATE 2/7/2002

SIGNED DANIEL P. McMillan TITLE Sr. Regulatory Specialist DATE 2/17/2002

(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:

APPROVED BY

/S/ JOE G. LARA

FIELD MANAGER

DATE MAR 07 2002

***See Instructions On Reverse Side**

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.

APPROVAL FOR 1 YEAR

J
C
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