Form 3160-5 RECEIVED **UNITED STATES** FORM APPROVED (June 1990) DEPARTMENT OF THE INTERIOR Budget Bureau No. 1004-0135 Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. 10 23 [1] '91 SUNDRY NOTICES AND REPORTS ON NM 64598 Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. 6. If Indian, Allottee or Tribe Name Use "APPLICATION FOR PERMIT -" for such ploposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE I. Type of Well Oil Well Other 8. Well Name and No. 2. Name of Operator Hanley 24 Federal #1 Hanley Petroleum Inc. 9. API Well No. 3. Address and Telephone No. 415 W. Wall, Suite 1500, Midland, TX 79701 (915) 684-8051 30 02<u>5</u> <u>3</u>1<u>11</u>5 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310' FSL & 330' FWL, Sec. 24, T-18-S, R-32-E Querecho Plains-Upper Bone 11. County or Parish, State NMPM Lea, New Mexico CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Ahandonment Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Drlg & setting csg. Dispose Water (Note: Report results of multiple completion on Well 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* 1-2-91 Drld 11" hole to 3015'. 3/4 deg. @ 3015' Ran 8-5/8" csg as follows: Howco Float shoe (1.85') 1 jt 8-5/8" 32# K-55 csg (44.00') Howco float collar (1.00') 25 jts 8-5/8" 32# K-55 csg (1097.64') 42 jts 8-5/8" 24# K-55 csg (1845.25') 1 jt 8-5/8" 32# k-55 csg (42.90'). Set csg @ 3015'. Halliburton cmtd w/925 sx Howco lite w/15# salt & 1/4# flocele/sx plus 200 sx C1 C w/2% CaC12. Cmt in place @ 11:10 P.M. 1-2-91. Did not bump plug. Floats held o.k. Circ 125 sx cmt to pits. Set csg head & NU BOP. 1-3-91 Tested blind rams to 2000 psi. Held O.K. Tested 8-5/8" csg to 1055 psi. Held o.k. Drld out float collar & tested to 1500#. Held O.k. Drld float shoe & 5' formation. Tested shoe to 350 psi. (11.0# mud equivalent). Held O.K. Drld formation to 3359'.

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.