Submit to Appropriate
District Office
State Lease – 6 copies
Fee Lease – 5 copies

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-101
Revised 1-1-89

API NO. (assigned by OCD on New Wells) 30-025-34746

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. VO 5572

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
DRILL [X] RE-ENTER [ ] DEEPEN [ ] PLUG BACK [ ]

b. Type of Well:
OIL WELL [ ] GAS WELL [X] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. Lease Name or Unit Agreement Name: State

2. Name of Operator: C. F. Qualia Operating, Inc.

8. Well No.: 1

3. Address of Operator: P.O. Box 991, Midland, TX 79702

9. Pool name or Wildcat: Arkansas Junction, Queen (Gas)

4. Well Location
Unit Letter L : 660 Feet From The West Line and 1675 Feet From The South Line

Section 1 Township 18S Range 36E NMPM Lea County

10. Proposed Depth	11. Formation	12. Rotary or C.T.
4600'	Queen	Rotary

13. Elevations (Show whether DF, RT, GR, etc.)	14. Kind & Status Plug. Bond	15. Drilling Contractor	16. Approx. Date Work will start
	one well plug. bd.	Roderick Drlg.	11-1-99

17.
PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11"	8 5/8"	24#	400'	350 sx	surface
7 7/8"	4 1/2"	10.5#	4600'	300 sx	3500'

Propose to initiate drilling operations on or soon after November1,1999,as drilling rig has become available.

Spud 11" hole, drill to 400', set 8 5/8" casing, cement with 350 sx C1 C w/4% gel - circulate cement to surface. WOC, test to 1500#.

Drill to total depth of 4600', log and run 4 1/2" casing to 4600', cementing with 300 sx of C1 C cement. WOC, drill out and prep for completion.

OGRID NO. 18445
PROPERTY NO. 25017
POOL CODE 70600

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.

30-025-34746

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

SIGNATURE Ann E. Ritchie TITLE Regulatory Agent DATE 10-25-99

TYPE OR PRINT NAME Ann E. Ritchie TELEPHONE NO 915 684-6381

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE NOV - 1 1999

CONDITIONS OF APPROVAL, IF ANY: