

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

State of New Mexico
Bureau of 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 1980, 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) 30-025-31960
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-3526

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				7. Lease Name or Unit Agreement Name Bighorn "30" State	
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>				8. Well No. 3	
2. Name of Operator Mitchell Energy Corporation				9. Pool name or Wildcat East Red Tank (Bone Spring)	
3. Address of Operator P.O. Box 4000, The Woodlands, Texas 77387-4000					
4. Well Location Unit Letter <u>L</u> : <u>2310</u> Feet From The <u>South</u> Line and <u>330</u> Feet From The <u>West</u> Line Section <u>30</u> Township <u>22S</u> Range <u>33E</u> NMPM Lea County					
10. Proposed Depth 10,750		11. Formation Bone Spring		12. Rotary or C.T. Rotary	
13. Elevations (Show whether DF, RT, GR, etc.) 3750 GR		14. Kind & Status Plug Bond Blanket on File		15. Drilling Contractor	
16. Approx. Date Work will start					
17. 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#	500'	Premium	Surface
12-1/4"	8-5/8"	32#	4800'	Lite + Premium	Surface
7-7/8"	5-1/2"	17#	TD	Lite+50/50 Poz	7500'

Mitchell proposes to drill to a depth sufficient to test the Bone Spring formation for oil. If productive, 5½" casing will be cemented at TD. If non-productive, the well will be plugged and abandoned in a manner consistent with State of New Mexico regulations. Blowout preventer schematic attached as Exhibits 1 & 1A.

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 George Mullen TITLE Regulatory Affairs Specialist DATE 4-22-93
(713) 377-5855
TELEPHONE NO.
TYPE OR PRINT NAME George Mullen

(This space for State Use)

Orig. Signed by
Paul Kautz
Geologist

APPROVED BY _____ TITLE _____ DATE APR 26 1993

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.