

N.M. Oil Cons. Order
P.O. Box 1980
Hobbs, NM 88241

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

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

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. NM 97164	
1b. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> WELL <input checked="" type="checkbox"/> WELL <input type="checkbox"/> OTHER <input type="checkbox"/> ZONE <input checked="" type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA	
2. NAME OF OPERATOR Falcon Creek Resources, Inc.				7. UNIT AGREEMENT NAME NA	
3. ADDRESS OF OPERATOR 621 Seventeenth Street, Suite 1800, Denver, Co. 80202				8. FARM OR LEASE NAME Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface 1980 FWL, 660 FSL At proposed Prod. Zon Same				9. WELL NO. 24-2	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 9 Miles North of Hobbs				10. FIELD AND POOL OR WILDCAT E Warren - Tubb	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)		16. NO. OF ACRES IN LEASE 200		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 24, T20S, R38E	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.		19. PROPOSED DEPTH		12. COUNTY OR PARISH Lea	
21. ELEVATIONS (Shew whether DF, RT, GR, etc.) 3566' GL, 3578' KB		17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE NM	
23. PROPOSED CASING AND CEMENTING PROGRAM				22. APPROX. DATE WORK WILL START* When approved	
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12-1/4"	8-5/8"	24#	1,628	565 sks	
7-7/8"	5-1/2"	17#	7,944	890 sks	

This well was drill in 2/1997 to a depth of 7950'. The initial completion was in the Tubb formation, producing 10 BOPD, 13 BWPD, and 80 MCFD.

Proposed Completion:

1. Set CIBP @ approx. 6400'.
2. Perforate Blinebry formation from 6026'-6042', 6124'-6128', and 6133'-6138' w/ 2 JSPF (50 holes). Acizide w/ 3000 gals 15%.
3. Frac Blinebry w/ 2500# 100 mesh sd, 140,000# Ottawa sd, and 40,000# 16:30 Resin coated sd. Flow test interval.
4. RIH w/ 2-7/8" tubing.

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 *Jason L. Peters* TITLE **Manager of Operations** DATE **9/25/98**

(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 (ORIG. SGD.) **ALEXIS C. SWOBODA**

TITLE

DATE

***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.