

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|------------------------|----------------------------|
| Operator Name and Address. Collins & Ware, Inc. 508 West Wall, Suite 1200 Midland, Texas 79701 | | OGRID Number 004874 |
| | | API Number 30-025-33880 |
| Property Code 20432 | Property Name M & M | Well No. 3 |

Surface Location

| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 24 | 20S | 38E | | 660 | North | 660 | West | Lea |

Proposed Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|----------------------------|---------|----------|-------|---------|----------------------------|------------------|---------------|----------------|--------|
| (87085) Warren; Tubb, East | | | | | (06660) Blinbery Oil & Gas | | | | |

| | | | | |
|---------------------|-------------------------|-------------------|----------------------|--------------------------------|
| Work Type Code N | Well Type Code 0 | Cable/Rotary R | Lease Type Code P | Ground Level Elevation 3571 |
| Multiple No | Proposed Depth 7000' | Formation Tubb | Contractor BRW | Spud Date 4/27/97 |

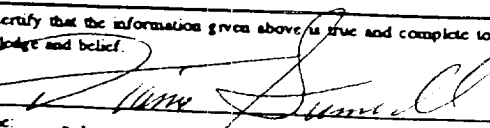
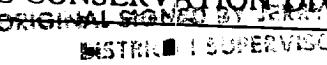
Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 11" | 8 5/8 | 32# | 1625' | 900 sx | Surface |
| 7 7/8" | 5 1/2 | 17#, 15.5# | 7000' | 700 sx | 1400' |
| | | | | | |
| | | | | | |

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Build location and reserve pits.
2. Move in and rig up rotary tools.
3. Spud 11" hole and drill to approx. 1625', case and cement surface string.
4. Continue drilling to approx. 6950', test for commercial quantities of reserves.
5. Evaluate test results for (A. or B.)
 - A. Completion - case and cement long string and complete well.
 - B. Plug and abandon according to NMOC rules and regulations.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

| | | | |
|--|--|---|--|
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature:  | | OIL CONSERVATION DIVISION ORIGINAL SIGNED BY JERRY SUMRALL | |
| Printed name: Dianne Sumrall | | Approved by:  | |
| Title: Production Supervisor | | Title: DISTRICT I SUPERVISOR | |
| Date: 3/13/97 | | Approval Date: MAR 17 1997 | |
| Phone: (915) 687-3435 | | Expiration Date: | |
| Conditions of Approval Attached <input type="checkbox"/> | | | |