

M. Oil Cons. District
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 checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> WELL <input checked="" type="checkbox"/> WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. 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 660 FEL, 467 FSL At proposed Prod. Zon Same		9. WELL NO. 24-4	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 9 Miles South of Hobbs		10. FIELD AND POOL OR WILDCAT E Warren - Abo	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 24, T20S, R38E	
16. NO. OF ACRES IN LEASE 200		12. COUNTY OR PARISH Lea	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.		13. STATE NM	
19. PROPOSED DEPTH		17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
20. ROTARY OR CABLE TOOLS		21. APPROX. DATE WORK WILL START* When approved	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3567' GL, 3578' KB		22. APPROX. DATE WORK WILL START*	
23. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH
12-1/4"	9-5/8"	36#	1,582
8-3/4"	7"	23 & 26#	7,925
		QUANTITY OF CEMENT 435 sks	
		1050 sks	

This well was drill in 12/1997 to a depth of 7950'. The initial completion was in the Abo formation, producing 4 BOPD, 15 BWPD, and 12 MCFD.

Proposed Completion:

1. Set 7" CIBP @ approx. 6900'.
2. Perforate Tubb formation from 6560'-6566', 6648-6666', 6704'-6706', and 6709-6711' w/2 JSPF. Acizide w/ 2500 gals 15% Ne
3. Frac Tubb w/ 22,500# 100 mesh sand, 116,000# 16:30 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 prevention program, if any.

SIGNED <i>Jason L. Peters</i>	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 DEPARTMENT OF THE INTERIOR	DATE 9/25/98

*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.