

Oil Cons. Division  
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 WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input 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 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)	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 (Show whether DF, RT, GR, etc.) 3567' GL, 3578' KB		13. STATE NM		
23. PROPOSED CASING AND CEMENTING PROGRAM		17. NO. OF ACRES ASSIGNED TO THIS WELL 40		
20. ROTARY OR CABLE TOOLS		22. APPROX. DATE WORK WILL START* When approved		
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	1,582	435 sks
8-3/4"	7"	23 & 26#	7,925	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. Tubb Formation was perf and tested to 11 BOPD, 17 BWPD and 2 MCFD.

Proposed Completion:

1. Set 7" CIBP @ approx. 6300'.
2. Perforate Blinebry formation from 6058'-6072 w/4 JSPF. Spot 500 gals 15% NeFe. Break down w/ 1500 gals 15% NeFe.
3. Frac Blinebry w/ 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 preventer program, if any.

24. SIGNED Queen R. Peters TITLE Manager of Operations DATE 12/1/98

(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 \_\_\_\_\_ 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.