

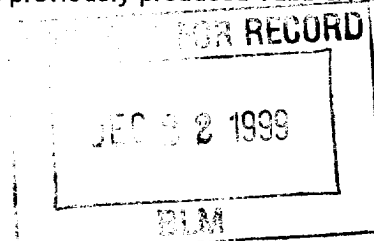
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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 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 30-025-34199	
3. ADDRESS OF OPERATOR 621 Seventeenth Street, Suite 1800, Denver, Co. 80202		8. FARM OR LEASE NAME Federal 24	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At Surface 1980 FSL, 1980 FEL At proposed Prod. Zone Same		9. WELL NO. 24-5	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 9 Miles South of Hobbs		10. FIELD AND POOL OR WILDCAT Blinebry	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drlg. unit line, if any) 1980'		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	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.		19. PROPOSED DEPTH	
20. ROTARY OR CABLE TOOLS		21. APPROX DATE WORK WILL START* When approved	
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 3569' GL, 3581' KB		23. PROPOSED CASING AND CEMENTING PROGRAM	
24. SIZE OF HOLE		25. SIZE OF CASING	
26. WEIGHT/FOOT		27. SETTING DEPTH	
28. QUANTITY OF CEMENT		29. QUANTITY OF CEMENT	
12-1/4"		9-5/8"	
36#		1,550	
8-3/4"		7"	
26#		7,948	
635 sks		640 sks	

Proposed Completion:

1. Perf 6,438'-44', 6,415'-22', 6,290'-6,304', 6,276'-83', 2 spf, Acidize with approx. 1200 gal 15% HCL, 4100 gal 28% SXE
2. Swab and/ or test above
3. Perf 5,948'-60', 6,024'-50', 6,208'-6,274', 2 spf, Acidize w/ approx. 1500 gal 15% HCL, 5500 gal 28% SXE
4. Swab and/ or test above.
5. Following Blinebry test period operator plans to commingle the Blinebry with the previously produced Tubb & Abo interval



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 [Signature] TITLE Senior Engineer DATE 12/9/1999

(This space for Federal or State office use)

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 [Signature] TITLE See Instructions On Reverse Side DATE 12/9/1999

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.

30



11/17/99