

APPLICATION FOR PERMIT TO DRILL OR REENTER

549

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. LC-031696 (A)	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator CONOCO INC.		7. If Unit or CA Agreement, Name and No.	
Contact: Kim Southall kim.j.southall12@conoco.com		8. Lease Name and Well No. SEMU #167	
3a. Address 10 DESTA DR., ROOM 607W MIDLAND, TX 79705	3b. Phone No. (include area code) 915/686-5565 915/686-6503 FAX	9. API Well No. 30-02.5 35938	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2250' FNL, 1530' FEL At proposed prod. zone <b>SUBJECT TO LIKE APPROVAL BY STATE</b>		10. Field and Pool, or Exploratory North Hardy Strawn	
14. Distance in miles and direction from nearest town or post office*		11. Sec., T., R., M., or Blk. and Survey or Area Section 25, T20S, R37E	
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	12. County or Parish Lea	13. State NM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 7900'	17. Spacing Unit dedicated to this well 160.00	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3519'	22. Approximate date work will start	20. BLM/BIA Bond No. on file	
		23. Estimated duration	

24. Attachments **Lea County Controlled Water Basin**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission) <i>Kim Southall</i>	Name (Printed/Typed) Kim Southall	Date 4/25/02
Title AUTHORIZED SIGNATURE		
Approved by (Signature) <i>/s/ JOE G. LARA</i>	Name (Printed/Typed) <i>/s/ JOE G. LARA</i>	Date MAY 30 2002
Office <b>CABLSBAD FIELD OFFICE</b>		

Application approval does not warrant or certify 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, are attached.

**APPROVAL FOR 1 YEAR**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

Additional Operator Remarks (see next page)

DECLARED WATER BASIN  
CEMENT BEHIND THE 8 1/8"  
CASING MUST BE CIRCULATED

**APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED**

OPER. GRID NO. 5073 DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\*  
PROPERTY NO. 13492  
POOL CODE 96893  
EFF. DATE 6-28-02  
API NO. 30-02.5-35938

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