STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION Form C-101 ---Revised 10-1-78 P. O. BOX 2088 DISTRIBUTION SANTA FE, NEW MEXICO 87501 SA, Indicate Type of Lease SANTA FE STATE FILE 5. State Oil & Gas Lease No. U.S.G.S. LAND OFFICE OPERATOR APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 7. Unit Agreement Name DRILL DEEPEN X PLUG BACK b. Type of Well 8. Farm or Lease Name A. M. York "B" 2. Name of Operator 9. Well No. ARCO Oil & Gas Company 3. Address of Operator 10. Field and Pool, or Wildcat Box 1610, Midland, TX 79702 Blinebry Oil & Gas 4. Location of Well North 12. County Lea 19. Proposed Depth 6644 Blinebry 21A. Kind & Status Plug. Bond 21B. Drilling Contractor 22. Approx. Date Work will start 3476 Statewide Blanket 12-14-87 23. PROPOSED CASING AND CEMENT PROGRAM SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH SACKS OF CEMENT EST. TOP 13-3/8 48 306 300 Circ 9-5/8 40 2795 592-TS 1000 23 & 26 6636 500 3172-TS This well is currently on the schedule as a single Penrose Skelly Grbg. Propose to downhole commingle the Blinebry Oil & Gas and Drinkard as follows: 1. Sqz Grayburg perfs 3726. - 3776. Drill out and press test. Retrieve "DR" plug at 6400'. Drill out and push Model "D" pkr to PBD 6622'. Acidize Drinkard perfs 6569'-6608' w/5000 gals. Swab test and evaluate. Set RBP at 6000. 6. 7. Perf Blinebry 5629'-5905. 8. Acidize w/10,000 gals. 9. Swab test and evaluate. 10. Retrieve RBP at 6000. Equip with production equipment. I hereby certify that the information above is true and complete to the best of my knowledge and belief. Engr. Tech. 915/688-5672 Tule 11-30-87 (This space for State Use) ORIGINAL SIGNED BY JERRY SEXTON

APPROVED BY ____DISTRICT | SUPERVISOR

CONDITIONS OF APPROVAL, IF ANYI

P. O. BOX 2088 SANTA FE, NEW MEXICO 87

Form C-102 Revised 10-1-7

All distances must be from the outer boundaries of the Section Operator Lease Well No. ARCO Oil & Gas Company A. M. York ابعا 2 Unit Letter Section Township Range County 20 Α 21S 37E Lea Actual Footage Location of Well: 660 feet from the North feet from the East Ground Level Elev. Producing Formation Pool Dedicated Acreage: 3476 Blinebry Blinebry Oil & Gas 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling. etc? If answer is "yes," type of consolidation _ Yes No If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)_ No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division CERTIFICATION ,099 I hereby certify that the information contained herein is true and complete to the O [660] best of my knowledge and belief. Ken W. Gosnell Engr. Tech. Company ARCO Oil & Gas Co. Date 11-30-87 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed Registered Professional Engineer and/or Land Surveyor Certificate No. 1320 1650 2000 1500 1000 500