District I PO Box 1980, Hobbs, NM 88241-1980

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aziec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico nergy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Form C-101 Revised October 18, 1994 Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

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APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE ¹ OGRID Number 150661 Operator Name and Address. TITAN RESOURCES I, INC. 500 West Texas, Suite 500 ³ API Number Midland, Texas 79701 30-025-33827 ⁴ Property Code ⁵ Property Name * Well No. 20000 Brunson-Argo 24 ⁷ Surface Location Lot Idn Feet from the North/South line UL or lot no. Section Township Range Feet from the East/West line County 9 225 37E 1750 North East Н 650 ⁸ Proposed Bottom Hole Location If Different From Surface Lot Idn UL or lot no. Township Range Feet from the North/South line Feet from the Section East/West line County Proposed Pool 1 14 Proposed Pool 2 Wantz-ABO Work Type Code 12 Well Type Code " Cable/Rotary " Lease Type Code 15 Ground Level Elevation Р Rotary " Mukiple 17 Proposed Depth ¹⁶ Formation 19 Contractor M Spud Date 7500' **ABO** TMBR/Sharp 3/25/97 NO ²¹ Proposed Casing and Cement Program Casing weight/foot Hole Size Casing Size Setting Depth Sacks of Cement Estimated TOC 12 - 1/48-5/8 24# +/- 1200 520 Surf 7-7/8 17# 5-1/2+/- 7450 950 Surf Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. 12-1/4" hole to +/- 1200' - Circulate cement - Test #1000 before drilling out. Use double ram BOP's from under suface to T.D. - Set 5-1/2" casing in 7-7/8" hole and circulate cement to surface with D.V. tool, if necessary. Permit Expires 1 Year From Approval Date Unless Drilling Underway ¹³ I hereby certify that the information given above is true and complete to the best OIL CONSERVATION DIVISION of my knowledge and belief. Signature Approved by THE TOWN STORY CEXTON Printed name Title: Ron Lechwar DEFENDA I SUMLEVAOR Tulc Approval Date: Expiration Date: Project Manager Date Conditions of Approval 2/6/97 915-682-6612

Attached []

C-101 Instructions

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Measurements and dimensions are to be in feet/incnes. Well locations will refer to the New Mexico Principal Meridian.

IF THIS IS AN AMENDED REPORT CHECK THE BOX LABLED "AMENDED REPORT" AT THE TOP OF THIS DOCUMENT.

- Operator's OGRID number. If you do not have one it will be assigned and filled in by the District office.
- 2 Operator's name and address
- 3 API number of this well. If this is a new drill the OCD will assign the number and fill this in.
- 4 Property code. If this is a new property the OCD will assign the number and fill it in.
- 5 Property name that used to be called 'well name'
- 6 The number of this well on the property.
- 7 The surveyed location of this well New Mexico Principal Meridian NOTE: If the United States government survey designates a Lot Number for this location use that number in the 'UL or lot no.' box. Otherwise use the OCD Unit Letter.
- 8 The proposed bottom hole location of this well at TD

9 and 10 The proposed pool(s) to which this well is beeing drilled.

- 11 Work type code from the following table:
 - N New well
 - E Re-entry
 - D Drill deeper
 - P Plugback
 - A Add a zone
- 12 Well type code from the following table:
 - O Single oil completion
 - G Single gas completion
 - M Mutiple completion
 - I Injection well
 - S SWD well
 - W Water supply well
 - C Carbon dioxide well
- 13 Cable or rotary drilling code
 - C Propose to cable tool drill
 - R Propose to rotary drill
- 14 Lease type code from the following table:
 - S State
 - P Private
- 15 Ground level elevation above sea level
- 16 Intend to mutiple complete? Yes or No
- 17 Proposed total depth of this well
- 18 Geologic formation at TD
- 19 Name of the intended drilling company if known.
- 20 Anticipated spud date.
- Proposed hole size ID inches, proposed casing OD inches, casing weight in pounds per foot, setting depth of the casing or depth and top of liner, proposed cementing volume, and estimated top of cement
- 22 Brief description of the proposed drilling program and BOP

program. Attach additional sheets if necessary.

The signature, printed name, and title of the person authorized to make this report. The date this report was signed and the telephone number to call for questions about this report.

