Form 9-331 (May 1963)

N. M. SIBAGENES GRIMMISSID. UNITED STATES

Form approved. Budget Bureau No. 42-R1424.

DEPARTMENT OF THE INTERIOR (10 ther Instru 5. LEASE DESIGNATION AND SERIAL NO. GEOLOGICAL SURVEY HOBBS, NEW MEXICO 88240 NM-19001 6. IF INDIAN, ALLOTTEE OR TRIBE NAME SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.

Use "APPLICATION FOR PERMIT—" for such proposals.) 1. 7. UNIT AGREEMENT NAME OTHER New Well NAME OF OPERATOR 8. FARM OR LEASE NAME FLAGSTONE PETROLEUM CORPORATION PHILLIPS FEDERAL 3. ADDRESS OF OPERATOR 1014 C & K Building, Midland, Texas 79701

LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*

See also space 17 below.)

At surface 9. WELL NO. 10. FIELD AND POOL, OR WILDCAT Bradley Delaware (Ext.) 1980' FNL & 660' FEL of Section 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA (SELNEL) Sec. 24-26S-33E (Unit H) 14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.) 12. COUNTY OR PARISH | 13. STATE 3370' G.L. NM 16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: TEST WATER SHUT-OFF PULL OR ALTER CASING WATER SHUT-OFF REPAIRING WELL FRACTURE TREAT MULTIPLE COMPLETE FRACTURE TREATMENT ALTERING CASING SHOOT OR ACIDIZE ABANDON* SHOOTING OR ACIDIZING ABANDONMENT* REPAIR WELL CHANGE PLANS (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) Change Operator 17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Attached is a copy of Designation of Operator dated 8-12-83 whereby Phillips Petroleum Company, the record lessee, names FLAGSTONE PETROLEUM CORPORATION as the operator for the SE-NE 24-26S-33E.

Also attached is a new WELL LOCATION and ACREAGE DEDICATION PLAT.

Flagstone is familiar with APD filed by Jubilee Energy Corporation and will comply with the provisions of the APD and the conditions under which it is approved.

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8. I hereby ertire that the foregoing is true and correct SIGNED Dames A. Knowl	TITLE Agent	DATE August 18, 1983
(This space for Federal or State office use) APPROVED BY CONDITIONS OF APPROVAL, IT ANY:	TITLE	DATE 8/25/83

AUG 26 1983

Supervisor, Oil & Gas Operations:

DESIGNATION OF OPERATOR

The undersigned is, on the records of the General Land Office, holder of oil and gas lease

District Land Office: Roswell, New Mexico

Serial Number:

NM-19001

and hereby designates

Name: Flagstone Petroleum Corporation

Address: 1014 C&K Building

Midland, Texas 79702

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil & Gas Operating Regulations with respect to (describe acreage to which this designation is applicable):

SE/4 NE/4 of Section 24, T-26S-R33E N.M.P.M. Lea County, New Mexico

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil & Gas Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the oil and gas supervisor of any change in the designated operator.

Cliff Ohr, Attorney-in-Fact

Phillips Petroleum Company
P.O. Box 1967

PHILLIPS PETROLEUM COMPANY

August 12, 1983

(Date)

Houston, Texas 77001

(Address)

AUG 26 1983
MOSE'S CHEICE

NEW ME JO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Supersedes C-128 Effective 1-1-65

RONALD J. EIDSON,

3239

All distances must be from the outer houndaries of the Section ; -rator Flagstone Petroleum Corp. Phillips Fed. 1 Section T state 26 South 33 East Lea that I is tage Location of Well: 1980 north 660 east feet from the line and ir and Level Elev Freducing Formation Deathared Ameage: 3370.0' Delaware Bradley Delaware (Ext) 40 Acres 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 rovalty). 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? [] Yes If answer is "yes!" type of consolidation If answer is "no." list the owners and tract descriptions which have actually been consolidated. (I'se 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 Commission. CERTIFICATION I hereby certify that the information contained herein is true and complete to the James A. Knauf Agent Critican y FLAGSTONE PETROLEUM CORP. August 18, 1983 I hereby certify that the well location shown on this plat was platted from field my supervision, and that the same is true and correct to the best of my Date Surveyed <u>June 25, 1983</u> Registere i Professional Engineer 676

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1320 1650

AUG 26 1983
MOBES OFFICE