

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPlicate
(Other instructions on
verse side)

Budget Bureau No. 42-R1424.

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. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-20377-A
2. NAME OF OPERATOR FLAGSTONE PETROLEUM CORPORATION		6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---
3. ADDRESS OF OPERATOR 1014 C & K Building, Midland, Texas 79701		7. UNIT AGREEMENT NAME ---
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 660' FSL & 660' FEL of Section (SE $\frac{1}{4}$ SE $\frac{1}{4}$) (Unit P)		8. FARM OR LEASE NAME HNG FEDERAL
14. PERMIT NO. ---		9. WELL NO. 1
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3329' G.L.		10. FIELD AND POOL, OR WILDCAT Wildcat
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 26-26S-33E
		12. COUNTY OR PARISH Lea
		13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	Change Operator <input checked="" type="checkbox"/>

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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 8-25-83 whereby HNG Oil Company, the record lessee, names FLAGSTONE PETROLEUM CORPORATION as the operator for the SE-SE 26-26S-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.

18. I hereby certify that the foregoing is true and correct

SIGNED James A. Knaut TITLE Agent DATE August 31, 1983

(This space for Federal or State office use)

APPROVED BY [Signature] TITLE _____ DATE 9/2/83

CONDITIONS OF APPROVAL, IF ANY:

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

30-025-28381

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-20377-A
2. NAME OF OPERATOR JUBILEE ENERGY CORPORATION (Tom Garber) (915-886-0431)			6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 3100 North A Street, 103 Building E, Midland, TX 79701			7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 660' FSL & 660' FEL of Section (SEESE) (Unit P) At proposed prod. zone same			8. FARM OR LEASE NAME HNG FEDERAL
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 21 air miles west-southwest of Jal, New Mexico			9. WELL NO. 1
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 660'			10. FIELD AND POOL, OR WILDCAT Wildcat
16. NO. OF ACRES IN LEASE 320			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 26-26S-33E
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			12. COUNTY OR PARISH Lea
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 933'			13. STATE NM
19. PROPOSED DEPTH 6000' Delaware			20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DP, RT, GR, etc.) 3329' G.L.			22. APPROX. DATE WORK WILL START* September 1, 1983

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24#	860'	Circulate to surface
7 7/8"	5 1/2"	14 & 15.5#	6000'	Circulate back into salt.

Pay zone will be selectively perforated and stimulated as needed for optimum production.

Attached are: 1. Well Location & Acreage Dedication Plat
2. Supplemental Drilling Data
3. Surface Use Plan

RECEIVED

AUG 12 1983

OIL & GAS

ROSWELL, NEW MEXICO

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES
UNLESS DRILLING UNDERWAY

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.

24. SIGNED James A. Knaut TITLE Agent DATE August 8, 1983
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY A. A. Lopez TITLE _____ DATE 9/2/83
CONDITIONS OF APPROVAL, IF ANY: _____

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

RECEIVED
APR 2 1986
O.C.D.
HOBBS OFFICE