

Form 3160-3
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

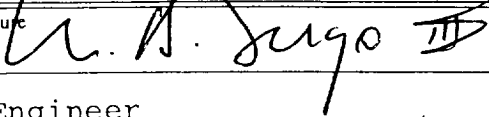
APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-036452
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 KENSON OPERATING COMPANY, INC.		7. If Unit or CA Agreement, Name and No. LANGLIE JAL UNIT
3a. Address P O BOX 3531 MIDLAND TX 79702		8. Lease Name and Well No. LANGLIE JAL UNIT 124
3b. Phone No. (include area code) 915/685.0878		9. API Well No. 30-025-35626
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2622' FNL & 1528' FEL At proposed prod. zone Same G		10. Field and Pool, or Exploratory LANGLIE MATTIX
14. Distance in miles and direction from nearest town or post office* 3/4 mile NE of Jal, New Mexico		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 17, T25S, R37E
15. Distance from proposed* location to nearest property or lease line, ft. west unit boundary (Also to nearest drig. unit line, if any) approx. 1110' from west unit boundary	16. No. of Acres in lease 3760	12. County or Parish IEA
17. Spacing Unit dedicated to this well 40 acres	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. approx 820'	13. State NM
19. Proposed Depth 3800'	20. BLM/BIA Bond No. on file Statewide RLB0001609	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3109' GL	22. Approximate date work will start* July 16, 2001	23. Estimated duration 30 days
24. Attachments		

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

- | | |
|---|--|
| 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 	Name (Printed/Typed) M. A. Sirgo, III	Date 6-6-01
Title Engineer		
Approved by (Signature) /s/ JOE G. LARA	Name (Printed/Typed) /s/ JOE G. LARA	Date JUL 09 2001
Title HITING FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify the 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.

*(Instructions on reverse)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

OPER. OGRID NO. 185433
 PROPERTY NO. 25415
 POOL CODE 37240
 EFF. DATE 7-10-01
 API NO. 30-025-35626



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