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ARMSTRONG, STEVE F
F284191

RELINQUISHMENT ACT LEASE M-87008

5

COUNTY: Culberson
TRACT : Sec. 44, Blk. 60, TSp. 1
PART : T&P RR. Co. Sur.
ACRES : 682.8

LESSEE : Steve F. Armstrong
DATE : July 9, 1981
TERM : Three Yrs.
BONUS : \$34,140.00
RENTAL: \$341.40
FILE : 100741

07-03426-5

682.80 AC

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Culberson ms-34

Legal BE
Rental RW
Min. A/c
Min. Map Cuf
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284191
MF 087008

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Mineral Classified Land
Lease Consideration Comparison

E.

County CULBERSON

Area SEC 44,

B/K 60, T-1, T&P

M. F.	Acres	Lease Date	Term	Total Bonus	B/Ac	Rental	Comparison
New	682 ⁸	7-9-81	3yrs	68280 ⁰⁰	100 ⁰⁰	1 ⁰⁰	1/10
Below 2500							
86136	596	6-22-81	3yrs	59600 ⁰⁰	100 ⁰⁰	1 ⁰⁰	1 mi N 1/10
Below 2500							
86132	698 ⁷	6-10-81	3yrs	69870 ⁰⁰	100 ⁰⁰	1 ⁰⁰	" " W 1/10
82262	696 ⁶	5-16-80	5yrs	69660 ⁰⁰	100 ⁰⁰	1 ⁰⁰	3" " 1/10

100741

Remarks: Fye go Navidad (ATOKA)
disc 1 mi West.

Consideration

Recommended Jim H

Not Recommended _____

Mineral Classified Land
Lease Consideration Comparison

E.

County CULBERSON

Area SEC 4

BLK 60, T-2, T&P

M. F.	Acres	Lease Date	Term	Total Bonus	B/Ac	Rental	Comparison
New	681 ⁸	7-9-81	3yrs		100 ⁰⁰	1 ⁰⁰	1/10
Below 2500							
86136	596	6-22-81	3yrs	59600 ⁰⁰	100 ⁰⁰	1 ⁰⁰	1 mi N 1/10
Below 2500							
86132	698 ⁷	6-10-81	3yrs	69870 ⁰⁰	100 ⁰⁰	1 ⁰⁰	" " W 1/10
32262	696 ⁶	5-16-80	5yrs	69660 ⁰⁰	100 ⁰⁰	1 ⁰⁰	3" " 1/10

100735

Remarks: Fye go Navidad (ATOKA)
disc 1 mi West.

Consideration

Recommended Don H

Not Recommended _____

OIL AND GAS LEASE

25860

THIS AGREEMENT, made and entered into this 9th day of
July, 1981, by and between TERESA JUNE HOLLER
VANLANDINGHAM, a married woman dealing herein in her sole and separate
property
of Route 4, Box 1560, Odessa, Texas 79763,
(Give Permanent Address)

herein referred to as the owner of the soil (whether one or more),
individually and as agent for the State of Texas, and _____
STEVE F. ARMSTRONG,
of P. O. Box 695, Pecos, Texas 79772,
(Give Permanent Address)

hereinafter called Lessee, WITNESSETH:

1. The owner of the soil in the capacities aforesaid, for and in
consideration of Thirty-Four Thousand One Hundred Forty and No/100 -----
----- Dollars (\$ 34,140.00), cash
in hand paid, as his individual property and estate, receipt of which is
hereby acknowledged, and a like amount paid to the STATE OF TEXAS, and of the
covenants and agreements hereinafter contained on the part of the Lessee to
be paid, kept and performed, hereby grants, leases and lets unto Lessee, for
the sole and only purpose of prospecting and drilling for and producing oil
and gas, laying pipe lines, building tanks, storing oil and building power
stations, telephone lines and other structures thereon, to produce, save, take
care of, treat and transport said products of the lease, the following lands
situated in Culberson County, State of Texas, to-wit:

Section 44, Block 60, Township 1, T&P Railroad
Company Survey,

containing 682.8 acres, more or less.

2. Subject to the other provisions herein contained, this lease
shall be for a term of * three (3) years from this date (herein called
"primary term") and as long thereafter as oil and gas, or either of them, is
produced in paying quantities from said land.

**3. When production of oil and/or gas is secured, Lessee agrees to
pay or cause to be paid one-half (1/2) to the Commissioner of the General
Land Office of the State of Texas, at Austin, Texas, and one-half (1/2) to the
owner of the soil, during the term hereof:

(a) As a royalty on oil, which is defined as including all hydro-
carbons produced in a liquid form at the mouth of the well and also all con-
densate, distillate, and other liquid hydrocarbons recovered from oil or gas
run through a separator or other equipment, as hereinafter provided,

one-fifth (1/5th) part of the gross

*Not to exceed five (5) years.

**The total royalty payable under the lease should be inserted in para-
graphs 3(a), 3(b), 3(c) and 3(d).

80068-11

production or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such value to be determined by 1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or 2) the highest market price thereof offered or paid for the field where produced and when run, or 3) the gross proceeds of the sale thereof, whichever is greater. Lessee agrees that before any gas produced from the land hereby leased is sold, used or processed in a plant, it will be run free of cost to the parties entitled to royalties through an adequate oil and gas separator of conventional type or other equipment at least as efficient to the end that all liquid hydrocarbons recoverable from the gas by such means will be recovered. Upon written consent of the royalty owners, the requirement that such gas be run through a separator or other equipment may be waived upon such terms and conditions as prescribed by them.

(b) As a royalty on any gas (including flared gas), which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (a) above, produced from any well on said land (except as provided herein with respect to gas processed in a plant for the extraction of gasoline, liquid hydrocarbons or other products) _____

one-fifth (1/5th) part of the gross production or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such value to be based on the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or the gross price paid or offered to the producer, whichever is greater; provided that the maximum pressure base in measuring the gas under this lease contract shall not at any time exceed 14.65 pounds per square inch absolute, and the standard base temperature shall be sixty (60) degrees Fahrenheit, correction to be made for pressure according to Boyle's Law, and for specific gravity according to test made by the Balance Method or by the most approved method of testing being used by the industry at the time of testing.

For the purposes of this lease "field" means the general area in which the land covered by this lease is located.

(c) As a royalty on any gas processed in a gasoline plant or other plant for the recovery of gasoline or other liquid hydrocarbons,

one-fifth (1/5th) part of the residue gas and the liquid hydrocarbons extracted or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office. All royalties due herein shall be based on one hundred percent (100%) of the total plant production of residue gas attributable to gas produced from this lease, and on fifty percent (50%) or that percent accruing to Lessee, whichever is greater, of the total plant production of liquid hydrocarbons attributable to the gas produced from this lease; provided that if liquid hydrocarbons are recovered from gas processed in a plant in which Lessee (or its parent, subsidiary or affiliate) owns an interest, then the percentage applicable to liquid hydrocarbons shall be fifty percent (50%) or the highest percent accruing to a third party processing gas through such plant under a processing agreement negotiated at arms' length (or if there is no such third party, the highest percent then being specified in processing agreements or contracts in the industry), whichever is greater. The respective royalties on residue gas and on liquid hydrocarbons shall be determined by 1) the highest market price paid or offered for any gas (or liquid hydrocarbons) of comparable quality in the general area, or 2) the gross price paid or offered for such residue gas (or the weighted average gross selling price for the respective grades of liquid hydrocarbons, F.O.B. at the plant in which said gas is processed), whichever is greater.

(d) As a royalty on carbon black, sulphur or any other products produced or manufactured from gas (excepting liquid hydrocarbons) whether said gas be "casinghead", "dry" or any other gas, by fractionating, burning or any other processing, one-fifth (1/5th) part of the gross production of such products, or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such market value to be determined as follows:

- (1) on the basis of the highest market price of each product for the same month in which such product is produced, or
- (2) on the basis of the average gross sale price of each product for the same month in which such produce is sold, whichever is greater.

4. Notwithstanding anything contained herein to the contrary, the owner of the soil or the Commissioner of the General Land Office may, at the option of either, at any time or from time to time, upon not less than sixty (60) days notice to the holder of the lease, require the payment of any royalties accruing to such royalty owner under this lease be made in kind.

5. Lessee agrees that all royalties accruing under this lease (including those paid in kind) shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and otherwise making the oil, gas and other products produced hereunder ready for sale or use.

6. No royalty shall be payable on any gas as may represent this lease's proportionate share of any fuel used to process gas produced hereunder in any processing plant. Notwithstanding anything contained herein to the contrary, and subject to the consent in writing of the owner of the soil and the Commissioner of the General Land Office, Lessee may recycle gas for gas lift purposes on the leased premises or for injection into any oil or gas producing formation underlying the leased premises after the liquid hydrocarbons contained in the gas have been removed and no royalties shall be payable on the gas so recycled until such time as the same may thereafter be produced and sold or used by Lessee in such manner as to entitle the royalty owners to a royalty thereon under the provisions of this lease.

7. All royalties which are required to be paid hereunder to the Commissioner of the General Land Office shall be due and payable in the following manner: Royalty on oil shall be due and payable on or before the 5th day of the second month succeeding the month of production, and royalty on gas shall be due and payable on or before the 15th day of the second month succeeding the month of production, accompanied by an affidavit completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all supporting documents and records required by law to confirm the gross production, disposition and market value. A copy of all contracts under which gas is sold or processed and all subsequent agreements and amendments to such contracts shall be filed with the General Land Office within thirty (30) days after entering into or making such contracts, agreements or amendments. The books, accounts and all other records pertaining to production, transportation, sale and marketing shall at any time be subject to inspection and examination by the Land Commissioner. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid. Any royalty not paid or affidavits and supporting documents not filed when due shall be come delinquent and shall have added to the sum owing a delinquency penalty of one percent (1%) of such sum for each thirty (30) day period of delinquency or a fractional period thereof; provided, however, that each such penalty shall never be less than Five Dollars (\$5.00). Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the

due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law. The State shall have a first lien upon all oil and gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due to the State hereunder.

8. If no well be commenced on said land on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender to the owner of the soil or to his credit in the _____

First National

Bank, at _____

Fort Stockton, Texas 79735 _____, or its successors (which shall continue as the depository regardless of changes in the ownership of said land), the sum of Three Hundred Forty-One and 40/100 -----

----- Dollars

(\$ 341.40 _____), and in addition shall pay to the COMMISSIONER OF THE GENERAL LAND OFFICE OF THE STATE OF TEXAS, AT AUSTIN, TEXAS, a like sum on or before said date, which shall operate as a rental and cover the privilege of deferring the commencement of a well for one (1) year from said date. In like manner and upon like payments or tenders annually, the commencement of a well may be further deferred for successive periods of one (1) year each during the primary term.

9. All payments or tenders of rental to the owner of the soil may be made by check or draft of Lessee, or any assignee hereof, and delivered on or before the rental paying date. If said bank (or any successor bank) should cease to exist, suspend business, liquidate, fail or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payments or tenders of rental until thirty (30) days after the owner of the soil shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders.

10. During any year beginning with the anniversary date of this lease, if this lease is maintained by production, the royalties paid hereunder in no event shall be less than an amount equal to the total annual delay rental herein provided; otherwise, there shall be due and payable on or before the last day of the month succeeding the anniversary date of this lease a sum equal to the total annual delay rental less the amount of royalties paid during the preceding year. If no amount of delay rental is specified in this lease, then for the purpose of this paragraph and paragraph 28, rental shall be construed to be one dollar (\$1.00) per acre which shall be in addition to the statutory minimum rental provided in paragraph 11 hereof.

11. It is understood and agreed that notwithstanding the fact that development may be in progress or production secured and royalty being paid hereunder the owner or operator of the leased premises shall continue to make annual rental payments to the State which, under such conditions, shall be the minimum of ten cents (10¢) per acre as provided by Section 52.172 of the Natural Resources Code (hereinafter called N.R.C.).

12. If, during the primary term hereof and prior to discovery and production of oil or gas on said land, Lessee should drill a dry hole or holes thereon, or if, after discovery and production of oil or gas, the production thereof should cease from any cause, this lease shall not terminate if on or before the rental paying date next ensuing after the expiration of sixty (60) days from date of completion of said dry hole or cessation of production Lessee commences additional drilling or reworking operations thereon, or commences or resumes the payment of annual delay

rental in the same manner as provided in Paragraph Number 8 of this lease. If a dry hole be completed and abandoned during the last year of the primary term, Lessee's rights shall remain in full force and effect without further operations until the expiration of the primary term. Should the first well or any subsequent well drilled on the above described land be completed as a shut-in gas well within the primary term hereof, Lessee may resume payment of annual rental in the same manner as provided in Paragraph Number 8 in this lease on or before the rental paying date next ensuing after sixty (60) days from the date of completion of such shut-in gas well and upon the failure to make such annual rental payment, this lease shall ipso facto terminate. If at the expiration of the primary term or at any time thereafter a shut-in gas well is located on the leased premises, payments may be made in accordance with the provisions of Paragraph Number 28 hereof.

13. If, at the expiration of the primary term, neither oil nor gas is being produced on said land, but Lessee is then engaged in drilling or reworking operations thereon, or if, after the expiration of the primary term, production of oil or gas on the leased premises after once obtained should cease from any cause, this lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil and/or gas, so long thereafter as oil and/or gas is produced in paying quantities from said land, or payment of shut-in gas well royalties or compensatory royalties is made as hereinafter provided.

14. Lessee shall adequately protect the oil and gas under the above described land from drainage from the adjacent lands or leases. Neither the bonus, delay rentals, nor royalties paid or to be paid hereunder shall relieve Lessee from the obligations herein expressed, and for such purpose Lessee shall be required to drill as many wells as the facts may justify and to the depth or depths necessary for effective protection against undue drainage by other wells on adjacent lands or leases.

15. Written notice of operations hereunder shall be submitted to the Commissioner of the General Land Office by Lessee within five (5) days of spud date, cessation of production, workover, re-entry, temporary abandonment or abandonment of any well and shall include copies of Railroad Commission forms for application to drill, completion tests and plugging reports. The Commissioner of the General Land Office reserves the right to require Lessee to furnish logs on all wells drilled on said land and to annually furnish the said Commissioner with its best possible estimate of oil and gas reserves underlying this lease or allocable to this lease.

16. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling operations thereon, or from producing oil or gas therefrom, after effort made in good faith, by reason of war, rebellion, riots, strikes, acts of God, or any valid order, rule or regulation of government authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended; and this lease shall be extended while and so long as Lessee is prevented, by any such cause, from drilling, reworking operations or producing oil or gas from the leased premises; provided, however, that nothing herein shall be construed to suspend the payment of delay rentals in order to maintain this lease in effect during the primary or extended term in the absence of such drilling or reworking operations or production of oil or gas.

17. The owner of the soil hereby warrants and agrees to defend the title to the land herein described, and agrees that Lessee shall have the right at any time to redeem for said owner of the soil, by payment, any mortgage, taxes or other liens on the above described land, in the event of default of payment by said owner of the soil, and be subrogated to the rights of the holder thereof, to the extent that Lessee may apply any rental or royalty due the owner of the soil from Lessee until any obligation thus incurred by the owner of the soil is discharged.

If the owner of the soil owns a less interest in the above described land than the entire and undivided surface estate therein (or a greater or lesser interest than the recited interest therein) then the royalties and rental herein provided to be paid to the owner of the soil shall be paid to him in the proportion which his interest bears to the whole and undivided surface estate and the royalties and rental herein provided to be paid to the Commissioner of the General Land Office of the State of Texas shall be likewise proportionately reduced. The Commissioner of the General Land Office shall be paid the value of the whole production allocable to all of the undivided interest not covered by any lease, less the proportionate development and production costs allocable to such undivided interest, but in no event shall the Commissioner of the General Land Office receive as a royalty on the gross production allocable to the undivided interest not leased an amount less than the value of one-sixteenth (1/16) of such gross production. Provided, however, before any adjustment of royalty or rental due the Commissioner of the General Land Office, Lessee shall furnish the Commissioner of the General Land Office of the State of Texas, at Austin, Texas, a statement in writing executed by Lessee, or its duly authorized representative, setting forth the facts relative to the interest of the owner of the soil and the interest which Lessee claims under this lease.

18. Lessee shall have the right to use water produced on said land necessary for operations hereunder except water from wells or tanks of the owner of the soil; provided, however, Lessee shall not use potable water or water suitable for livestock or irrigation purposes for water-flood operations without the prior consent of the owner of the soil.

19. When requested by the owner of the soil, Lessee shall bury its pipe lines below plow depth.

20. No well shall be drilled nearer than two hundred (200) feet to the house or barn now on said premises without the written consent of the owner of the soil.

21. Lessee shall have the exclusive right to build, operate and maintain pits, reservoirs, pickup stations and plants for the purpose of picking up and conserving waste oil that flows down the creeks, ravines and across the land embraced in the lease, whether said oil is produced from said land covered by this lease or other lands, provided the royalties herein specified are paid on said oil at the same rate under the same conditions provided for oil regularly produced.

22. Lessee shall pay the owner of the soil for damages caused by its operations to all personal property, improvements, livestock and crops on said land.

23. Lessee shall have the right at any time until one hundred twenty (120) days after the expiration or termination of this lease to remove all machinery and fixtures placed by Lessee on said premises, including the right to draw and remove all casing; provided, however, that casing shall not be drawn and removed until after thirty (30) days written notice to the Commissioner of the General Land Office and to the owner of the soil and, provided further, that Lessee shall not remove casing with respect to any well thereon capable of producing oil and/or gas in paying quantities. Any machinery, fixtures and casing subject to removal as above set forth, which are allowed to remain on the premises, shall become the property of the owner of the soil on expiration of said one hundred twenty (120) day period, or such extension thereof as may be granted by the owner of the soil.

24. The rights and estates of either party hereto may be assigned, in whole or in part, and the provisions hereof shall extend to and be binding upon their heirs, devisees, legal representatives, successors and assigns; but no change or division in the ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations, nor to diminish

the rights, privileges and estates of Lessee, nor to impair the effectiveness of any payment made by, nor of any act performed by, Lessee hereunder. And no such change or division in the ownership of said land, the rentals or royalties, however accomplished, shall ever be binding upon Lessee for any purpose until thirty (30) days after Lessee has been furnished by the owner of the soil, or by his heirs, devisees, legal representatives or assigns, with satisfactory written evidence thereof, including (if such change is effected by conveyance) the original recorded muniments of title or certified copies thereof. An assignment of this lease, in whole or in part, shall, as to the extent of such assignment, relieve and discharge Lessee of all subsequent obligations hereunder. If this lease is assigned in its entirety as to only part of the acreage, the right and option to pay rentals shall be apportioned as between the several owners ratably, according to the surface area of each, and failure by one or more of them to pay his share of the rental shall not affect this lease on the part of the land upon which pro rata rentals are timely paid or tendered, unless the assignor or assignee shall fail to file a certified copy of such assignment in the General Land Office prior to the next rental paying date, in which event the entire lease shall terminate for failure to pay the entire rental due as provided in Paragraph Number 8 hereof.

25. Lessee may at any time, and from time to time, execute and deliver to the owner of the soil or place of record, a release or releases covering any portion or portions of the above described premises, and thereby surrender this lease as to such portion or portions, and be relieved of all subsequent obligations as to acreage surrendered. In the event any part of this lease is surrendered, as above provided, the delay rental then payable hereunder shall thereupon be reduced in the proportion that the acreage surrendered bears to the acreage which was covered by this lease immediately prior to such surrender, provided such release shall not thereby relieve the Lessee of any liabilities which may have accrued in connection with the lease prior to the surrender of such acreage.

26. Provided further that if all or any part of this lease is assigned or released, such assignment or release shall be recorded in the county where the land is situated and the recorded instrument, or a copy of the recorded instrument certified to by the County Clerk of the County in which the instrument is recorded, shall be filed in the GENERAL LAND OFFICE accompanied by a filing fee of Five Dollars (\$5.00). If any such assignment is not so filed, the rights acquired under this lease shall be subject to forfeiture by the Commissioner of the General Land Office.

27. It is recognized that before this lease is effective a certified copy thereof (which is construed as meaning a certified copy made by the County Clerk from his records) shall be filed in the General Land Office in accordance with Section 52.183, N. R. C., and this lease shall not be binding upon the State unless it recites the actual and true consideration paid or promised therefor. The bonus due the State and a filing fee of Five Dollars (\$5.00) shall accompany such certified copy to the General Land Office.

28. If, at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not otherwise produced for lack of a suitable market and this lease is not otherwise being maintained in force and effect, Lessee may pay as royalty a sum of money equal to double the annual rental provided for in this lease, but in no event to be less than Twelve Hundred Dollars (\$1,200.00) per annum for each well capable of producing gas in paying quantities; such payment shall be made one-half (1/2) to the Commissioner of the General Land Office and one-half (1/2) to the owner of the soil prior to the expiration of the primary term of this lease or, if the primary term has expired, within sixty (60) days after Lessee shuts in such well or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be otherwise maintained in force and effect; and if such payment is made, this lease shall be considered to be a producing lease and such shut-in gas well royalty payment shall extend the term of this lease for a period of

one (1) year from the end of the primary term or, if after the primary term, from the first day of the month next succeeding the month in which such well was shut in or production ceased or this lease ceased to be otherwise maintained in force and effect; and thereafter, if no suitable market for such gas exists, Lessee may extend this lease for four (4) additional and successive periods of one (1) year each by the payment of a like sum of money each year as above provided, on or before the expiration of the extended term. Provided, however, that if, while this lease is being maintained in force and effect by payment of such shut-in gas well royalty, gas should be sold and delivered in paying quantities from a well situated within one thousand (1,000) feet of the leased premises and completed in the same producing reservoir, or in any case where drainage is occurring, the right to further extend this lease by such shut-in gas well royalty payments shall cease and this lease shall remain in force and effect for the remainder of the current one-year period for which the shut-in gas well royalty has been paid and for an additional period not to exceed five (5) years from the expiration of the primary term by payment by Lessee of compensatory royalty at the royalty rate provided for herein, of the value at the well of production from the well completed in the same producing reservoir from which gas is being sold and delivered and which is situated within one thousand (1000) feet of or draining the leased premises on which such shut-in gas well is situated, such compensatory royalty to be paid monthly one-half (1/2) to the Commissioner of the General Land Office and one-half (1/2) to the owner of the soil beginning on or before the last day of the month next succeeding the month in which such gas is sold and delivered from the well situated within one thousand (1,000) feet of or draining the leased premises and completed in the same producing reservoir, provided further that in the event such compensatory royalties paid in any twelve-month period are in an amount less than the annual shut-in gas well royalties provided for herein, Lessee shall pay an additional sum of money equal to the difference between such compensatory royalties paid and such shut-in gas well royalties within thirty (30) days from the end of such twelve-month period; provided further that nothing herein shall relieve Lessee of the obligation of reasonable development, nor of the obligation to drill off-set wells as required by law.

29. No natural gas or casinghead gas, including both associated and nonassociated gas, produced from the mineral estate subject to this lease may be sold or contracted for sale to any person for ultimate use outside the State of Texas unless the Railroad Commission of Texas, after notice and hearing as provided in Title 3 of the N.R.C., finds that:

(a) the person, agency, or entity that executed the lease in question does not require the natural gas or casinghead gas to meet its own existing needs for fuel;

(b) no private or public hospital, nursing home, or other similar health-care facility in this state requires the natural gas or casinghead gas to meet its existing needs for fuel;

(c) no public or private school in this state that provides elementary, secondary, or higher education requires the natural gas or casinghead gas to meet its existing needs for fuel;

(d) no facility of the state or of any county, municipality, or other political subdivision in this state requires the natural gas or casinghead gas to meet its existing needs for fuel;

(e) no producer of food and fiber requires the natural gas or casinghead gas necessary to meet the existing needs of irrigation pumps and other machinery directly related to this production; and

(f) no person who resides in this state and who relies on natural gas or casinghead gas to provide in whole or part his existing needs for fuel or raw material requires the natural gas or casinghead gas to meet those needs;

provided, however, after notice and hearing as provided in Title 3 of the N.R.C., the Railroad Commission of Texas may grant exceptions to these provisions if it finds and determines that enforcement of such provisions:

(1) would cause physical waste as defined in Title 3 of the N.R.C.; or

(2) would unreasonably deny to the lessee an opportunity to produce economically hydrocarbons from the land subject to this lease.

30. This lease is issued under the provisions of Sections 52.171 through 52.182, N.R.C., commonly known as the Relinquishment Act, Sections 52.183 and 52.184, N.R.C., and other applicable statutes and amendments thereto, and should there be any provision herein not in conformity with said statutes, the law is recognized and understood to prevail notwithstanding anything in this lease to the contrary.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Individually and as agent
for the State of Texas

Teresa June Holler Vanlandingham
Individually and as agent
for the State of Texas

TERESA JUNE HOLLER VANLANDINGHAM
SOC.SEC. # [REDACTED]

Individually and as agent
for the State of Texas

Individually and as agent
for the State of Texas

STATE OF TEXAS
COUNTY OF ECTOR

Before me, the undersigned authority, on this day personally
appeared Teresa June Holler Vanlandingham,

known to me to be the person _____ whose name _____ ~~xxx~~/is subscribed to
the foregoing instrument, and acknowledged to me that _____ s he _____
executed the same for the purposes and consideration therein expressed, and in
the capacities therein stated.

Given under my hand and seal of office, this the 28th day of
July, A. D., 19 81.

Sara Ferguson
Notary Public in and for Ector
County, Texas

My Commission Expires
9-30-84

SARA FERGUSON
Notary Public in Ector County, Texas
Printed or Stamped Name of Notary

THE STATE OF TEXAS X
COUNTY OF CULBERSON X I, Sally Floyd, Clerk of the County Court in and for
said County and State, do hereby certify that the foregoing is a true and
correct copy of Oil & Gas Lease dated July 9, 1981,
from Teresa June Holler Vanlandingham to Steve T. Armstrong
filed for record in my office this 10th day of August, 1981, at
9:00 A.M., under Clerk's File No. 25860, to be recorded in the Oil
& Gas Records of Culberson County, Texas.

TO CERTIFY WHICH, Witness my hand and official seal at Van Horn, this
10th day of August, 1981.

By Cathy Cottrell Deputy.

SALLY FLOYD, COUNTY CLERK
CULBERSON COUNTY, TEXAS.

M. 87008
lane
File Dated 8-20-81
Bob Armstrong, Commissioner

(1.)

ES-

RECEIVED AS STATED
\$34,140.00
Date 8-20-81
Reg No. 160697

GENERAL LAND OFFICE

RECEIVED AS STATED
\$5,00
Date 8-20-81
Reg No. 160696

GENERAL LAND OFFICE

0.50.07

Hon. Bob Armstrong
Commissioner
General Land Office

Date _____ 19 _____

Dear Sir:

Attached is \$ _____

Charge

Credit Acct. # _____

Cash Fees
Check To Cover Interest On The Following:
Draft Rental

171

X 5.00

160696

X 34,140.00

160697

Receipt
Please Mail Copies to Mr.
Statement

Quarsh Petro, Inc. ✓

Street _____

City Dallas, Tex. ✓

Attention _____

000000

(2)

M. F. 8/008

CORRESPONDENCE FILE

From: Research Peth. Inc.

Dated 8-20-81

ES.

141

X 2.00

X 24 140.18

Research Peth. Inc.

141

QUANAH PETROLEUM INC.
14800 QUORUM DRIVE
SUITE 500
DALLAS, TEXAS 75240



Citizens National Bank & Trust Co.

General Land Office
1700 N. Congress
Austin, TX 78701

CERTIFIED

P 260 423 799

MAIL



Quanah Petroleum, Inc.
HERITAGE SQUARE TOWER, SUITE 525
4835 LBJ FREEWAY 214 386-7354
DALLAS, TEXAS 75234

121

LEASE NO.			PERIOD COVERED	TYPE PAYMENT	DUE DATE
007233/M-87008			7/9/82-7/9/83	Rental	7/9/82
LEASE DATE	STATE	COUNTY	RECORDED BOOK	PAGE	ENTRY
7/9/81	Texas	Culberson	58	652-660	
LEGAL DESCRIPTION:					

Section 44, Blk. 60, T-1, T&P Railroad Co. Survey

FOR DEPOSIT TO THE CREDIT OF:

Teresa June Holler Vanlandingham, \$341.40
a married woman dealing herein in her sole and separate property
Route 4, Box 1560
Odessa, Texas 79763

PROSPECT NAME Sunburst-Texas
CHECK NO.

0000118 R

117173

BANK CHARGE: -0-
TOTAL PAYMENT: \$341.40



Quanah Petroleum, Inc.
HERITAGE SQUARE TOWER, SUITE 525
4835 LBJ FREEWAY 214 386-7354
DALLAS, TEXAS 75234

LEASE NO.	PERIOD COVERED	TYPE PAYMENT	DUE DATE
007233/M-87008	7/9/82-7/9/83	Rental	7/9/82
LEASE DATE	COUNTY	RECORDED BOOK	PAGE
7/9/82	Texas	58	652-660
LEGAL DESCRIPTION:			

Section 44, Blk. 60, T-1, T&P Railroad Co. Survey

FOR DEPOSIT TO THE CREDIT OF:

Teresa June Moller Vanlandingham, \$341.40
a married woman dealing herein in her sole and separate property
Route 4, Box 1560
Odessa, Texas 79763

PROSPECT NAME Sunburst-Texas
CHECK NO.

117173

BANK CHARGE: -0-

TOTAL PAYMENT: \$341.40

CHECK NO. LEASE NO. DATE
000118^R 007233/M-87008 6/9/82

TEXAS COMMERCE BANK-DALLAS
DALLAS, TEXAS 75201

Quanah Petroleum, Inc.

HERITAGE SQUARE TOWER, SUITE 525
4835 LBJ FREEWAY 214 386-7354
DALLAS, TEXAS 75234

PAY *341* DOLLARS *00* CENTS

TO THE
ORDER
OF General Land Office
1700 N. Congress
Austin, Texas 78701

Quanah Petroleum, Inc.

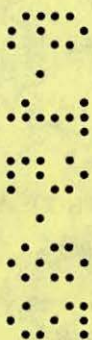
NON NEGOTIABLE

COUNTERSIGN REQUIRED FOR
AMOUNTS OVER \$20,000.00

000000118

0000118

0000113



3 M-87008
Rental Payment
6-15-82



Quanah Petroleum, Inc.
HERITAGE SQUARE TOWER, SUITE 525
4835 LBJ FREEWAY - 214 386-7354
DALLAS, TEXAS 75234

LEASE NO.

0072-33

PERIOD COVERED

7/9/83-7/9/84

TYPE PAYMENT

Delay Rental

DUE DATE

7/9/83

LEASE DATE

STATE

COUNTY

7/9/81

Texas

Culberson

RECORDED BOOK

58

PAGE

652

ENTRY

25860

LEGAL DESCRIPTION:

T-1, T&P Railroad Company
Block 60, Section 44

FOR DEPOSIT TO THE CREDIT OF:

Teresa June Holler Vanlandingham
Route 4, Box 1560
Odessa, Texas 79763

M-87008

121

125683

Rental:

X \$341.40

PROSPECT NAME Sunburst-Texas

CHECK NO. 0072-503501-B-LHC-ACP-00095-01A Holler #1

0000652 R

07-03426-5

BANK CHARGE:

-0-

TOTAL PAYMENT: \$341.40

007 3



LEASE NO.

PERIOD COVERED

TYPE PAYMENT

DUE DATE

0072-33

7/9/83-7/9/84

Delay Rental

7/9/83

LEASE DATE

STATE

COUNTY

7/9/81

Texas

Culberson

LEGAL DESCRIPTION:

RECORDED BOOK

PAGE

ENTRY

58

652

25860

T-1, T&P Railroad Company

Block 60, Section 44

M-87008

FOR DEPOSIT TO THE CREDIT OF:

Teresa June Holler Vanlandingham

Route 4, Box 1560

Odessa, Texas 79763

Rental: \$341.40

PROSPECT NAME Sunburst-Texas

CHECK NO. 0072-503501-B-LHC-ACP-00095-01A Holler #1

125683

0000652 R

BANK CHARGE: --0--

TOTAL PAYMENT: \$341.40

CHECK NO.

LEASE NO.

DATE

000652 R

0072-33

5/31/83

TEXAS COMMERCE BANK-DALLAS
DALLAS, TEXAS 75201

Quanah Petroleum, Inc.

HERITAGE SQUARE TOWER, SUITE 525
4835 LBJ FREEWAY 214 386-7354
DALLAS, TEXAS 75234

PAY *****341*** DOLLARS 40** CENTS

TO THE
ORDER
OFGeneral Land Office
1700 N. Congress
Austin, Texas 78701

Quanah Petroleum, Inc.

NON NEGOTIABLE

COUNTERSIGN REQUIRED FOR
AMOUNTS OVER \$20,000.00

0072-503501-B-LHC-ACP-00095-01A Holler #1

00000652

④ M-87008

Rental Payment

6-7-83

M-87008

122883

1.00

1.00

000652

General Petroleum Inc.

RENTAL EQUIPMENT DIVISION
2855 W. 10th St. S.W.
MINNEAPOLIS, MN 55408

TO THE
ATTENTION OF
GENERAL PETROLEUM INC.
2855 W. 10th St. S.W.
MINNEAPOLIS, MN 55408

NOT NEGOTIABLE

THIS CHECK IS VOID
UNLESS SIGNED BY THE
ISSUING OFFICE

STEVE F. ARMSTRONG X
TO X
QUANAH PETROLEUM, INC. X

Assignment of Oil and Gas Lease

WHEREAS, on the 9th day of July 25891 19 81, a certain oil and gas mining lease was made and entered into by and between TERESA JUNE HOLLER VANLANDINGHAM, individually and as agent for the State of Texas

and STEVE F. ARMSTRONG

covering the following described land in the County of Culberson

Lessor
Lessee
and State of Texas, to-wit:

Section 44, Block 60, Township 1, T&P Railroad Company Survey.

87008

Said lease being recorded in the office of the County Clerk in and for said County in ~~in~~ Vol. 58, page 652, and

Whereas, The said lease and all rights thereunder or incident thereto are now owned by Steve F. Armstrong, whose marital status has not changed since acquiring this property

Now, Therefore, for and in consideration of One Dollar (and other good and valuable considerations), the receipt of which is hereby acknowledged, the undersigned, the present owner of the said lease and all rights thereunder or incident thereto, does hereby bargain, sell, transfer, assign and convey all rights, title and interest of the original lessee and present owner in and to said lease and rights thereunder ~~in~~

together with all personal property used or obtained in connection therewith to

Quanah Petroleum, Inc. and their heirs, successors and assigns.

And for the same consideration, the undersigned for himself and his heirs, successors and representatives, do ~~es~~ covenant with the said assignee their heirs, successors, or assigns, that the undersigned is

the lawful owner of the said lease and rights and interests thereunder and of the personal property thereon or used in connection therewith; that the undersigned has good right and authority to sell and convey the same, and that said rights, interest and property are free and clear from all liens and incumbrances, and that all rentals and royalties due and payable thereunder have been duly paid.

In Witness Whereof, The undersigned owner and assignor has signed this instrument this 10th day of August, 19 81.

Steve F. Armstrong
STEVE F. ARMSTRONG

THE STATE OF TEXAS,
COUNTY OF REEVES }

SINGLE ACKNOWLEDGMENT

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared
Steve F. Armstrong is subscribed to the foregoing instrument, and acknowledged to
known to me to be the person whose name
me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 10th day of August A.D. 1981.

(L. S.)

Neva Butkin
Notary Public in and for Reeves County, Texas
My Commission Expires 10-20-81

Filed for record on the 21st day of August 1981 at 9:00 o'clock
A. M. Recorded on the 25th day of August 1981 at 10:40 o'clock
A. M.

By *Rosalinda Alvarado* Deputy.

Sally Floyd, County Clerk
Culberson County, Texas.

3

87008
Assignment
6-15-83
Garry Mauro, Commissioner
File dated

RECEIVED AS STATED
\$10.00
Date 6-15-83
Reg No. 127593

GENERAL LAND OFFICE

23.00.10.00

THE STATE OF TEXAS *
COUNTY OF CULBERSON *

I, SALLY FLOYD, Clerk of the County Court in and for
Culberson County, Texas, do hereby certify that

The foregoing is a true and correct copy of Assignment of Oil & Gas Lease
from Steve E. Armstrong to Quanah Petroleum, Inc.
as the same appears of record in my office in Book 58 Page 697-698
Oil & Gas Records, Culberson County, Texas.

TO CERTIFY WHICH, Witness my hand and seal of office on

this the 25th day of August 19 81.

SALLY FLOYD, County Clerk
Culberson County, Texas

By Rosalinda Alvarado Deputy

Lincoln Rock Corporation
P. O. Box 8438
Northfield, Illinois 60093

Gentlemen:

Timely receipt is hereby acknowledged of rental payment,
check number 39143 dated July 5, 1984, due for the twelve
months period beginning July 9, 1984 under Oil and Gas
Lease dated July 9, 1981 and recorded in Volume 58, Page
652 of Register of Deeds, Culberson County, Texas, covering
the following:

682.8 acres described as Section 44, B1 60,
TWP 1, T&P RR Co. Survey.

m-87008

Drilg. per on anniversary date
Bob Phipps

Gary Mauro, Commissioner
of the General Land Office
of the State of Texas

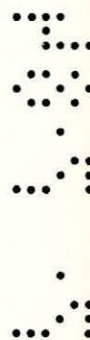
Date: _____

X 68.28

137983

121

⑥ M-87008
Rental Payment
1-7-84



Garry Mauro
Commissioner
General Land Office



October 29, 1984

Quanah Petroleum, Inc.
14800 Quorum Drive, Suite 500
Dallas, TX 75240

ATTN: Linda Chapman

Re: State Lease M-87008
Tract No. Section 44, Block 60, T&P
Well No. 1 Holler
Culberson County

Dear Ms. Chapman:

We note the recent completion of the captioned well, however, we have not received the following reports or surveys, which are marked below, as required by your Oil and Gas Lease:

<u> </u> *	Form W-1 Application to Drill
<u> </u>	Form W-2 Oil Well Potential Test/Completion Report
<u> </u> *	Form W-3 Plugging Record
<u> </u>	Form G-1 Gas Well Pressure Test and Completion Report
<u> </u>	Form G-5 Gas Well Classification Report
<u> </u>	Form G-10 Gas Well Status Report
<u> </u>	Form W-12 Inclination Report
<u> </u>	Form W-15 Cementing Report
<u> </u>	Electrical Log
<u> </u>	Directional Survey

Your cooperation will be appreciated.

Sincerely yours,

A handwritten signature in cursive script, reading "Robert V. Phipps".

Robert V. Phipps, Supervising Geologist
Petroleum & Minerals Development
512-475-0727 Ext. 25

RVP/hdk

①
M-87008
Mr. De Quench Petro, Inc.

DIVISION ORDER

(Oil and Casinghead Gas)

TO: UNION OIL COMPANY OF CALIFORNIA
P.O. BOX 7620, SCHAUMBURG, IL 60196

Union 76 Division - Crude Oil Purchasing
Hereinafter called "Union"

May 13, 1985 ACU

LEASE NO. 2-2-963-503-00

The undersigned and each of them, certify, and warrant they are the legal owners in the proportions set out below of all the oil, and in the proceeds from casinghead gas produced from

Lincoln Rock Corporation's

Holler 44-2

farm described as:

Section 44, Block 60, T-1, T & P Railway Company Survey

In Culberson County, State of Texas and commencing at 7:00 A.M. *See below, subject to the provisions appearing on the reverse side hereof, which are binding upon the undersigned, hereinafter called Owners, their successors, legal representatives and assigns, Union hereinafter called Purchaser, is authorized to receive and purchase all oil produced therefrom, and until further written notice give credit and make payment for said oil, and for the proceeds from casinghead gas, as directed below:

CREDIT TO

DIVISION OF INTEREST

**MAILING ADDRESS AND
TAXPAYER ACCOUNT NO.**

THE DIVISION OF INTEREST APPLYING TO THIS DIVISION ORDER IS SET OUT IN SUPPLEMENTAL SCHEDULE "A" CONSISTING OF ONE (1) PAGE, ATTACHED HERETO AND MADE A PART HEREOF.

*Effective date of first purchase

FEDERAL LAW REQUIRES IDENTIFICATION NUMBERS AS FOLLOWS: FOR INDIVIDUALS—SOCIAL SECURITY NUMBER, OR ACCOUNT NUMBER; FOR BUSINESS—EMPLOYER ACCOUNT NUMBER. Please type or print the appropriate number along with your correct mailing address. Corporate signatures must be attested and corporate seal affixed. The lease number in the upper right hand corner will be used with our checks to identify payment for production run from this property—PLEASE KEEP A RECORD OF IT.

ATTEST OR WITNESS TO SIGNATURES

SIGNATURE OF INTEREST OWNER

**COPY
RETAIN FOR YOUR FILE**

GLO COPY

DIVISION ORDER PROVISIONS

(Oil and Casinghead Gas)

The following provisions are parts of this division order and shall be binding on the signatories hereon, hereinafter called Owners, their successors, legal representatives and assigns:

(1) The oil received and purchased hereunder shall become the property of Union, hereinafter called Purchaser, and title to same shall pass to it as soon as the same is received and delivered to any carrier designated by the Purchaser.

(2) The oil received under this Division Order shall be paid for by the Purchaser to the party or parties entitled thereto, according to the division of interests shown hereon, either at (a) the price posted by Union for the same kind and quality of oil in the particular field in which it is received on the day on which it is received by the Purchaser into the custody of the designated carrier, or (b) if the oil is purchased by a nominee, the price to be paid shall be the same price received from such nominee, or (c) if the Purchaser does not post a price for such oil, the price to be paid shall be the price posted by any other purchaser of crude oil as chosen by purchaser or (d) the price paid shall be the price as otherwise mutually agreed by the parties; provided, the Purchaser is authorized to deduct from the applicable price under (a), (b) or (c), as the case may be, the transportation cost incurred and other charges where applicable. For the amount due on account of oil, and the proceeds from casinghead gas, received during each calendar month, payment shall be made during the next succeeding calendar month. Payments shall be made by checks mailed to the respective parties, at the addresses given, for the amount of such purchase due said parties respectively, less any taxes required by law to be deducted and paid by the Purchaser. At the option of the Purchaser, no payments shall be made to individual interest owners until the sum due on account of such interest shall amount to five dollars (\$5.00) or more.

(3) This contract shall be subject to all laws, rules and regulations of the State or Federal Government or other regulatory body, whether subsequently determined to be valid or invalid, and the Purchaser shall not be liable for any acts done in compliance therewith.

Quantity and quality of the oil shall be determined in accordance with conditions specified in the price posting, or reference, applying hereto, if any, and any rules and regulations prescribed by any authorized commission or other legal authority of the State in which said lease is located, or prescribed by any agency of the Federal Government having jurisdiction.

Should all or any part of the land above described, or the production obtained from any formation underlying same, become a part of a unit, then, with respect to each Owner who shall have accepted and agreed to the terms of the Unit Agreement, or who has had his interest therein pooled or unitized by governmental order, the Purchaser is authorized and directed to be governed by the terms of the Unit Agreement or order for the purpose of arriving at quantities to be credited to all or that part of the above tract, or the formation thereunder, included in said unit in lieu of actual runs therefrom.

(4) This contract shall continue in force for thirty (30) days and thereafter until terminated upon notice in accordance with this paragraph. It is agreed that after the expiration of said thirty (30) days from date hereof, this contract may be terminated by either party by giving thirty (30) days written notice of its purpose to terminate.

(5) Owners severally agree to promptly notify the Purchaser of any change in ownership or payment status and to furnish Purchaser with the original and one copy of the Purchaser's regular form of Transfer Order, a certified copy of the recorded deed or assignment or other document evidencing such change satisfactory to Purchaser. In the event such notice is not given, Owners agree to indemnify and hold Purchaser harmless from any damage, loss or expense that may result from any overpayment. Purchaser is hereby relieved of any responsibility for determining when any money or other payments has been increased, decreased, satisfied or discharged.

(6) Satisfactory abstracts or other evidence of title will be furnished to the purchaser at any time on demand. In the event of failure to furnish such evidence of title, or in the event of a claim, lien, dispute or suit concerning title, Purchaser may withhold the proceeds for all oil or casinghead gas received without being liable for interest on amount withheld, until indemnity satisfactory to the Purchaser has been furnished. Purchaser and any carrier transporting oil for the purchaser's account shall be indemnified and held harmless by Owner from any judgment, costs, loss or damage related to the interest of Owner in said property, including all costs and expenses incurred in Purchaser's defense. If due to a dispute, it becomes necessary for Purchaser to file an interpleader or declaratory action related to Owner's interest, such expenses of suit shall be paid by Owner.

(7) Where the proceeds of any oil or casinghead gas are retained hereunder, Owners agree to indemnify and hold the Purchaser harmless from any liability for any tax proposed or assessed against or paid on account of such retained proceeds, together with the penalties incident thereto; and the Purchaser may deduct same from any amount owing by it to Owners.

(8) This division order shall become valid and binding on each and every Owner herein named as soon as signed by him or her regardless of whether or not any of the other Owners herein named have so signed.

(9) This division order supersedes all former division orders given on the property described herein.

DIVISION ORDER SUPPLEMENT

Lease Number 2-2-963-503-00

CREDIT TO

DIVISION OF INTEREST

MAILING ADDRESS AND
TAXPAYER ACCOUNT NO.

Commissioner of the General
Land Office of the State of Texas

.1000000 R.I.

Teresa June Holler Vanlandingham

.0900000 R.I.

Steve Armstrong

.0081670 R.I.

Scott Armstrong, Jr.

.0009165 R.I.

John C. Armstrong

.0009165 R.I.

BEFORE PAYOUTAFTER PAYOUT

J. R. Pierson, Jr.

.0043636 O.R.I.

.0087272 O.R.I.

Richard Byrne

.0032728 O.R.I.

.0065455 O.R.I.

Walter P. Oliver

.0026182 O.R.I.

.0052364 O.R.I.

H. Raymond Dubuisson

.0017454 O.R.I.

.0034909 O.R.I.

Ralph Nelson

.0025000 O.R.I.

.0050000 O.R.I.

Richard W. Stump

.0070000 O.R.I.

.0140000 O.R.I.

MVC, Inc.

.0025000 O.R.I.

.0050000 O.R.I.

Charles V. Cunard

.0025000 O.R.I.

.0050000 O.R.I.

Marline Petroleum Corp.

.0117500 O.R.I.

.0922500 W.I.

Challenger Minerals, Inc.

.0047000 O.R.I.

.0369000 W.I.

Louisiana Land & Expl. Co.

.0047000 O.R.I.

.0369000 W.I.

Don W. Ingram

.0011750 O.R.I.

.0092250 W.I.

IHM Lease Trust

.0011750 O.R.I.

.0092250 W.I.

Lincoln Rock Corp.

.7500000 W.I.

.5625000 W.I.

8

DIVISION ORDER SUPPLEMENT

1952-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-00

Division Order Supplement

Division Order Supplement

Division Order Supplement

DIVISION ORDER PROVISIONS

Division Order Supplement

Division Order Supplement

Division Order Supplement

Division Order Supplement

Division Order Supplement

Division Order Supplement

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Division Order Supplement

Division Order Supplement

Division Order Supplement

Division Order Supplement

Division Order Supplement

LINCOLN ROCK CORPORATION
P.O. BOX 6438
NORTHFIELD, ILL.

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

CHECK NO.
43592

INVOICE		DESCRIPTION	NET AMOUNT	
DATE	NO.			
6/12/85		Rental payment for Lease No. M-87008 Section 44, BL 60, TWP 1, T&P RR Co. Survey, Culberson County, Texas <i>12/1/80</i>	X \$68.28 78395	
PERIOD ENDING	TOTAL EARNINGS	DEDUCTIONS		NET PAY
		F. I. C. A.	FEDERAL INCOME TAX WITHHELD	

RECEIVED
JUN 14 1985
GENERAL LAND OFFICE



LINCOLN ROCK CORPORATION

BOX 8438

NORTHFIELD, ILLINOIS 60093

TELEPHONE: 312/446-6414

June 12, 1985

Gary Mauro
Commissioner of the General Land Office
of the State of Texas
Stephen F. Austin Bldg.
1700 North Congress Avenue
Austin, Texas 78701

Dear Sir:

Enclosed is Lincoln Rock Corporation check number 43592 dated June 12, 1985 in the amount of \$68.28 payable to the Commissioner of the General Land Office of the State of Texas.

This check is in payment of rentals due for the 12 month period beginning July 9, 1985 under the terms of paragraph 11 of General Land Office Lease No. M-87008 dated July 9, 1981, and recorded in Vol 58, Page 652 of the Register of Deeds of Culberson County, Texas.

The payment covers the 682.8 acres described as Section 44, B1 60, TWP 1, T&P RR Co. Survey, Culberson County, Texas.

Please sign, date and return the enclosed copy of this letter acknowledging your receipt of the delay rental payment.

Yours truly

LINCOLN ROCK CORPORATION

Francis T. Muller
Vice President

FTM:pb

Commissioner of the General Land
Office of the State of Texas

By: _____

Date _____

⑨ M-87008
Rental Payment
6-14-85

3252

Garry Mauro
Commissioner
General Land Office



March 31, 1986

Lincoln Rock Corp.
P.O. Box 1934
Ardmore, OK 73402

RE: State Lease M-87008
Tract Name: Holler
Well No. 1 & 2
Culberson County, Texas

Dear Sirs:

We note the recent completion of the captioned wells, however, we have not received the following reports or surveys, which are marked below, as required by your Oil and Gas Lease:

_____	Form W-1 Application to Drill
<u> x </u>	Form W-2 Oil Well Potential Test/Completion Report (Well #2)
<u> x </u>	Form W-3 Plugging Record (Well #1)
_____	Form G-1 Gas Well Pressure Test and Completion Report
_____	Form G-10 Gas Well Status Report
<u> x </u>	Form W-12 Inclination Report
<u> x </u>	Form W-15 Cementing Report
<u> x </u>	Electrical Log (Form L-1 not acceptable as a log)
_____	Directional Survey

Your cooperation will be appreciated.

Sincerely yours,

A handwritten signature in cursive script that reads "Tim Pittman".

Tim Pittman, Geologist
Petroleum & Minerals Division
(512) 463-5022

TP/db

Make a check or money order payable to the
State Treasurer of Texas. Address to:
Railroad Commission of Texas
Oil and Gas Division, Drilling Permits
P. O. Drawer 12967, Capitol Station
Austin, Texas 78711

WITHIN RAL M-87008
RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Form W-1
Rev. 9/1/83
483-060

MU
7-20-84

Application for Permit to Drill, Deepen, Plug Back, or Re-Enter

Purpose of filing (mark appropriate boxes):
☐ Drill ☐ Deepen (below casing) ☐ Deepen (within casing) ☐ Plug Back ☐ Re-Enter
☐ Directional Well ☐ Sidetrack ☒ Amended Permit (enter permit no. at right & explain fully in Remarks)

Enter here, if assigned: API No. 42-109 31732 Permit No. 238440 Rule 37 Case No.

1. Operator's Name (exactly as shown on Form P-5, Organization Report)
LINCOLN ROCK CORPORATION

2. Address (including city and zip code)
P. O. BOX 1934
ARDMORE, OK 73402

3. RRC Operator No. 500850 4. RRC District No. 8 5. County of Well Site CULBERSON

6. Lease Name (32 spaces maximum)
HOLLER

7. RRC Lease/ID No. 2 8. Well No. 3000 9. Total Depth

10. Location
Section 44 Block 60 T 1 Survey T & P RR CO. Abstract No. A-
This well is to be located 75 miles in a N NE direction from VAN HORN
which is the nearest town in the county of the well site.

11. Distance from proposed location to nearest lease or unit line 1980 ft.

12. Number of contiguous acres in lease, pooled unit, or unitized tract 682.8 (OUTLINE ON PLAT.)

13. FIELD NAME (Exactly as shown on RRC proration schedule). List all established and wildcat zones of anticipated completion. Attach additional Form W-1's as needed to list these zones. One zone per line.

Completion depth	Spacing pattern (ft.)	Density pattern (acres)	Number of acres in drilling unit for this well. OUTLINE ON PLAT.	18. Is this acreage assigned to another well on this lease & in this reservoir? If so, explain in Remarks	19. Distance from proposed location to nearest applied for, permitted, or completed well, this lease & reservoir, (ft.)	20. Oil, gas, or other type well (Specify)	21. No. of applied for, permitted, or completed locations (including this one) on lease in this reservoir.
							OIL GAS
WILDCAT ABOVE TO 000/8 001	3000'	467/1200'	40	40	NO	N/A	OIL V 1 1

22. Perpendicular surface location from two nearest designated lines:
Lease/Unit 1980' FNL 3300' FWL
Survey/Section 1980' FNL 3300' FWL

23. Is this a pooled unit? Yes ☐ No ☒ (Attach Form P-12 and certified plat.)

24. Is this wellbore subject to Statewide Rule 36 (hydrogen sulfide area)? Yes ☐ No ☒ If subject to Rule 36, is Form H-9 filed? Yes ☐ No ☒ If not filed, explain in Remarks.

25. Do you have the right to develop the minerals under any right-of-way that crosses, or is contiguous to, this tract? Yes ☒ No ☐ If not, and if the well requires a Rule 37 or 38 exception, see Instructions for Rule 37.

Remarks
WELL #1 IS DRY
APPLICATION IS BEING FILED FOR A PERMIT TO DRILL TO 3000' INSTEAD OF 2800' AS SET OUT IN THE ORIGINAL APPLICATION AND PERMIT.

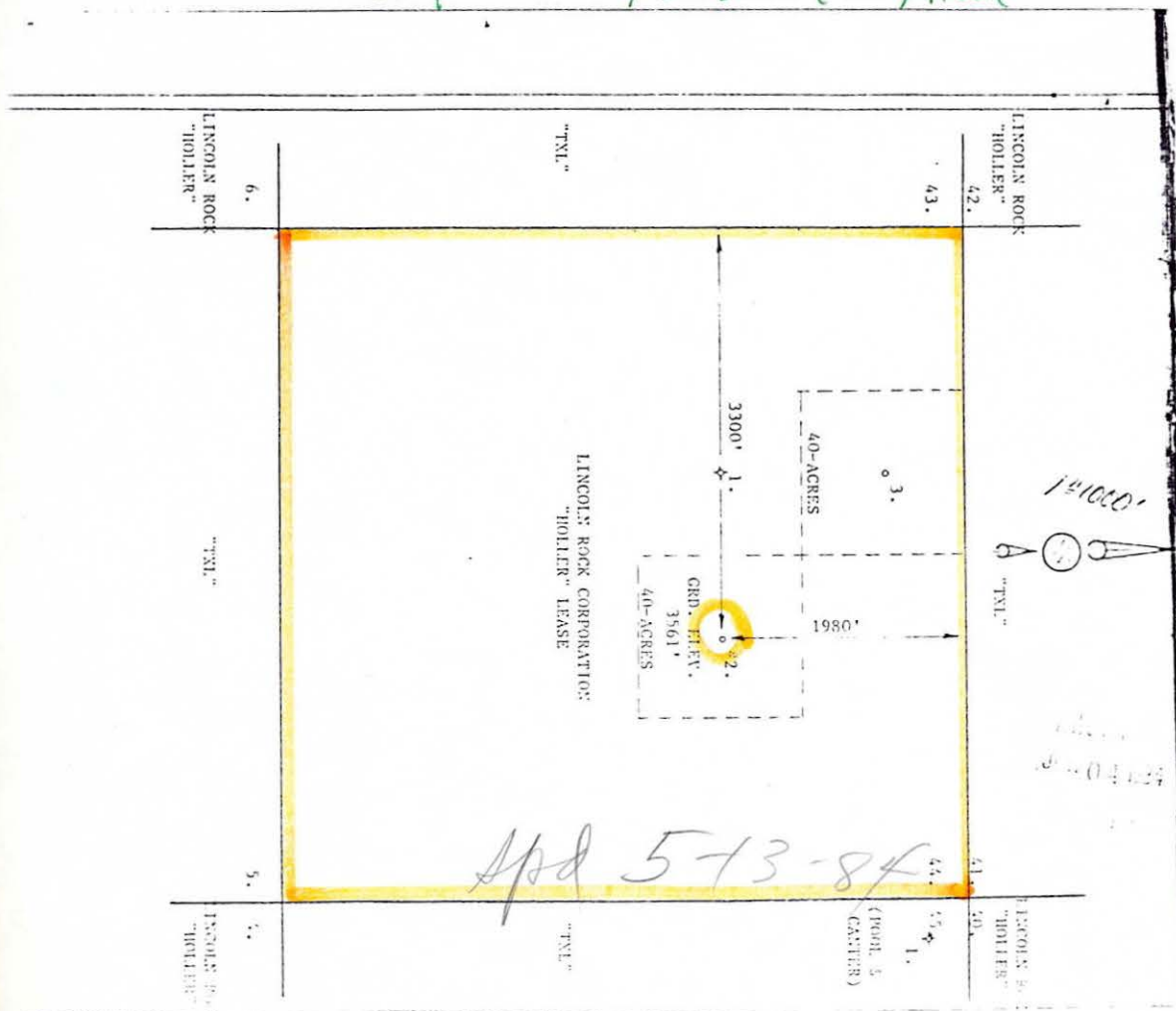
Signature C. E. TEACLE, ENGINEER
Date: 5 31 94 405-223-1963
22375 JUN 24 84 • RRC Use Only •

Statewide PLAT SERVICE
P. O. DRAWER 1007, AUSTIN, TEXAS 78767

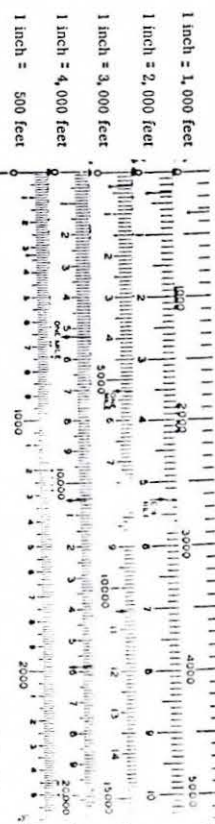
6-13-84

244886

Compl. 7-7-84, Sunburst (olds) field



SCALE OF MAP



M.F



87008

(11)

APPLICATION TO DRILL

WELL #

82

FILED

4-18

19

86

GARRY MAURO, COMMISSIONER

BY:

Bright

2007-8-24 JAG BHT/ML

RAILROAD COMMISSION OF TEXAS

M-87008

Oil and Gas Division

Form W-2

Rev. 4/1/83

483-046

Type or print only

API No. 42-109-31732

7. RRC District No.

08

Oil Well Potential Test, Completion or Recompletion Report, and Log

8. RRC Lease No.

N/A

1. FIELD NAME (as per RRC Records or Wildcat) WILDCAT LEASE NAME
Hubbard (Cherry Canyon) MHA CPT Holler

9. Well No.

02

3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report)

Lincoln Rock Corporation

RRC Operator No.

500850

10. County of well site

Culberson

4. ADDRESS

P.O. Box 1934, Ardmore, Oklahoma 73402

11. Purpose of filing

Initial Potential ☒Retest ☐Reclass ☐Well record only ☐

(explain in Remarks)

5. If Operator has changed within last 60 days, name former operator

6a. Location (Section, Block, and Survey)

Sec. 44, Blk 60, T&P RR, T 1N

6b. Distance and direction to nearest town in this county.

75 Miles NNE from Van Horn

12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no.
FIELD & RESERVOIRGAS ID or
OIL LEASE #Oil - O
Gas - G

WELL NO.

13. Type of electric or other log run

Dual Lateralog

14. Completion or recompletion date

7-7-84

SECTION I: POTENTIAL TEST DATA IMPORTANT: Test should be for 24 hours unless otherwise specified in field rules.

15. Date of test 7-19-84	16. No. of hours tested 24	17. Production method (Flowing, Gas Lift, Jetting, Pumping— Size & Type of pump) Rod Pump 1 1/2		18. Choke size N/A
19. Production during Test Period	Oil - BBLS 7	Gas - MCF 27	Water - BBLS 133	Gas - Oil Ratio 3857
20. Calculated 24- Hour Rate	Oil - BBLS 7	Gas - MCF 27	Water - BBLS 133	Oil Gravity—API—60° 31.8
21. Was swab used during this test? Yes ☐ No ☒	22. Oil produced prior to test (New & Reworked wells) 41		23. Injection Gas—Oil Ratio	

REMARKS:

INSTRUCTIONS: File an original and one copy of the completed Form W-2 in the appropriate RRC District Office within 30 days after completing a well and within 10 days after a potential test. If an operator does not properly report the results of a potential test within the 10-day period, the effective date of the allowable assigned to the well will not extend back more than 10 days before the W-2 was received in the District Office. (Statewide Rules 16 and 51) To report a completion or recompletion, fill in both sides of this form. To report a retest, fill in only the front side.

WELL TESTER'S CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test by observation of (a) meter readings or (b) the top and bottom gauges of each tank into which production was run during the test. I further certify that the potential test data shown above is true, correct, and complete, to the best of my knowledge.

Signature: Well Tester

Lincoln Rock Corp.

Name of Company

RRC Representative

OPERATOR'S CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

C. E. TEACLE

Typed or printed name of operator's representative

405 223-1963

Telephone: Area Code Number

Date:

7 / 24 / 84

mo. day year

ENGINEER

Title of Person

Signature

SECTION II

DATA ON WELL COMPLETION AND LOG (Not Required on Retest)

24. Type of Completion:				25. Permit to Drill, Plug Back or Deepen		DATE	PERMIT NO.
New Well ☒ Deepening ☐ Plug Back ☐ Other ☐						5-31-84	238440
26. Notice of Intention to Drill this well was filed in Name of				Rule 37		CASE NO.	
LINCOLN ROCK CORPORATION				Exception			
27. Number of producing wells on this lease in this field (reservoir) including this well		28. Total number of acres in this lease		Water Injection Permit		PERMIT NO.	
1		682.8		Salt Water Disposal Permit		PERMIT NO.	
29. Date Plug Back, Deepening, WorkOver or Drilling Operations:		30. Distance to nearest well, Same Lease & Reservoir		Other		PERMIT NO.	
31. Location of well, relative to nearest lease boundaries of lease on which this well is located				1980 Feet From North Line and 3300 Feet from West Line of the Holler Lease			
32. Elevation (DF, RKB, RT, GR, ETC.)				33. Was directional survey made other than Inclination (Form W-12)?			
3561' GR				☐ Yes ☒ No			
34. Top of Pay	35. Total Depth	36. P. B. Depth	37. Surface Casing Determined by:	Field Rules ☐	Recommendation of T.D.W.R. Railroad Commission (Special) ☒	Dt. of Letter 5-2-84	
	2985'	2593'				Dt. of Letter	
38. Is well multiple completion?		39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No.			40. Intervals Drilled by:		
No		FIELD & RESERVOIR			Rotary Tools ☒ Cable Tools ☐		
41. Name of Drilling Contractor		42. Is Cementing Affidavit Attached?					
Marc Drilling Inc.		☒ Yes ☐ No					
43. CASING RECORD (Report All Strings Set in Well)							
CASING SIZE	WT #/FT.	DEPTH SET	MULTISTAGE TOOL DEPTH	TYPE & AMOUNT CEMENT (sacks)	HOLE SIZE	TOP OF CEMENT	SLURRY VOL. cu. ft.
8-5/8	24#	294'		250	12 1/4	Surface	295
4-1/2	9.5#	2985'		600	7-7/8	696'	769

44. LINER RECORD				
Size	TOP	Bottom	Sacks Cement	Screen
None				

45. TUBING RECORD			46. Producing Interval (this completion) Indicate depth of perforation or open hole	
Size	Depth Set	Packer Set	From	To
2-3/8	1524'	N/A	1497'	1512'
			From	To
			From	To

47. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
Depth Interval	Amount and Kind of Material Used
1497 - 1512	500 gal. 15% NE acid, 15 tons CO ₂ , 1500 gal. methanol, 1500 gal. 2% KCL water, 165000 SCF nitrogen, 15000# sand

48. FORMATION RECORD (LIST DEPTHS OF PRINCIPAL GEOLOGICAL MARKERS AND FORMATION TOPS)			
Formations	Depth	Formations	Depth
Anhydrite	Surface - 1421		
Delaware	1421 - 1540		
Cherry Canyon	1540 - 2985 TD		

REMARKS

**RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION**

Form W-12
(1-1-71)

INCLINATION REPORT (One Copy Must Be Filed With Each Completion Report.)		6. RRC District 08
1. FIELD NAME (as per RRC Records or Wildcat)	2. LEASE NAME HOLLER # 2	7. RRC Lease Number. (Oil completions only)
3. OPERATOR LINCOLN ROCK CORPORATION		8. Well Number
4. ADDRESS P.O. BOX 1934, ARDMORE, OKLAHOMA 73401		9. RRC Identification Number (Gas completions only)
5. LOCATION (Section, Block, and Survey) SEC. # 44, T - 1, BLK. 60		10. County Culbertson Co. Texas

RECORD OF INCLINATION

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
138	138	.15	0.44	607	607
300	162	1.00	1.75	284	891
610	310	1.00	1.75	543	1434
894	284	1.00	1.75	497	1931
1222	328	1.00	1.75	574	2505
1536	314	1.00	1.75	550	3055
1789	253	1.00	1.75	443	3498
2028	239	.15	0.44	105	3603
2320	292	.15	0.44	128	3731
2679	259	.15	0.44	158	3889
2985	306	.15	0.44	135	4024

If additional space is needed, use the reverse side of this form.

17. Is any information shown on the reverse side of this form? ☐ yes ☒ no
18. Accumulative total displacement of well bore at total depth of 2985 feet = 4024 feet.
- *19. Inclination measurements were made in — ☐ Tubing ☐ Casing ☐ Open hole ☒ Drill Pipe
20. Distance from surface location of well to the nearest lease line 1980 feet.
21. Minimum distance to lease line as prescribed by field rules 467 feet.
22. Was the subject well at any time intentionally deviated from the vertical in any manner whatsoever? No
- (If the answer to the above question is "yes", attach written explanation of the circumstances.)

INCLINATION DATA CERTIFICATION I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on both sides of this form and that such data and facts are true, correct, and complete to the best of my knowledge. This certification covers all data as indicated by asterisks (*) by the item numbers on this form. <i>Clay Burkhart</i> Signature of Authorized Representative Clay Burkhart President Name of Person and Title (type or print) MARC DRILLING INC. Name of Company Telephone: <u>505</u> <u>393-6655</u> Area Code	OPERATOR CERTIFICATION I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of all information presented in this report, and that all data presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all data and information presented herein except inclination data as indicated by asterisks (*) by the item numbers on this form. <i>C. E. Teacle</i> Signature of Authorized Representative C. E. Teacle, Engineer Name of Person and Title (type or print) Lincoln Rock Corporation Operator Telephone: <u>405</u> <u>223-1963</u> Area Code
---	--

Railroad Commission Use Only:

Approved By: _____ Title: _____ Date: _____

* Designates items certified by company that conducted the inclination surveys.

Cementor: Fill in shaded areas.
Operator: Fill in other items.

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

#818333

1. Operator's Name (As shown on Form P-5, Organization Report) LINCOLN ROCK CORPORATION		2. RRC Operator No.	3. RRC District No. 8	4. County of Well Site Culberson
5. Field Name (Wildcat or exactly as shown on RRC records) Wildcat			6. API No. 42-109-31732	7. Drilling Permit No. 238440
8. Lease Name Hollar		9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No. 2

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date		5/16/84					
13. •Drilled hole size		12-1/4					
•Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)		8-5/8					
15. Top of liner (ft.)							
16. Setting depth (ft.)		300					
17. Number of centralizers used		4					
18. Hrs. waiting on cement before drill-out		12					
1st Slurry	19. API cement used: No. of sacks ▶	250					
	Class ▶	"H"					
	Additives ▶	2% Calcium Chloride.					
2nd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
3rd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1st	20. Slurry pumped: Volume (cu. ft.) ▶	295					
	Height (ft.) ▶	715					
2nd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶	295					
	Height (ft.) ▶	715					
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?		YES					
22. Remarks							

CEMENTING TO PLUG AND ABANDON	PLUG # 1	PLUG # 2	PLUG # 3	PLUG # 4	PLUG # 5	PLUG # 6	PLUG # 7	PLUG # 8
23. Cementing date								
24. Size of hole or pipe plugged (in.)								
25. Depth to bottom of tubing or drill pipe (ft.)								
26. Sacks of cement used (each plug)								
27. Slurry volume pumped (cu. ft.)								
28. Calculated top of plug (ft.)								
29. Measured top of plug, if tagged (ft.)								
30. Slurry wt. (lbs/gal)								
31. Type cement								

CEMENTER'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers cementing data only.

Jerry Patton - Cementer

HALLIBURTON SERVICES

Name and title of cementer's representative
Drawer Y

Cementing Company

Monahans, Texas 79756 915/943-2721 5/16/84

Address

City

State, Zip Code

Tel.: Area Code Number

Date: mo. day yr.

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers all well data.

C. E. Teacle

Engineer

Typed or printed name of operator's representative

Title

Signature

P.O. Box 1934

Ardmore

OK 73402

405-223-1963

7/24/84

Address

City

State, Zip Code

Tel.: Area Code Number

Date: mo. day yr.

Instructions to Form W-15, Cementing Report

IMPORTANT: Operators and cementing companies must comply with the requirements of the Commission's Statewide Rules 8 (Water Protection), 13 (Casing, Cementing, Drilling, and Completion), and 14 (Well Plugging). For offshore operations, see the requirements of Rule 13 (c).

What to file. An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form. Form W-15 should be filed with the following:

- An initial oil or gas completion report, Form W-2 or G-1, as required by Statewide or special field rules;

- Form W-4, Application for Multiple Completion, if the well is a multiple parallel casing completion; and

- Form W-3, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.

B. Where to file. The appropriate Commission District Office for the county in which the well is located.

C. Surface casing. An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Texas Department of Water Resources, Austin. Before drilling a well in any field or area in which no field rules are in effect or in which surface casing requirements are not specified in the applicable rules, an operator must obtain a letter from the Department of Water Resources stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the Commission.

D. Centralizers. Surface casing must be centralized at the shoe, above and below a stage collar or diverting tool, if run, and through usable-quality water zones. In nondeviated holes, a centralizer must be placed every fourth joint from the cement shoe to the ground surface or to the bottom of the cellar. All centralizers must meet API specifications.

E. Exceptions and alternative casing programs. The District Director may grant an exception to the requirements of Statewide Rule 13. In a written application, an operator must state the reason for the requested exception and outline an alternate program for casing and cementing through the protection depth for strata containing usable-quality water. The District Director may approve, modify, or reject a proposed program. An operator must obtain approval of any exception before beginning casing and cementing operations.

F. Intermediate and production casing. For specific technical requirements, operators should consult Statewide Rule 13 (b) (3) and (4).

G. Plugging and abandoning. Cement plugs must be placed in the wellbore as required by Statewide Rule 14. The District Director may require additional cement plugs. For onshore or inland wells, a 10-foot cement plug must be placed in the top of the well, and the casing must be cut off three feet below the ground surface. All cement plugs, except the top plug, must have sufficient slurry volume to fill 100 feet of hole, plus ten percent for each 1,000 feet of depth from the ground surface to the bottom of the plug.

To plug and abandon a well, operators must use only cementers approved by the Director of Field Operations. Cementing companies, service companies, or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.

Operator: Fill in shaded areas.
Operator: Fill in other items.

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Form W-18
Cementing Report
Rev. 4/1/83
483-045

#818461

1. Operator's Name (As shown on Form P-5, Organization Report) LINCOLN ROCK CORPORATION	2. RRC Operator No.	3. RRC District No. 8	4. County of Well Site Culberson Leving
5. Field Name (Wildcat or exactly as shown on RRC records) Hubbard (Cherry Canyon)	6. API No. 42-109-31732	7. Drilling Permit No. 238440	
8. Lease Name Hollar	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No. 2

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date				5/25/84			
13. •Drilled hole size				7-7/8			
•Est. % wash or hole enlargement							
14. Size of casing (In. O.D.)				4-1/2			
15. Top of liner (ft.)							
16. Setting depth (ft.)				3000			
17. Number of centralizers used				12			
18. Hrs. waiting on cement before drill-out				36			
1st Slurry	19. API cement used: No. of sacks ▶			630			
	Class ▶			"H"			
	Additives ▶			2% Gel; 6# Gilsonite; 1/4# Flocele;			
2nd Slurry	No. of sacks ▶				8.66# Salt.		
	Class ▶						
	Additives ▶						
3rd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1st	20. Slurry pumped: Volume (cu. ft.) ▶			769			
	Height (ft.) ▶			3376			
2nd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶			769			
	Height (ft.) ▶			3376			
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?				NO			
22. Remarks							

OVER

121

CEMENTING TO PLUG AND ABANDON	PLUG # 1	PLUG # 2	PLUG # 3	PLUG # 4	PLUG # 5	PLUG # 6	PLUG # 7	PLUG # 8
23. Cementing date								
24. Size of hole or pipe plugged (in.)								
25. Depth to bottom of tubing or drill pipe (ft.)								
26. Sacks of cement used (each plug)								
27. Slurry volume pumped (cu. ft.)								
28. Calculated top of plug (ft.)								
29. Measured top of plug, if tagged (ft.)								
30. Slurry wt. (lbs/gal)								
31. Type cement								

CEMENTER'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct and complete, to the best of my knowledge. This certification covers cementing data only.

J. R. Spurgin - Cementer HALLIBURTON SERVICES

Name and title of cementer's representative

Cementing Company

Signature

DrawerY

Monahans, Texas 79756

915/943-2721

5/25/84

Address

City

State, Zip Code

Tel.: Area Code Number

Date: mo. day yr.

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers all well data.

Paul Burrow

Consultant

Signature

Typed or printed name of operator's representative

Title

P.O. Box 1934

Ardmore

OK 73402

405-223-1963

7/24/84

Address

City

State, Zip Code

Tel.: Area Code Number

Date: mo. day yr.

Instructions to Form W-15, Cementing Report

IMPORTANT: Operators and cementing companies must comply with the requirements of the Commission's Statewide Rules 8 (Water Protection), 13 (Casing, Cementing, Drilling, and Completion), and 14 (Well Plugging). For offshore operations, see the requirements of Rule 13 (c).

A. What to file. An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form. Form W-15 should be filed with the following:

- An initial oil or gas completion report, Form W-2 or G-1, as required by Statewide or special field rules;

- Form W-4, Application for Multiple Completion, if the well is a multiple parallel casing completion; and

- Form W-3, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.

B. Where to file. The appropriate Commission District Office for the county in which the well is located.

C. Surface casing. An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Texas Department of Water Resources, Austin. Before drilling a well in any field or area in which no field rules are in effect or in which surface casing requirements are not specified in the applicable rules, an operator must obtain a letter from the Department of Water Resources stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the Commission.

D. Centralizers. Surface casing must be centralized at the shoe, above and below a stage collar or diverting tool, if run, and through usable-quality water zones. In nondeviated holes, a centralizer must be placed every fourth joint from the cement shoe to the ground surface or to the bottom of the cellar. All centralizers must meet API specifications.

E. Exceptions and alternative casing programs. The District Director may grant an exception to the requirements of Statewide Rule 13. In a written application, an operator must state the reason for the requested exception and outline an alternate program for casing and cementing through the protection depth for strata containing usable-quality water. The District Director may approve, modify, or reject a proposed program. An operator must obtain approval of any exception before beginning casing and cementing operations.

F. Intermediate and production casing. For specific technical requirements, operators should consult Statewide Rule 13 (b) (3) and (4).

G. Plugging and abandoning. Cement plugs must be placed in the wellbore as required by Statewide Rule 14. The District Director may require additional cement plugs. For onshore or inland wells, a 10-foot cement plug must be placed in the top of the well, and the casing must be cut off three feet below the ground surface. All cement plugs, except the top plug, must have sufficient slurry volume to fill 100 feet of hole, plus ten percent for each 1,000 feet of depth from the ground surface to the bottom of the plug.

To plug and abandon a well, operators must use only cementers approved by the Director of Field Operations. Cementing companies, service companies, or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.

M. F. 87008 (2)
WELL # 02 COMPLETION REPORT
GARRY MAURO, COMMISSIONER
FILED 4-14-86 BY SB

WITHIN RAL M-87008

Make check or money order payable to the
State Treasurer of Texas, Address to:
Railroad Commission of Texas
Oil and Gas Division, Drilling Permits
P.O. Box #12967, Capitol Station
Austin, Texas 78711

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Read Instructions on Back

Form W-1
Rev. 9/1/83
483-060

Application for Permit to Drill, Deepen, Plug Back, or Re-Enter

Purpose of filing (mark appropriate boxes):
☐ Drill ☐ Deepen (below casing) ☐ Deepen (within casing) ☐ Plug Back ☐ Re-Enter
☐ Directional Well ☐ Sidetrack ☒ Amended Permit (enter permit no. at right & explain fully in Remarks)

Enter here, if assigned: 42-109-31631

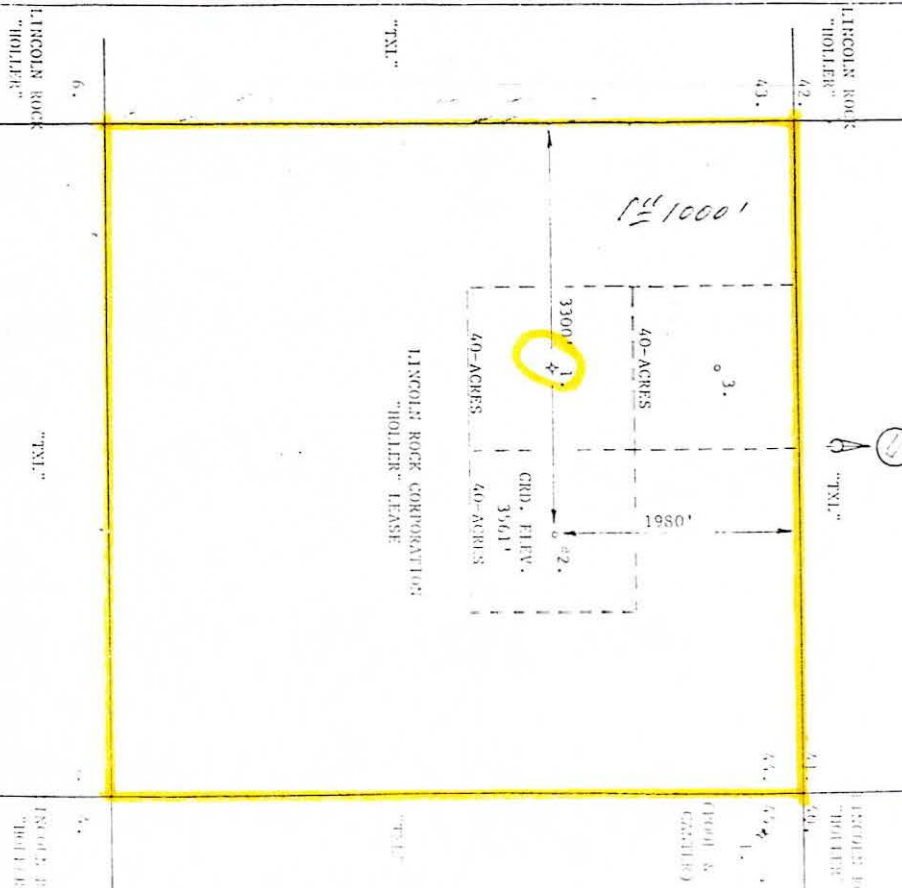
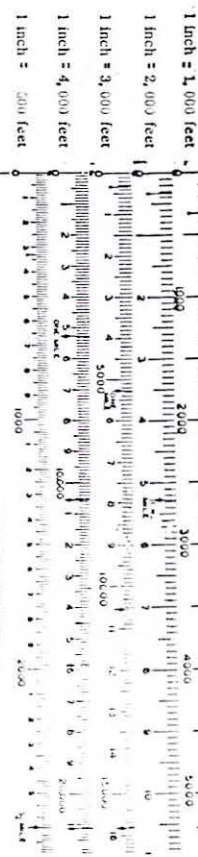
1. Operator's Name (exactly as shown on Form P-5, Organization Report): Lincoln Rock Corporation
 2. Address (including city and zip code): P.O. Box 1931 Ardmore, OK 73401
 3. RRC Operator No.: 500850
 4. RRC District No.: 8
 5. County of Well Site: Culberson
 6. Lease Name (32 spaces maximum): Holler
 7. RRC Lease/ID No.: 29224
 8. Well No.: 1
 9. Total Depth: 1750
 10. Location:
 • Section 44 Block 60 Survey T&P RR TWP. 1 Abstract No. 500
 • This well is to be located 75 miles in a Northeast direction from VanHorn which is the nearest town in the county of the well site. DEC 4 1984
 11. Distance from proposed location to nearest lease or unit line: 1980 ft.
 12. Number of contiguous acres in lease, pooled unit, or unitized tract: 632.8 (OUTLINE ON PLAT.)
 13. FIELD NAME (Exactly as shown on RRC pronation schedule). List all established and wildcat zones of anticipated completion. Attach additional Form W-1's as needed to list these zones. One zone per line.
 Sunburst (Olds) 87150 500
 14. Spacing pattern (ft.): 40
 15. Density pattern (acres): 40
 16. Number of acres in drilling unit for this well. OUTLINE ON PLAT. 40
 17. Is this acreage assigned to another well on this lease? ☒ No
 18. Is this acreage assigned to another well in this reservoir? ☒ No
 19. Distance from proposed location to nearest well permitted, or completed well, in this lease or reservoir (ft.): 1320
 20. Oil gas, or other type well (Specify): Oil
 21. No. of applied for, permitted, or completed locations (including this one) on lease in this reservoir: 4
 22. Perpendicular surface location from two nearest designated lines:
 • Lease/Unit: 1980" FNL and 1980" FWL
 • Survey/Section: 1980" FNL and 1980" FWL
 If a directional well, show also projected bottom-hole location:
 • Lease/Unit: NA
 • Survey/Section: NA
 23. Is this a pooled unit? Yes ☐ No ☒ (Attach Form P-12 and certified plat.)
 24. Is item 17 less than item 16 (substandard acreage for any field applied for)? Yes ☐ No ☒ (Attach Form W-1A)
 25. Is this wellbore subject to Statewide Rule 36 (hydrogen sulfide area)? Yes ☐ No ☒ If subject to Rule 36, is Form H-9 filed? Yes ☐ No ☒ If not filed, explain in Remarks.
 26. Do you have the right to develop the minerals under any right-of-way that crosses, or is contiguous to, this tract? Yes ☒ No ☐ If not, and if the well requires a Rule 37 or 38 exception, see Instructions for Rule 37.
 Remarks: This is being filed to change the operator from Quanan Petroleum Inc. and to change from Wildcat to Sunburst (Olds) field.
 I certify that the information stated in this application is true and complete, to the best of my knowledge.
 Signature: C.E. Teacle Name and title of operator's representative: C.E. TEACLE, ENGINEER
 Date: 10/23/84 Tel.: (405) 223-1963
 mo. day yr. Area Code Number
 RRC Use Only: 205481 OCT 26 84 262203

amended permit

Statewide PLAT SERVICE

11-16-84

SCALE OF MAP



NOV 07 1984
R. R. C. OF TEXAS
O.G.

M.F. 87008
APPLICATION TO DRILL

(14)

WELL # 1
FILED 4-14 19 86
GARRY MAURO, COMMISSIONER
BY: S. Bright

Type or print only

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

M-87008

Form W-2

Rev. 4/1/83
483-046

Exception Dated

Surface Coring

API No. 42-109-31631

7. RRC District No.

08

Oil Well Potential Test, Completion or Recompletion Report, and Log

8. RRC Lease No.

29224

1. FIELD NAME (as per RRC Records or Wildcat)

Sunburst (Olds)

2. LEASE NAME

Holler

9. Well No.

1

3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report)

Lincoln Rock Corporation

RRC Operator No.

500850

10. County of well site

Culberson

4. ADDRESS

P.O. Box 1934 Ardmore, OK 73402

11. Purpose of filing

Initial Potential ☐Retest ☐Reclass ☐Well record only ☒
(explain in Remarks)

5. If Operator has changed within last 60 days, name former operator

6a. Location (Section, Block, and Survey)

Sec. 44, Blk. 60, T&PRR TW1

6b. Distance and direction to nearest town in this county.

75 Mi. NE. from Van Horn

12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no.
FIELD & RESERVOIR

NA

GAS ID or
OIL LEASE #Oil - O
Gas - G

WELL NO.

13. Type of electric or other log run

Compensated Neutron-Formation Density

14. Completion or recompletion date

SECTION I: POTENTIAL TEST DATA IMPORTANT: Test should be for 24 hours unless otherwise specified in field rules.

15. Date of test 9/28/84	16. No. of hours tested 24	17. Production method (Flowing, Gas Lift, Jetting, Pumping— Size & Type of pump) Pumping			18. Choke size NA
19. Production during Test Period Oil - BBLS 0	Gas - MCF 0	Water - BBLS 185	Gas - Oil Ratio NA	Flowing Tubing Pressure 0 PSI	
20. Calculated 24- Hour Rate Oil - BBLS 0	Gas - MCF 0	Water - BBLS 185	Oil Gravity—API—60° NA	Casing Pressure 0 PSI	
21. Was swab used during this test? Yes ☐ No ☒		22. Oil produced prior to test (New & Reworked wells) None		23. Injection Gas—Oil Ratio NA	

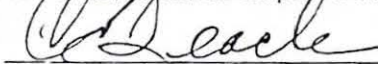
REMARKS: This well was tested by Quanah Petroleum in June, 1983. A farmout was taken. The well was retested by Lincoln Rock Corporation September, 1984 as per test data. An application to convert this well to a SWD will be submitted in the near future.

INSTRUCTIONS: File an original and one copy of the completed Form W-2 in the appropriate RRC District Office within 30 days after completing a well and within 10 days after a potential test. If an operator does not properly report the results of a potential test within the 10-day period, the effective date of the allowable assigned to the well will not extend back more than 10 days before the W-2 was received in the District Office. (Statewide Rules 16 and 51) To report a completion or recompletion, fill in both sides of this form. To report a retest, fill in only the front side.

NOV 28 1984

WELL TESTER'S CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test by observation of (a) meter readings or (b) the top and bottom gauges of each tank into which production was run during the test. I further certify that the potential test data shown above is true, correct, and complete to the best of my knowledge.



Signature: Well Tester

Lincoln Rock Corporation

Name of Company

RRC Representative

OPERATOR'S CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

C.E. Teacle

Engineer

Typed or printed name of operator's representative

Title of Person

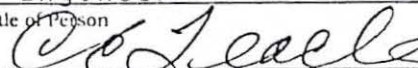
(405) 223-1963

11 / 26 / 84

Telephone: Area Code Number

Date: mo. day year

Signature



SECTION II		DATA ON WELL COMPLETION AND LOG (Not Required on Retest)					
24. Type of Completion: New Well ☐ Deepening ☐ Plug Back ☒ Other ☐				25. Permit to Drill, Plug Back or Deepen 10/26/84 DATE Rule 37 162181 PERMIT NO. Exception CASE NO. Water Injection PERMIT NO. Permit Salt Water Disposal PERMIT NO. Permit Other PERMIT NO.			
26. Notice of Intention to Drill this well was filed in Name of LINCOLN ROCK CORPORATION							
27. Number of producing wells on this lease in this field (reservoir) including this well 1		28. Total number of acres in this lease 683					
29. Date Plug Back, Deepening, WorkOver or Drilling Operations: 6/21/82 Commenced 9/28/84 Completed		30. Distance to nearest well, Same Lease & Reservoir 1320					
31. Location of well, relative to nearest lease boundaries of lease on which this well is located. 1980 Feet From North Line and 1980 Feet from West Line of the Holler Lease							
32. Elevation (DF, RKB, RT, GR, ETC.) 3534		33. Was directional survey made other than Inclination (Form W-12)? ☐ Yes ☒ No					
34. Top of Pay 1480	35. Total Depth 1708	36. P. B. Depth 1660	37. Surface Casing Determined by: Field ☐ Rules ☐ Recommendation of T.D.W.R. ☒ Railroad Commission (Special) ☐ Dt. of Letter Dt. of Letter				
38. Is well multiple completion? NO		39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No. NA FIELD & RESERVOIR		40. Intervals Drilled by: Rotary Tools ☒ Cable Tools ☐			
41. Name of Drilling Contractor Marc Drilling Inc.		42. Is Cementing Affidavit Attached? ☒ Yes ☐ No					
43. CASING RECORD (Report All Strings Set in Well)							
CASING SIZE	WT #/FT.	DEPTH SET	MULTISTAGE TOOL DEPTH	TYPE & AMOUNT CEMENT (sacks)	HOLE SIZE	TOP OF CEMENT	SLURRY VOL. cu. ft.
8 5/8	24	1413	NA	835	12 1/4	Surface	1483
5 1/2	17	1708	NA	160	7 7/8	927	211
44. LINER RECORD							
Size	TOP		Bottom		Sacks Cement		Screen
45. TUBING RECORD							
Size	Depth Set	Packer Set	46. Producing Interval (this completion) indicate depth of perforation or open hole				
2 7/8	1517	NA	From 1498 To 1508				
			From To				
			From To				
			From To				
47. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.							
Depth Interval			Amount and Kind of Material Used				
1498 - 1508			Acidize 1000 gal 15% HCL				
			Frac 5,000 gal W/7500 # 20/40 Sand.				
48. FORMATION RECORD (LIST DEPTHS OF PRINCIPAL GEOLOGICAL MARKERS AND FORMATION TOPS)							
Formations	Depth		Formations	Depth			
Anhydrite	0-1416						
Delaware	1416-1520						
Cherry Canyon	1520-1708 TD						

REMARKS _____

**RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION**

Form W-12
(1-1-71)

INCLINATION REPORT (One Copy Must Be Filed With Each Completion Report.)		6. RRC District
1. FIELD NAME (as per RRC Records or Wildcat)		7. RRC Lease Number. (Oil completions only)
2. LEASE NAME Hollar # 1		8. Well Number
3. OPERATOR Quanah Petroleum Co.		9. RRC Identification Number (Gas completions only)
4. ADDRESS 14800 Quorum Drive., Suite # 500, Dallas, Texas 75240		10. County Culberson Co.
5. LOCATION (Section, Block, and Survey) Sec. 44, Blk., 60., TPRR		

RECORD OF INCLINATION

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
497	4.97	1.00	1.75	8.69	8.69
950	4.53	.75	1.31	5.93	14.62
1406	4.56	.75	1.31	5.97	20.59
1640	2.34	1.00	1.75	4.09	24.68
2169	5.29	1.00	1.75	9.25	33.93
2641	4.72	1.00	1.75	8.26	39.19
3369	7.28	1.25	2.18	15.87	55.06
3620	2.51	1.00	1.75	4.39	59.45
4140	5.20	1.00	1.75	9.10	68.55
4623	4.83	1.00	1.75	8.45	77.00
5170	5.47	1.00	1.75	9.57	86.57
5652	4.82	1.75	3.05	14.70	101.27
6111	4.59	1.75	3.05	13.99	115.26
6633	5.22	1.75	3.05	15.92	131.18
7141	5.08	1.75	3.05	15.49	146.67
7500	3.59	1.75	3.05	10.94	157.61
7804	3.04	1.75	3.05	9.27	166.88

If additional space is needed, use the reverse side of this form.

17. Is any information shown on the reverse side of this form? ☐ -yes ☒ X no
18. Accumulative total displacement of well bore at total depth of **7804** feet = **166.88** feet.
- *19. Inclination measurements were made in -- ☐ Tubing ☐ Casing ☐ Open hole ☒ X Drill Pipe
20. Distance from surface location of well to the nearest lease line _____ feet.
21. Minimum distance to lease line as prescribed by field rules _____ feet.
22. Was the subject well at any time intentionally deviated from the vertical in any manner whatsoever? _____
(If the answer to the above question is "yes", attach written explanation of the circumstances.)

INCLINATION DATA CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on both sides of this form and that such data and facts are true, correct, and complete to the best of my knowledge. This certification covers all data as indicated by asterisks (*) by the item numbers on this form.

Signature of Authorized Representative
Clay Burkhardt, President
Name of Person and Title (type or print)
Marc Drilling Inc.
Name of Company
Telephone: **505- 393-6655**
Area Code

OPERATOR CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of all information presented in this report, and that all data presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all data and information presented herein except inclination data as indicated by asterisks (*) by the item numbers on this form.

Signature of Authorized Representative
Name of Person and Title (type or print)
Operator
Telephone:
Area Code

Railroad Commission Use Only:

Approved By: _____ Title: _____ Date: _____

* Designates items certified by company that conducted the inclination surveys.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form W - 15
(Rev. 5-1-80)

CEMENTING REPORT

*1. Field Name (as per RRC Records or Wildcat) Wildcat	*2. RRC District 08
*3. Operator Quanah Petroleum, Inc.	*4. County Culberson
*5. Lease Name(s) and RRC Lease Number(s) or I. D. Number(s) Holler	*6. Well Number 1

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
			Single String	Multiple Parallel Strings	Tool	Shoe
*8. Cementing Date	6-27-82					
*9. (a) Size of Drill Bit (inches)	12-1/4"					
(b) Estimated % Wash or Hole Enlargement Used in Calculations.						
*10. Size of Casing (inches O.D.)	8-5/8"					
*11. Top of Liner (if liner used) (ft.)						
*12. Setting Depth of Casing (ft.)	1413'					
13. Type API Class Cement & Amount of Additives Used: (a) In First (Lead) or Only Slurry (If additional space is needed, use "REMARKS" on reverse side.)	Remarks					
(b) In Second Slurry						
(c) In Third Slurry						
14. Sacks of Cement Used: (a) In First (Lead) or Only Slurry	410					
(b) In Second Slurry	200					
(c) In Third Slurry	225					
(d) Total Sacks of Cement Used	835					
15. Slurry Volume per Sack of Cement (cu.ft./sack): (a) In First (Lead) or Only Slurry	2.23					
(b) In Second Slurry	1.36					
(c) In Third Slurry	1.32					
16. Volume of Slurry Pumped; (cu.ft.) (Item 14 x Item 15) (a) In First (Lead) or Only Slurry	914					
(b) In Second Slurry	272					
(c) In Third Slurry	297					
(d) Total Slurry Volume Pumped (cu.ft.)	1483					
17. Calculated Annular Height of Cement Slurry behind Pipe (ft.)	Surface					
18. Was cement circulated to ground surface (or bottom of cellar) outside casing? (Yes or No)	Yes					
CEMENTING TO PLUG AND ABANDON DATA:	PLUG NO. 1	PLUG NO. 2	PLUG NO. 3	PLUG NO. 4	PLUG NO. 5	PLUG NO. 6
19. Cementing Date						
*20. Size of Hole or Pipe in which Plug Placed (inches)						
*21. Depth to Bottom of Tubing or Drill Pipe (ft.)						
22. Sacks of Cement Used (each plug)						
23. Slurry Volume Pumped (cu. ft.)						
24. Calculated Top of Plug (ft.)						
*25. Measured Top of Plug (if tagged) (ft.)						

(CEMENTING COMPANY AND OPERATOR MUST COMPLY WITH THE INSTRUCTIONS ON REVERSE SIDE HEREOF.)

- OVER -

* Designates items to be completed by Operator. Items not so designated shall be completed by Cementing Company.

26. Remarks:

13. (a) Class "C", 8% D20, 12# D42, 1/4# D29, 7# D44, .2# D46
(b) Class "C", 5# D44, .2# D46
(c) Class "C", 2% S1

*27. Remarks:

CEMENTING COMPANY

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers cementing data only.

Danney Thomas
Signature of Cementor or Authorized Representative

Danney Thomas Service Supervisor
Name of Person and Title (type or print)

Dowell Division of Dow Chemical
Cementing Company

Box 206
Street Address or P.O. Box

Monahans, TX 79756
City, State Zip Code

Telephone 915 943-4307
Area Code

6-27-82
Date

*OPERATOR

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all well data and information presented herein.

Linda Chapman
*Signature of Operator or Authorized Representative

Linda Chapman Engineering Analyst
*Name of Person and Title (type or print)

Quanah Petroleum, Inc.
*Operator

14800 Quorum Drive, Suite 500
*Street Address or P.O. Box

Dallas, Texas 75240
*City, State Zip Code

Telephone 214 386-7354
Area Code

8-31-83
*Date

INSTRUCTIONS

1. A. This form shall be filed by the operator in the RRC District Office with:

- (1) Each copy of an Initial Form G-1 or W-2 if a cementing report is required by Statewide or Special Rules, or if exception is needed to cementing requirements in Statewide or Special Rules; unless the Form G-1 or W-2 is signed by the cementing company representative.
- (2) Each copy of Form W-3; unless the Form W-3 is signed by the cementing company representative.
- (3) Each copy of Form W-4 if a multiple parallel casing completion.

B. At least an original and one copy of this form shall be filed for each cementing company used on a well.

C. The cementing of different casing strings on a well by one cementing company may be consolidated on one form (to be filed in duplicate).

2. Cementing Company and Operator shall comply with the applicable portions of Statewide Rules 8, 13, and 14. For offshore operations, Cementing Company and Operator shall comply with Statewide Rule 13(E).

3. If setting FULL AMOUNT OF SURFACE CASING:

A. Depth to protect fresh water by:

- (1) Field Rule
- (2) Texas Water Development Board, if no Field Rule

B. Set surface casing below depth to be protected and cement from casing shoe to ground surface.

4. IF SETTING ANYTHING OTHER THAN THE FULL AMOUNT OF SURFACE CASING, PERMISSION SHALL BE OBTAINED FROM THE RAILROAD COMMISSION.

5. If setting NO SURFACE CASING (See Item 4 above):

- A. If no multi-stage tool is used, the next deeper casing string shall be cemented from the casing shoe to the surface.
- B. If using the multi-stage tool on the next deeper string, cement from the depth that protects fresh water sands to the surface.

6. If setting SHORT SURFACE CASING (See Item 4 above):

- A. Cement short surface casing from the shoe to the surface.
- B. Whether the multi-stage tool is or is not used on the next deeper casing string, cement from the depth that protects fresh water sands to:
 - (1) the surface; or
 - (2) a point midway between shoe of surface string and the surface. Compliance will be considered if a temperature survey shows that the top of the cement is at least one-third of the distance from the shoe of the surface string to the surface.

7. Setting PRODUCTION STRING of Casing: (Statewide Rules; Special Rules may vary.)

- A. Cement to a point at least 600 feet above the casing shoe.
- B. When 3,000 feet or more of pipe is set for the production or protecting string, a minimum of 30 feet of cement shall be left inside the pipe.

8. PLUGGING AND ABANDONING:

- A. Cement plugs shall be placed in the well bore as required by Rules and Regulations of the Commission plus any additional plugs as may be specified by the RRC District Director.
- B. The minimum amount of cement normally used in each plug shall be a slurry volume equal to the amount necessary to fill the calculated volume of 100 feet of the hole in which the plug is placed.
- C. A 10 foot cement plug is required to be placed in the top of the well.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form W - 15
(Rev. 5-1-80)

CEMENTING REPORT

*1. Field Name (as per RRC Records or Wildcat) Wildcat	*2. RRC District 08
*3. Operator Quannah Petroleum, Inc.	*4. County Culberson
*5. Lease Name(s) and RRC Lease Number(s) or I. D. Number(s) Holler	*6. Well Number 1

*7. Location (Section, Block, and Survey)
Sec. 44, Blk. 60, TPRR

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
			Single String	Multiple Parallel Strings	Tool	Shoe
8. Cementing Date			7-18-82			
*9. (a) Size of Drill Bit (inches)			7-7/8"			
(b) Estimated % Wash or Hole Enlargement Used in Calculations.						
*10. Size of Casing (inches O.D.)			5-1/2"			
*11. Top of Liner (if liner used) (ft.)						
*12. Setting Depth of Casing (ft.)			7099'			
13. Type API Class Cement & Amount of Additives Used: (a) In First (Lead) or Only Slurry (If additional space is needed, use "REMARKS" on reverse side.)			Remarks			
(b) In Second Slurry						
(c) In Third Slurry						
14. Sacks of Cement Used: (a) In First (Lead) or Only Slurry			1150			
(b) In Second Slurry						
(c) In Third Slurry						
(d) Total Sacks of Cement Used			1150			
15. Slurry Volume per Sack of Cement (cu.ft./sack): (a) In First (Lead) or Only Slurry			1.63			
(b) In Second Slurry						
(c) In Third Slurry						
16. Volume of Slurry Pumped: (cu. ft.) (Item 14 x Item 15) (a) In First (Lead) or Only Slurry			1874			
(b) In Second Slurry						
(c) In Third Slurry						
(d) Total Slurry Volume Pumped (cu.ft.)			1874			
17. Calculated Annular Height of Cement Slurry behind Pipe (ft.)			900			
18. Was cement circulated to ground surface (or bottom of cellar) outside casing? (Yes or No)			No			
CEMENTING TO PLUG AND ABANDON DATA:	PLUG NO. 1	PLUG NO. 2	PLUG NO. 3	PLUG NO. 4	PLUG NO. 5	PLUG NO. 6
19. Cementing Date						
*20. Size of Hole or Pipe in which Plug Placed (inches)						
*21. Depth to Bottom of Tubing or Drill Pipe (ft.)						
22. Sacks of Cement Used (each plug)						
23. Slurry Volume Pumped (cu. ft.)						
24. Calculated Top of Plug (ft.)						
*25. Measured Top of Plug (if tagged) (ft.)						

(CEMENTING COMPANY AND OPERATOR MUST COMPLY WITH THE INSTRUCTIONS ON REVERSE SIDE HEREOF.)

- OVER -

* Designates items to be completed by Operator. Items not so designated shall be completed by Cementing Company.

26. Remarks:

13. (a) Class "C", 35/65 Poz, 4% D20, .6%
D112, .25% D65, .2# D46, 1/4# D29

*27. Remarks:

CEMENTING COMPANY

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers cementing data only.

Brian Honey
Signature of Cementer or Authorized Representative

Brian Honey Service Supervisor
Name of Person and Title (type or print)

Dowell Division of Dow Chemical
Cementing Company

Box 206
Street Address or P.O. Box

Monahans, TX 79756
City, State Zip Code

Telephone 915 943-4307
Area Code

7-18-82
Date

***OPERATOR**

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all well data and information presented herein.

Linda Chapman
*Signature of Operator or Authorized Representative

Linda Chapman Engineering Analyst
*Name of Person and Title (type or print)

Quanah Petroleum, Inc.

Operator
14800 Quorum Drive
Suite 500
*Street Address or P.O. Box

Dallas, Texas 75240
*City, State Zip Code

214 386-7354
*Telephone Area Code

8-31-83
*Date

INSTRUCTIONS

1. A. This form shall be filed by the operator in the RRC District Office with:
 - (1) Each copy of an Initial Form G-1 or W-2 if a cementing report is required by Statewide or Special Rules, or if exception is needed to cementing requirements in Statewide or Special Rules; unless the Form G-1 or W-2 is signed by the cementing company representative.
 - (2) Each copy of Form W-3; unless the Form W-3 is signed by the cementing company representative.
 - (3) Each copy of Form W-4 if a multiple parallel casing completion.
- B. At least an original and one copy of this form shall be filed for each cementing company used on a well.
- C. The cementing of different casing strings on a well by one cementing company may be consolidated on one form (to be filed in duplicate).
2. Cementing Company and Operator shall comply with the applicable portions of Statewide Rules 8, 13, and 14. For offshore operations, Cementing Company and Operator shall comply with Statewide Rule 13(E).
3. If setting FULL AMOUNT OF SURFACE CASING:
 - A. Depth to protect fresh water by:
 - (1) Field Rule
 - (2) Texas Water Development Board, if no Field Rule
 - B. Set surface casing below depth to be protected and cement from casing shoe to ground surface.
4. IF SETTING ANYTHING OTHER THAN THE FULL AMOUNT OF SURFACE CASING, PERMISSION SHALL BE OBTAINED FROM THE RAILROAD COMMISSION.
5. If setting NO SURFACE CASING (See Item 4 above):
 - A. If no multi-stage tool is used, the next deeper casing string shall be cemented from the casing shoe to the surface.
 - B. If using the multi-stage tool on the next deeper string, cement from the depth that protects fresh water sands to the surface.
6. If setting SHORT SURFACE CASING (See Item 4 above):
 - A. Cement short surface casing from the shoe to the surface.
 - B. Whether the multi-stage tool is or is not used on the next deeper casing string, cement from the depth that protects fresh water sands to:
 - (1) the surface, or
 - (2) a point midway between shoe of surface string and the surface. Compliance will be considered if a temperature survey shows that the top of the cement is at least one-third of the distance from the shoe of the surface string to the surface.
7. Setting PRODUCTION STRING of Casing: (Statewide Rules; Special Rules may vary.)
 - A. Cement to a point at least 600 feet above the casing shoe.
 - B. When 3,000 feet or more of pipe is set for the production or protecting string, a minimum of 30 feet of cement shall be left inside the pipe.
8. PLUGGING AND ABANDONING:
 - A. Cement plugs shall be placed in the well bore as required by Rules and Regulations of the Commission plus any additional plugs as may be specified by the RRC District Director.
 - B. The minimum amount of cement normally used in each plug shall be a slurry volume equal to the amount necessary to fill the calculated volume of 100 feet of the hole in which the plug is placed.
 - C. A 10 foot cement plug is required to be placed at the top of the well.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISIONRECEIVED
JUN 27 1983FORM W-3
Rev. 10/78

FILE IN DUPLICATE WITH DISTRICT OFFICE OF DISTRICT IN WHICH WELL IS LOCATED WITHIN THIRTY DAYS AFTER PLUGGING		API NO. (if available)		1. RRC District 08	
2. FIELD NAME (as per RRC Records) Wildcat		3. Lease Name Holler		5. Well Number 1	
6. OPERATOR Quanah Petroleum		6a. Original Form W-1 Filed in Name of:		10. County Culberson	
7. ADDRESS 14800 Quorum Drive, Dallas, TX		6b. Any Subsequent W-1's Filed in Name of:		11. Date Drilling Permit Issued	
8. Location of Well, Relative to Nearest Lease Boundaries of Lease on which this Well is Located		Feet From _____ Line and _____ Feet From _____ Line of the _____ Lease		12. Permit Number	
9a. SECTION, BLOCK, AND SURVEY		9b. Distance and Direction From Nearest Town in this County		13. Date Drilling Commenced	
16. Type Well (Oil, Gas, Dry)	Total Depth	17. If Multiple Completion List All Field Names and Oil Lease or Gas ID No.'s GAS ID or OIL LEASE # Oil - O Gas - G WELL #			14. Date Drilling Completed
18. If Gas, Amt. of Cond. on Hand at time of Plugging		15. Date Well Plugged			

CEMENTING TO PLUG AND ABANDON DATA:	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7	PLUG #8
*19. Cementing Date	6-21-83							
20. Size of Hole or Pipe in which Plug Placed (inches)	5 1/2							
21. Depth to Bottom of Tubing or Drill Pipe (ft.)	5023							
*22. Sacks of Cement Used (each plug)	20							
*23. Slurry Volume Pumped (cu. ft.)	26.4							
*24. Calculated Top of Plug (ft.)	4826							
25. Measured Top of Plug (if tagged) (ft.)								
*26. Slurry Wt. #/Gal.	14.8							
*27. Type Cement	"C"							

28. CASING AND TUBING RECORD AFTER PLUGGING					29. Was any Non-Drillable Material (Other than Casing) Left in This Well ☐ Yes ☐ No	
SIZE	WT. #/FT.	PUT IN WELL (ft.)	LEFT IN WELL (ft.)	HOLE SIZE (in.)	29a. If answer to above is "Yes" state depth to top of "junk" left in hole and briefly describe non-drillable material. (Use Reverse Side of Form if more space is needed.)	

30. LIST ALL OPEN HOLE AND/OR PERFORATED INTERVALS			
FROM	TO	FROM	TO
FROM	TO	FROM	TO
FROM	TO	FROM	TO
FROM	TO	FROM	TO
FROM	TO	FROM	TO

I have knowledge that the cementing operations, as reflected by the information found on this form, were performed as indicated by such information.

* Designates items to be completed by Cementing Company. Items not so designated shall be completed by Operator.

Signature of Cementer or Authorized Representative

The Western Company of North America
Name of Cementing Company

CERTIFICATE:

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

REPRESENTATIVE OF COMPANY

TITLE

DATE

Phone

A/C

NUMBER

SIGNATURE: REPRESENTATIVE OF RAILROAD COMMISSION

RECEIVED

JUN 25 1983

31. Was Well filled with Mud-Laden Fluid, according to the regulations of the Railroad Commission ☐ Yes ☐ No		32. How was Mud Applied?		33. Mud Weight LBS/GAL	
34. Total Depth Depth of Deepest Fresh Water	Other Fresh Water Zones by T.D.W.R. TOP _____ BOTTOM _____ _____ _____ _____	35. Have all Abandoned Wells on this Lease been Plugged according to RRC Rules? ☐ Yes ☐ No 36. If NO, Explain			
37. Name and Address of Cementing or Service company who mixed and pumped cement plugs in this well				Date RRC District Office notified of plugging	
38. Names and Addresses of Surface Owner of Well Site and Operators of Offset Producing Leases _____ _____ _____ _____					
39. Was Notice Given Before Plugging to Each of the Above?					
FILL IN BELOW FOR DRY HOLES ONLY					
40. For Dry Holes, this Form must be accompanied by either a Driller's, Electric, Radioactivity or Acoustical/Sonic Log or such Log must be released to a Commercial Log Service. ☐ Log Attached ☐ Log released to _____ Date _____ Type Logs: ☐ Driller's ☐ Electric ☐ Radioactivity ☐ Acoustical/Sonic					
41. Date FORM P-8 (Special Clearance) Filed?					
42. Amount of Oil produced prior to Plugging _____ bbls* ** File FORM P-1 (Oil Production Report) for month this oil was produced					
RRC USE ONLY Nearest Field _____					
REMARKS _____ _____ _____ _____ _____					

ROAD COMMISSION OF TEXAS OIL AND GAS DIVISION

Form No. 052-1070 (W-15)

(Rev. 11-1-69)

CEMENTING REPORT

*1. Field Name (as per RRC Records or Wildcat)	*2. RRC District
*3. Operator Quanah Petroleum	*4. County Culberson
*5. Lease Name(s) and RRC Lease Number(s) or I. D. Number(s) Holler	*6. Well Number 1
*7. Location (Section, Block, and Survey)	

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
			Single String	Multiple Parallel Strings	Tool	Shoe
8. Cementing Date						
*9. (a) Size of Drill Bit (Inches)						
(b) Estimated % Wash or Hole Enlargement Used in Calculations.						
*10. Size of Casing (Inches O.D.)						
*11. Top of Liner (if liner used) (ft.)						
*12. Setting Depth of Casing (ft.)						
13. Type API Class Cement & Amount of Additives Used: (a) In First (Lead) or Only Slurry (If additional space is needed, use "REMARKS" on reverse side.)						
(b) In Second Slurry						
(c) In Third Slurry						
14. Sacks of Cement Used:						
(a) In First (Lead) or Only Slurry						
(b) In Second Slurry						
(c) In Third Slurry						
(d) Total Sacks of Cement Used						
15. Slurry Volume per Sack of Cement (cu.ft./sack):						
(a) In First (Lead) or Only Slurry						
(b) In Second Slurry						
(c) In Third Slurry						
16. Volume of Slurry Pumped: (cu. ft.) (Item 14 x Item 15)						
(a) In First (Lead) or Only Slurry						
(b) In Second Slurry						
(c) In Third Slurry						
(d) Total Slurry Volume Pumped (cu.ft.)						
17. Calculated Annular Height of Cement Slurry behind Pipe (ft.)						
18. Was cement circulated to ground surface (or bottom of cellar) outside casing? (Yes or No)						
CEMENTING TO PLUG AND ABANDON DATA:	PLUG NO. 1	PLUG NO. 2	PLUG NO. 3	PLUG NO. 4	PLUG NO. 5	PLUG NO. 6
19. Cementing Date	6-21-83					
*20. Size of Hole or Pipe in which Plug Placed (Inches)	5 1/2					
*21. Depth to Bottom of Tubing or Drill Pipe (ft.)	5023					
22. Sacks of Cement Used (each plug)	20					
23. Slurry Volume Pumped (cu. ft.)	26.4					
24. Calculated Top of Plug (ft.)	4826					
*25. Measured Top of Plug (if tagged) (ft.)						

(CEMENTING COMPANY AND OPERATOR MUST COMPLY WITH THE INSTRUCTIONS ON REVERSE SIDE HEREOF.)

- OVER -

* Designates items to be completed by Operator. Items not so designated shall be completed by Cementing Company.

26. Remarks:

*27. Remarks:

CEMENTING COMPANY

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers cementing data only.

Signature of Cementer or Authorized Representative

Ray Gardner, Service Supervisor

Name of Person and Title (type or print)

The Western Company of North America

Cementing Company

Box 879

Street Address or P.O. Box

Kermit, Tx. 79745

City, State

Zip Code

Telephone 915 586-5811

Area Code

6-21-83

Date

***OPERATOR**

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all well data and information presented herein.

*Signature of Operator or Authorized Representative

*Name of Person and Title (type or print)

*Operator

*Street Address or P.O. Box

*City, State

Zip Code

*Telephone Area Code

*Date

INSTRUCTIONS

1. A. This form shall be filed by the operator in the RRC District Office with:
 - (1) Each copy of an initial Form G-1 or W-2 if a cementing report is required by Statewide or Special Rules, or if exception is needed to cementing requirements in Statewide or Special Rules;
 - (2) Each copy of Form W-3;
 - (3) Each copy of Form W-4 if a multiple parallel casing completion.
- B. At least an original and one copy of this form shall be filed for each cementing company used on a well.
- C. The cementing of different casing strings on a well by one cementing company may be consolidated on one form (to be filed in duplicate).
2. Cementing Company and Operator shall comply with the applicable portions of Statewide Rules 8, 13, and 14. For offshore operations, Cementing Company and Operator shall comply with Statewide Rule 13(E).
3. **IF SETTING FULL AMOUNT OF SURFACE CASING:**
 - A. Depth to protect fresh water determined by:
 - (1) Field Rule
 - (2) Texas Water Development Board, if no Field Rule
 - B. Set surface casing below depth to be protected and cement from casing shoe to ground surface.
4. **IF SETTING ANYTHING OTHER THAN THE FULL AMOUNT OF SURFACE CASING, PERMISSION SHALL BE OBTAINED FROM THE RAILROAD COMMISSION.**
5. **IF SETTING NO SURFACE CASING (See Item 4 above.):**
 - A. If no multi-stage tool is used, the next deeper casing string shall be cemented from the casing shoe to the surface.
 - B. If using the multi-stage tool on the next deeper string, cement from the depth that protects fresh water sands to the surface.
6. **IF SETTING SHORT SURFACE CASING (See Item 4 above.):**
 - A. Cement short surface casing from the shoe to the surface.
 - B. Whether the multi-stage tool is or is not used on the next deeper casing string, cement from the depth that protects fresh water sands to:
 - (1) the surface, or
 - (2) a point midway between shoe of surface string and the surface. Compliance will be considered if a temperature survey shows that the top of the cement is at least one-third of the distance from the shoe of the surface string to the surface.
7. **Setting PRODUCTION STRING of Casing: (Statewide Rules; Special Rules may vary.)**
 - A. Cement to a point at least 600 feet above the casing shoe.
 - B. When 3,000 feet or more of pipe is set for the production or protecting string, a minimum of 30 feet of cement shall be left inside the pipe.
8. **PLUGGING and ABANDONING:**
 - A. Cement plugs shall be placed in the well bore as required by Rules and Regulations of the Commission plus any additional plugs as may be specified by the RRC District Director.
 - B. The minimum amount of cement normally used in each plug shall be a slurry volume equal to the amount necessary to fill the calculated volume of 100 feet of the hole in which the plug is placed.
 - C. A 10 foot cement plug is required to be placed in the top of the well.

BROAD COMMISSION OF TEXA
OIL AND GAS DIVISION

Form No. 052-1070 (W-15)
(Rev. 11-1-69)

CEMENTING REPORT

*1. Field Name (as per RRC Records or Wildcat) Wildcat	*2. RRC District 08
*3. Operator Quanah Petroleum	*4. County Culberson
*5. Lease Name(s) and RRC Lease Number(s) or I. D. Number(s) Holler	*6. Well Number 1

*7. Location (Section, Block, and Survey)
Sec. 44, Blk. 60, TPRR

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
			Single String	Multiple Parallel Strings	Tool	Shoe
8. Cementing Date			6-23-83			
*9. (a) Size of Drill Bit (inches)			7-7/8"			
(b) Estimated % Wash or Hole Enlargement Used in Calculations.						
*10. Size of Casing (inches O.D.)			5 1/2			
*11. Top of Liner (if liner used) (ft.)						
*12. Setting Depth of Casing (ft.)			1708			
13. Type API Class Cement & Amount of Additives Used: (a) In First (Lead) or Only Slurry (If additional space is needed, use "REMARKS" on reverse side.)			Class "C" + 2% CaCl ₂			
(b) In Second Slurry						
(c) In Third Slurry						
14. Sacks of Cement Used:						
(a) In First (Lead) or Only Slurry			160			
(b) In Second Slurry						
(c) In Third Slurry						
(d) Total Sacks of Cement Used			160			
15. Slurry Volume per Sack of Cement (cu.ft./sack):						
(a) In First (Lead) or Only Slurry			1.32			
(b) In Second Slurry						
(c) In Third Slurry						
16. Volume of Slurry Pumped: (cu. ft.) (Item 14 x Item 15)						
(a) In First (Lead) or Only Slurry			211.2			
(b) In Second Slurry						
(c) In Third Slurry						
(d) Total Slurry Volume Pumped (cu.ft.)			211.2			
17. Calculated Annular Height of Cement Slurry behind Pipe (ft.)			1100'			
18. Was cement circulated to ground surface (or bottom of cellar) outside casing? (Yes or No)			No			

CEMENTING TO PLUG AND ABANDON DATA:	PLUG NO. 1	PLUG NO. 2	PLUG NO. 3	PLUG NO. 4	PLUG NO. 5	PLUG NO. 6
19. Cementing Date						
*20. Size of Hole or Pipe in which Plug Placed (inches)						
*21. Depth to Bottom of Tubing or Drill Pipe (ft.)						
22. Sacks of Cement Used (each plug)						
23. Slurry Volume Pumped (cu. ft.)						
24. Calculated Top of Plug (ft.)						
*25. Measured Top of Plug (if tagged) (ft.)						

(CEMENTING COMPANY AND OPERATOR MUST COMPLY WITH THE INSTRUCTIONS ON REVERSE SIDE HEREOF.)

- OVER -

* Designates items to be completed by Operator. Items not so designated shall be completed by Cementing Company.

26. Remarks:

*27. Remarks:

CEMENTING COMPANY

***OPERATOR**

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers cementing data only.

I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all well data and information presented herein.

Signature of Cementer or Authorized Representative

*Signature of Operator or Authorized Representative

Name of Person and Title (type or print)

*Name of Person and Title (type or print)

Cementing Company

*Operator

Box 879

14800 Quorum Drive, Suite 500

Street Address or P.O. Box

*Street Address or P.O. Box

Kermit, Tx. 79745

Dallas, Texas 75240

City, State Zip Code

*City, State Zip Code

Telephone 915 586-5811

*Telephone 214 386-7354

Area Code

Area Code

6-24-83

8-31-83

Date

*Date

INSTRUCTIONS

1. A. This form shall be filed by the operator in the RRC District Office with:
 - (1) Each copy of an initial Form G-1 or W-2 if a cementing report is required by Statewide or Special Rules, or if exception is needed to cementing requirements in Statewide or Special Rules;
 - (2) Each copy of Form W-3;
 - (3) Each copy of Form W-4 if a multiple parallel casing completion.
 B. At least an original and one copy of this form shall be filed for each cementing company used on a well.
 C. The cementing of different casing strings on a well by one cementing company may be consolidated on one form (to be filed in duplicate).
2. Cementing Company and Operator shall comply with the applicable portions of Statewide Rules 8, 13, and 14. For offshore operations, Cementing Company and Operator shall comply with Statewide Rule 13(E).
3. **Setting FULL AMOUNT OF SURFACE CASING:**
 - A. Depth to protect fresh water determined by:
 - (1) Field Rule
 - (2) Texas Water Development Board, if no Field Rule
 - B. Set surface casing below depth to be protected and cement from casing shoe to ground surface.
4. **Setting ANYTHING OTHER THAN THE FULL AMOUNT OF SURFACE CASING, PERMISSION SHALL BE OBTAINED FROM THE RAILROAD COMMISSION.**
5. **If setting NO SURFACE CASING (See Item 4 above.):**
 - A. If no multi-stage tool is used, the next deeper casing string shall be cemented from the casing shoe to the surface.
 - B. If using the multi-stage tool on the next deeper string, cement from the depth that protects fresh water sands to the surface.
6. **If setting SHORT SURFACE CASING (See Item 4 above.):**
 - A. Cement short surface casing from the shoe to the surface.
 - B. Whether the multi-stage tool is or is not used on the next deeper casing string, cement from the depth that protects fresh water sands to:
 - (1) the surface, or
 - (2) a point midway between shoe of surface string and the surface. Compliance will be considered if a temperature survey shows that the top of the cement is at least one-third of the distance from the shoe of the surface string to the surface.
7. **Setting PRODUCTION STRING of Casing: (Statewide Rules; Special Rules may vary.)**
 - A. Cement to a point at least 600 feet above the casing shoe.
 - B. When 3,000 feet or more of pipe is set for the production or protecting string, a minimum of 30 feet of cement shall be left inside the pipe.
8. **PLUGGING and ABANDONING:**
 - A. Cement plugs shall be placed in the well bore as required by Rules and Regulations of the Commission plus any additional plugs as may be specified by the RRC District Director.
 - B. The minimum amount of cement normally used in each plug shall be a slurry volume equal to the amount necessary to fill the calculated volume of 100 feet of the hole in which the plug is placed.
 - C. A 10 foot cement plug is required to be placed in the top of the well.

M. F. 87008
WELL # 1 COMPLETION REPORT
GARRY MAURO, COMMISSIONER
FILED 4-14-86 BY AB

(15)

M-87008

Work Print
Schlumberger

SIMULTANEOUS
COMPENSATED NEUTRON-
FORMATION DENSITY

COMPANY QUANAN PETROLEUM
INC.

WELL HOLLER # 1

FIELD WILDCAT

COUNTY CULBERSON, STATE TEXAS

LOCATION 1980 FNL + 1980 FWL SEC 44
BLK 60, TWP 1 & P SURVEY

Other Services:
DLG/GRIMSL
CST

API SERIAL NO. SEC. TWP. RANGE

Permanent Datum: GL; Elev.: 3534
Log Measured From KB, 14 Ft. Above Perm. Datum
Drilling Measured From KB

Elev.: K.B. 3548
D.F. —
G.L. 3534

Date	<u>16 JULY 82</u>		
Run No.	<u>ONE</u>		
Depth-Driller	<u>7800</u>	<u>FIELD PRINT</u>	
Depth-Logger	<u>7804</u>		
Btm. Log Interval	<u>7801</u>	<u>THANK YOU!</u>	
Top Log Interval	<u>1414</u>		
Casing-Driller	<u>1400 @ 848</u>	@	@
Casing-Logger	<u>1414</u>		
Bit Size	<u>778</u>		
Type Fluid in Hole	<u>SALT</u>		
Dens.	<u>9.3</u>	<u>34</u>	
Visc.			
pH	<u>9</u>	ml	ml
Fluid Loss			
Source of Sample	<u>MUD TANK</u>		
Rm @ Meas. Temp.	<u>.071 @ 70°F</u>	@	@
Rmf @ Meas. Temp.	<u>.071 @ 70°F</u>	@	@
Rmc @ Meas. Temp.	<u>— @ —°F</u>	@	@
Source: Rmf	<u>m</u>		
Rmc	<u>—</u>		
Rm @ BHT	<u>.043 @ 114°F</u>	@	@
Circulation Stopped	<u>1000</u>		
Logger on Bottom	<u>0030</u>		
Max. Rec. Temp.	<u>114</u> °F	°F	°F
Equip. Location	<u>8025 MONA</u>		
By	<u>LOISEL</u>		

CSG

BK →
NS →

CHC

EX →
EX →
G →
1500 →
GX

Pz 1481-1506
P 2780+908W
40 To 60 BWPD

THU
10/13

DST 1414 (ASING)
TO 1840

VP →



SCHOTT
BUTTE/SIS

ENTIRE K & O W G
PART.

B
B

WOK 0.5187 28 29 1
WV 53 274 0 255 2

D
D

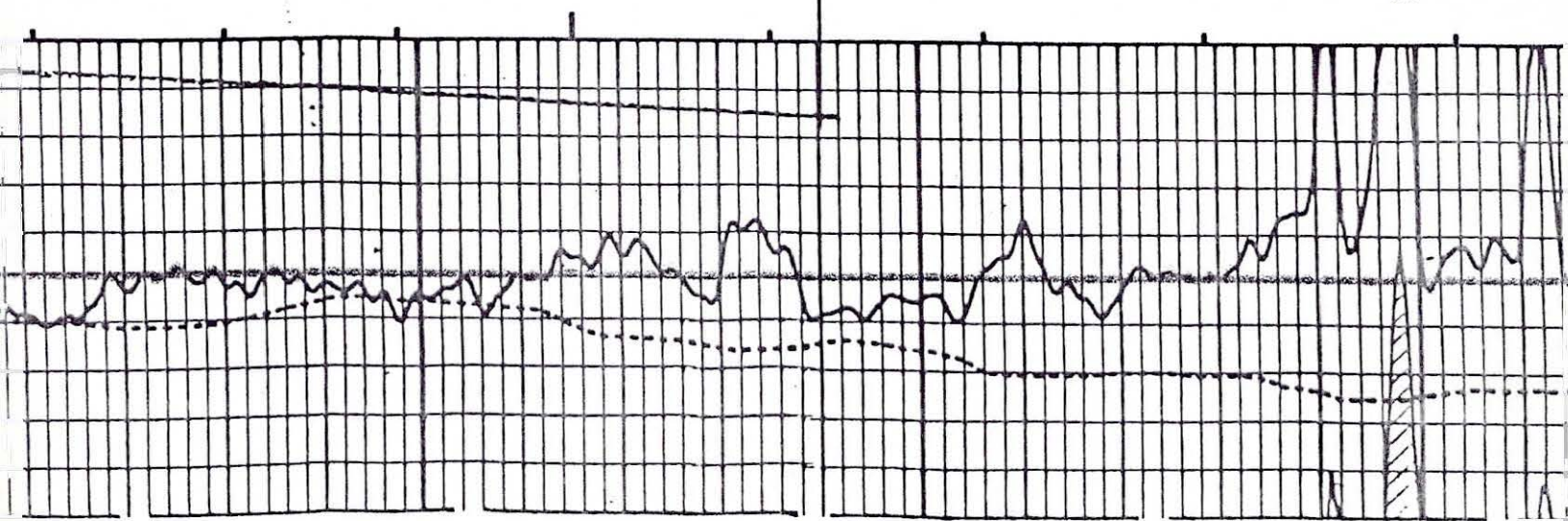
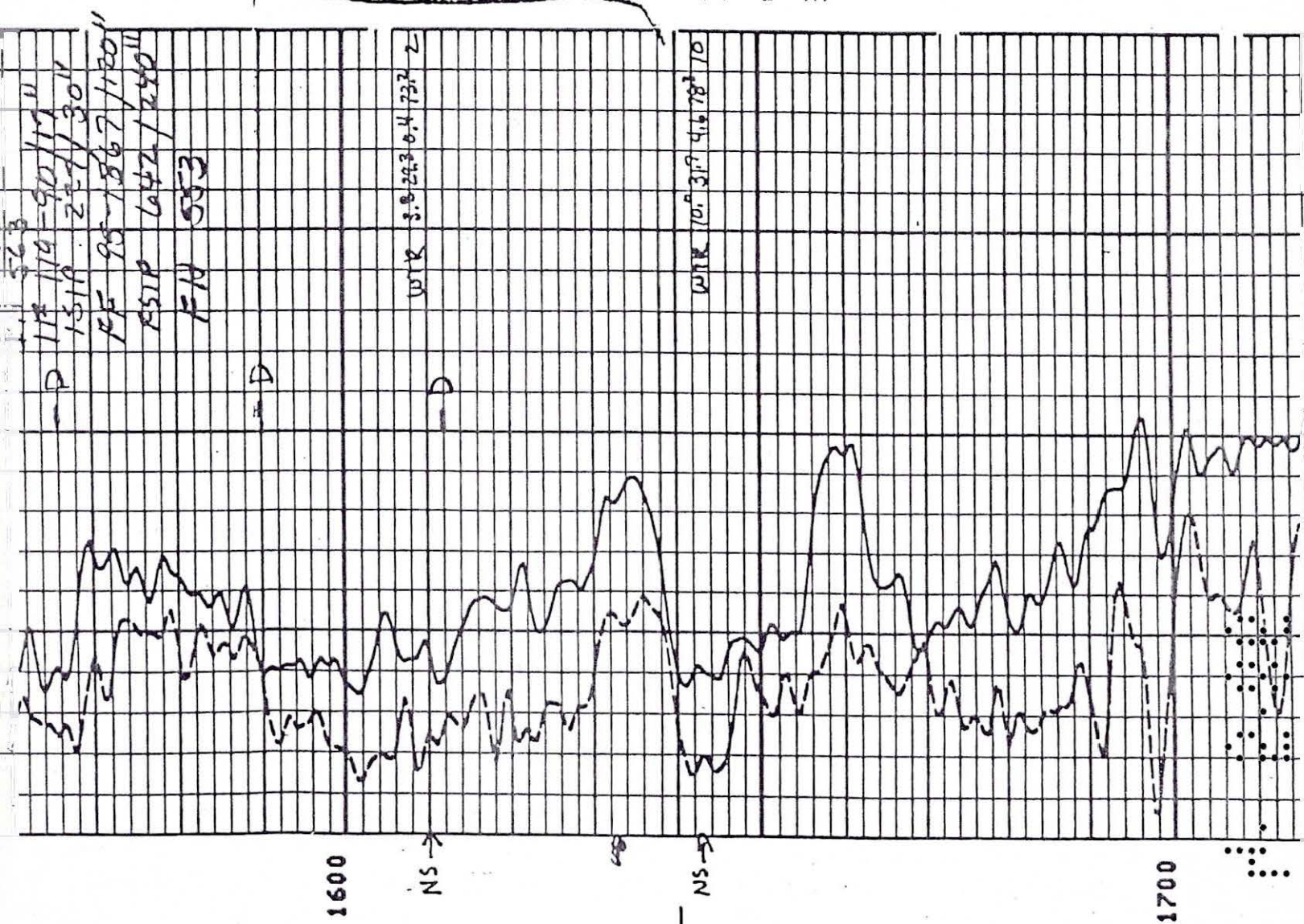
NH
OIL 6.3285 14 57 66
OIL 9.8 320 34.9 42.3 3
OIL 5.8 273 8.5 60.8 43

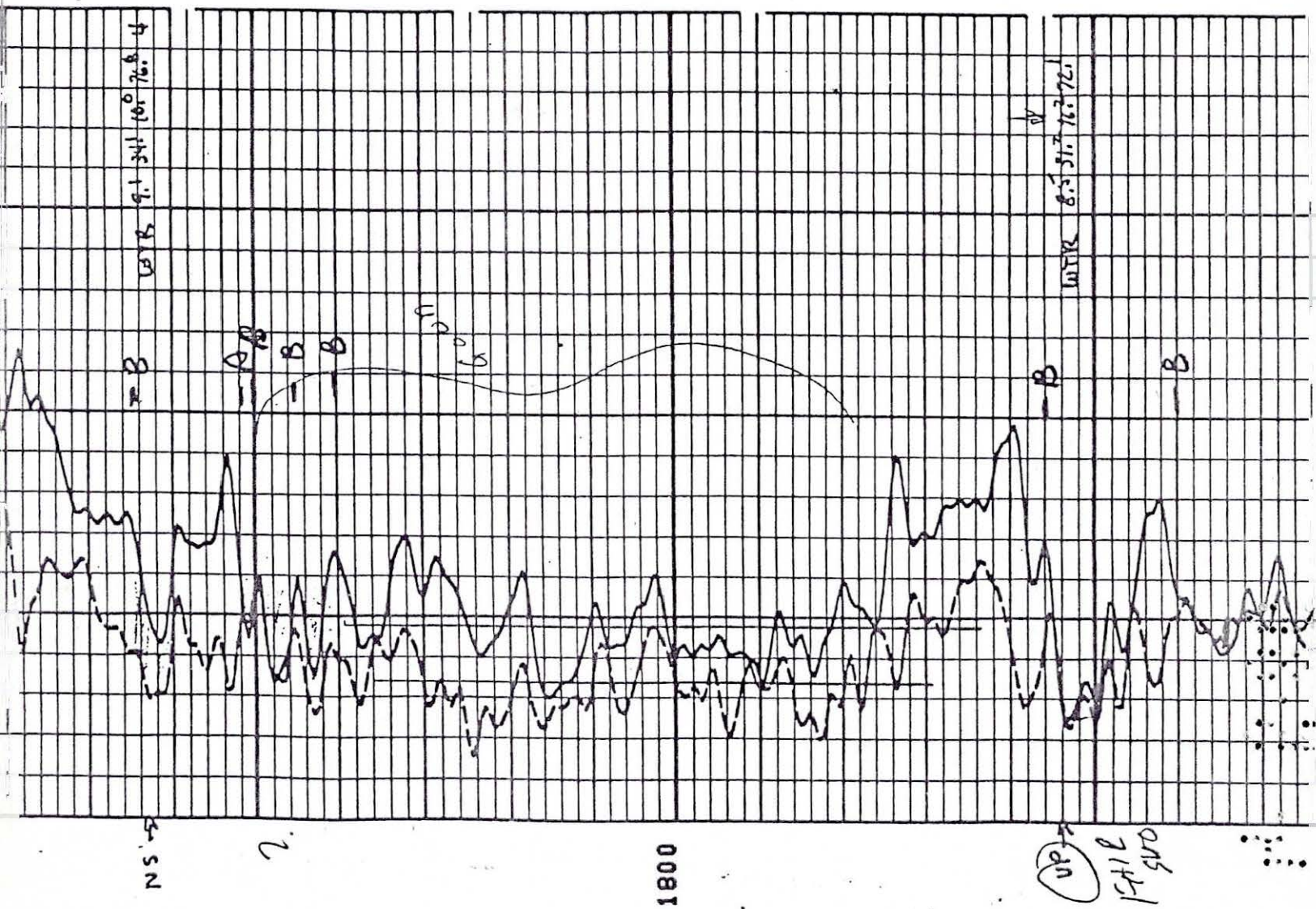
C
D

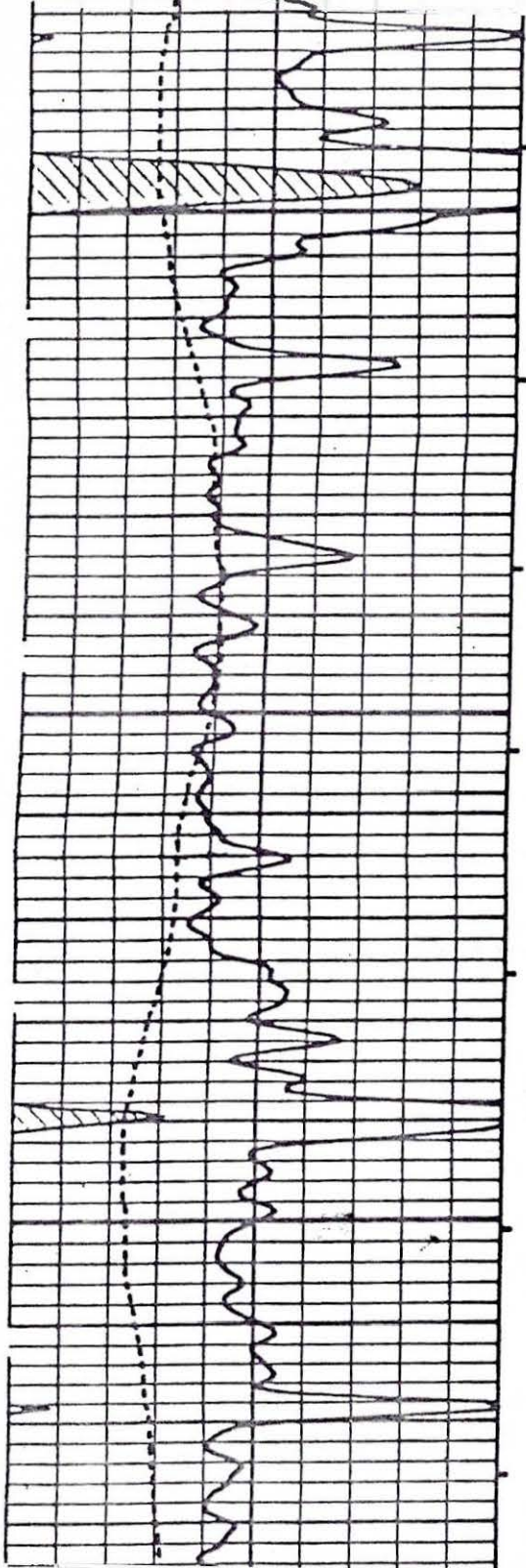
WOK 7.7 34.6 29 64.5 6

OIL 4.3 66.5 42.5 17

near LITHUANIA - 8/6/60





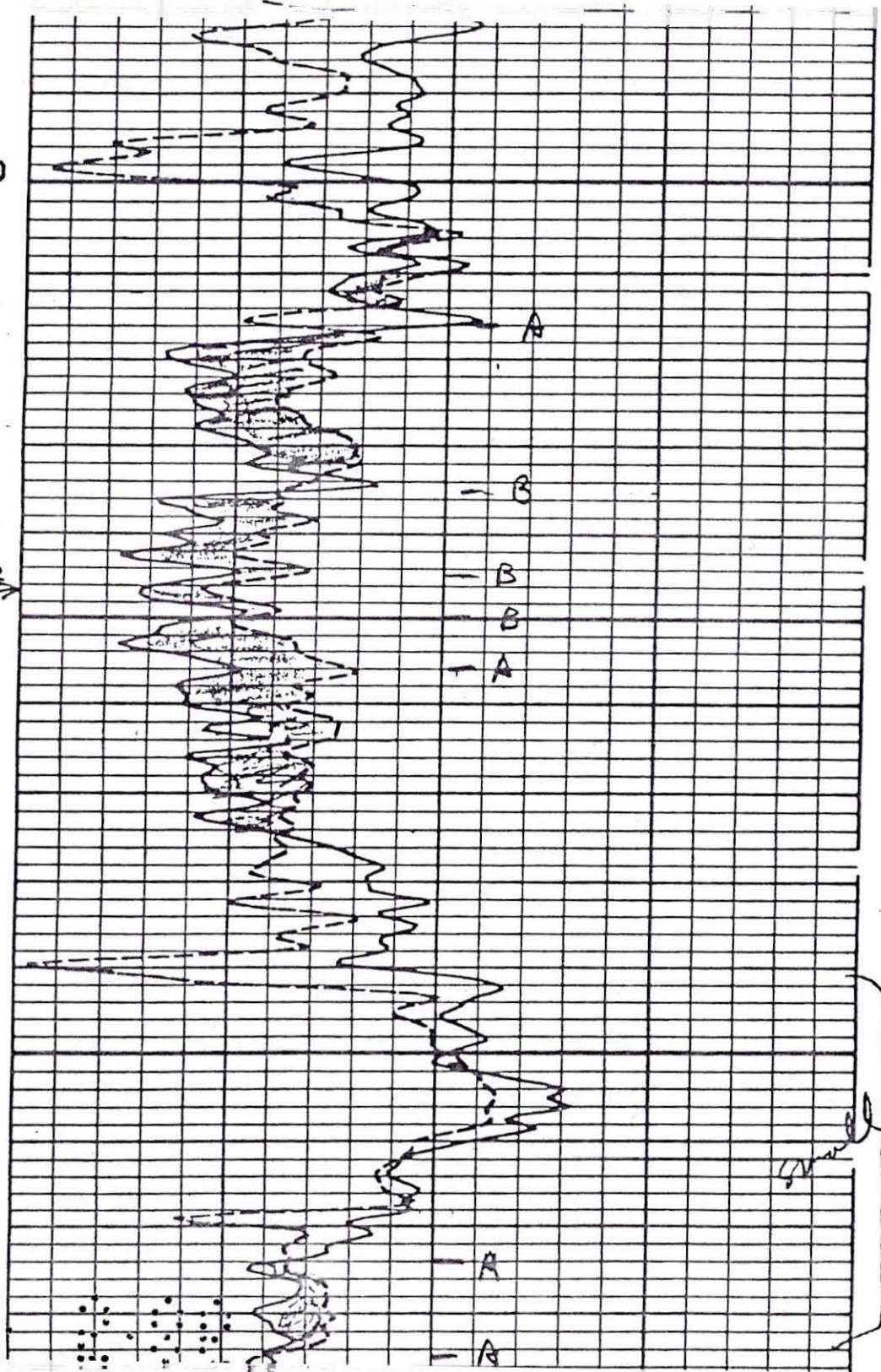


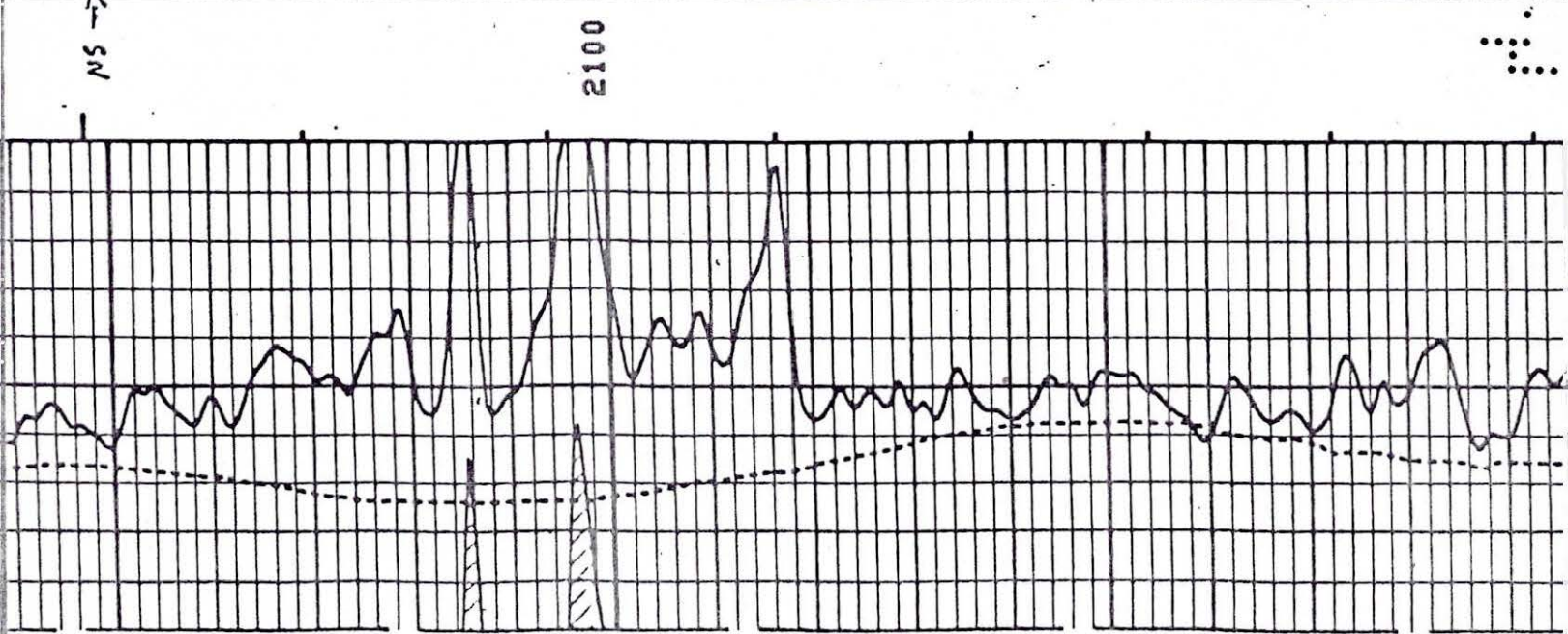
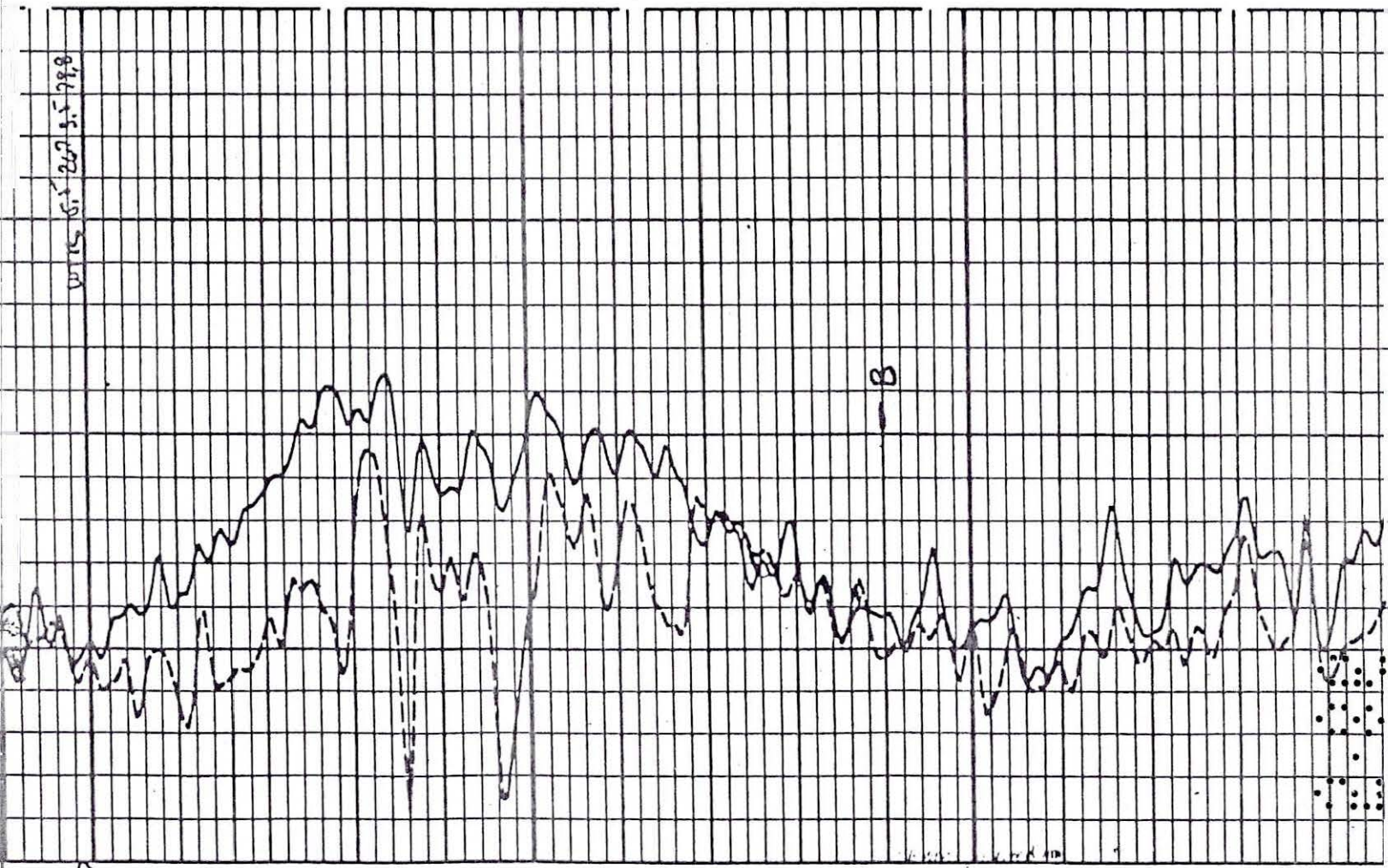
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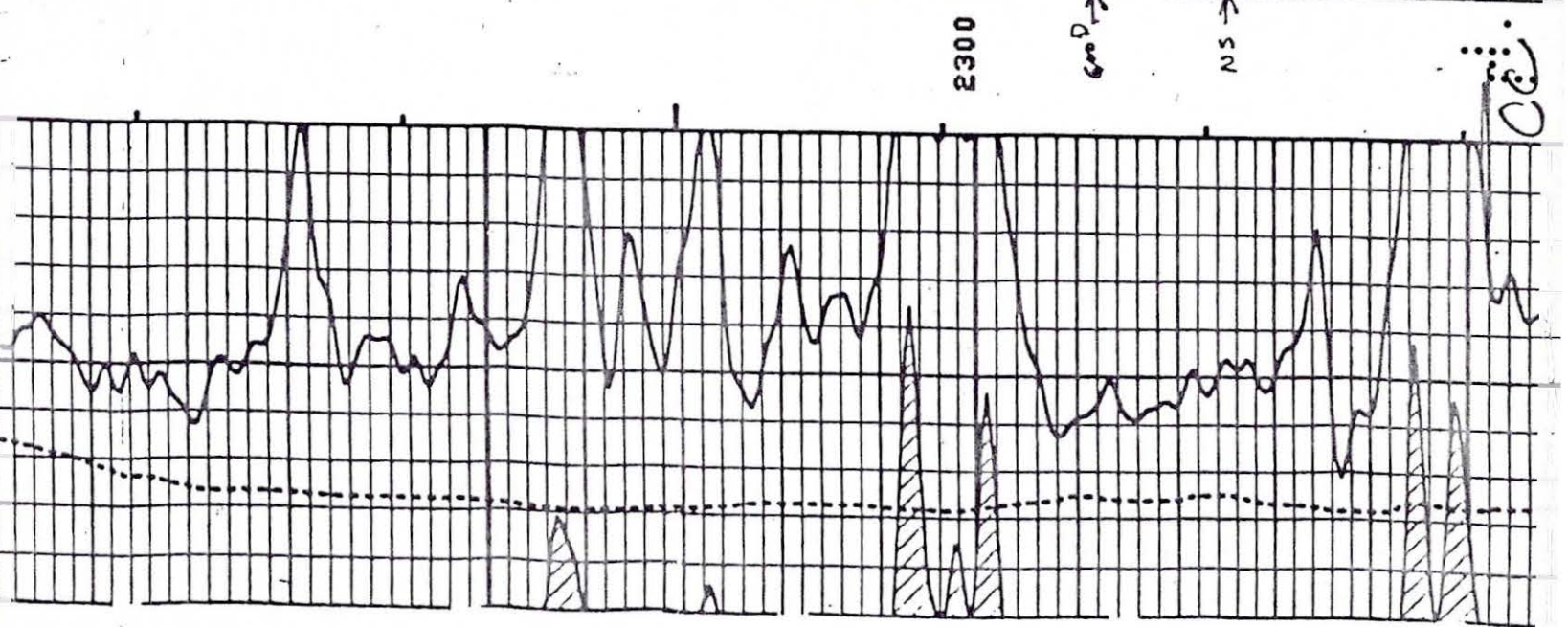
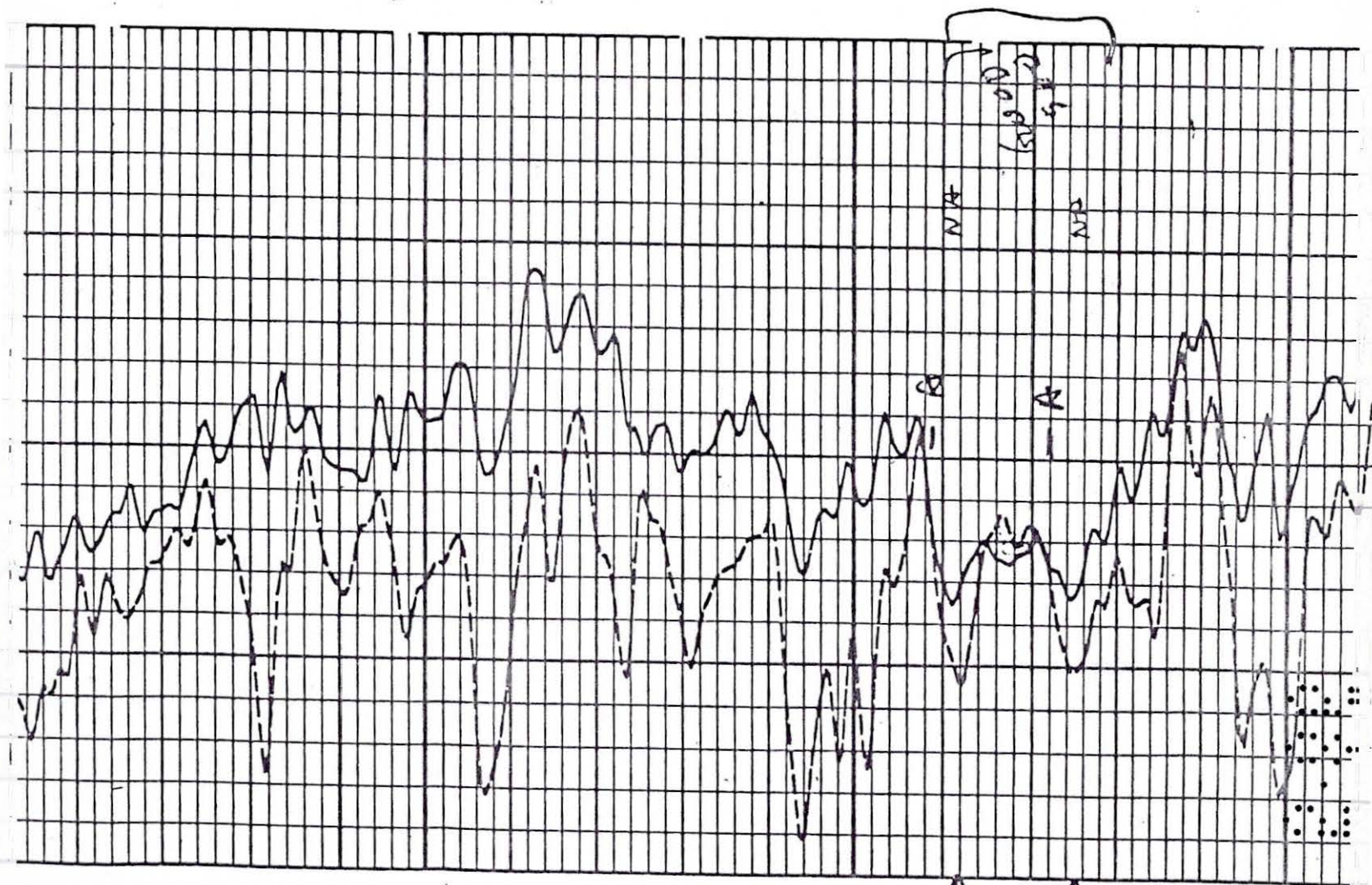
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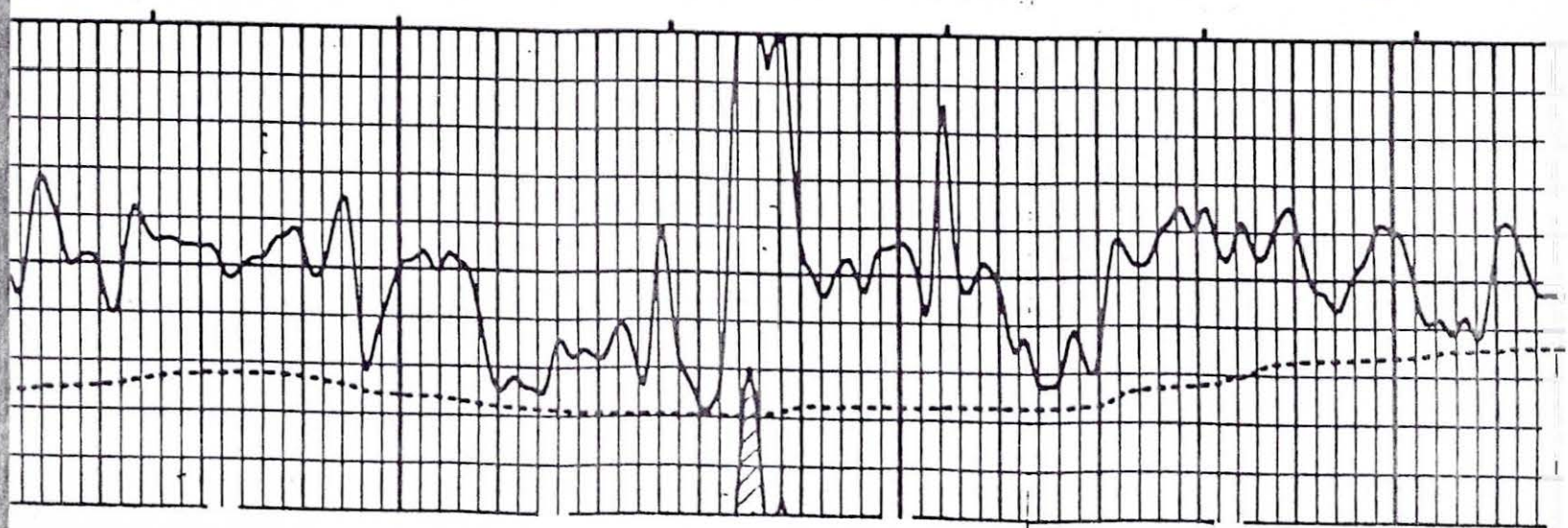
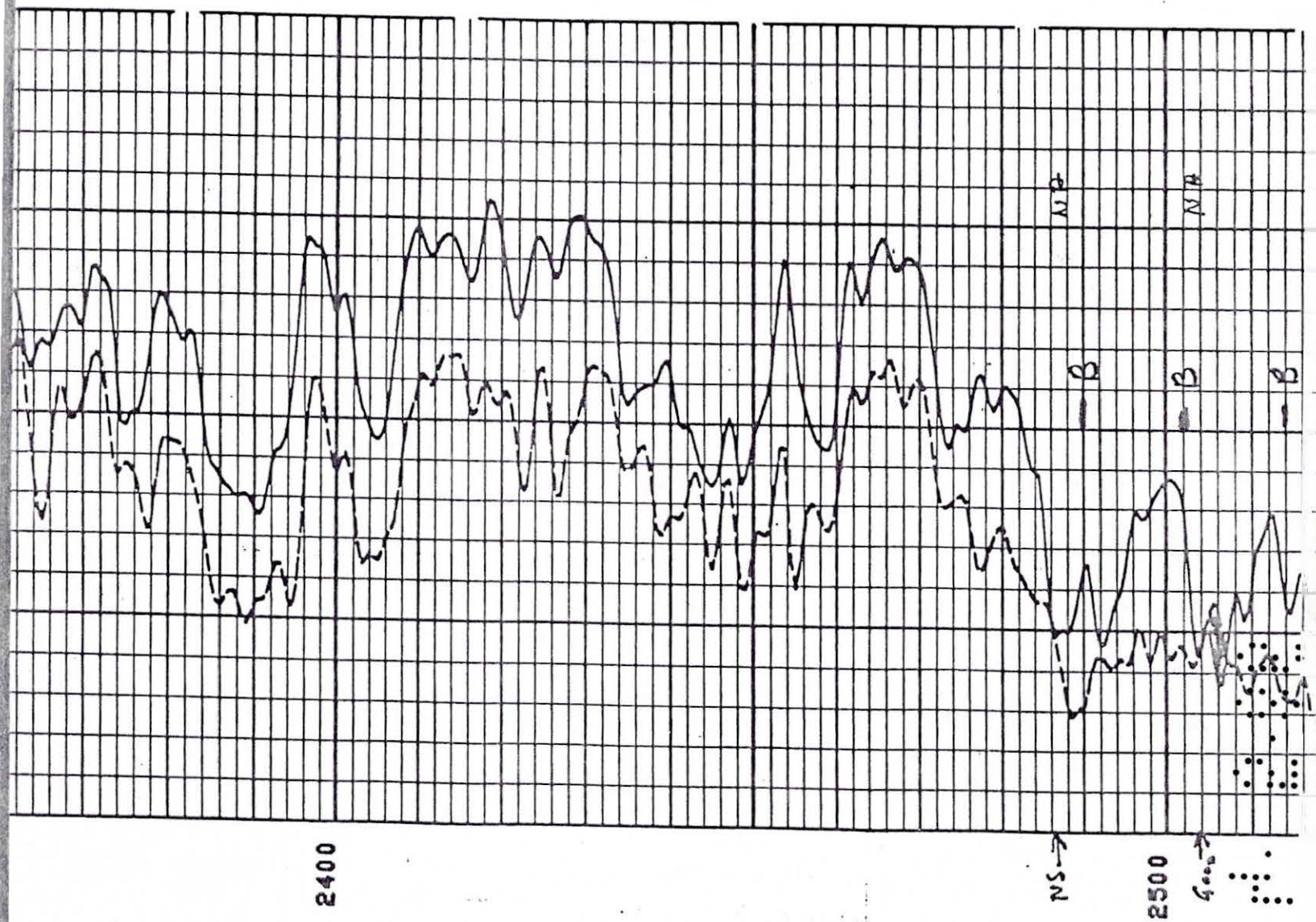
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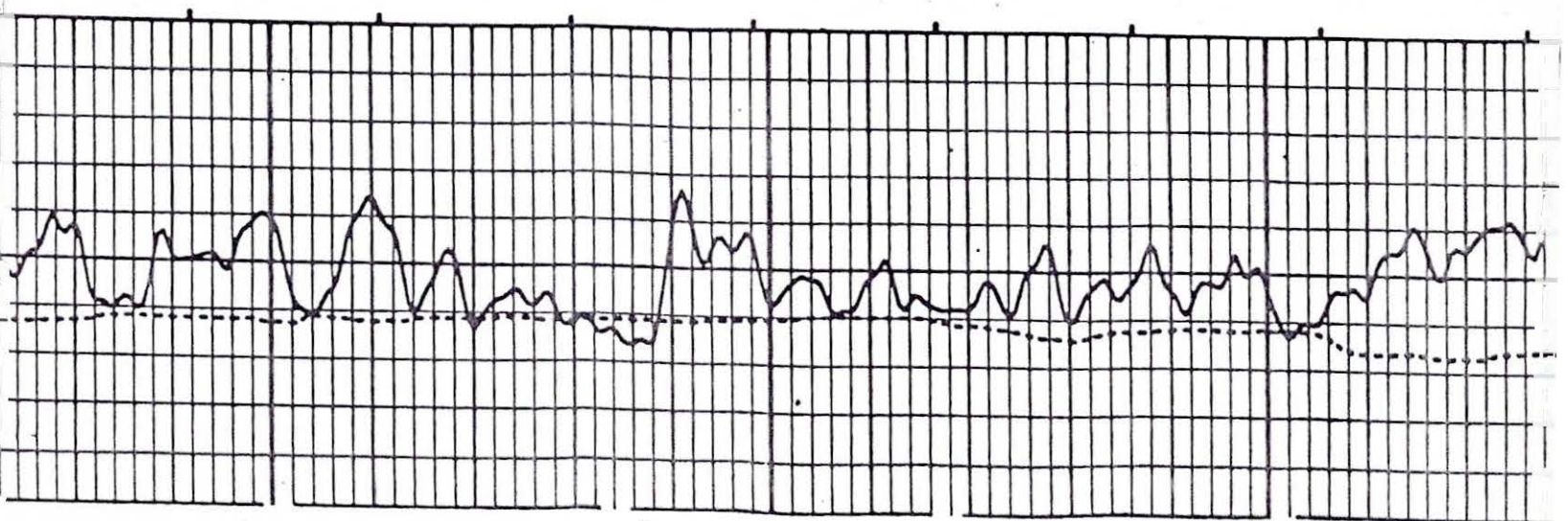
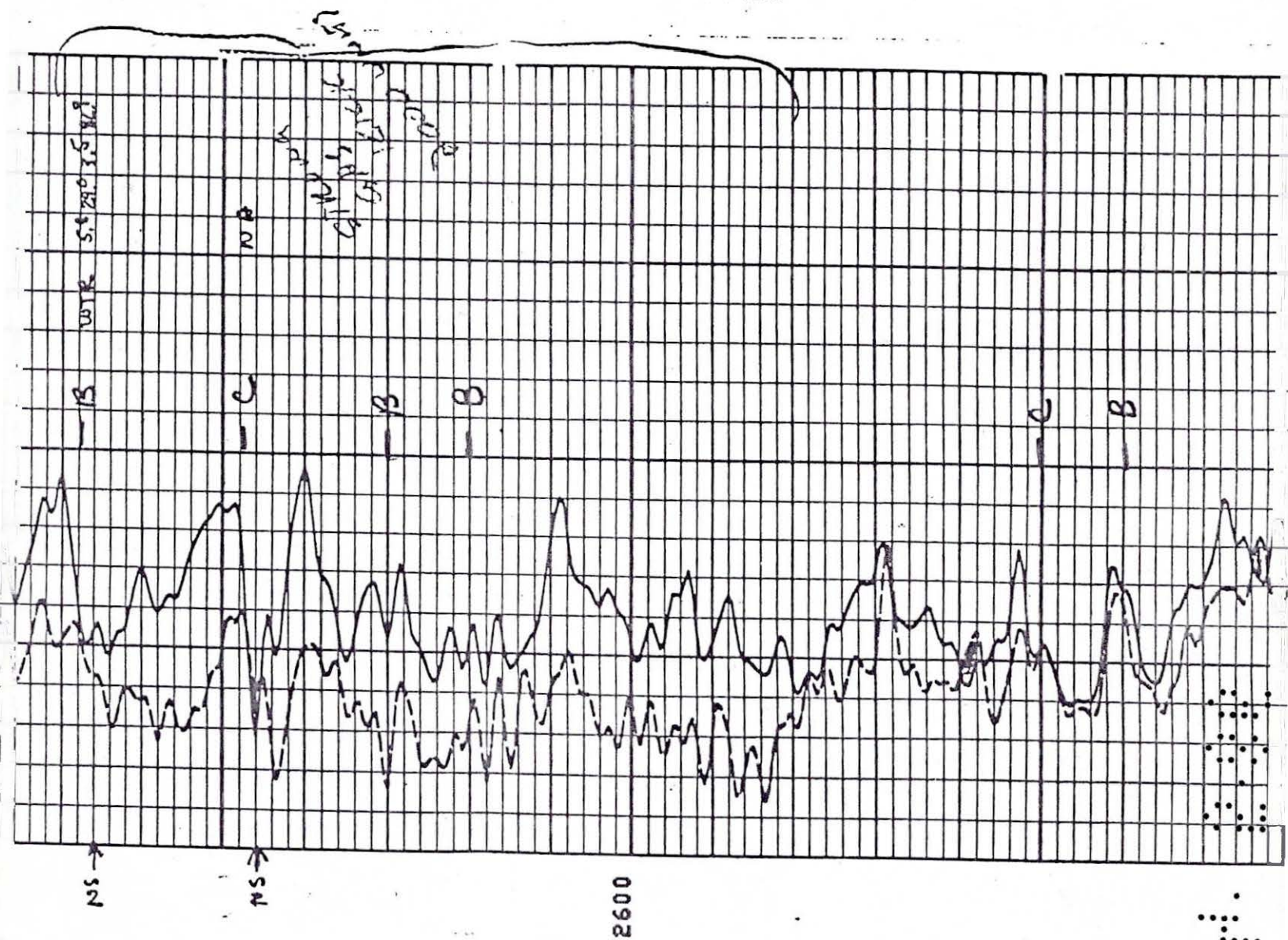
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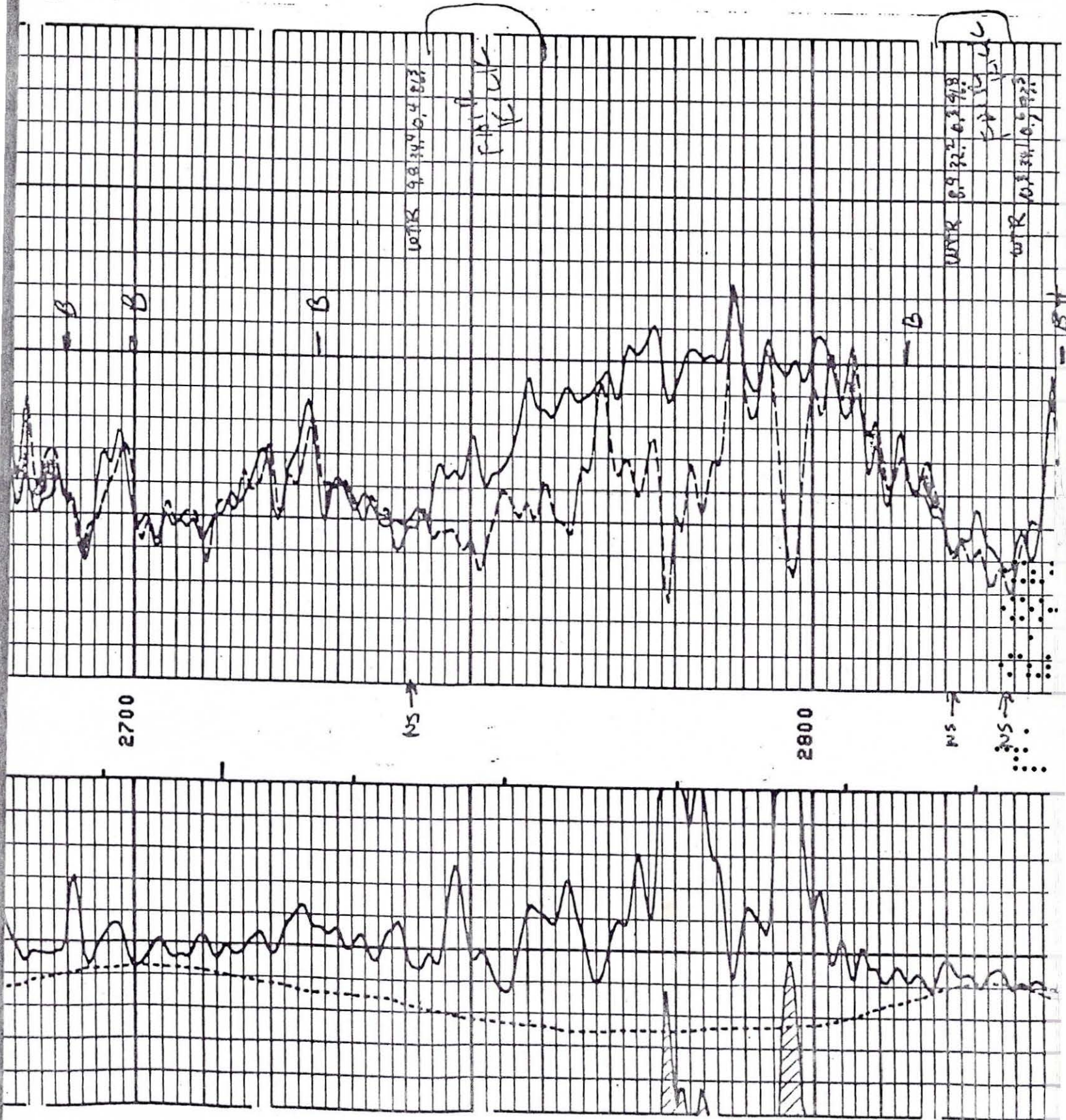


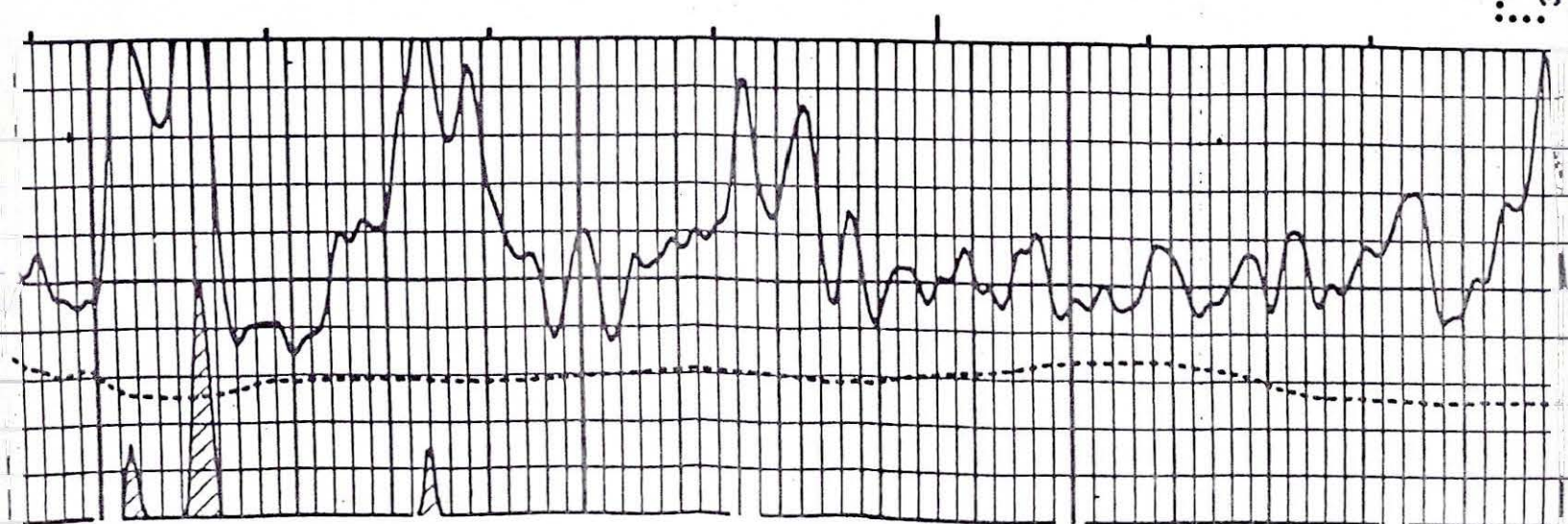
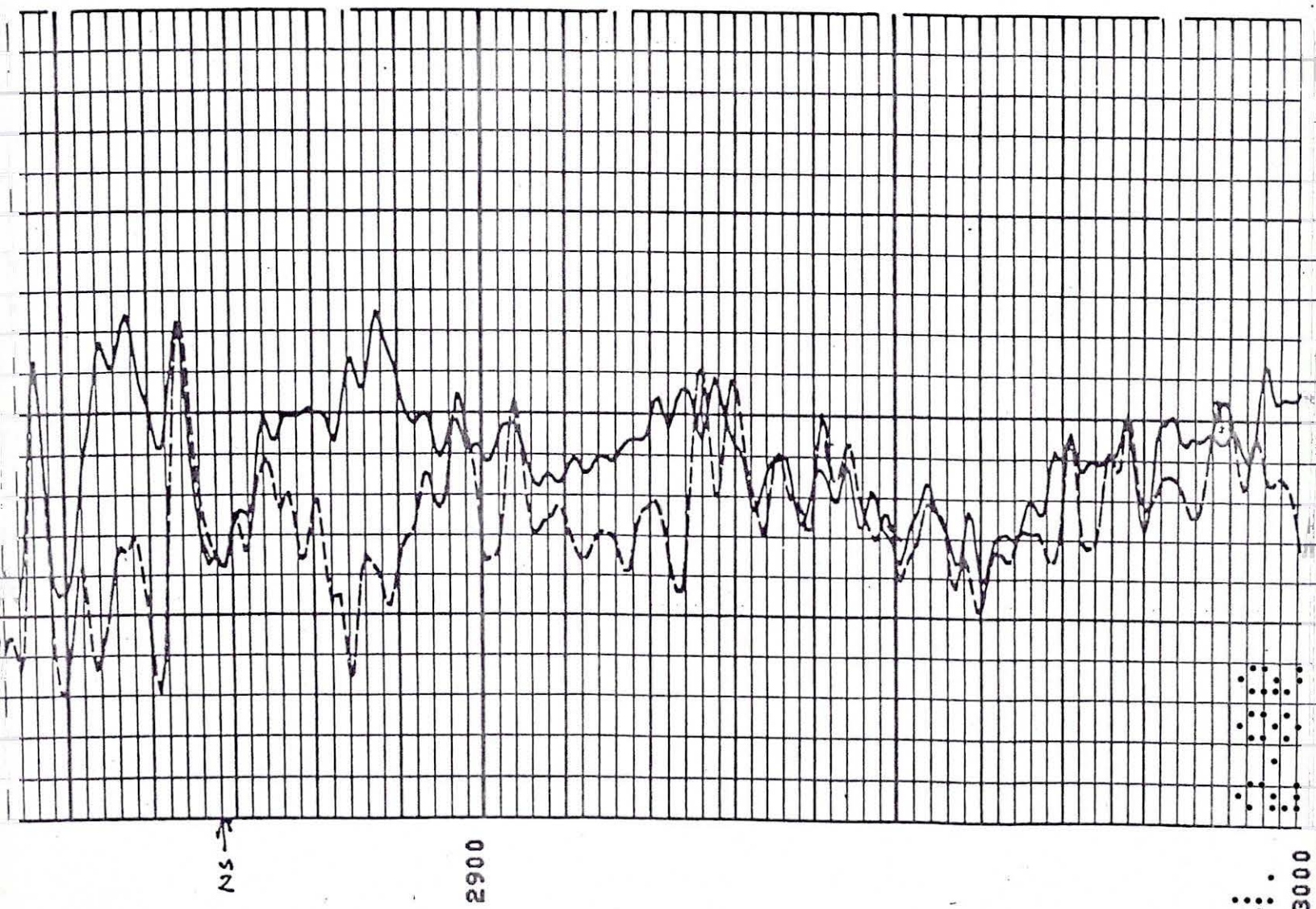


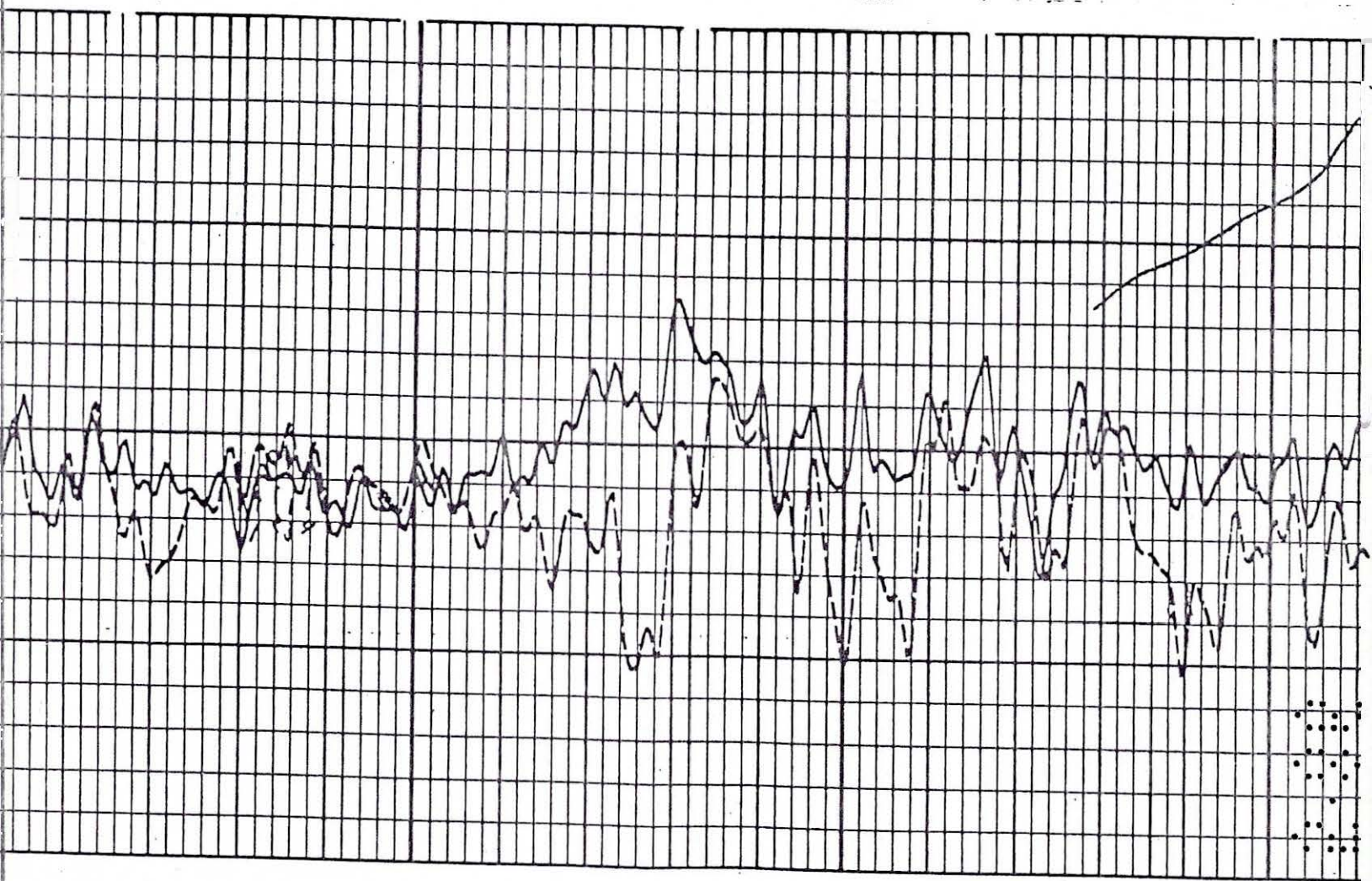




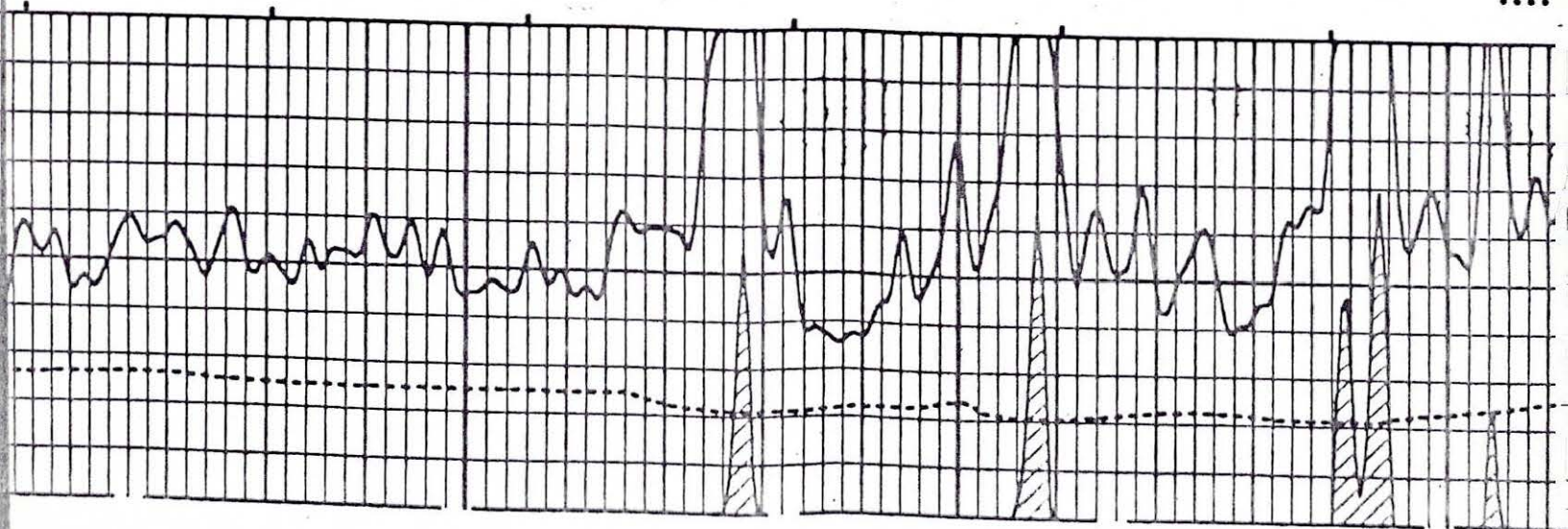


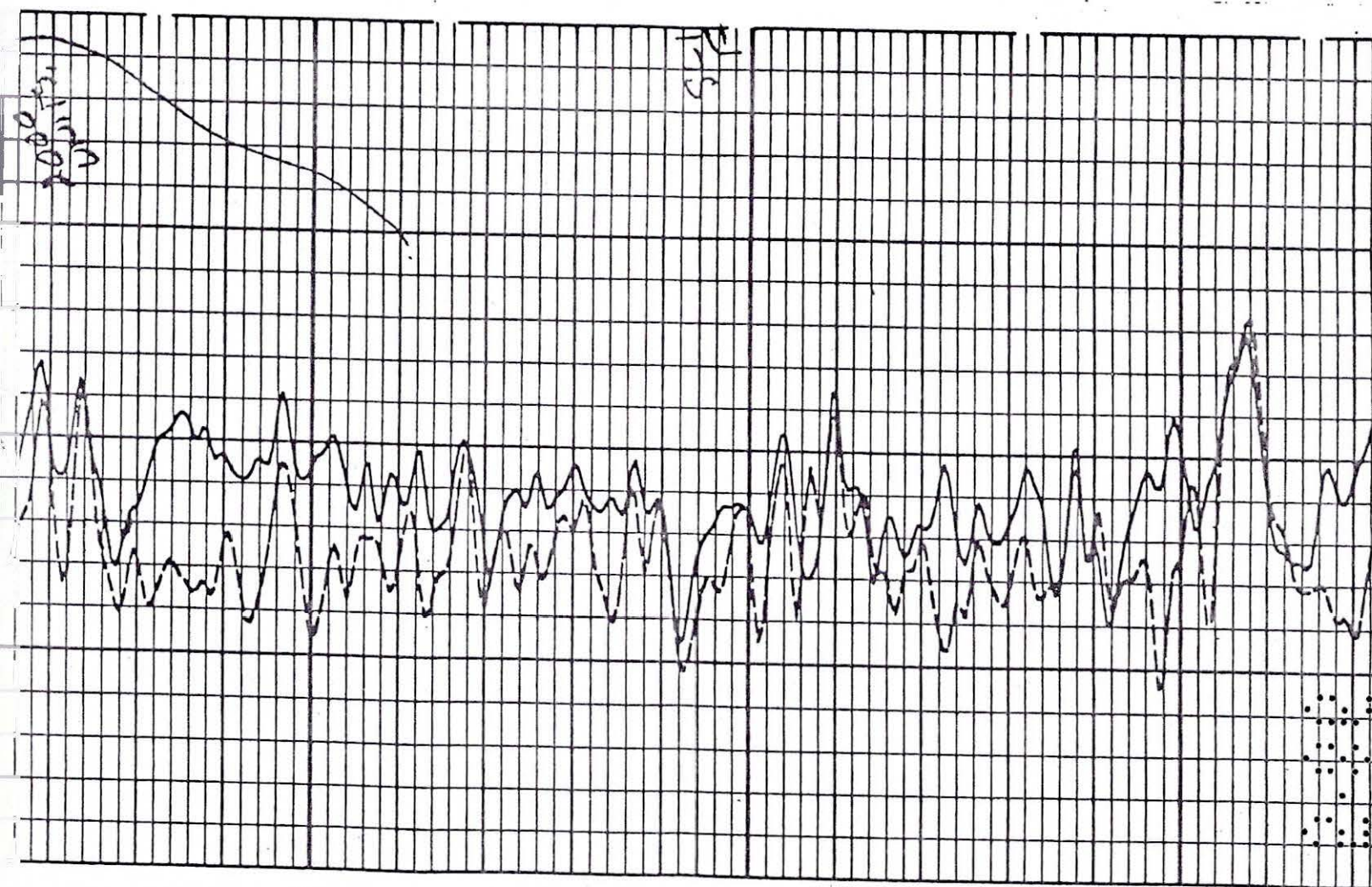






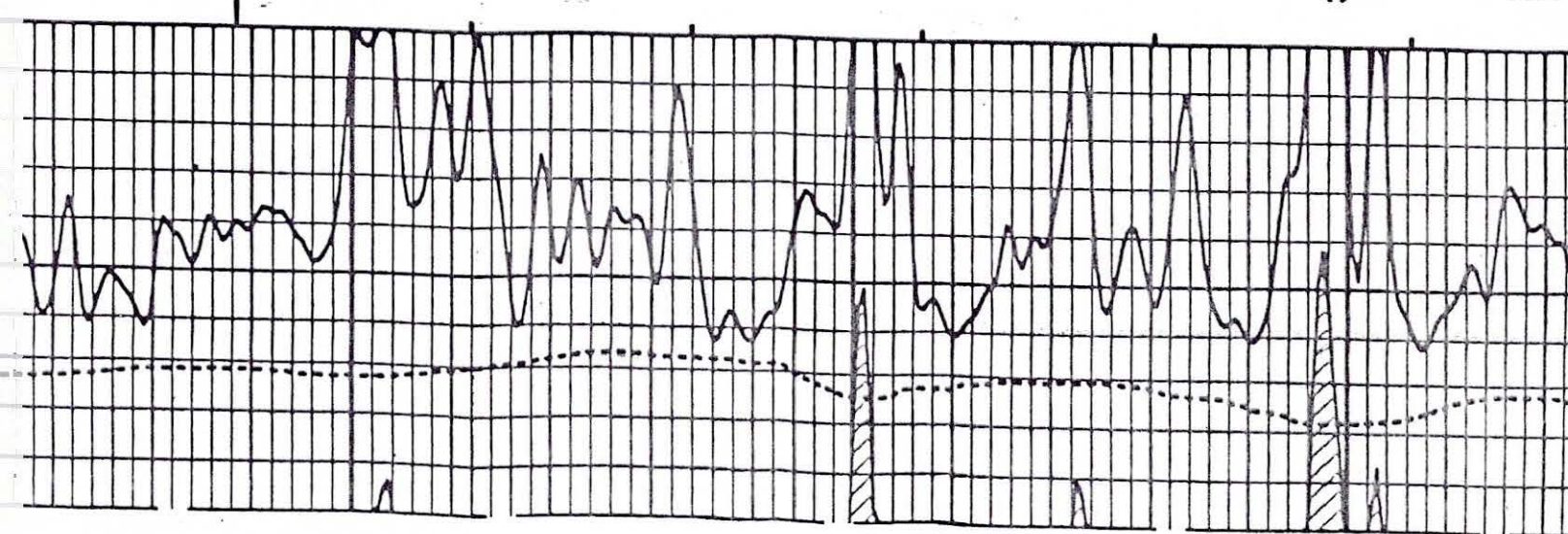
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3200

3300



4. 3. 08

16

87008

M.F. _____
ELECTRIC LOG - WELL # _____
GARRY MAURO, COMMISSIONER
FILED 4-14-86 BY SB