

015F

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO. NM-0437524

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME 19991

8. FARM OR LEASE NAME, WELL NO. Cerros AQF Fed. #1

9. API WELL NO. 30-015-29276

10. FIELD AND POOL, OR WILDCAT 865 cc
Morrow North Gas

11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA Sec. 15-T.18S-R.29E

12. COUNTY OR PARISH Eddy

13. STATE NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approx. 7 miles southwest of Loco Hills, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 990'

16. NO. OF ACRES IN LEASE 160

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH 11,600'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3465'

22. APPROX. DATE WORK WILL START* ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	450	Circulated
12 1/4"	9 5/8"	36#	4000	Circulated
7 7/8"	5 1/2"	17 & 20#	TD	Tie back to intermediate

Propose to drill and test the Morrow and Intermediate formation. Cement will be circulated on the 13 3/8" casing and the 9 5/8" casing. If commercial, production casing will be set and cemented. Production will be achieved with perforations and stimulation as warranted.

MUD PROGRAM: Spud to 450' FW Gel, paper; 450' to 3500' Brine; 3500' to 10200' cut Brine; 10200' to TD Drispac, XCD Polymer.

BOPE PROGRAM: BOP's will be installed on the 9 5/8" casing and tested daily.

Posted 10-1
NL & API
11-22-96

Special stipulations and
Attached

SEP 13 1996

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Ken Bendall TITLE Landman DATE 9-13-96

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Timothy P. O'Brien TITLE Acting Director DATE NOV 15 1996

*See Instructions On Reverse Side