

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

(Other instructions on reverse side)
N. M. INTERESTS COMMISSION
P. O. BOX 1980
HOBBS, NEW MEXICO

5. LEASE DESIGNATION AND SERIAL NO.
88240 88259

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Federal "31" A

9. WELL NO

10. FIELD AND POOL, OR WELDCAT
SE Chaves & N Gas
Wildcat Area Assoc

11. SEC. T., R. M., OR BLK.
AND SURVEY OR AREA
Sec. 31, T-12-S, R-31-E

12. COUNTY OR PARISH
Chaves

13. STATE
NM

22. APPROX. DATE WORK WILL START*
Dec. 1, 1993

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
* DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
D.C.B. Oil & Gas, Inc.

3. ADDRESS OF OPERATOR
3000 North Garfield Street, Suite 210, Midland, Texas 79705

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface
330' FNL & 330' FEL
At proposed prod. zone
330' FNL & 330' FEL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
15 miles SW of Caprock, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 330'

16. NO. OF ACRES IN LEASE
320 ac.

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
2,800'

20. ROTARY OR CABLE TOOLS
Rotary

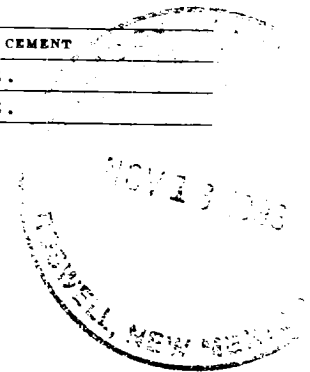
21. ELEVATIONS (Show whether DF, RT, GR, etc.)
**Estimated 4,038.3' ground level

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	3-5/8"	24#/ft.	350'	350 sks.
7-7/8"	4-1/2"	10.5#/ft.	2,800'	300 sks.

Attachments:

- 1) Surveyor Location Plat
- 2) Ten Point Resource Protection Plan
- 3) Multi-Point Surface Use and Operation Plan
- 4) Cultural Resources Survey



Midland National Bank \$10,000 Letter of Credit for plugging requirement will be furnished to BLM (Roswell Office) direct by the Bank.

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

24. SIGNED Don E. Bennett TITLE President DATE 11-11-93

(This space for Federal or State office use)

PERMIT NO. EX-1 APPROVAL DATE _____

APPROVED BY David Stout TITLE Asst. Area Manager DATE 12/17/93

CONDITIONS OF APPROVAL, IF ANY:

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION OF THE ACCESS ROAD OR PAD WITHOUT PERMISSION IN ADVANCE.

APPROVAL OF THIS PERMIT DOES NOT CONSTITUTE OR CERTIFY THAT THE FEDERAL GOVERNMENT HAS ANY INTEREST IN THE PROPERTY OR THAT THE FEDERAL GOVERNMENT IS ENTITLED TO THE APPLICABLE MINERAL RIGHTS.

*See Instructions On Reverse Side