

OFFRATOR'S COPY

Form 3150-3
(July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0138
Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK Drill <input checked="" type="checkbox"/> Deepen <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. LC-060529	
b. TYPE OF WELL Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		6. IF INDIAN, AGENT OR TRIBE NAME	
2. NAME OF OPERATOR Shahara Oil, LLC		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. 207 W. McKay Carlsbad, NM 88220		8. FARM OR LEASE NAME, WELL NO. Beeson "F" No. 18	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1000' FSL & 2225' FWL, Unit N At proposed prod. zone UNORTHODOX LOCATION Same		9. API WELL NO. 30-015-29830	
10. FIELD AND POOL, OR WILDCAT Loco Hills Queen Grayburg San Andres		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 31, T17S, R30E	
12. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE * 3 miles southwest of Loco Hills, NM		13. COUNTY OR PARISH Eddy County	
14. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 415'		15. NO. OF ACRES IN LEASE 440	
16. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 654'		17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
18. ELEVATIONS (Show whether DF, RT, GR, etc.) 3574' GR		19. PROPOSED DEPTH 3200'	
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START * September 1, 1997	
22. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/4"	8 5/8"	24# K-55	400' 570'
7 7/8"	5 1/2"	17# J-55	3200'
QUANTITY OF CEMENT		WITNESS	
250 sx - circulate		600 sx -	
100' above 8 5/8" csg shoe			

ROSWELL CONTROLLED WATER BASIN

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg for oil. Specific programs are outlined in the following attachments:

- DRILLING PROGRAM
- SURFACE USE AND OPERATING PLAN
- EXHIBIT A - ROAD MAP
- EXHIBIT B - EXISTING WELL MAP
- EXHIBIT C - LOCATION AND ACREAGE DEDICATION PLAT
- EXHIBIT C-1 - TOPO MAP
- EXHIBIT D - DRILLING AND RIG LAYOUT
- EXHIBIT E - 3M BOP EQUIPMENT

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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 Melanie Stacker TITLE Agent DATE 8/7/97

(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 Jerry L. Ferguson TITLE ADM, Minerals DATE 8/28/97

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

EXHIBIT

11973-6

DISTRICT I

P.O. Box 1260, Hobbs, NM 88241-1260

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Free Lease - 3 Copies

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		39520	Loos Hills Queen Grayburg San Andres
Property Code	Property Name		Well Number
17368	BEESON "F"		18
OGRID No.	Operator Name		Elevation
143119	SHAHARA OIL, LLC		3574

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	31	17 S	30 E		1000	SOUTH	2225	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code		Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

1243.4'				<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><u>Melanie Parker</u> Signature</p> <p><u>Melanie J Parker</u> Printed Name</p> <p><u>Agent</u> Title</p> <p><u>8/1/97</u> Date</p>
LOT 1 37.67 AC.				<p>SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>JULY 22, 1997</p> <p>Date Surveyed _____ JLP</p> <p>Signature & Seal of Professional Surveyor</p> <p><u>Ronald J. Eidson</u> 7-29-97</p> <p>W.D. Num. 97-1131187</p>
LOT 2 37.65 AC.				
LOT 3 37.63 AC.				
LOT 4 37.61 AC.	<p>2225'</p> <p>3568.6'</p> <p>3571.8'</p> <p>1000'</p> <p>3572.6'</p> <p>3576.1'</p> <p>1240.8'</p>			<p>Certificate No. JOHN G. WEST. 676</p> <p>RONALD J. EIDSON, 3239</p> <p>PROFESSIONAL SURVEYOR EIDSON, 12641</p>

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

FORM APPROVED

OMB NO. 1004-0138

Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

Drill

☒

Deepen

☐

b. TYPE OF WELL

Oil Well

☒

Gas Well

☐

Other

Single Zone

☒

Multiple Zone

2. NAME OF OPERATOR

Shahara Oil, LLC

3. ADDRESS AND TELEPHONE NO.

207 W. McKay
Carlsbad, NM 88220Phone: 505-885-5433
Fax: 505-885-4989

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

337' FSL & 1279' FWL, Unit N
UNORTHODOX LOCATION
Same

At proposed prod. zone

6. IF INDIAN ALLOTTEE OR TRIBE NAME

UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Beeson "F" No. 19

9. API WELL NO.

30-015-29829

10. FIELD AND POOL, OR WILDCAT

Loco Hills Queen Grayburg San Andres

11. SEC., T., R., M., OR BLK.

AND SURVEY OR AREA

Section 31, T17S, R30E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE *

3 miles southwest of Loco Hills, NM

12. COUNTY OR PARISH

Eddy County

13. STATE

NM

15. DISTANCE FROM PROPOSED *

LOCATION TO NEAREST

337'

16. NO. OF ACRES IN LEASE

440

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

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.

949'

19. PROPOSED DEPTH

3200'

20. ROTARY OR CABLE TOOLS

Rotary

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

3563' GR

22. APPROX. DATE WORK WILL START*

September 1, 1997

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# K-55	400' 570'	250 sx - circulate
7 7/8"	5 1/2"	17# J-55	3200'	600 sx -
				100' above 8 5/8" csg shoe

ROSWELL OFFICE

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg for oil. Specific programs are outlined in the following attachments:

DRILLING PROGRAM
SURFACE USE AND OPERATING PLAN
EXHIBIT A - ROAD MAP
EXHIBIT B - EXISTING WELL MAP
EXHIBIT C - LOCATION AND ACREAGE DEDICATION PLAT
EXHIBIT C-1 - TOPO MAP
EXHIBIT D - DRILLING AND RIG LAYOUT
EXHIBIT E - 3M BOP EQUIPMENT

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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

Melanie Harker

TITLE

Agent

DATE

8/7/97

(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

Jonny L. Ferguson

TITLE

ADM, Minerals

DATE

8/26/97

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

P.O. Box 1080, Hobbs, NM 88241-1080

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

P.O. Drawer DD, Artesia, NM 88211-0719

1000 Rio Brazos Rd., Artec, NM 87410

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

P.O. Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	39520	Loco Hills Queen Grayburg San Andres
Property Code	Property Name	Well Number
17368	BEESON "F"	19
OGRID No.	Operator Name	Elevation
143119	SHAHARA OIL, LLC	3563

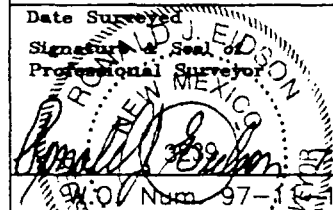
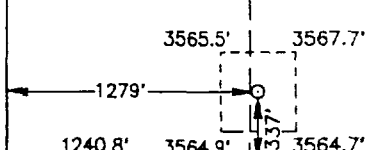
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	31	17 S	30 E		337	SOUTH	1279	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code		Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

1243.4'				OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>Melanie Parker</u> Signature <u>Melanie J. Parker</u> Printed Name <u>Agent</u> Title <u>8/7/97</u> Date
LOT 1 37.67 AC.				SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief. JULY 22, 1997 Date Surveyed JLP Signature & Seal of Professional Surveyor  7-29-87 97-121188 Certificate No. JOHN G. WEST, 678 RONALD S. EIDSON, 3239 GARY G. EIDSON, 12641
LOT 2 37.65 AC.				
LOT 3 37.63 AC.				
LOT 4 37.61 AC.				
				

OPERATOR'S COPY

Form 2160-3

(July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE

(Other instructions on
reverse side)

FORM APPROVED

OMB NO. 1004-0136

Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

Drill ☒

Deepen ☐

b. TYPE OF WELL

Oil Well ☒

Gas Well ☐

Other ☐

Single Zone ☒

Multiple Zone ☐

2. NAME OF OPERATOR

Shahara Oil, LLC

3. ADDRESS AND TELEPHONE NO

207 W. McKay

Phone: 505-885-5433

Carlsbad, NM 88220

Fax: 505-885-4989

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface

1974' FNL & 992' FEL, Unit H

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE *

2 1/2 miles southwest of Loco Hills, NM

15. DISTANCE FROM PROPOSED *

LOCATION TO NEAREST

666'

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT

737'

16. NO. OF ACRES IN LEASE

440

19. PROPOSED DEPTH

3200'

21. ELEVATIONS (Show whether OF, RT, GR, etc.)

3582' GR

23.

PROPOSED CASING AND CEMENTING DATA

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# K-55	500'	300 sx - circulate
7 7/8"	5 1/2"	17# J-55	3200'	600 sx -
				100' above 8 5/8" csg shoe

5. LEASE DESIGNATION AND SERIAL NO.

LC-060529

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Beeson "F" No. 22

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT

Loco Hills Queen San Andres

11. SEC., T., R., M., OR BLK.

AND SURVEY OR AREA

Section 31, T17S, R30E

12. COUNTY OR PARISH

Eddy County

13. STATE

NM

17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

September 1, 1997

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg for oil. Specific programs are outlined in the following attachments:

DRILLING PROGRAM

SURFACE USE AND OPERATING PLAN

EXHIBIT A - ROAD MAP

EXHIBIT B - EXISTING WELL MAP

EXHIBIT C - LOCATION AND ACREAGE DEDICATION PLAT

EXHIBIT C-1 - TOPO MAP

EXHIBIT D - DRILLING AND RIG LAYOUT

EXHIBIT E - 3M BOP EQUIPMENT

EXHIBIT F - TOP OF SALT MAP

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 Perry E. Hughes TITLE E.O. DATE 8/28/97

(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 Jerry L. Ferguson TITLE Asst. Manager DATE 9/16/97

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

9/17/97

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

RECEIVED

SEP 10 1997

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 39520	Pool Name Loco Hills Queen Grayburg San Andres
Property Code 17368	Property Name BEESON "F"	Well Number 22
OGRID No. 143119	Operator Name SHAHARA OIL, LLC	Elevation 3582

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	31	17 S	30 E		1974	NORTH	992	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 1 37.67 AC.									
LOT 2 37.65 AC.									
LOT 3 37.63 AC.									
LOT 4 37.61 AC.									

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Perry L. Hughes
Signature
Perry L. Hughes
Printed Name
PRESIDENT
Title
9/5/97
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JULY 18, 1997
Date Surveyed
Signature & Seal of Professional Surveyor
W.C. NUGRO-82411-1191
Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239
GARY G. EIDSON, 12641

OPERATOR'S COPY

Form 3160-3
(July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN			
1a. TYPE OF WORK Drill <input checked="" type="checkbox"/> Deepen <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. LC-060529	
b. TYPE OF WELL Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Shahara Oil, LLC		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. 207 W. McKay Phone: 505-885-5433 Carlsbad, NM 88220 Fax: 505-885-4989		8. FARM OR LEASE NAME, WELL NO. Beeson "F" No. 23	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 361' FSL & 2334' FEL, Unit O At proposed prod. zone Same		9. API WELL NO.	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 1.5 miles southwest of Loco Hills, NM		10. FIELD AND POOL, OR WILDCAT Loco Hills Queen San Andres	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 361'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 29, T17S, R30E	
16. NO. OF ACRES IN LEASE 440		12. COUNTY OR PARISH Eddy County	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 637'		19. PROPOSED DEPTH 3200	
20. ROTARY OR CABLE TOOLS Rotary		21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3594' GR	
22. APPROX. DATE WORK WILL START September 1, 1997		23. PROPOSED CASING AND CEMENTING PROGRAM	
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/4"	8 5/8"	24# K-55	500'
7 7/8"	5 1/2"	17# J-55	3200'
		QUANTITY OF CEMENT 300 sx - circulate 600 sx - 100' above 8 5/8" csg shoe	

**SUBJECT TO
LIKE APPROVAL
BY STATE FOR
UNORTHODOX LOCATION**

ROSWELL CONTROLLED WATER BASIN

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg for oil. Specific programs are outlined in the following attachments:

- DRILLING PROGRAM
- SURFACE USE AND OPERATING PLAN
- EXHIBIT A - ROAD MAP
- EXHIBIT B - EXISTING WELL MAP
- EXHIBIT C - LOCATION AND ACREAGE DEDICATION PLAT
- EXHIBIT C-1 - TOPO MAP
- EXHIBIT D - DRILLING AND RIG LAYOUT
- EXHIBIT E - 3M BOP EQUIPMENT
- EXHIBIT F - TOP OF SALT MAP

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 Perry E. Hughes TITLE E.O. DATE 8/28/97

(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 Larry L. Ferguson TITLE Asst. Manager DATE 9/14/97

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED
 1997 SEP - 30
 BUREAU OF LAND MANAGEMENT
 ROSWELL, NM

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

H 9/17/97

DISTRICT II
P.O. Drawer 112, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

SEP 10 '97

☐ AMENDED REPORT

BLM
ROSWELL, NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		39520	Loco Hills Queen Grayburg San Andres
Property Code	Property Name		Well Number
17368	BEESON "F"		23
OGRID No.	Operator Name		Elevation
143119	SHAHARA OIL, LLC		3594

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	29	17 S	30 E		361	SOUTH	2334	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div style="border: 1px dashed black; height: 400px; margin-bottom: 20px;"></div> <div style="border: 1px dashed black; height: 200px;"></div>	<div style="border: 1px solid black; padding: 5px;"> <p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p style="text-align: right; font-size: 1.2em;"><i>Perry L. Hughes</i></p> <hr/> <p>Signature</p> <p style="text-align: right; font-size: 1.2em;">Perry L. Hughes</p> <hr/> <p>Printed Name</p> <p style="text-align: right; font-size: 1.2em;">President</p> <hr/> <p>Title</p> <p style="text-align: right; font-size: 1.2em;">9/5/97</p> <hr/> <p>Date</p> </div> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p align="center">SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: right; margin-top: 10px;"> <p>JOHN G. EIDSON 1997</p> <p>Date Surveyed</p> <p>NEW MEXICO</p> <p>Signature & Seal of Professional Surveyor</p> <p>12641</p> <p><i>John G. Eidson</i></p> <p>1192</p> <p>W. O. PROFESSIONAL SURVEYOR</p> </div> </div> <div style="margin-top: 10px;"> <p>Certificate No. JOHN W. WEST, 676</p> <p align="right">RONALD J. EIDSON, 3239</p> <p align="right">GARY G. EIDSON, 12641</p> </div>
--	---

The diagram shows a well location (represented by a circle) with dimensions: 3599.2' (top left), 3599.4' (top right), 3590.0' (bottom left), 2334' (bottom right), and 361.0' (bottom center).

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0138
Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN		5. LEASE DESIGNATION AND SERIAL NO. LC-060529	
1a. TYPE OF WORK Drill <input checked="" type="checkbox"/> Deepen <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
b. TYPE OF WELL Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone <input type="checkbox"/>		7. UNIT AGREEMENT NAME	
2. NAME OF OPERATOR Shahara Oil, LLC		8. FARM OR LEASE NAME, WELL NO. Beeson "F" No. 24	
3. ADDRESS AND TELEPHONE NO. 207 W. McKay Carlsbad, NM 88220 Phone: 505-885-5433 Fax: 505-885-4989		9. API WELL NO.	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1340' FNL & 904' FEL, Unit H At proposed prod. zone Same		10. FIELD AND POOL, OR WILDCAT Loco Hills Queen San Andres	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 31, T17S, R30E		12. COUNTY OR PARISH Eddy County	
13. STATE NM		14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE * 2.5 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)	904'	16. NO. OF ACRES IN LEASE 440	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	652'	19. PROPOSED DEPTH 3200'	20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT GR, etc.) 3594' GR		22. APPROX. DATE WORK WILL START* September 1, 1997	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# K-55	500' 570' min	300 sx - circulate
7 7/8"	5 1/2"	17# J-55	3200'	600 sx -
				100' above 8 5/8" csg shoe

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg for oil. Specific programs are outlined in the following attachments:

- DRILLING PROGRAM
- SURFACE USE AND OPERATING PLAN
- EXHIBIT A - ROAD MAP
- EXHIBIT B - EXISTING WELL MAP
- EXHIBIT C - LOCATION AND ACREAGE DEDICATION PLAT
- EXHIBIT C-1 - TOPO MAP
- EXHIBIT D - DRILLING AND RIG LAYOUT
- EXHIBIT E - 3M BOP EQUIPMENT
- EXHIBIT F - TOP OF SALT MAP

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 *Perry E. Hughes* TITLE *E. O.* DATE *8/28/97*

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

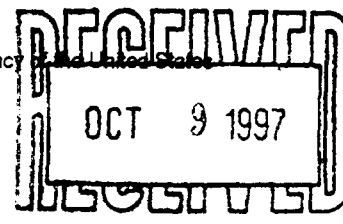
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY *Sony L. Ferguson* TITLE *ADM, Minerals* DATE *10/8/97*

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



WITNESS

SEESTIPS on setting 8 5/8" must be set @ 570' minimum (Fresh H2O)
- G. Goulet
BLM -
Roswell,
505-627-
0249
RECEIVED
1997 SEP - 3 P 10:07
BUREAU OF LAND MANAGEMENT
ROS WELL OFFICE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPE TOP'S

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT --" for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. LC-060529
2. Name of Operator Shahara Oil, LLC	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 207 W. McKay, Carlsbad, NM 88220 885-5433	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1340' FNL & 904' FEL, Unit H	8. Well Name and No. Beeson "F" No. 24
	9. Well API No.
	10. Field and Pool, or Exploratory Area Loco Hills Queen Grayburg San Andres
	11. County or Parish, State Eddy County, NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Change Well Name	<input type="checkbox"/> Dispose Water

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

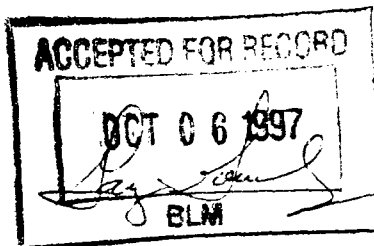
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this zone.)

To remain consistent we request to change the well name:

From: Beeson "F" No. 24

To: Beeson "F" Federal No. 24

SUBJECT TO
LIKE APPROVAL
BY STATE



RECEIVED
1991 SEP 23 A 9 28
BUREAU OF LAND MANAGEMENT
ROSWELL OFFICE

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

Signed Perry L. Hughes Title President Date 09/18/97

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE)

Approved By _____ Title _____ Date _____

Conditions of approval, if any:

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

RECEIVED

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico

Energy, Minerals and Natural Resources Department

SEP 10 97

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name	
		39520	Loco Hills Queen Grayburg San Andres	
Property Code	Property Name		Well Number	
17368	BEESON "F" <i>change name of well to BEESON "F" Federal No. 1</i>		24	
OGRID No.	Operator Name		Elevation	
143119	SHAHARA OIL, LLC		3588	

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	31	17 S	30 E		1340	NORTH	904	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Perry L. Hughes</i> Signature Perry L. Hughes Printed Name PRESIDENT Title 9/5/97 Date	
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. JULY 18 1997 Date Surveyed Signature & Seal of Professional Surveyor <i>Gary G. Eidson</i> W.O. Num. 97-1193	
	Certificate No. JOHN W. WEST, 676 RONALD J. EIDSON, 3239 GARY G. EIDSON, 12641	