

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
HOLDS, NEW MEXICO 88240

RECEIVED

5. LEASE DESIGNATION AND SERIAL NO.  
LC-029519(A)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
JUL 28 11 30 AM '89

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
B.V. Lunch "A" Federal

9. WELL NO.  
1

10. FIELD AND POOL, OR WILDCAT  
Lynch Yates-Seven Rivers

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA  
Sec. 34, T-20-S, R-34-E

12. COUNTY OR PARISH  
Lea

13. STATE  
NM

16. NO. OF ACRES IN LEASE  
520

17. NO. OF ACRES ASSIGNED TO THIS WELL  
40

19. PROPOSED DEPTH  
3950

20. ROTARY OR CABLE TOOLS  
Rotary

22. APPROX. DATE WORK WILL START\*

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  
OLSEN ENERGY, INC.

3. ADDRESS OF OPERATOR  
16414 San Pedro, Suite 470, San Antonio, Texas 78232

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface  
Unit J 2310' FSL & 2310' FEL  
At proposed prod. zone  
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
17 miles west of Eunice, N.M.

10. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
1650

16. NO. OF ACRES IN LEASE  
520

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.  
1043.5

19. PROPOSED DEPTH  
3950

20. ROTARY OR CABLE TOOLS  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3749' GR

22. APPROX. DATE WORK WILL START\*

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
N/A	13 3/8"	63	1002	N/A
N/A	10"	48	1475	N/A
9 1/2" est	8 5/8"	36	3373	225 Sacks
Present TD 3731'				
7 5/8	5 1/2"	14	3950'	150 sack (adj for calipers)

Present completion is open hole 3373 - 3731' in Yates-Seven Rivers  
Proposed new TD will still be in the Yates-Seven Rivers

1. MI-RU. Pull Rods. NU BOP'S. Pull 2 7/8" tubing.
2. GIH w/7 5/8" bit, 10 - 4 1/8" DC's & 2 7/8" tubing.
3. Deepen to 3950'.
4. Run DLL/MLL & ZDL/CNL logs from TD back to 8 5/8" casing.
5. Run 5 1/2" 14# used casing to TD. Cement w/150 sacks of Premium Plus 50/50 Poz-Mix cement w/2% gel + 3% salt + 1/4# Flocele & 3# Gilsonite (if necessary). TOC to be 3000' or above.

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.

SIGNED *Dick Mott* TITLE Drilling & Production Mgr. DATE 7-26-89

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY *Sammy Shaw* FOR UNITED STATES DEPARTMENT OF THE INTERIOR TITLE GENERAL MANAGER DATE 8-15-89

\*See Instructions On Reverse Side