

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
N.M. OIL CONS. COMMISSION
P.O. BOX 1980
HOBBS, NEW MEXICO 88240

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
 Meridian Oil Inc.

3. ADDRESS AND TELEPHONE NO.
 P.O. Box 1810 Midland, Texas 79710-1810 915-688-6943

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 330' FNL & 1470' FWL
 At proposed prod. zone *Unit C*

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 6.8 miles south of Jal, New Mexico

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

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL 160

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

19. PROPOSED DEPTH 3150'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 2994'

22. APPROX. DATE WORK WILL START* Upon Approval

5. LEASE DESIGNATION AND SERIAL NO.
 LC 030174-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME WELL NO.
 Rhodes 'B' Federal # 7

9. AM WELL NO.

10. FIELD AND POOL, OR WILDCAT
 Rhodes Gas Pool *Y-SR*

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 S26, T26S, R37E

12. COUNTY OR PARISH
 Lea

13. STATE
 NM

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"	28#	550'	300 SXS CIRCULATE
7 7/8"	4 1/2"	11.6#	3150'	650 SXS (TIE BACK)

Not in Potash Area
 Not in Prairie Chicken Area
 Hydrogen Sulfide Plan is attached
 Notice of Staking submitted on October 6, 1995
 Contact Person: Donna Williams, 915-688-6943

Approval for drilling only -- CANNOT produce until Non-Standard Location is approved.

OPER. OGRID NO. 26485
 PROPERTY NO. 17608
 POOL CODE 52256
 EFF. DATE 1/16/96
 API NO. 30-025-33249

RECEIVED
 OCT 20 10 27 AM '95

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 [Signature] TITLE Regulatory Compliance DATE 10/23/95

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____ APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

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 the production therefrom.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE ASST. DATE NOV 2 1995

*See Instructions On Reverse Side