Form 3160-3 (November 1983)

CONDITIONS OF APPROVAL, IF ANY :

## UNITED STATES

RIPLICATE\* (Other in. actions on

Budget Bureau No. 1004-0136 Expires August 31, 1985

reverse side) (formerly 9-331C) DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO. BUREAU OF LAND MANAGEMENT NM 074939 6. IF INDIAN, ALLOTTEE OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 1a. TYPE OF WORK 7. UNIT AGREEMENT NAME DRILL X DEEPEN b. TYPE OF WELL WELL X SINGLE ZONE MULTIPLE ZONE S. FARM OR LEASE NAME OTHER 2. NAME OF OPERATOR Gissler B SEP 19'88 Burnett Oil Co., Inc. WELL NO. 3. ADDRESS OF OPERATOR 801 Cherry St., Suite 1500, Fort Worth, TX 76102 O C. D. 10. FIELD AND POOL, OR WILDCAT Grayburg-Jackson 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Unit Letter K, 1980'FSL & FWL, Sec. 12-17S-30E At proposed prod. zone 12-17S-30E Same 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\* 12. COUNTY OR PARISH | 13. STATE 3 miles NE of Loco Hills, NM Eddy 15. DISTANCE FROM PROPOSED\*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL 1320' 80 (contiguous) 40 (Also to nearest drlg. unit line, if any) DISTANCE FROM PROPOSED LOCATION® 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1320' 3550 Rotary 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22. APPROX. DATE WORK WILL START\* 3761'GR Sept. 19, 1988 23 PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE SIZE OF CARING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 12날" 8-5/8" 24 425 ±300 sx Cl C (circulate) 5½" 7-7/8" 17 35501 ±500 sx (if water flows encountered, cementing program will vary) A 12½" surface hole will be drilled to the Rustler anhydrite. 8-5/8" casing will be run and cemented to surface. After testing casing, a 7-7/8" OD hole will be drilled through the Jackson zone at  $\pm 3550'$ .  $5\frac{1}{2}$ " OD casing will be run and cemented back to the base of the salt at ±1250'. BOP equipment will be double ram and tested to 3000 psi before drilling out below the surface pipe. POST ID#1 NL&API 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 verticel depths live blowout preventer program, if any. Production Superintendent SIGNET (This space for Federal or State office use) PERMIT NO. \_ APPROVAL DATE Orig. Signed by Richard L. Munus 9-16.18 AREA MANAGES CARLSBAD RESUURCE ATT APPROVED BY TITLE

## \*See Instructions On Reverse Side