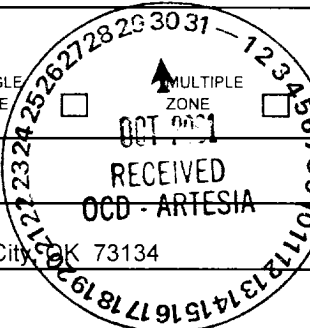


CISF

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

|  |  |  |  |
|--|--|--|--|
| 1a. TYPE OF WORK<br><b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>  |  | 5. LEASE DESCRIPTION AND SERIAL NO.<br><b>NM-516006, NM-89154</b>      |  |
| b. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <b>15773</b> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME                                   |  |
| 2. NAME OF OPERATOR<br><b>Louis Dreyfus Natural Gas Corporation</b>  |  | 7. UNIT AGREEMENT NAME<br><b>28989</b>                                 |  |
| 3. ADDRESS AND TELEPHONE NO.<br><b>14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134</b>   |  | 8. FARM OR LEASE NAME, WELL NO.<br><b>Saragossa "4" Federal Com #1</b> |  |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any state requirements)<br>At surface <b>UL I, 1980' FSL &amp; 660' FEL</b><br>At proposed prod. zone                        |  | 9. API NUMBER<br><b>30-015-32075</b>                                   |  |
| 10. FIELD AND POOL, OR WILDCAT<br><b>Carlsbad; Morrow, South</b>   |  | 11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA<br><b>4-23S-26E</b>    |  |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE<br><b>3 Miles Southwest of Carlsbad, New Mexico</b>   |  | 12. COUNTY OR PARISH<br><b>Eddy</b>                                    |  |
| 15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)<br><b>660'</b>  |  | 13. STATE<br><b>NM</b>   |  |
| 16. NO. OF ACRES IN LEASE<br><b>320</b>  |  | 17. NO. OF ACRES ASSIGNED TO THIS WELL<br><b>320</b>                   |  |
| 18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.<br><b>11,900'</b>   |  | 20. ROTARY OR CABLE TOOLS<br><b>R</b>                                  |  |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.)<br><b>3305'</b>   |  | 22. APPROX. DATE WORK WILL START<br><b>1-Oct-01</b>                    |  |



PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT           |
|--------------|-----------------------|-----------------|---------------|------------------------------|
| 17 1/2"      | 13 3/8" J-55          | 54.5#           | 675'          | 550 sx BJ Light & Class C    |
| 12 1/4"      | 9 5/8" LT&C           | 36#             | 2500'         | 880 sx Interfill C & Class C |
| 8 3/4"       | 7" N-80 & S95         | 23# & 26#       | 9,700'        | 1,150 sx 35/65 & 50/50       |
| 6 1/8"       | 4 1/2" P-110          | 13.5#           | 11,900'       | 350 sx Class H               |

1. Drill 17 1/2" hole to + 675'. Set 13 3/8" J-55, 54.5# surface csg at + 675'. Cement w/550 sx cement.
2. Drill 12 1/4" hole to + 2,500'. Set 9 5/8", LT&C, 36# csg at + 2,500'. Cement w/880 sx cement.
3. Drill 8 3/4" hole to + 9,700'. Set 7", N-80 & S-95, 23# & 26# at + 9,700'. Cement w/1,150 sx cement.
4. Drill 6 1/8" hole to + 11,900'. Set 4 1/2", P-110, 13.5# at + 11,900'. Cement w/350 sx cement.

See attached "Exhibit 6" for BOP program.

**Carlsbad Controlled Water Basin**

**ADDITIONAL SUBJECT TO  
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 Carla Christian TITLE Regulatory Technician DATE 8/1/01

(This space for Federal or State office use)

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

Applicant on 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 /s/ JOE G. LARA TITLE FIELD MANAGER DATE OCT 26 2001

\*See Instructions On Reverse Side

**APPROVAL FOR 1 YEAR**

Title 18 U.S.C. Section 1001, make 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.

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