

DRIVERED
AR. 31A, NM 00210
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT 1 RPLIFICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> RECEIVED		5. LEASE DESIGNATION AND SERIAL NO. NM 89051
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 N/A
2. NAME OF OPERATOR Mitchell Energy Corporation		7. UNIT AGREEMENT NAME N/A
3. ADDRESS AND TELEPHONE NO. P.O. Box 4000, The Woodlands, Texas 77387-4000		8. FARM OR LEASE NAME, WELL NO. Apache "24" Federal No. 4
4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations) At surface 1860' FNL & 405' FEL (SE/NE) At proposed prod. zone 1860' FNL & 405' FEL (SE/NE)		9. AP WELL NO. 30-015-28014
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 23 miles east of Carlsbad, NM		10. FIELD AND POOL, OR WILDCAT Wildcat; DELAWARE
10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 405'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 96035
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1025'		12. COUNTY OR PARISH Eddy
16. NO. OF ACRES IN LEASE 1,040		13. STATE NM
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3385 GR		22. APPROX. DATE WORK WILL START* 04-01-94

23. PROPOSED CASING AND CEMENTING PROGRAM				R-111-P Potash
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	K-55, 13 3/8	54.5#	500'	Class "C"; TOC = Surface
12 1/4"	K-55, 8 5/8	32#	3845'	Lite + Class "C"; TOC = Surface
7 7/8"	K-55, 5 1/2	17#	TD	50/50 POZ; TOC = 3400'

The operator proposes to drill to a depth sufficient to test the Delaware formation for oil. If productive, 5-1/2" casing will be cemented at TD. If non-productive, the well will be plugged and abandoned in a manner consistent with federal regulations. Specific programs as per Onshore Oil & Gas Order #1 are outlined in the following attachments:

Drilling Program

Surface Use & Operating Plan

- Exhibit #1 & 1A - Blowout Preventer Equipment
- Exhibit #2 - Location & Elevation Plat
- Exhibit #3 - Planned Access Roads
- Exhibit #4 - One-mile Radius Map

- Exhibit #5 - Production Facilities Layout
- Exhibit #6 - Drilling Rig Layout
- Exhibit #7 - Cultural Resources Examination

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.

SIGNED Kimberly Cimerhanzel TITLE Regulatory Assistant DATE 02-09-94

(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 Michael Ford TITLE Deputy Director DATE 6-14-94

*See Instructions On Reverse Side