

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
Permit 3515

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address RB OPERATING COMPANY 777 Main Street Fort Worth, TX 76102		OGRID Number 227588
		API Number 30-015-33838
Property Code 34469	Property Name MERLAND	Well No. 002

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	26	23S	28E	A	990	N	330	E	Eddy

Proposed Pools

LOVING,BRUSHY CANYON, EAST 40350

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type Private	Ground Level Elevation 2991
Multiple N	Proposed Depth 6500	Formation Delaware	Contractor	Spud Date 01/15/2005

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	570	350	0
Prod	7.875	5.5	15.5	6500	1650	0

Casing/Cement Program: Additional Comments

1. Drill 12 1/4 hole to depth of 570. 2. Set 8 5/8 casing to 550 and cement same to surface. 3. Test casing and BOPs to 1500 psi prior to drilling out shoe joint 4. Drill 7 7/8 hole to depth of 6500, log and evaluate. 5. I productive run 5 1/2 casing to 6500 and cement same to surface. NO H2s EXPECTED

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Schaffer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Linda Stiles

Title: Manager

Date: 12/10/2004

Phone: 817-810-1908

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 01/05/2005

Expiration Date: 01/05/2006

Conditions of Approval:

There are conditions. See Attached.