

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK  
 DRILL  DEEPEN  Reenter

b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER  Class I Waste Disposal Well SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
 Navajo Refining Company

3. ADDRESS AND TELEPHONE NO.  
 Post Office Box 159, Artesia, New Mexico 88211

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface 1980' FNL and 660' FWL Unit Letter E  
 At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.  
 NM 6852

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.  
 WDW-2

9. API WELL NO.  
 30-015-20894

10. FIELD AND POOL, OR WILDCAT  
 L. Wolfcamp-Cisco-Canyon Injection Zone

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 12-T18S-R27E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 11 air miles east-southeast of Artesia

12. COUNTY OR PARISH 13. STATE  
 Eddy NM

16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL

19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS  
 9200' Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 3607' GR, 3623' KB

22. APPROX. DATE WORK WILL START\*  
 May 1, 1999

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8-5/8"	32 lb/ft	1995'	800 sx circulated
7-7/8"	5-1/2"	17 lb/ft	9200'	Caliper volume + 20% excess

Proposed reentry of the Eastland Oil Company (originally Fred Pool Drilling, Inc.) Chukka Federal No. 2 (PBDT 1912 feet, September 10, 1985) formerly Amoco Production Company Diamond Federal Gas Com. No. 1 (OTD 10,372 feet, P&A August 31, 1973). The well currently produces oil and gas from perforations from 1446 feet to 1462 feet (Penrose).

Navajo will squeeze the perforations from 1446 feet to 1462 feet, drill out cement plugs and clean out the well to 9200 feet, set 5-1/2 inch casing at 9200 feet and cement to the surface, perforate porous intervals in the Lower Wolfcamp, Cisco, and Canyon Formations between 7270 feet and 9200 feet, and conduct injectivity tests.

Attached are the Well Location Plat, Drilling Program, and Surface Use Plan.

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 David Mace TITLE Env. Mgr. DATE 4/15/99

(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 \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

\*See Instructions On Reverse Side