## OCD-ARTESIA

FORM APPROVED Form 3160-3 OMB No 1004-0137 Expires July 31, 2010 (August 2007) UNITED STATES 5 Lease Serial No. DEPARTMENT OF THE INTERIOR NM - 010856 101856 BUREAU OF LAND MANAGEMENT If Indian, Allotee or Tribe Name APPLICATION FOR PERMIT TO DRILL OR REENTER 7 If Unit or CA Agreement, Name and No. DRILL ✓ REENTER la. Type of work: 8. Lease Name and Well No. Gas Well ✓ Other ✓ Single Zone Multiple Zone lb. Type of Well: Oil Well Shell Federal No. 2 9 API Well No. Name of Operator Fasken Oil and Ranch, Ltd. 30-015-22717 3b Phone No. (include area code) 3a. Address 10 Field and Pool, or Exploratory 303 W. Wall St., Ste. 1800 432-687-1777 Midland, TX 79701 SWD; Devonian 11. Sec., T. R. M. or Blk. and Survey or Area Location of Well (Report location clearly and in accordance with arry State requirements.\*) At surface 660' FWL & 3300' FSL Sec. 5, T21S, R24E At proposed prod. zone 660' FWL & 3300' FSL 12 County or Parish 13. State 14. Distance in miles and direction from nearest town or post office\* Eddy NM 14 miles Southwest from Lakewood, NM. Distance from proposed\* N/A 17 Spacing Unit dedicated to this well 16. No. of acres in lease location to nearest property or lease line, ft (Also to nearest drig unit line, if any) N/A 20 BLM/BIA Bond No. on file 19 Proposed Depth 18 Distance from proposed location' to nearest well, drilling, completed, applied for, on this lease, ft 11,000' NM 2729 Statewide Bond 22. Approximate date work will start\* Elevations (Show whether DF, KDB, RT, GL, etc.) 23. Estimated duration 10/01/2010 3766' GL 10 days 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form: Bond to cover the operations unless covered by 1. Well plat certified by a registered surveyor. Item 20 above). 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the Operator certification SUPO must be filed with the appropriate Forest Service Office) Such other site specific information and/or plans as uired by the Name (Printed/Typed) Date 25 Signature 08/27/2010 Kim Tyson Regulatory Analyst Dat 0CT 1 1 Name (Printed/Typed) Approved by (Signature) Is/ Don Peterson Title Office **FIELD MANAGER** CARLSBAD FIELD OFFICE 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, are attached Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, 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. (Continued on page 2) \*(Instructions on page 2)

Roswell Controlled Water Basin

SUBJECT TO LIKE APPROVAL BY BLM

Approval Subject to General Requirements & Special Stipulations Attached

Accepted for record

SEE ATTACHED FOR CONDITIONS OF APPROVAL