

N. M. Oil Cons. Division

1 S. 1ST ST.

ART. A. L.M 88210-2834

Form 3160-3
(July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0138

Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

Drill ☒ Deepen ☐

b. TYPE OF WELL

Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone ☐

2. NAME OF OPERATOR

Shahara Oil, LLC

3. ADDRESS AND TELEPHONE NO.

207 W. McKay
Carlsbad, NM 88220
Phone: 505-885-5433
Fax: 505-885-4989

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface

337' FSL & 1279' FWL, Unit N

At proposed prod. zone

UNORTHODOX LOCATION
Same

**SUBJECT TO
LIKE APPROVAL
BY STATE**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE *

3 miles southwest of Loco Hills, NM

12. COUNTY OR PARISH

Eddy County

13. STATE

NM

15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

337'

16. NO. OF ACRES IN LEASE

440

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

949'

19. PROPOSED DEPTH

3200'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3563' GR

22. APPROX. DATE WORK WILL START *

September 1, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# K-55	400' 570'	250 sx - circulate
7 7/8"	5 1/2"	17# J-55	3200'	600 sx -
				100' above 8 5/8" csg shoe

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg for oil. Specific programs are outlined in the following attachments:

DRILLING PROGRAM

SURFACE USE AND OPERATING PLAN

EXHIBIT A - ROAD MAP

EXHIBIT B - EXISTING WELL MAP

EXHIBIT C - LOCATION AND ACREAGE DEDICATION PLAT

EXHIBIT C-1 - TOPO MAP

EXHIBIT D - DRILLING AND RIG LAYOUT

EXHIBIT E - 3M BOP EQUIPMENT

**APPROVAL SUBJECT TO
GENERAL 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

Melanie Harker

TITLE

Agent

DATE

8/7/97

(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

ADM. MINERALS

TITLE

ADM. MINERALS

DATE

8-26-97

*See Instructions On Reverse Side

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