

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 <input checked="" type="checkbox"/> Deepen <input type="checkbox"/>			
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"/>			
2. NAME OF OPERATOR Shahara Oil, LLC			
3. ADDRESS AND TELEPHONE NO. 207 W. McKay Phone: 505-885-5433 Carlsbad, NM 88220 Fax: 505-885-4989			
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 361' FSL & 2334' FEL, Unit O At proposed prod. zone Same			
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 1.5 miles southwest of Loco Hills, NM			
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		16. NO. OF ACRES IN LEASE	
361'		440	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		19. PROPOSED DEPTH	
637'		3200	
21. ELEVATIONS (Show whether DF, RT, GR, etc.)		22. APPROX. DATE WORK WILL START	
3594' GR		September 1, 1997	
23. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/4"	8 5/8"	24# K-55	500'
7 7/8"	5 1/2"	17# J-55	3200'
		QUANTITY OF CEMENT	
		300 sx - circulate	
		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 PLAN
- EXHIBIT C-1 - TOPO MAP
- EXHIBIT D - DRILLING AND RIG LAYOUT
- EXHIBIT E - 3M BOP EQUIPMENT
- EXHIBIT F - TOP OF SALT MAP

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 Perry E. Hughes TITLE E.O. DATE 8/28/97

(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:

(ORIG. SGD.) TONY L. FERGUSON

ADM, MINERALS

APPROVED BY

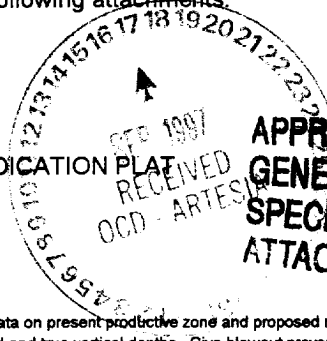
TITLE

DATE

9.16.97

\*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.



APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

RECEIVED  
1997 SEP 10 08  
BUREAU OF LAND MANAGEMENT  
ROSWELL, NM

Post ID-1  
9-26-97  
APF +  
Drew Loc

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV  
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

RECEIVED

SEP 10 97

BLM  
ROS WELL, NM AMENDED REPORT

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-29841</b>	Pool Code 39520	Pool Name Loco Hills Queen Grayburg San Andres
Property Code 17368	Property Name BEESON "F" <i>Federal</i>	Well Number 23
OGRID No. 143119	Operator Name SHAHARA OIL, LLC	Elevation 3594

Surface Location

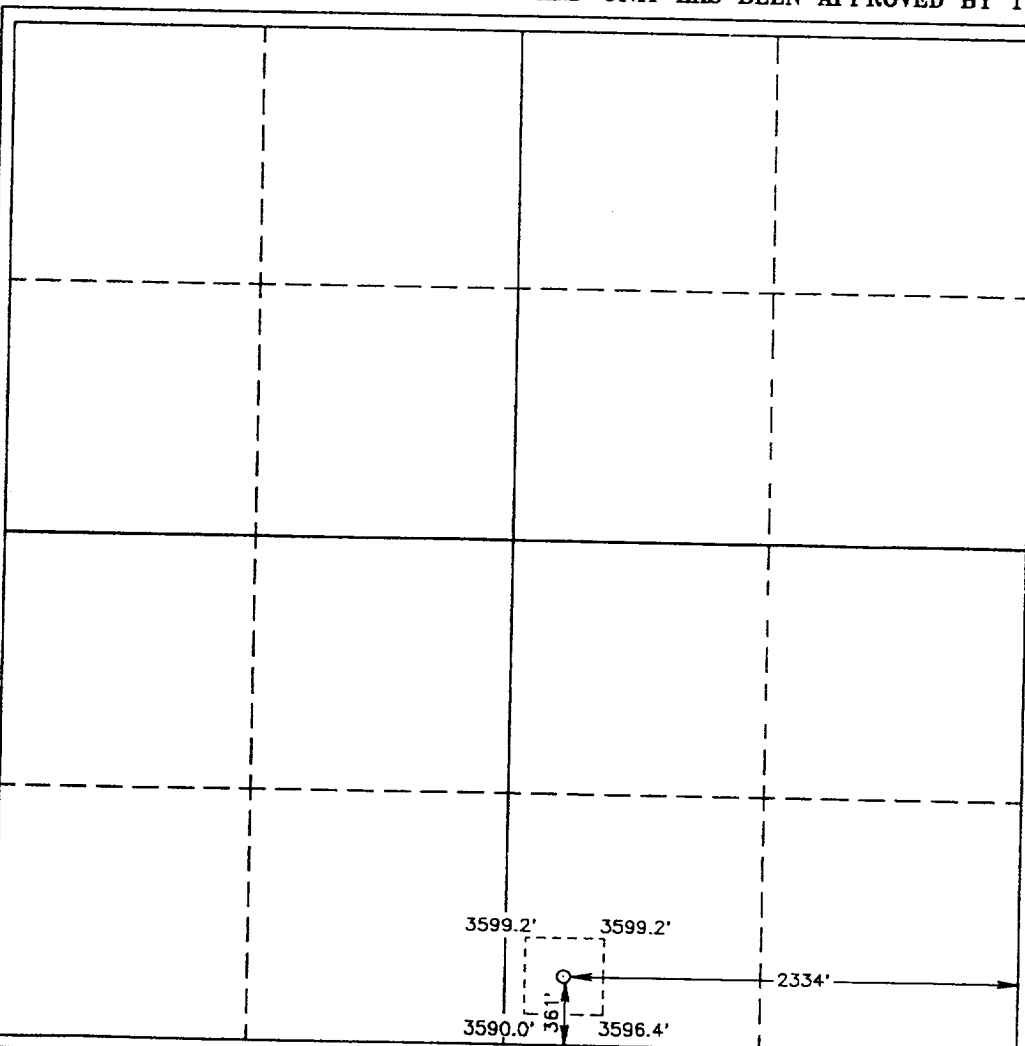
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	29	17 S	30 E		361	SOUTH	2334	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres <b>4.8</b>	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information  
contained herein is true and complete to the  
best of my knowledge and belief.

*Perry L. Hughes*  
Signature

**Perry L. Hughes**  
Printed Name

**PRESIDENT**  
Title

**9/5/97**  
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown  
on this plat was plotted from field notes of  
actual surveys made by me or under my  
supervision, and that the same is true and  
correct to the best of my belief.

**GARY G. EIDSON**  
Date Surveyed

**SEP 10 1997**  
Signature & Seal of  
Professional Surveyor

**12641**  
Professional Surveyor

**W. G. EIDSON**  
Professional Surveyor

**1192**  
Certificate No.

**JOHN W. WEST, 676**  
**RONALD J. EIDSON, 3239**  
**GARY G. EIDSON, 12641**