

N. M. Oil Cons. Division

814 S. 1ST ST.

ARTE. IM 88210-2834

Form 3160-3

(July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPL.
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

Drill



Deepen



JP/12/14/97

b. TYPE OF WELL

Oil Well



Gas Well



Other

Single Zone



Multiple Zone



2. NAME OF OPERATOR

Shahara Oil, LLC

143119

3. ADDRESS AND TELEPHONE NO.

207 W McKay, Carlsbad, NM 88220

505-885-5433 Fax: 505-885-4989

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

At surface

990' FSL & 1674' FEL, Unit O

At proposed prod. zone

Same

RECEIVED
OCD - ARTESIA

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

2.5 miles southwest of Loco Hills, NM

15. DISTANCE FROM PROPOSED *

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

330'

(Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

660'

16. NO. OF ACRES IN LEASE

440

19. PROPOSED DEPTH

3300'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3602' GR

22. APPROX. DATE WORK WILL START*

January 15, 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	500'	250 sx - circulate
7 7/8"	5 1/2"	17# J-55	4000'	600 sx
				100' above 8 5/8" csq shoe

WITNESS

ROSWELL CONTROLLED WATER BASIN

The operator proposes to drill to a depth sufficient to test the Queen and Yates
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

EXHIBIT F - TOP OF SALT MAP

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 Garcia TITLE Agent DATE 12/12/97

(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 (ORIG. SOD) TERRY L. FERGUSON TITLE ADM. MINERALS DATE 1-12-98

*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.

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

DISTRICT II
P.O. Drawer 22, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Branco Rd., Artesia, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 28509	Pool Name GRAYBURG JACKSON 7 RIVERS-QN-GB-SA
Property Code 17368	Property Name BEESON "F" FEDERAL	Well Number 25
GRID No. 143119	Operator Name SHAHARA OIL, LLC	Elevation 3602

Surface Location

UL or lot No. 0	Section 29	Township 17 S	Range 30 E	Lot Idn	Feet from the 990	North/South line SOUTH	Feet from the 1674	East/West line EAST	County 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		Joint or Infill	Consolidation Code	Order No.					

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.	
				Signature <i>Perry L Hughes</i>	
				Printed Name PERRY L HUGHES	
				Title PRESIDENT	
				Date 12/3/97	
				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.	
				NOVEMBER 25, 1997	
				Date Surveyed Signature & Seal of Professional Surveyor <i>Ronald L Eidson</i> W.O. Num. 97-1101936	
				Certification No. JOHN W. WEST, 678 RONALD L. EIDSON, 3239 RONALD L. EIDSON, 12641	

3596.2' 3604.0'

3592.0' 3592.3'

1674'

990'

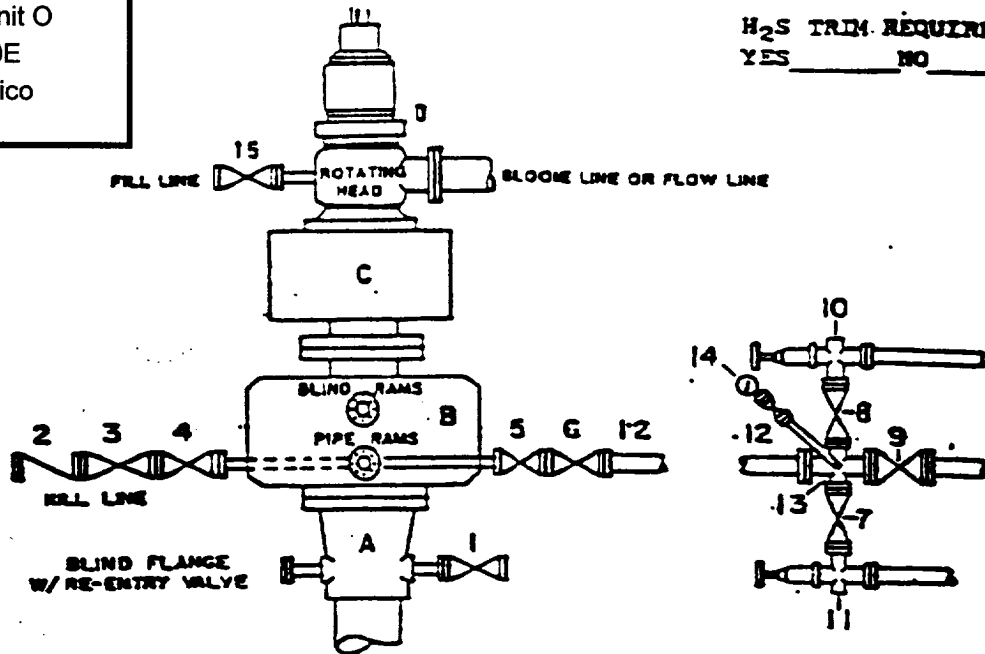
Exhibit "E"
BOP Diagram

Shahara Oil, LLC

Beeson "F" Federal #25
990' FSL & 1674' FEL, Unit O
Section 29, T17S, R30E
Eddy County, New Mexico

DRILLING CONTROL
CONDITION III-B 3000 PSI WP

H₂S TRIM REQUIRED
YES _____ NO _____



DRILLING CONTROL

MATERIAL LIST - CONDITION III - B

- | | |
|--------------------|---|
| A | Wellhead |
| B | 3000# W.P. Dual ram type preventer, hydraulic operated with 1" steel, 3000# W.P. control lines (where sub-structure height is adequate, 2 - 3000# W.P. single ram preventers may be utilized with 3000# W.P. drilling spool with 1" minimum flanged outlet for kill line and 1" minimum flanged outlet for choke line. The drilling spool is to be installed below the single ram type preventers). |
| C | 3000# W.P. Annular Preventer with 1" steel, 3000# W.P. control lines. |
| D | Rotating Head with fill up outlet and extended Blowline. |
| 1,3,4, 7,8, | 1" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Le Torr Plug valve. |
| 2 | 1" minimum 3000# W.P. back pressure valve. |
| 5,6,9 | 1" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Le Torr Plug valve. |
| 12 | 1" minimum Schedule 80, Grade 2, seamless line pipe. |
| 13 | 1" minimum x 1" minimum 3000# W.P. flanged cross. |
| 10,11 | 1" minimum 3000# W.P. adjustable choke bodies. |
| 14 | Cameron Mud Clogs or equivalent (location optional in Choke line). |
| 15 | 1" minimum 3000# W.P. flanged or threaded full opening steel gate valve, or Halliburton Le Torr Plug valve. |

SCALE:	DATE	EST. NO.	REV. NO.
DRAWN BY			
CHECKED BY			
APPROVED BY			

EXHIBIT E