

N. M. Oil Cons. Division

811 S. 1ST ST.

ARTESIA, NM 88210-2834

SUBMIT IN TRIPLICATE

(Other instructions on
reverse side)

FORM APPROVED

OMB NO. 1004-0136

Expires February 28, 1995

Form 3160-3

(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

505-885-5433

Fax: 505-885-4989

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

At surface

330' FSL & 50' FEL, Unit P

UNORTHDOXX LOCATION

At proposed prod. zone

Same

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.

1650'

(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.

717'

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

3622' GR

5. LEASE DESIGNATION AND SERIAL NO.

LC 053259A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Grayburg Jackson WFLU

8. FARM OR LEASE NAME, WELL NO.

Tract MA No. 6

9. API WELL NO.

30-015- 30170

10. FIELD AND POOL, OR WILDCAT

Grayburg Jackson, 7R-QN-GB-SA

11. SEC., T., R., M., OR BLK.

AND SURVEY OR AREA

Sec. 28, T17S, R30E

12. COUNTY OR PARISH

Eddy County

13. STATE

NM

16. NO. OF ACRES IN LEASE

1000

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

19. PROPOSED DEPTH

3600'

20. ROTARY OR CABLE TOOLS

Rotary

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	4800' 3600'	600 sx
				100' above 8 5/8" csg shoe

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
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 12/19/97

(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 _____

TITLE Agent

ADM. MINERALS

APR 01 1998

*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.