

N. M. Oil Cons. Division

811 S. 1ST ST.

ARTESIA, NM 88210-28
(Other instructions on reverse side)

Form 3160-3
(July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0136
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

Anadarko Petroleum Corporation

3. ADDRESS AND TELEPHONE NO.

PO Box 37, Loco Hills, NM 88255

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

At surface 1400' FSL & 1250' FEL

At proposed prod. zone

Same

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

Approximately 9 miles Southwest of Loco Hills, NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

(Also to nearest drilg. unit line, if any) 1390'

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

895'

16. NO. OF ACRES IN LEASE

2600

19. PROPOSED DEPTH

3200'

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3604' GR

22. APPROX. DATE WORK WILL START

Mid November, 1996

23.

PROPOSED CASING AND CEMENT

ROSWELL CONTROLLED WATER BASIN

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24#	300'	250 SX
7 7/8"	5 1/2" J-55	12.5#	3200'	815 SX

CIRCULATE WITNESS

*Cement will be circulated to surface on all casing strings.

Anadarko Petroleum Corp plans to drill to 3200'+/- to test the Grayburg and San Andres Formation for commercial quantities of oil. If the well is deemed non-commercial, the wellbore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Surface Use and Operating Plan

Exhibit #1 - Blowout Prevention Equipment

Exhibit #2 - Location and Elevation Plat

Exhibit #3 - Planned Access Roads

Exhibit #4 - Wells Within a One Mile Radius

Exhibit #5 - Production Facilities Plan

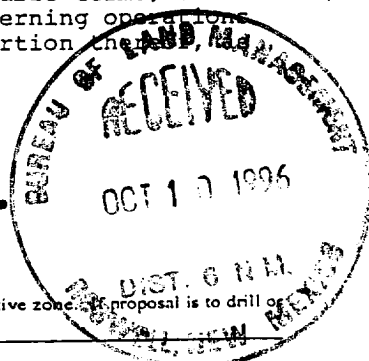
Exhibit #6 - Rotary Rig Layout

H2S Operating Plan

The undersigned accepts all applicable terms, conditions, stipulation, and restrictions concerning operations conducted on the leased land or portion thereof described above.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

**SUBJECT TO
LIKE APPROVAL
BY STATE**



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed 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 prevention program, if any.

24.

SIGNED

Mike Buaswell

TITLE

Field Foreman

DATE

10-8-96

(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. SGD.) TONY L. FERGUSON

TITLE

ADM. MINERALS

DATE

11-12-96

*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.