24.

N. M. CHEROTT, ENGINEE 883 B. S.

ARTO SUBMININTRIN BE

(Other instruction on

FORM APPROVED OMB NO. 1004-0136

	Expires: February 28, 1995	
5.	LEASE DESIGNATION AND SERIAL NO.	_

		EDSIVI		reverse sid	e)	Expires:	renium:	19 20, 1993
	DEPARTMEN	IT OF THE	EINTERIOR			5. LEASE DESIGNAT		
	BUREAU OF	LAND MANA	GEMENT			LC-05		
ADD	LICATION FOR	SERVIT TO	O DRILL OR	DEEDE	- 1	6. IF INDIAN, ALLO	ITEE OR	TRIBE NAME
1a. TYPE OF WORK	LICATION FOR P	PERMIT I	O DRILL OR	DEEPE	:14	7. UNIT AGREEMEN	T NAME	
	RILL X	DEEPEN						
b. TYPE OF WELL			enici e	MULTIP	י ביר	8. FARM OR LEASE	NAME 5	VELT NO
OIT X	GAS OTHER		SINGLE X	ZONE		VERMILLION		NO. 4
2. NAME OF OPERATOR	4	90				FEDERAL	22	95/
ARCO Permian		70		*		9. API WELL NO.	J 77	1120
3. ADDRESS AND TELEPHO	NENO. Midland, TX 79702			<u></u>	88-5570	30-01	<u>-8</u>	8135
	eport location clearly and in accorde	ance with any State of	requirements.*)		00-3370	10. FIELD AND POO	L, OK WII	LDCAT
At surface		ance with any own.	RE(CEIVED		RED LAKE	E (Q.	-GB-SA)
2310'FNL, 2110	FWL, LOT F			ARTESIA		11. SEC., T., R., M., AND SURVEY OF	OR BLK.	DAH.
At proposed prod. zone SAME					1	3 #-T18S-R27		<i>10-11-11</i>
	ID DIRECTION PROM NEAREST TOW	N OR POST OFFICE*				12. COUNTY OR PA		13. STATE
10 MILES SE OF	ARTESIA, NM					EDDY		NM
15. DISTANCE FROM PROP LOCATION TO NEARES			16. NO. OF ACRES IN LE	ASE	17. NO. OF	ACRES ASSIGNED		
PROPERTY OR LEASE I	INE, PT.		40			40		
18. DISTANCE PROM PROP	OSED LOCATION*		19. PROPOSED DEPTH		20. ROTARY	OR CABLE TOOLS		
TO NEAREST WELL, DI OR APPLIED POR, ON T	HIS LEASE, PT. NA		3800		ROTA	RY		
21. ELEVATIONS (Show w	hether DF,RT, GR, etc.)					22. APPROX. DAT	E WORK	WILL START*
3574*						1/98		
23.	I	PROPOSED CASING	G AND CEMENTING PR	OGRAM				
SEZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FO	WEIGHT PER FOOT SETTING DEPTH			OUANTITY OF CEMENT		
11'	8-5/8" J-55	24	1100*		700 FT 3 WINE			
7-7/8*	5-1/2" K-55	15.5#	38	00	1300 F	T ^S	T	<u> </u>
						~ 3		
	1	1	. •		ı			
	L IS PLANNED AS A 38							
3,000 PSI E	SOPE WILL BE USED FRO	M 1100, 10 I						
	* ADE AC FOLLOUS		Λ1	PROVA	L SUBJ	ECT TO	n 6 P**	
- · · · · · · · · · · · · · · · · · · ·	S ARE AS FOLLOWS:		ζ.	CNERAL	REQUI	REMENTS A	W.	
	ED LOCATION PLAT G PLAN WITH ATTACHMEN	TS.	G	CIACI IVI	CTIDI II	ATIONS	_	
	USE PLAN WITH ATTACH		S	PECIAL	211L0r	MIIOIT.	Pos:	t IO-1
J. JURY MGE	OR STAN MILL WINCH	FILITIJ	ATTACHED 3-13-98					13-98

API LLOC

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.

signed (i aplant a Chales	TITLE REGULATORY COMPLIANCE	
(This space for Fed	deral or State office use)		
PERMIT NO.		APPROVAL DATE	
	does not warrant or certify that the applicant holds legal or eq PPROVAL, IF ANY:	uitable title to those rights in the subject lease which would entitle the applicant	t to conduct operations thereon.
A PROPERTY BY	(UPIG. SGD.) ARMATERIA A TOWN	- TILE ACTIVE ADM. MINERALS	DATE 3 3 - 8 8

*See Instructions On Reverse Side

DISTRICT I P.O. Box 1960, Hobbs, NM 66841-1980

State of New Mexico

Energy, Minerale and Natural Resources Departmen.

Form C-102 Revised February 10, 1994 Submit to Appropriate District Office

RED LAKE (Q-GB-SA

Pool Name

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT II P.O. Drawer DD, Artesia, NM 68811-0719

DISTRICT III 1000 Rio Brason Rd., Astec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

DISTRICT IV P.O. Box 2008, Santa Fe, NM 87504-2088

API Number

WELL LOCATION AND ACREAGE DEDICATION PLAT

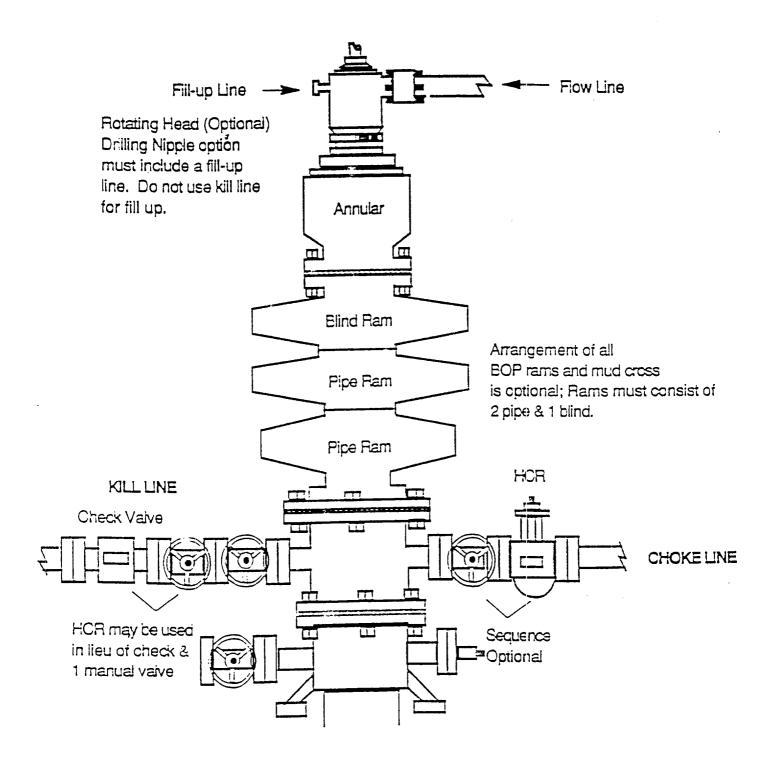
Pool Code

,											
Property (Code		Property Name VERMILLION "3" FEDERAL Operator Name						Well Number 4		
OGRID No		 							<u> </u>		
00090			ARCO PERMIAN								
<u> </u>	<u> </u>		<u></u>		Surface Loc	ation					
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
F	3	18 S	27 E		2310	NORTH	2110	WEST	EDDY		
	·	1	Bottom	Hole Lo	cation If Diff	erent From Sur	l'ace	I	L		
UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County		
Dedicated Acre	a Joint	or Infill Co	nsolidation	Code Or	der No.		*	<u> </u>	*		
40											
NO ALLO	WABLE	WILL BE AS	SSIGNED	ro this	COMPLETION	UNTIL ALL INTE	RESTS HAVE BI	EEN CONSOLIDA	ATED		
		OR A N	NON-STAN	DARD UN	IIT HAS BEEN	APPROVED BY	THE DIVISION				
LOT 4 38.	.58 AC.	LOT 3 3	8.87 AC.	LOT 2	39.17 AC. 1	OT 1 39.46 AC	OPERATO	OR CERTIFICAT	TION		
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	2110°-		-ò j		1		Date				
		3570.3°	3570.0	1			SURVEY	OR CERTIFICA	TION		
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] 			į		Certificate !	OFF GARRES EIDS	ST, 876 DN. 3239		

DRILLING OPERATIONS

CLASS-1: NORMAL PRESSURE < 10PPG

OPTION - 2: MMS STANDARD; SINGLE SZE DRILL STRING



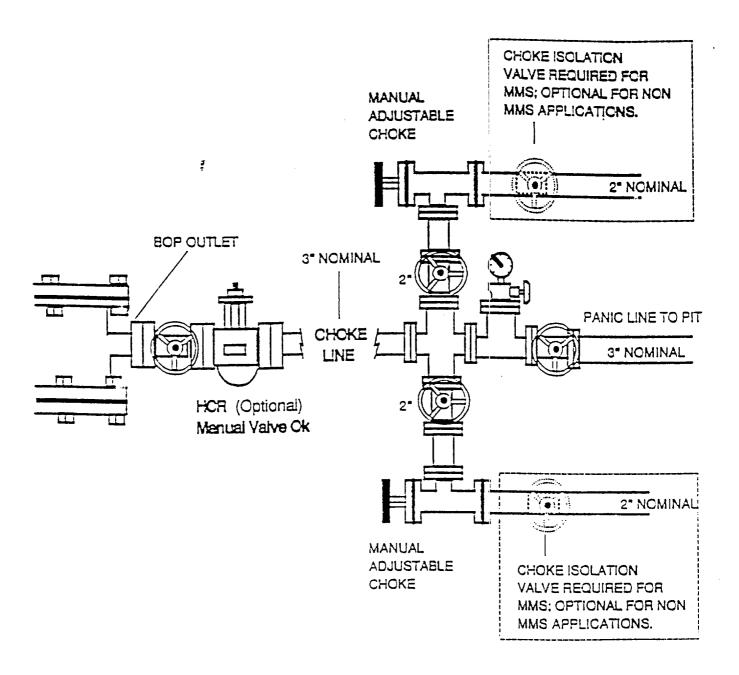


EXHIBIT 3

BLOWOUT PREVENTION EQUIPMENT SPECIFICATIONS

- 1. All BOP equipment shall be fluid and/or mechanically operated.
- 2. BOP's and all fittings will be in good working condition.
- 3. Equipment through which the bit must pass shall be at least as large as the casing size being drilled.
- 4. The nipple above the BOP shall be at least the same size as the last casing set.
- 5. The upper kelly cock with handle and lower kelly cock shall be rated at the BOP working pressure.
- 6. A floor safety valve (full opening) or drill string BOP with appropriate pressure ratings shall be available on the rig floor with connections or subs to fit any tool joint in the string.
- 7. The minimum size choke line shall be 3 inches nominal diameter, with a minimum size for vent lines downstream of chokes of 2 inches nominal, and vent lines which by-pass shall be a minimum of 3 inches nominal and as straight as possible.
- 8. All valves, fittings and lines between the closing unit and the blowout preventer stack should be of steel construction with rated working pressure at least equal to working pressure rating of the stack. Lines shall be bundled and protected from damage.
- 9. Minimum size for kill line is 2 inches nominal.
- 10. Ram type preventers shall be equipped with extension hand wheels or hydraulic locks.