Form 3160-3	·····.	Algery /	Store a	M. CH. Cons. I.	E.	FORM APPE OMB NO. 10	004-0136
(July 1992)		ED STATE		AF E (Other instruct reverse side)		Expires: Febru	
	DEPARTMEN	T OF THE	INTE	ERIOR		5. LEASE DESIGNATION AN	
	BUREAU OF L	AND MANAG	EMEN	Т		6. IF INDIAN, ALLOTTEE O	the second s
ADDI	ICATION FOR P	ERMIT TO) DRI	LL OR DEEPE	N		
1. TYPE OF WORK		DEEPEN]			7. UNIT AGREEMENT NAM	E
b. TYPE OF WELL OIL X	GAS GAS		SI 7	NGLE X MULTIPLI	° []	8. FARM OR LEASE NAME LAGO ROSA "4"	, WELL NO. 4
2. NAME OF OPERATOR	WELL OTHER					FEDERAL 23	058
ARCO Permian	990					9. API WELL NO.	SDIGD
3. ADDRESS AND TELEPHON	TE NO.			915-6	38-5570	10. FIELD AND POOL, OR	VILDCAT
P.O. Box 1610, N	port location clearly and in accorda	nce with any State re	equiremen				
At surface		1 6 1	,	R,		RED UAKE (11. SEC., T., R., M., OR BL	(Q-CB-SA)
330'FWL, 2210'FS At proposed prod. zone	sL M		16			AND SURVEY OR AREA	
SAME		bor		BECENTER	ħ	4-T18S-R27E 12. COUNTY OR PARISH	13. STATE
	D DIRECTION FROM NEAREST TOW	N OR POST OFFICE*		NCD - ARTESI	**	EDDY	NM
10 MILES SE OF	SED*				17. NO. OF TO THIS	ACRES ASSIGNED	
LOCATION TO NEAREST PROPERTY OR LEASE L (Also to pearest drig. 1)	NE. FT.		40			40	
18 DISTANCE PROM PROPO	SED LOCATION*			OSED DEPTH	1	Y OR CABLE TOOLS	
TO NEAREST WELL, DR OR APPLIED POR, ON T	HIS LEASE, PT. NA		380	0	ROT/	22. APPROX. DATE WO	RK WILL START*
21. FLEVATIONS (Show w	nether DF, RT, GR, etc.)					1/98	
3532				PARTING PROGRAM			
23.		······	IG AND CEMENTING PROGRAM			OUANTITY OF CE	MENT
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOR	or	SETTING DEPTH	700 F		38
11*	<u>8-5/8 J-55</u> 5-1/2 K-55	15.5#		3800	1300	FT J WITH	<u>.</u>
	L IS PLANNED AS A 38 SOPE WILL BE USED FRC	00' STRAIGHT	T HOLE.			ĥ	Post ID-1 3-20-98 PI+Loc
3,000 PSI E	OUTE WILL DE USED FRU	11 TTAA 10 1					
1. CERTIFII 2. DRILLIN	S ARE AS FOLLOWS: ED LOCATION PLAT S PLAN WITH ATTACHMEN USE PLAN WITH ATTACH	ITS IMENTS		GENE	RAL RE AL STI	UBJECT TO QUIREMENTS A PULATIONS	ND

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.

4. SIG		Cigalical Cashee	TITLE REGULATORY COMPLIANCE	
(T)	his space for Fe	deral or State office use)		
PE	RMIT NO	does not warrant or certify that the applicant holds legal or equita	APPROVAL DATE	to conduct operations thereon.
		APPROVAL, IF ANY:		
		(One, 502.) Andrews A. 1997	ADM MINERALS	DATE
	APPROVED BY	*See I	nstructions On Reverse Side	or agency of the United States any false

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 1960, Hobbs, NM 88841-1960

DISTRICT II P.O. Druwer DD, Artesia, NM 88811-0719

DISTRICT III 1000 Bio Brusos Rd., Astec. NM 87410

DISTRICT IV P.O. Box 2085, Santa Fe, NM 87504-2085 State of New Mexico

Energy, Minerals and Natural Resources Departm.

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

□ AMENDED REPORT

Pool Code Pool Name API Number RED LAKE Ca-GB-SA Property Name Well Number Property Code IAGO RÓSA "4" FEDERAL 4 Elevation Operator Name OGRID No. 3532 000990 ARCO PERMIAN Surface Location North/South line Feet from the East/West line County Fort from the UL or lot No. Section Township Range Lot Idn EDDY 2210 SOUTH 330 WEST 27 E 16 4 18 S Bottom Hole Location If Different From Surface Lot Idn Feet from the North/South line | Feet from the East/West line County III. or lot No. Section Range Township Consolidation Code Order No. Joint or Infill Dedicated Acres 40 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 37.70 AC. LOT 5 37.73 AC. LOT 6 LOT 8 39.92 AC. LOT 7 39.37 AC. OPERATOR CERTIFICATION I hereby certify the the information tained herein is true and complete to the best of my knowledge and bellef. 24. Signature LOT 12 37.28 AC. ELIZABETH ASBEE LOT 10 38.43 AC. LOT 9 38.93 AC. LOT 11 37.23 AC. Printed Name ANALYST REG/COMP Title 3 99 2 Dete SURVEYOR CERTIFICATION ào 3539 I hereby certify that the well location shown ______3544.6' NAD27 on this plat was plotted from field notes of 330 SPC actual surveys made by me or under my 1 ۰O NMF supervison, and that the same is true and X=513172=E 1 correct to the best of my belief. Y=645836=N 3530.2 3520.5' NOVEMBER 14, 1997 Date Surveyed JLP LOT 14 37.82 AC. LOT 13 37.61 AC. LOT 15 38.64 AC. LOT 16 38.85 AC. Signature & Seal of Professional Surveyor 4. VN ĉ 22 m 11-17-97 ₩.O. Nith. 97-13-1892 Cortificate No Oist WEST, 676 PROFESSIONALS J. EDSON. 3239 LOT 19 38.01 AC. LOT 20 37.80 AC. 12641 LOT 17 38.64 AC. LOT 18 38.43 AC.

ELHIBIT 1

DFILLING OPERATIONS CLASS - 1: NOFIMAL PRESSURE < 10PPG

CFTION - 2: MMS STANDARD; SINGLE SZE DFILL STRING



L-X HIBIT 2

DFILLING OPERATI() CHOKE MANIFOLD 2M AND 3M SERVICE



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.