Form 3160-3 (November 1983) (formerly 9-331C)

CONDITIONS OF APPROVAL, IF ANY :

Other that ructions on the COHS ever that ructions on the Countries of the

Budget Bureau No. 1004

UNITED STATES REG DEPARTMENT OF THE INTERIOR DD Expires August 31, 1985 5. LEASE DESIGNATION AND SERIAL NO. BUREAU OF LAND MANAGEMENTtesia. Ni 88210 APPLICATION FOR PERMIT TO DRILL, DEEPEN NM-29228 OR PLUG BACK 6. IF INDIAN, ALLOTTER OR TRIBE NAME 1a. TYPE OF WORK DRILL XX DEEPEN | PLUG BACK [7. UNIT AGREEMENT NAME b. TYPE OF WELL WELL XX WELL SINGLE OTHER MULTIPLE ZORE S. FARM OR LEASE NAME 2. NAME OF OPERATOR Benson "3" Federal Meridian Oil Inc. **RECEIVED** 3. ADDRESS OF OPERATOR 9. WELL NO. 21 Desta Drive, Midland, Texas 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements 30 10. FIELD AND POOL, OR WILDCAT Shugart Queen 1650' FNL & 330' FEL, Sec. 3, T19S, R30E 11. SEC., T., E., M., OR BLE.
AND SURVEY OR AREA At proposed prod. zone 다. C. D. ARTESIA, OFFICE 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOT Sec. 3, T19S, R30E 11 miles Southeast of Maljamar, NM 12. COUNTY OR PARISH | 13. STATE 15. DISTANCE FROM PROPUSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT NM 16. NO. OF ACRES IN LEASE NO. OF ACRES ASSIGNED TO THIS WELL 330' (Also to nearest drig, unit line, if any) 160 DISTANCE FROM PROPOSED LOCATION[®]
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS 1320' 37001 Rotary 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22. APPROX. DATE WORK WILL START* 3448' GR 23 1/15/90 PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH 12-1/11 QUANTITY OF CEMENT 8-5/8" 24 500 7-7/8" $450 \, \text{sx}$. ${\tt Circulate}$ 5-1/2" 15.5 35001 700 sx. Circulate Post FD-1 1-10-90 New Loc + APT 12-4" hole to 500'. Set 8-5/8" casing 0 500'. Cmt w/450 sx., Circ. Drill. 7-7/3" hole to 3500'. Set 5-1/2" casing @ 3500'. Cmt w/700 sx., Circ. Drill Mud Program: 0-500' Fresh water gel & lime; 500' - 3500' salt water; MW 9.8-10.2; No abnormal pressures or temperatures expected. BOP Program: $10^{\prime\prime}$ - 3M BOP stack to be installed on 8-5/8" & left on for remainder of drilling. Stack to consist of annular BOP, blind ram BOP, and one pipe ram BOP. Test BOP's after setting 8-5/8" csg with independent tester. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 24 SIGNED Operations Tech III DATE _12/15/89 (This space for Federal or State office use) PERMIT NO. APPROVAL DATE / aken his DATE 1-17-90 GARLSMAD PESSI URGE OVER