Form 3160-3 ("cl): 1992)	CORS. D' Jon SUBMER DE T DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT					FORM APPROVED OMB NO. 1004-0136 Expires: Fobrary 28, 1995 5. LEASE DESIGNATION AND SERIAL NO. NMNM 92748
APPLICATION FOR PERMIT TO DRILL OR DEEPEN						6. IF INDIAN, ALLOTTES OR TRIDE NAME
DRILL DEEPEN						7. UNIT AGREEMENT NAME
b. TYPE OF WELL	L					15911
OIL CAS WELL OTHER						8. FARM OR LEASE HAME WELL NO
Conoco, Inc. 507.7						Serrano Fed. NO. 2
3. ADDRESS AND TELEPHONE NO.						30-25-29401
10 Desta Dr. Ste 100W, Midland, TX 79705 FEB 2 7 1997 4. LOCATION or WELL (Report location clearly and in accordance with any State requirements.*)						10. PIELD AND POOL, OR WILDCAT STA
						No. Dagger Draw Up.Penn 11. smc., T., H., M., OM BLK.
At proposed prod. zone 1980' FSL & 660' FWL DICCON. DIV.						AND SURVEY OR ARDA
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OF POST OFFICE						Sec. 11, T-19S, R-25E 12. COUNTY OR PARISH 13. STATE
IT DETAILS IN ALLS AND DIRECTION FROM NEARED TOWN OF FOST OFFICE						Eddy NM
15. DISTANCE FROM PROP LOCATION TO NEARES		18. NO). OF ACRES IN LEASE		DF ACRES ASSIGNED	
FROPENTY OR LEASE LINE, ST. (Also to Dearset Grig. unit line, if any)			10 - 20			160
 DISTANUE FROM FROMORED LOCATION[®] To Nearest Well, Drilling, Completed, or Applied For, on This Lease, FT. 			19. FROPOSED DEPTH 8400 '		20. ROTIET OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF. RT, GR. etc.)						22. APPEOL DATE WORK WILL START"
3450 '						3/1/97
23. PROPOSED CA				SING AND CRASHTING PROGRAM		
SIZE OF ROLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT		BETTING DEPTH		QUANTITY OF CEMENT
<u>14-3/4"</u> 8-3/4"	<u>7-5/8" J-55</u> 7" K-55	36# 26#		8400	1300	Circ. WITNESS
It is proposed to drill this wellbore as a vertical Cisco producer according to the drilling plan outlined in the following attachments: 1. Well Location & Acreage Dedication Plat (C-102) - Unorthodox location filed with NMOCD 2. Proposed Well Plan Outline 3. Cementing Program 4. Surface Use Plan 5. EXHIBIT A - Vicinity Map 6. EXHIBIT A - Vicinity Map 7. EXHIBIT C - Standard Rig Layout 8. BOP and Choke Manifold Specifications (2 diagrams) 9. H2S Drilling Operations Plan & Diagram 10. Surface Owner settlement letter An archeological survey will be ordered for this location and forwarded when completed. The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations Conducted on the leased land or portion thereof, as destribed above and as covered by BLM Bond File No. ES-0085. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to depen, give data on present productive zone and proposed new productive zone. If proposal is to drill ard deepen directionally, give primer data on suburge locations and measured and meas						
	TINUUUU	TI			wraina	LUF DATE -1/ 64/ 7/
(This space for Fed	tral or State office use)					
PERMIT NO. Application approval does CONDITIONS OF APPROVA		pplicant holds legal or a	 equitable ti	APPROVAL DATE:	lease which w	would entitle the applicant to conduct operations thereon.
(ORIG. SC			E	OM MINERALS		_ DATE 2/24/97

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.