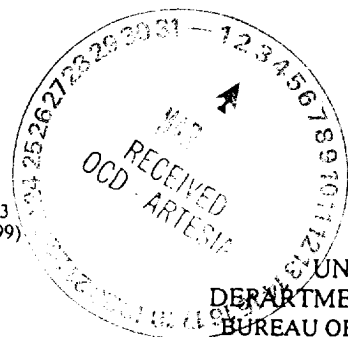


Form 3160-3
(August 1999)



ARTESIA, NM 87101

DEIVEL

JAN 12 '00

BLM
ROSWELL, NM

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

2. Name of Operator

David H. Arrington Oil & Gas Inc.

3a. Address

P.O. Box 2071 Midland, Tx. 79702

3b. Phone No. (include area code)

(915) 682-6685

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface S/2 NW/4 SW/4 SE/4 NW/4 SW/4

At proposed prod. zone Same

1650' S + 1980' W

14. Distance in miles and direction from nearest town or post office*

Well is 24 miles west of Carlsbad

15. Distance from proposed*

location to nearest
property or lease line, ft. 1980' FWL &
(Also to nearest drig. unit line, if any) 1650' FSL

16. No. of Acres in lease

280

17. Spacing Unit dedicated to this well

320

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

N/A

19. Proposed Depth

9200'

20. BLM/BIA Bond No. on file

UIB0005938

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

3768' GL

22. Approximate date work will start*

March 1, 2000

23. Estimated duration

45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Name (Printed/Typed)

Date

Jeffery G. Bane

1/11/00

Title

Approved by (Signature)

Name (Printed/Typed)

Date

Title

Acting Assistant Field Manager,
Lands And Minerals

Office

APPROVED FOR 1 YEAR

Application approval does not warrant or certify the 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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

*(Instructions on reverse)

Notify OCD at SPUD & TIME
to witness cementing the
75/8" casing.

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Department of
Minerals, and Natural Resources

Form C-102

Revised 02-10-94

Instructions on back

DISTRICT II

P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV

P. O. Box 2088
Santa Fe, NM 87507-2088

OIL CONSERVATION DIVISION

P. O. Box 2088
Santa Fe, New Mexico 87504-2088

JAN 14 2000

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name			
4 Property Code		5 Property Name ORANGE STIMULATOR CADDIS FEDERAL COM				6 Well Number 1	
7 OGRID No.		8 Operator Name DAVID H. ARRINGTON OIL & GAS, INC.				9 Elevation 3768'	

" SURFACE LOCATION

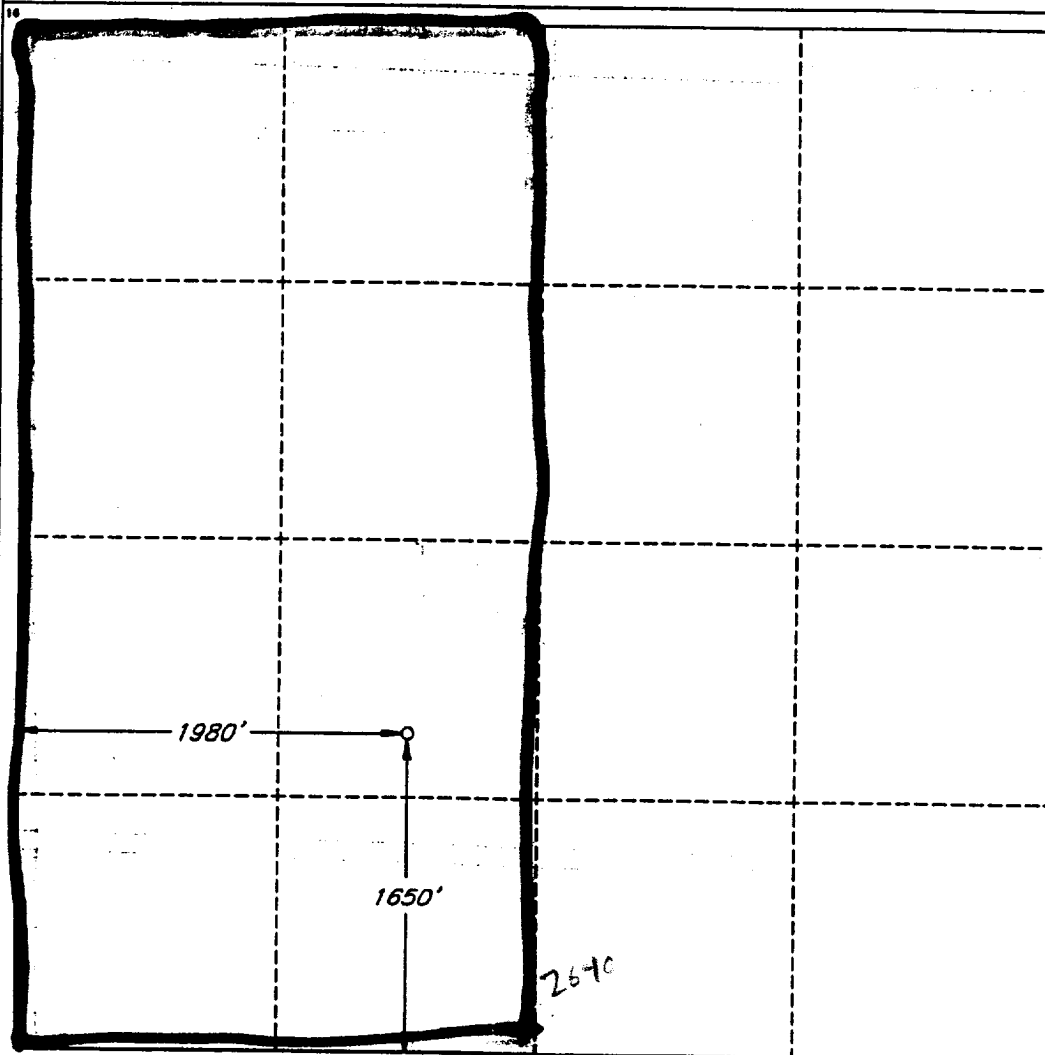
UL or lot no. K	Section 28	Township 20 SOUTH	Range 24 EAST, N.M.P.M.	Lot Ida	Feet from the 1650'	North/South line SOUTH	Feet from the 1980'	East/West line WEST	County EDDY
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"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
---------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN
CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information
contained herein is true and complete
to the best of my knowledge and belief.

Signature

Printed Name

Jeffrey G. Lane

Title
E.M.

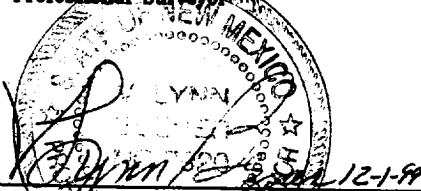
Date
1/14/00

SURVEYOR CERTIFICATION

I hereby certify that the well
location shown on this plat was
plotted from field notes of actual
surveys made by me or under
my supervision, and that the
same is true and correct to the
best of my belief.

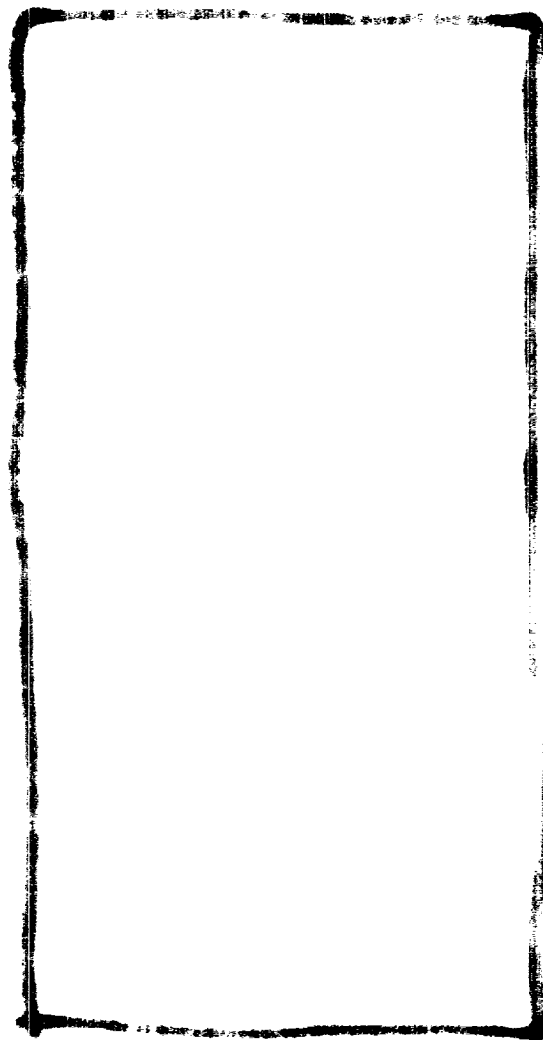
Date of Survey
NOVEMBER 24, 1999

Signature
Professional Surveyor



Certificate No.
V. L. BRZNER S.R.S. #7920

JOB #66435 / 76 SE / V.H.B.



Drilling Plan

for

David H. Arrington Oil & Gas, Inc.'s

Orange Stimulator Caddis #1

1980' FWL & 1650' FSL
Section 28, T-20-S, R-24-E, N.M.P.M.
Eddy County, New Mexico

Lease Serial # NM-101559

Surface Formation: Artesia Group of Permian Age

Estimated Tops of Geologic Markers:

San Andres	@	450'
Wolfcamp	@	5400'
Canyon	@	7300'
Morrow	@	8800'
Chester	@	9100'

Estimated Depths to Water, Oil or Gas Formation:

Water	@	450'
Oil	@	5400'
Gas	@	5400'

Proposed Casing Program:

9 5/8" Casing- ^{625'} 1100' 32 & 36# H-40 ST&C ← min. hole 12 5/8" **WITNESS**
~~7" Casing - 3200' 23# J-55 ST&C~~
~~7" Casing - 6000' 23# J-55 ST&C~~
~~7" Casing 9200' 23# 5-95 LT&C~~

The surface and production casing strings will be tested to 1000 psi.

Pressure Control Equipment:

Pressure control equipment will include a ³⁰⁰⁰ ~~2000~~ # WP blowout preventer stack, with Series 900 blind and pipe rams. The BOP stack will include a kill line and choke manifold tested to 1000 psi. BOP hydraulic controls will be operated at least daily. A BOP schematic is attached.