

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N. M. Oil Cons. Division

811 S. SUBMIT IN THE DATE\*  
ARTESIA (Other instructions on  
reverse side)FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO <b>NM 93457</b>	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR <b>Nadel and Gussman Permian L.L.C.</b>		7. UNIT AGREEMENT NAME <b>28274</b>	
3. ADDRESS AND TELEPHONE NO. <b>601 N. Marienfeld Suite 508, Midland, Texas 79701</b>		8. FARM OR LEASE NAME, WELL NO. <b>B&amp;C "25" Federal #3</b>	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface <b>1310' FNL, 1980' FEL, Unit Letter B</b> At proposed prod. zone <b>same</b>		9. API WELL NO. <b>30-015-31847</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* <b>19 miles south of Hope, NM</b>		10. FIELD AND POOL, OR WILDCAT <b>Little Box Canyon</b>	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drg. unit line, if any) <b>1310'</b>		11. SEC., T., R., M., OR BLK AND SURVEY OR AREA <b>25 - T20S - R21E</b>	
16. NO. OF ACRES IN LEASE <b>320</b>		12. COUNTY OR PARISH <b>Eddy</b>	
17. NO. OF ACRES ASSIGNED TO THIS WELL <b>320</b>		13. STATE <b>New Mexico</b>	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. <b>2750'</b>		20. ROTARY OR CABLE TOOLS <b>rotary</b>	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>4341' GL</b>		22. APPROX. DATE WORK WILL START* <b>07/15/01</b>	
23. <b>Rooswell Controlled Water Basin</b>			

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8", H-40	48#	450' 900'	500 sx, circ. to surface, witnessed
12-1/4"	9-5/8, J-55	36#	1500'	1000sx, circ. to surface, witnessed
8-3/4"	5-1/2", N-80 *	17#, 20#	8,400'	850 sx, TOC @ 5000' **

The operator proposes to drill to a depth sufficient to test the Morrow and Cisco formations. If productive, 5-1/2" casing will be set at TD and cemented to approximately 5,000'. If non-commercial, the well will be plugged in accordance with federal regulations. A 3000# tree will be nipped up prior to perforating.

\* If necessary, will run 7" liner above Strawn.

## Attachments:

Surface use and operating plans  
BOP and choke schematics  
lease, road and topographical maps  
Statement Accepting Responsibility for Operations  
wellsite and rig layouts  
certified location plat (C-102)  
Archeological Survey and Clearance Report



**APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED**

IN ABOVE SPACE DESCRIBE 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.

24.

SIGNED

TITLE **R. McNaughton -Operations Engineer**

DATE

**4-17-01**

(This space for Federal or State office use)

PERMIT NO.

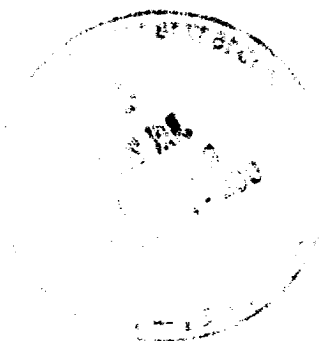
APPROVAL DATE

Application approval does not warrant or certify that 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:

APPROVED BY **/s/ LESLIE A. THEISS** TITLE **FIELD MANAGER**DATE **JUN 18 2001****\*See Instructions On Reverse Side**

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.

**APPROVAL FOR 1 YEAR**



APR 1 2001