NM CT CONS. CONSIDERION 36-015-2513 SUBMIT IN 1 ... PLICATE* (NRFEEFILED BY ArtuNITED STATES (Other instructions on Budget Bureau No. 1004-0136 Expires August 31, 1985 DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO. DEC 13 1984 BUREAU OF LAND MANAGEMENT <u>NM-</u>40256 APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 6. IF INDIAN, ALLOTTER OR TRIBE NAME 1a. ARTEGIAPIOFFICE DEEPEN [7. UNIT AGREEMENT NAME PLUG BACK [7] b. TYPE OF WELL OIL WELL X SINGLE MULTIPLE ZONE 8. FARM OR LEASE NAME OTHER 2. NAME OF OPERATOR H.W. Stott Federal Liberty Oil & Gas Corporation
3. ADDRESS OF OPERATOR 1776 Woodstead Court, Suite 200, The Woodlands, Texas 10. FIELD AND POOL, OR WILDCAT <u> Avalon East-Bone Spring</u> 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 1980' FSL & 1980' FWL NE/4 SW/4 Unit KS At proposed prod. zone Same Sec. 1, T21S, R27E 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 17. NO. OF ACRES ASSIGNED TO THIS WELL 8 miles northeast of Carlsbad. New Mexico O MILES HOW PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig, unit line, if any) N.M. 16. NO. OF ACRES IN LEASE 6601 <u> 188.25</u> 20. ROTARY OR CABLE TOOLS 18. DISTANCE FROM PROPOSED LOCATION®
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 19. PROPOSED DEPTH 61001 ${ t Rotarv}$ 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22. APPROX. DATE WORK WILL START* 3197' GR November 20, 1984 23. PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE BIZE OF CABING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 1/2" 3/8" *54.50#* 4001 400 sx(Circulate 8 5/8" 24 & 28# 25501 1150 sx(Circulate) 7/8" 1/2" 15.50# T.D. Sufficient to isolate all oil, gas, and water zones. .Proposed plans are to drill through the Bone Spring formation and test for possible commercial production of oil and gas. Attached is a copy of Liberty's lessee bond covering the lands described under Lease No. NM-40256. BOP sketch is also attached. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive sone 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. SIGNED Agent TITLE (This space for Federal or State office use) APPROVAL DATE AREA MANAGER 12-12-8 APPROVED BY CONDITIONS OF APPROVAL, IF ANY : APPROVAL SUBJECT TO

*See Instructions On Reverse Side

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS