

Handwritten: J M C D Carter

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

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|--|--|---|
| 1. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> | | 5. LEASE DESIGNATION AND SERIAL NO. NM05608 |
| 2. NAME OF OPERATOR Marathon Oil Company <i>14021</i> | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME |
| 3. ADDRESS AND TELEPHONE NO. P.O. Box 552, Midland, TX 79702 | | 7. UNIT AGREEMENT NAME NORTH INDIAN BASIN <i>6411</i> |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1750' FNL & 1650' FWL At proposed prod. zone 1750' FNL & 1650' FWL <i>UNIT F</i> | | 8. FARM OR LEASE NAME, WELL NO. North Indian Basin Unit <i>32</i> |
| 10. FIELD AND POOL, OR WILDCAT Indian Basin Morrow | | 9. API WELL NO. 30 015-29305 |
| 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 15, T21S, R23E | | 12. COUNTY OR PARISH EDDY |
| 13. STATE NM | | 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10 MILES S.W. OF LAKEWOOD, NM |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 990 | 16. NO. OF ACRES IN LEASE 5760 | 17. NO. OF ACRES ASSIGNED TO THIS WELL 640 |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. SEE BELOW | 19. PROPOSED DEPTH 9,600 | 20. ROTARY OR CABLE TOOLS ROTARY |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3856' G.L. <i>ROCKWELL CONTROLLED WATER BASIN</i> | | 22. APPROX. DATE WORK WILL START* ASAP |

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|---------------|-------------------------------|
| 17 1/2" | 18" | 50 | 40' | CONDUCTOR-REDI-MIX TO SURFACE |
| 12 1/4" | 9 5/8" | 38 | 1800' | 1000 - CIRCULATE TO SURFACE |
| 8 3/4" | 7" | 23,26 | 9,600' | 1300 - CIRCULATE TO SURFACE |

See attached Multipoint and Drilling Program for specific details.

WELL IS A PROPOSED INDIAN BASIN (MORROW), INDIAN BASIN (UPPER PENN) TEST.
#18 DISTANCE TO MORROW WELL - 7185' - NIBU #21 IN SE/4, NW/4 SEC. 11
DISTANCE TO U. PENN WELL - 2645' - NIBU #1 IN SW/4, SW/4 SEC. 10

*Posted ID-1
NL & API
12-27-96*

IN ABOVE SPACE DESCRIBE PROPOSED 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 Walter J. Dumas For DPN TITLE DRILLING SUPERINTENDENT DATE 11/12/96

(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 (ORIG. SGD.) TONY L. FERGUSON TITLE ADM, MINERALS DATE 12-07-96

*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.