

N. M. Oil Cons. Division
811 S. 1ST ST.

ARTESIA, NM 88210-283

SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

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

Form 3160-3
(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-0554771		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input 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 REMUDA OPERATING COMPANY			7. UNIT AGREEMENT NAME		
3. ADDRESS AND TELEPHONE NO. 301 N. COLORADO, STE 150, MIDLAND, TEXAS 79701, 915-684-8003			8. FARM OR LEASE NAME, WELL NO. ROG Federal No. 1 23542		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 660' FSL & 810' FEL At proposed prod. zone Unit P			9. API WELL NO. 38-015-30351		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 13 MILES NORTHEAST OF CARLSBAD, NM			10. FIELD AND POOL, OR WILDCAT W.C. Geny, Yates-Trus, NW		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 660'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC 9, T-20S, R29E		
16. NO. OF ACRES IN LEASE 640			12. COUNTY OR PARISH EDDY		
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			13. STATE NM		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 4500'			20. ROTARY OR CABLE TOOLS ROTARY		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3281 GR			22. APPROX. DATE WORK WILL START* 07/01/98		

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	250'	CIRCULATE
7 7/8"	5 1/2"	17#	1500'	CIRCULATE

THE OPERATOR PROPOSES TO DRILL TO A DEPTH SUFFICIENT TO TEST THE 7 RIVERS FORMATION FOR OIL. IF PRODUCTIVE, 5 1/2" CASING WILL BE CEMENTED TO TD. IF NONPRODUCTIVE, THIS WELL WILL BE P&A'D IN A MANNER CONSISTENT WITH FEDERAL REGULATIONS. SPECIFIC PROGRAMS, AS PER ONSHORE OIL & GAS ORDER #1, ARE OUTLINED IN THE FOLLOWING ATTACHMENTS:

DRILLING PROGRAM:

SUPPLEMENTAL DATA
SURFACE USE & OPERATING PLAN
EXHIBIT "A" GENERAL ROAD MAP
EXHIBIT "B" MAP OF EXISTING ROADS AND WELLS
EXHIBIT "C" BOP DIAGRAM
EXHIBIT "D" DRILLING RIG LAYOUT

Post ID-1
7-31-98
API & Loc

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 PRESIDENT DATE 05/22/98
(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:

Acting

APPROVED BY (ORIG. SGD.) ARMANDO A. LOPEZ TITLE Assistant Field Office Manager, Lands and Minerals DATE JUL 22 1998

*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.