



N.M.O.C.D. COPY

United States Department of the Interior

GEOLOGICAL SURVEY
P. O. Drawer U
Artesia, New Mexico 88210

RECEIVED

JUL 16 1980

O. C. D.

July 14, 1980 ARTESIA OFFICE

Exxon Corporation
Post Office Box 1600
Midland, Texas 79702

Gentlemen:

EXXON CORPORATION
Laguna Grande Unit No. 3
2310 FSL 1980 FEL Sec. 29, T.23S, R.29E.
Eddy County Lease No. NM-19848

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 13,600 feet to test the Morrow is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the attached General Requirements for Oil and Gas Operations on Federal Leases, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the Surface Use Plan and these Conditions of Approval including the attached General Requirements.
3. All access roads will be limited to a 12 foot wide driving surface, excluding turnarounds. Surface disturbance associated with road construction will be limited to 20 feet in width.
4. Submit a Daily Report of Operations from spud date until the well is completed and the Well Completion Report (form 9-330) is filed. The report should not be less than 8" x 5" in size and each page should identify the well.
5. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Guidelines. The color used should simulate Sandstone Brown (Federal Standard No. 595A, color 20318 or 30318).
6. Before drilling below the 10-3/4" casing, the blowout preventer assembly will consist of a minimum of one annular type and two ram type preventers.
7. A kelly cock will be installed and maintained in operable condition.