In Potash

Form 3160-3 (November 1983) (formerly 9-331C) WE GIT COTT, CONSTRUCTOR

SUBMIL IN TRIPLICATE

(Other instructions on reverse side)

Budget Bureau No. 1004-0136

Expires August 31, 1985 ON UNITED STATES DEPARTMENT OF THE INTERIOR 5 LEASE DESIGNATION AND SERIAL NO **BUREAU OF LAND MANAGEMENT** NM-0479142 APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 6 IF INDIAN, ALLOTTEE OR TRIBE NAME In TYPE OF WORK DRILL XEX DEEPEN PLUG BACK 7 UNIT AGREEMENT NAME П b TYPE OF WELL GAS 枢 SINGLE 8 FARM OR LEASE NAME OTHER ZONE RECEIVED 2. NAME OF OPERATOR James E Phillips Petroleum Company 9 WELL NO 3 ADDRESS OF OPERATOR DEC 12'89 4001 Penbrook St., Odessa, Texas 10 FIELD AND POOL, OR WILDCAT Cabin Lake (Delaware) LOCATION OF WELL (Report location clearly and in accordance with any State requirements *) O. C. D. Onit B) 500 FNL & 1800' FEL 11 SEC., T., R., M., OR BLK AND SURVEY OR AREA ARTESIA, OFFICE Unit B, 500' FNL & 1800 FEL Sec. 11, T-22-S, R-30-E 14 DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12 COUNTY OR PARISH 13. STATE 22 mi. East of Carlsbad, NM Eddy NM 15. DISTANCE FROM PROPOSED 16. NO. OF ACRES IN LEASE LOCATION TO NEAREST 17 NO OF ACRES ASSIGNED PROPERTY OR LEASE LINE, FT 640± TO THIS WELL (Also to nearest drlg. unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION 1400 E of 18. DISTANCE FROM PROPUSED LOCATED, TO NEAREST WELL, DRILLING, COMPLETED, #1 which is 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS OR APPLIED FOR, ON THIS LEASE, FT. 7500' Rotary 21. ELEVATIONS (Show whether DF, RT, GR, etc.) Cabin Lake (Strawn) 3188.8' unprepared 22 APPROX. DATE WORK WILL START upon approval 23 PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 17-1/2" 13-3/8" 48# CLECULATE 400' 800 sacks C 12-1/4" 8-5/8" 35001 30% excess caliper volume 7-7/8" 5-1/2" 15.5# 7500' 30% excess caliper volume Post ID-1 12-22-89 Mud program and BOP equipment - see attached New Lion + API ! [] Per discussion with Carlsbad BLM office this well is not in a defined LMR area. 7 m IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 Supervisor, SIGNED 4 TITLE Regulation and Proration DATE 11/8/89 Sanders (This space for Federal or State office use) PERMIT NO. APPROVAL DATE APPROVED BY Orig. Signed by Richard L. Manus APSA PERLIC A DATE 15-11-19 TITLE CARLSTAD RESCURE LAND

*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.

CONDITIONS OF APPROVAL, IF ANY:

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