

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

C/SF

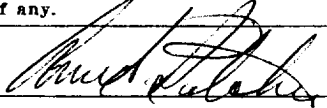
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 63358
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 Southwest Royalties, Inc.		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR c/o Box 953, Midland, Texas 79702		8. FARM OR LEASE NAME Exxon Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1980 FSL and 1980 FEL of Section 17 At proposed prod. zone Same		9. WELL NO. 1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 11 air miles east of Loving, N.M.		10. FIELD AND POOL, OR WILDCAT Wildcat
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'	16. NO. OF ACRES IN LEASE 640	11. SEC., T. R., M., OR BLK. AND SURVEY OR AREA Sec. 17, T-23-S R-30-E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. PBTD 7100'	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	12. COUNTY OR PARISH Eddy
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3220.6 GL	19. PROPOSED DEPTH PBTD 7100'	13. STATE N.M.
20. ROTARY OR CABLE TOOLS Rotary		22. APPROX. DATE WORK WILL START* 5-18-91

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 #	403'	450 sx - circulated
12-1/4"	8-5/8"	24 #	3494'	1800 sx - circulated
7-7/8"	5-1/2"	15.5 #	7434'	1150 sx - TOC - 2496' - BL

- (1). Intend to set retrievable bridge plug @ 7100'.
- (2). Perforate @ 5314 - 5356'.
- (3). Acidize - spot 150 gals. 7-1/2% across perfs, set packer @ 5200' acid, treat w/ 2000 gals. 7-1/2% acid.
- (4). Put well on test.

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.  SIGNED _____ TITLE Agent DATE 5-9-91
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side