ī'orm 3160-3 (December 1990)	JNIT	Form approved. Budget Bureau No. 1004-0136 Expires: December 31, 1991								
	DEPARTMENT BUREAU OF		5. LEASE DESIGNATION AND BERIAL NO.							
		NM031963								
APPLI	6. IF INDIAN, ALLOTTER OG TBIBE NAME									
18. TYPE OF WORK	7. UNIT AORBEMENT NAME									
b. TIPE OF WELL OIL X OA WELL W	S OTHER	JUL 2 6 1	99351NG			8. FARM OR LEASE NAME, WELL NO. Sundance Fed #16				
2. NAME OF OPERATOR		9. ATI WELL NO.								
Merit	377	30-015-27582								
3. ADDRESS AND TELEPHONE NO.	377	10. FIELD AND FOOL, OR WILDCAT								
12221 Merit	Sandunes, West									
Atsurface Unit C		11. SEC., T., R., M., OR PLK. AND SURVEY OR AREA								
660' FSL a At proposed prod. zon	0	Sec 5 - T24S R31E								
Same A	As Above		-			12. COUNTY OR PARISI 13. STATE				
14. DISTANCE IN MILES		Eddy NM								
21 mi:	les East of L	oving, NM	10 10	OF ACRES IN LEASE	17. NO. (	TACRES ASSIGNED				
15. DISTANCE FROM PROP LOCATION TO NEARES PROPERTY OR LEASE (Also to nearest dr)	g, unit line, if any)	west		1682.12	TOT	1115 WELL 40 RT OR CARLE TOOLS				
18. DISTANCE FROM FROM	TITING COMPLETED.			8200'	g l	otary				
OR APPLIED FOR, ON TH	IIB LEASE, FI. 1320	to North	1	5200	, <u> </u>	22. AFPROX. DATE WORK WILL START*				
21. ELEVATIONS (Show wh	ether DF, RT, GR, etc.)					ASAP				
3444.0 23. PROPOSED CASING AND CEMENTING PROGRAM DECRETORY'S Potash										
22 * I .						QUANTITY OF CEMENT				
SIZE OF HOLE	GRADE SIZE OF CASINO					550 sacksCIRCULATE				
17 1/2	13 3/8	54.5	<u></u>	<u>650</u> 2# 4200		21 sacks CIRCULATE				
11	8 5/8	24 & 3		8200	7	783 sacks(tieback)				
7 7/8	5 1/2	15.5 8	< 1 / #	0200	1	• • •				
			a ł	11 and tost	the D	elaware and				

Merit Energy Company proposes to drill and test the Delaware and intermediate formations. Approximately 650', surface casing will be set and circulated to surface. Approximately 4200' of intermediate casing will be set and circulated to surface. If well is commercial, production casing will be run and cemented tying back into 8 5/8 intermediate casing, perforated and stimulated as needed for production.

Mud Program: FW to 650' brine to 4200', cut brine to 8200'.

BOPE Program: BOPE will be installed at the offset and tested daily for operational.  $a_{1}$ 

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30-96-27582 30-015-27582

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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.	BIGNED Russe	U Wh	ited	TITLE Prod	uction S	upt	DATE	6-7-93
	(This space for Federal or		BJECT TO	APPRO	лукі, рате			
	PERMIT NO Application approval does not war CONDITIONS OF APPROVAL, IF AN	GENERAL REQ	UIREMENTS I	or equitable litle to th	ose rights in the subj	ject lease which would ent	itle the applic	ant to conduct operations ther
	CONDITIONS OF APPROVAL, IF AN	ATTACHED		· 11		$\bigcirc$ (		11 64
	kl y	Pathe a	tator_	ne Actie a	State	plucter DAT	е <u>2</u> .	_16-75
	APPROVED BY	- p	*See In	structions On	Reverse Side			econor of the

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.