

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
NM OIL CONS. COMMISSION  
ARTESIA, NM 88210

Form approved.  
Budget Bureau No. 1001-0136  
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK  
DRILL ☒ DEEPEN ☐

b. TYPE OF WELL  
OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR  
Merit Energy Company

3. ADDRESS AND TELEPHONE NO.  
12221 Merit Drive - Suite 500 - Dallas, TX 75251  
Phone #(214) 701-8377

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At surface Unit P - Sec 5 T24S R31E  
660' FSL and 660' FEL - Eddy County, New Mexico  
At proposed prod. zone  
Same As Above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
21 miles East of Loving, NM

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
3300' to West

16. NO. OF ACRES IN LEASE  
1682.12

17. NO. OF ACRES ASSIGNED TO THIS WELL  
40

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
1320' to North

19. PROPOSED DEPTH  
8200'

20. ROTARY OR CABLE TOOLS  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3430.7

22. APPROX. DATE WORK WILL START\*  
ASAP

5. LEASE DESIGNATION AND SERIAL NO.  
NM031963

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.  
Sundance Fed # 17

9. AM WELL NO.  
30-015-27583

10. FIELD AND POOL, OR WILDCAT  
Sandunes, West

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec 5 - T24S R31E

12. COUNTY OR PARISH  
Eddy

13. STATE  
NM

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2	13 3/8	54.5	650	550 sacks CIRCULATE
11	8 5/8	24 & 32#	4200	921 sacks CIRCULATE
7 7/8	5 1/2	15.5 & 17#	8200	783 sacks (NE BACK)

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.

**Application Expired**

1-30-96  
30-015-27583  
10-1  
7-8-93  
NCT/AM

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. SIGNED Russell Whitel TITLE Production Supt. DATE 6-8-93  
(This space for Federal or State office use)

APPROVAL SUBJECT TO  
PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
Application approval does not warrant or certify that the applicant holds any equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereunder.  
CONDITIONS OF APPROVAL, IF ANY: SPECIAL STIPULATIONS

APPROVED BY 15/ Kathy Eaton ATTACHED Acty State Director DATE 7-16-93  
\*See Instructions On Reverse Side