Form 3160-3	FILL SUPPOSE SUPPLY IN TRULICATE Form approved.						
(December 1990)	UNITED STATES					Budget Bureau No. 1004-0136 Expires: December 31, 1991 (	
	DEPARTMENT OF THE INTERIOR					5. LEANE DEBIGNATION AND BEBIAL NO.	
	BUREAU OF	LAND MANAGE	MENT	ան հեր չով հետո անդ հետություն Հ.Գ.ուր էր դապար	7	NMO3	1963 🕔 🗍
APPLICATION FOR PERMIT TO DRILL OR DEEPEN						G. IF INDIAN, ALLOTTE	B OR TRIBE NAME
1a. TYPE OF WORK	F- w-1			*		7. UNIT AGREEMENT	KM3
DRI	LLX	DEEPEN 🗌		u., i i i	1		
	ULL SINGLE MULTIPLE ULTIPLE ULTIPLE ULTIPLE					8. FARM OR LEASE NAME, WELL NO. 77288	
2. NAME OF OFFICATOR						Sundance Fed #25	
Merit Energy Company 14541						9. AT WELLNO. 30-015-27596	
3. ADDRESS AND TELEPHIONENO. Phone #(214)701-8377							
12221 Merit Drive - Suite 500 - Dallas, TX 75251						10. FIELD AND POOL, OR WILDCAT	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)						Sandunes, West	
0.10 000						11. SFC., T., R., M., OR BLK. AND SURVEY OR AREA	
1980' FNL and 660' FWL - Eddy County, New Mexico						Sec 4 - T24S R31E	
Same As Above						12. COUNTY OR PARISIT 13. BTATE	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE.							1
						Eddy F ACRES ASSIGNED	NM
1 16 NO OF ACRES IN LEASE 17. RU.						THIS WELL	
(Ale to nearest diff. FT. 1682.112 116. if any)					+4 }	40 OTARY OR CABLE TOOLS	
18. DISTANCE FROM PROPOSED LOCATION <sup>*</sup> TO NEAREST WELL, DRILLING, COMPLETED, TO NEAREST WELL, DRILLING, COMPLETED,					20. ROTA		
or applied for, on this lease, FT. 1320' to NOTTH 8200' 1 1					R	OTALY	
21. ELEVATIONS (Show whether DF, RT, ER) etc.) Carisbad Controlled Water Basin							
3399.5 Controlled Water Basin						1	
23. PROPOSED CASING AND CEMENTING PROGRAM						R-111-P Polesh	
SIZE OF ROLE	GRADE SIZE OF CASING	WEIGHT PER FOO	т	SETTING DEPTH		QUANTITY OF CEMENT	
17 1/2	13 3/8	54.5		650 .	5	50 sacks (	UNCULAS
11	8 5/8	24 & 32	# 4	4200	9	21 sacks /	LINI.
7 7/8	5 1/2	15.5 &	17# 8	3200	7	83 sacks - S	ee stitl.

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 If well is commercial, casing will be set and circulated to surface. production casing will be run and cemented tying back into 8 5/8 intermediate casing, perforated and stimulated as needed for production.

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

BOPE will be installed at the offset and tested BOPE Program: daily for operational.

oplication ExpirED

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.

 $(a_{1})$ 

DATE .

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SIGNED

(This space for Federal or State office use)

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Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations the

TITLE Production Supt.

APPROVAL DATE \_

CONDITIONS OF APPROVAL, IF ANY: \*See Instruction 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.