

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Submit in Triplicate*
(Other instructions on
reverse side)

FORM APPROVED
Budget Bureau No. 1004-1036
Expires: December 31, 1991

F-0 APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work

DRILL ☒

DEEPEN ☐

b. Type of Well

☒ Oil

☐ Gas

☐ Other

Single Zone ☐

Multiple Zone ☐

2. Name of Operator

Merit Energy Company

14591

3. Address and Telephone No.

P.O. Drawer NN - Jal, NM 88252

(505)

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At Surface: Unit O - Sec 5, T24S R31E

660' FSL and 1980' FEL - Eddy County, NM

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 drilg unit line, if any)

1980' to West

16. No. of acres in lease

DIST. 2

1682.12

17. No. of acres assigned to this well

40(forty)

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, ect.)

3444.0

Carlsbad Controlled Water Basin

Secretary's Potash

22. Approx date work will start*

ASAP

23.

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	550sx (Circ)
11	8 5/8	24 & 32#	4200	921sx (Circ)
7 7/8	5 1/2	15.5 & 17#	8200	783sx(tie back)

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

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

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

General Requirements and
Special Stipulations

IN ABOVE 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 White

Title West District, Operations Supt

Date

4-20-95

(This space for Federal or State office use)

Permit No.

Approval Date

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

Conditions of approval, if any:

Approved by

1st Melbert Lucero

Title

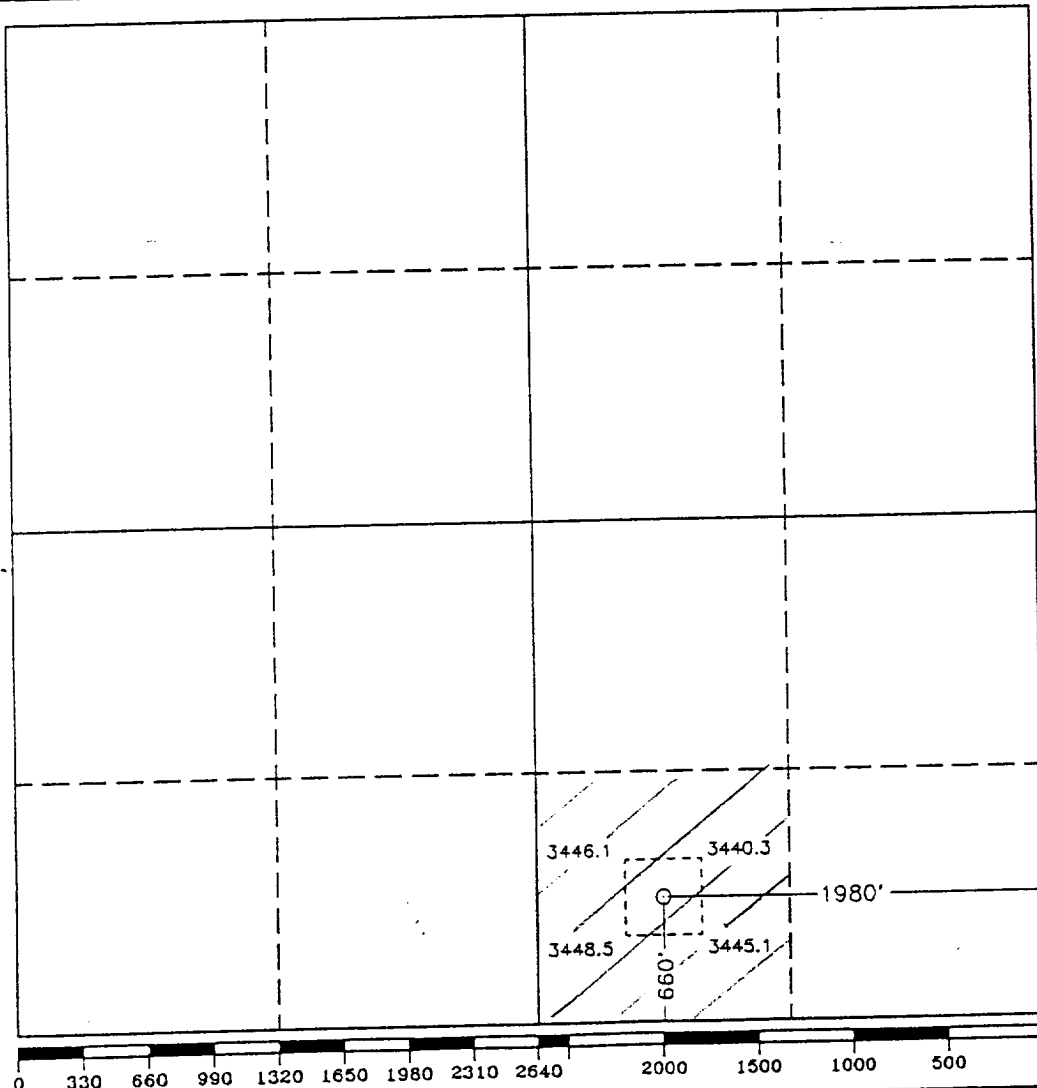
J.S.T.

Date

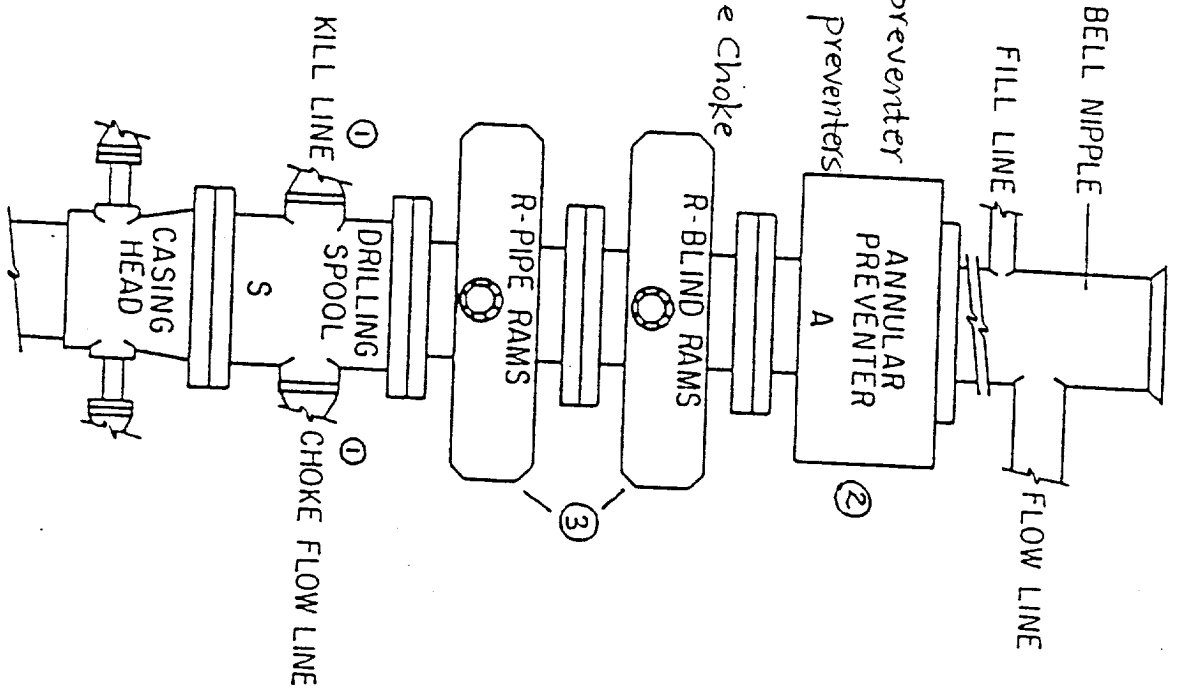
5/30/95

*See Instruction of 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.



- ① 3" Series 900 Valve
- ② Series 900 Annular preventer
- ③ Series 900 Ram-Type preventers
- ④ 2" Series 900 Valve
- ⑤ 2" Series 900 Adjustable Choke



3000 PSI
Working Pressure
(Series 900 Flanges)

Exhibit B

