Form 3160-3 (July 1992)

UNITED STATES (Other instructions on DEPARTMENT OF THE INTERIOR

SUBMIT IN TRIPLA reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

NM 58929 BUREAU OF LAND MANAGEMENT 6. IF INDIAN, ALLOTTEE OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL OR DEEPEN 7. UNIT AGREEMENT NAME la. TYPE OF WORK DRILL X DEEPEN b. TYPE OF WELL SINGLE X 8. FARM OR LEASE NAME, WELL NO. OIL X GAS MULTIPLE OTHER ' Federal#4 Pita '4' 2. NAME OF OPERATOR 17922 Meridian Oil Inc. Unassigned 30-015 - 28844 3. ADDRESS AND TELEPHONE NO. 915-688-6943 10. FIELD AND POOL, OR WILDCAT P.O. Box 51810, Midland, TX 79710-1810 East Burton; Delaware 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*) 2105' FNL & 330' FEL 11. SEC., T., R., M., OR BLK AND SURVEY OR AREA At proposed prod. zone T20S, R29E 12. COUNTY OR PARISH Eddy 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\* 13. STATE NM 20.8 miles northeast of Carlsbad, New Mexico 15. DISTANCE FROM PROPOSED\* 17. NO. OF ACRES ASSIGNED 16. NO. OF ACRES IN LEASE LCCATION TO NEAREST PROPERTY OR LEASE LINE, FT. TO THIS WELL (Also to nearest drlg. unit line, if any) 330 18. DISTANCE FROM PROPOSED LOCATION\* TC NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 20. ROTARY OR CABLE TOOLS 19. PROPOSED DEPTH 5.800' Rotary 22. APPROX. DATE WORK WILL START\* 21. ELEVATIONS (Show whether DF,RT, GR, etc.) Upon Approval 3329 PROPOSED CASING AND CEMENTING PROGRAM QUANTITY OF CEMENT GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH SIZE OF HOLE 400 sxs CIRCULAIE 48# 400' 13 3/8" 1/2 540 sxs 36# 1500 9 5/8" 1/4" 57175. 23# 3600 800 sxs 2*EE* 8 3/4" 230 4 1/2" 5800 6 1/8 11.6# Not in Designated Potash Area Not in Designated Prairie Chicken Area Not in Hydrogen Sulfide Area Contact Person: Donna Williams, 915-688-6943 and the enterments and eepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or d true vertical depths. Give blowout preventer program, if any. deepen directionally, give pertinen data on subsurface locations and measured a 24. DATE 12/19/95 THIE Regulatory Compliance SIGNED (This space for Federal or State office use) APPROVAL DATE 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 thereon. CONDITIONS OF APPROVAL, IF ANY: FEB 2 1 1996 AREA MANAGER

\*See Instructions On Reverse Side

MANUSTITLE

APPROVED BY (ORIG. SGD.) RICHARD I