Form 3160-3 (July 1992)	DEPARTMEN	TED STATE	NTEF			PLICATE Side)	FORM AP OMB NO. Expires: Febr 5. LEASE DESIGNATION A NM- 89172	1004-0136 uary 28, 1995
APPL	CATION FOR P	ERMIT TO	DRILI	L OR DEE	PEN		6. IF INDIAN, ALOTTEE C	OR TRIBE NAME
<b>b</b> TYPE OF WELL		DEEPEN	_	NGLE CTA	MULTI		7. UNIT AGREEMENT NAI	00/0
WELL V	VELL OTHER		20		ZONE		8. FARM OR LEASE NAME, WE	
2. NAME OF OPERATOR	oducing Company /	7891		MAR 19	98		Patton "17" Fed 9. API WELL NO.	eral No. 10
3. ADDRESS AND TELEPHONE NO.		1011					3A-115-	31156
3 ADDRESS AND TELEPHONE NO. P.O. Box 10340 OCD - ARTESIA							10. FIELD AND POOL, OR WILDCAT	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)							Poker Lake, Delaware	
At proposed prod. zone	الـ & 810' FEL of Section //	5n 17 FH	ai su a	h shallo di tinggi si an	-		11. SEC., T., R., OR BLK. AND SURVEY OR AREA	50382
Same		/•		ETARY'S	POTA	SH	Section 17, T-	
	DIRECTION FROM NEAREST		FICE.				12. COUNTY OR PARISH Eddy Co.	13. STATE
20 miles s 15. DISTANCE FROM PROPO	outheast of Loving, New Me	xico	16 10	OF ACRES IN LEA	<u>er</u>			N.M.
LOCATION TO NEAREST		810'	10. NO.		JE	TO TH	ACRES ASSIGNED	10
PROPERTY OR LEASE LIN (Also to nearest drlg, unit	Lline, if any)	810	10 PPC	640 POSED DEPTH		-		40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		1320'		92501			20. ROTARY OR CABLE TOOLS Rotary	
21 ELEVATIONS (Show v	whether DF, RT, GR, etc.)					1 22	APPROX. DATE WORK W	~
3545' Ground	IIS LEASE, FT. whether DF, RT, GR, etc.) I Level	Arlsgad (	<b>DNT</b>	ROLLED W	VATE	RBASIN	Upon Approv	
23	· · · · · · · · · · · · · · · · · · ·	PROPOSED CASI	NG AND	CEMENTING P	ROGRA	M		
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FC	100	SETTING DE	PTH	1	QUANTITY OF CEME	ENT
14-3/4"	10-3/4" H-40	32.75#		650'	W	NR S	50 sx Class "C"( Ci	
9-7/8"	7-5/8" J-55	26.40#		4,250	)		1000 sx (Circula	
6-3/4"	4-1/2" J-55	11.60#		8,350	, 1		950 sx ( 3200	')

The Operator proposes to drill to a depth sufficient to test the Delaware and Bone Springs for oil. Specific programs are outlined in the following attachments:

DRILLING PROGRAM SURFACE USE AND OPERATING PLAN EXHIBIT "A" - ROAD MAP EXHIBIT "B" - EXISTING WELL MAP EXHIBIT "C" - LOCATION AND DEDICATION PLAT EXHIBIT "C-1" - TOPO MAP EXHIBIT "D" - DRILLING RIG LAYOUT EXHIBIT "E" - 3M BOP EQUIPMENT

<b>APPROVAL SUBJECT TO</b>		
<b>GENERAL REQUIREMENT</b>	IS AN	D
<b>SPECIAL STIPULATIONS</b>		
TACHED	D.	4

Post ID-1 3-20. 98

HPILLOC

SIGNED	Jun hr.c.	Roll-h	TITLE	Agent	DATE	1/28/98
This spa	Federal or State office	ce use)		······································		
ERMIT NO	Ι.		APP	ROVAL DATE		

\*See Instructions 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.