-911 S. 1ST ST.

A NM 88210-2834

SUBMIT IN TRIPLIC. . E* (Other instructions on

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

Form 3160-3
(July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR

reverse side)	
189	5. LEAS

5. LEASE DESIGNATION AND SERIAL NO.	~~ = Q
5. LEASE DESIGNATION AND SERIAL NO.	35202

~	DUDEAU OF	I AND BEARIN	OFMEN	- 10 1		U - U x = 3	73-0	
712	BUREAU OF	LAND MANA	AGEMEN	· '	<u></u> -	6. IF INDIAN, ALLOTTEE O	R TRIBE NAME	
APPL	ICATION FOR PE	RMIT TO	ORILL C	OR DEEPEN				
1a TYPE OF WORK			$\overline{}$	·		7. UNIT AGREEMENT NAM	Œ	
	RILL X	DEEPEN						
b. TYPE OF WELL OIL Y	GAS 🗍		SIN	GLE Y 30 30 MULT	TPLE 🗆	8. FARM OR LEASE NAME	WELL NO.	
WELL LA	WELL OTHER		7.0	NE 12 13 PANE		SCARLET "33"	1	
2. NAME OF OPERATOR	000		/,0		3:\\	FEDERAL 24	4130	
ARCO Permian	990		/ <u>&</u> `	<u> </u>	<u> </u>	9. API WELL NO.		
3. ADDRESS AND TELEPHO			45	HX 668 015	50 / 50 /	30·015-	<u> 30554</u>	
P.O. Box 1610, M					688 5570	10. FIELD AND POOL, OR V		
 LOCATION OF WELL (Rej At surface 	port location clearly and in accor	dance with any Sta	ite requireme	nts.*)KEUEIVEU	503	RED LAKE (Q-GB		
890'FSL. 430'FWL			1,	OCD - ARTESIA	10/	RED LAKE (GLOR	TETA-YESU)	
At proposed prod. zone			/5	_		AND SURVEY OR AREA		
SAME	Unit	M		51120		33-T17S-R27E		
14. DISTANCE IN MILES AN	12. COUNTY OR PARISH	13. STATE						
13 MILES SE OF A	ART <u>ESIA</u>			5550230		EDDY	NM NM	
15. DISTANCE FROM PROPO LOCATION TO NEAREST			16. NO. OF	ACRES IN LEASE	17. NO. OF A	ACRES ASSIGNED		
	TEL TYP		40		IO IIIIS	20		
(Also to nearest drig. 11 18. DISTANCE FROM PROPO	SED LOCATION*		19. PROPOS	SED DEPTH	20. ROTARY	OR CABLE TOOLS		
TO NEAREST WELL, DRI	LLING, COMPLETED, HIS LEASE, FT. 750'		4000' ROTA			1RY		
21. ELEVATIONS (Show wh	546		J. 7000		Z CZLÓSW	22. APPROX. DATE WOR	K WILL START*	
	letter brack, on the	STATE AND THE THE	्रक्षा चित्र विकास	, ஆமுத்தை (ஆம்) இதற்கு இதற்கு இதற்கு		1/99		
3538'						1733		
23.	1	PROPOSED CASIN	G AND CEN	MENTING PROGRAM				
SIZL OL HOLE	GRADE, SIZE OF CASING	WUIGHT PER FO	. YT	SETTING DEPTH		QUANTITY OF CEMENT		
11'	8-5/8" J-55	24	11	150 1100 '	700	WITNESS	}	
7-7/8"	5-1/2" K-55	15.5 #		4000	1300			
						ρ_{x}	+ TO-1	
	I		1		ı		st ID-1	
						/-	- 22 - 99	

SUBJECT WELL IS PLANNED AS A 4000' STRAIGHT HOLE. 2 \$,000 PSI BOPE WILL BE USED FROM 1100' TO TO.

ATTACHMENTS ARE AS FOLLOWS:

- 1. CERTIFIED LOCATION PLAT
- 2. DRILLING PLAN WITH ATTACHMENTS
- 3. SURFACE USE PLAN WITH ATTACHMENTS

API + Loc APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

IN ABOVE:	SPACE DESCRIBE PROPOSED PROGRAM: If proposalis to ctionally, give pertinent data on subsurface locations and meas	o derpen, give dataon presentproductivezone and prop sured and true vertical depths. Give blowout prevente:	0.Co 1/6/99 ossednew productivezone. If proposalis to drill or r program, if any.
24. SIGNED	Elizabet Carbee	TITLE REGULATORY COMPLIANCE	DATE 12/8/98
(This s	pace for Federal or State office use)		
PER MI	T NO.	APPROVAL DATE	
Applica	ation approval does not warrant or certify that the applicant holds legal o	or equitable title to those rights in the subject lease which wou	ald entitle the applicant to conduct operations thereon.
COND	ITIONS OF APPROVAL, IF ANY:	Acting Assistant Field Office Man	
	(ORIG. SGD.) ARMANDO A. LOPEZ	Lands and Minerals	nager, — pare — // - // - // - // - // - // - // - /

*See Instructions On Reverse Side Title 18 U.S.C. Section 1001, makes it a crime for any personknowingly and willfully to make to any department ragency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



DISTRICT I P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office

State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II P.O. Drawer DD, Artonia, NM 88211-0719

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

		V	VELL LO	CATION	AND ACREA	GE DEDICATION	ON PLAT		
API	Number		<i>Y. I</i>	Pool Code	to R	ED LAKE	Pool Name	A-YESO))
Property (Code		/		Property Nam ARLET 33 FE	e DERAL		Well Num	ber
000990					Operator Nam ARCO PERM			Elevatio 3538	
<u> </u>					Surface Loca	ation			
UL or lot No.	Section 33	Township	Range 27 E	Lot Idn	Feet from the	North/South line SOUTH	Feet from the 430	East/West line WEST	County EDDY
			Bottom	Hole Loc	ention If Diffe	rent From Sur	face		
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint of	r Infill Con	nsolidation (Code Ore	ler No.				
20	<u>.L.</u>						DEGRA HAND DI		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION
	I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
·	Signature ELIZABETH A. CASBEER Printed Name VEC 10 1994
	REG/COMP. Title 12-7-98 Date SURVEYOR CERTIFICATION
DETAIL 3522.6' 3545.4'	I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison and that the same is true and correct to the best of my belief.
3521.3' 3550.5'	OCTOBER 2, 1998 Date Surveyed CDG Signature & Ged To Office Professional Surveyor Office MEX.
SEE DETAIL SEE DETAIL	Certificate. No. RONALD & DESON 3239 12641

DISTRICT I P.O. Box 1980, Hobbs, NM 86241-1980

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Submit to Appropriate District Office

Pool Name

Q-CB-

LAKE

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT II P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

Well Number

1

DISTRICT IV P.O. BOX 2088, SANTA FE, N.M. 87504-2088

API Number

Property Code

WELL LOCATION AND ACREAGE DEDICATION PLAT

Property Name
SCARLET 33 FEDERAL

Pool Code

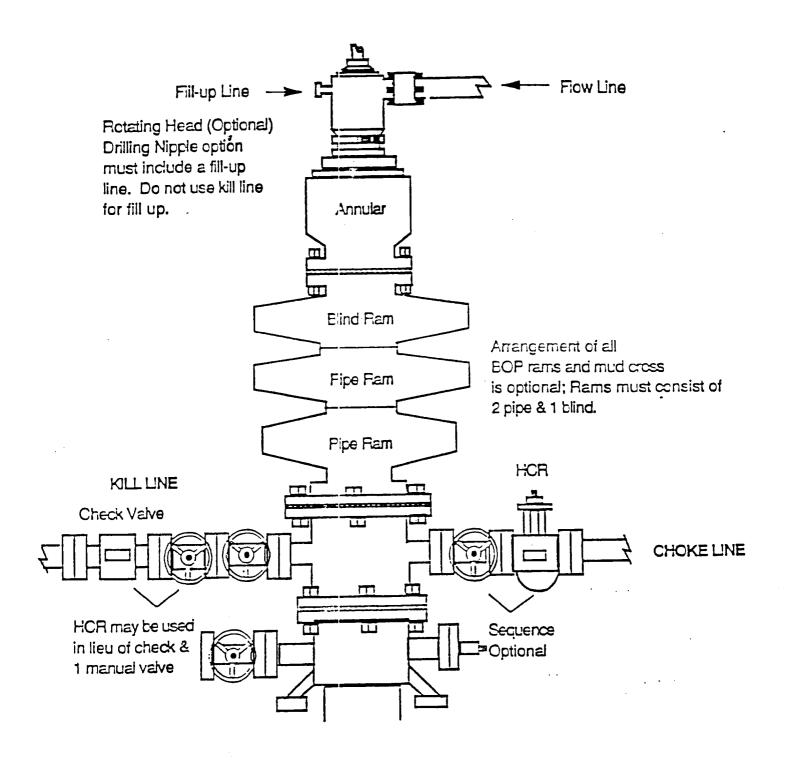
51300

=		Operator Name						Elevation			
OGRID No			ARCO PERMIAN						3538'		
00099	<u>U</u>	<u> </u>			Surface Loca	ation					
				7-4 73	Peet from the	North/South line	Feet from the	East/West line	County		
L or lot No.	Section	Township	Range	Lot Idn	890	SOUTH	430	WEST	EDDY		
М	33	17 S	27 E	<u>L</u>				L	1		
			Bottom	Hole Loc	eation If Diffe	erent From Sur	face	T = 4/= 4 T=	County		
L or lot No.	Section	Township	Range	Lot Idn	Peet from the	North/South line	Feet from the	East/West line	county		
	_		1		,				<u> </u>		
Dedicated Acre	a Joint	or Infill Co	nsolidation	Code Or	der No.	<u> </u>					
~											
20		TILL DE AS	SSIGNED	TO THIS	COMPLETION	UNTIL ALL INTE	RESTS HAVE B	EEN CONSOLID	ATED		
NO ALLO	OWABLE	OR A N	SON-STA	NDARD U	VIII HAS BEEN	APPROVED BY	THE DIVISION				
								OD OFFICA	TION		
							1 1	OR CERTIFICA			
		i			•		I here	by certify the the ti in is true and comp	rformation lete to the		
					I		best of my kno	wiedge and belief.			
					1			\wedge			
							11 80.	1 1//1			
		1	*		ı		eliza	att (bot	w		
							Signature	A A	. 0 ~ ~ &		
							Printed Na		SBEER		
}							Rec. C	A			
					•		Title	OMY. AND	<u> </u>		
}		1			ı		12 4	198			
				1			Date	1.			
							SUBVEY	OR CERTIFICA	TION		
		1									
					1		I hereby cert	ify that the well loo	ation shows		
			ETAIL				actual survey	was plotted from fi ye made by me o	· under m		
			3545.4°				supervisor	and that the same	is trus a		
		3522.6'	— J ^{343.4}		1		correct to	the best of my be	wej.		
			0		1			TOBER 199	8		
		3521 3	— -] 	,			Date Surve	red J. E/O	CDG		
		3321.3					Signature	w Seal of Solling) .		
				-			Profesion	an Surveyor	M. T.		
		1			t		<i> [i]</i>	(Page)			
430'							Kimol	KT BURNO	\$1-09.		
1 1	E DETAIL	I			1		1402:	68-11-131			
		I			ł		7, 50	ONO ROMAD LESON	OSON 32:		
		-		1			Ceruncate	THE PART DISCON	OSON 323		
-890	۰ ₂	.1					11 301	Million College Proposola	1		

DRILLING OPERATIONS

CLASS-1: NORMAL PRESSURE < 10FFG

OFTION - 2: MMS STANDARD; SINGLE SZE DRILL STRING



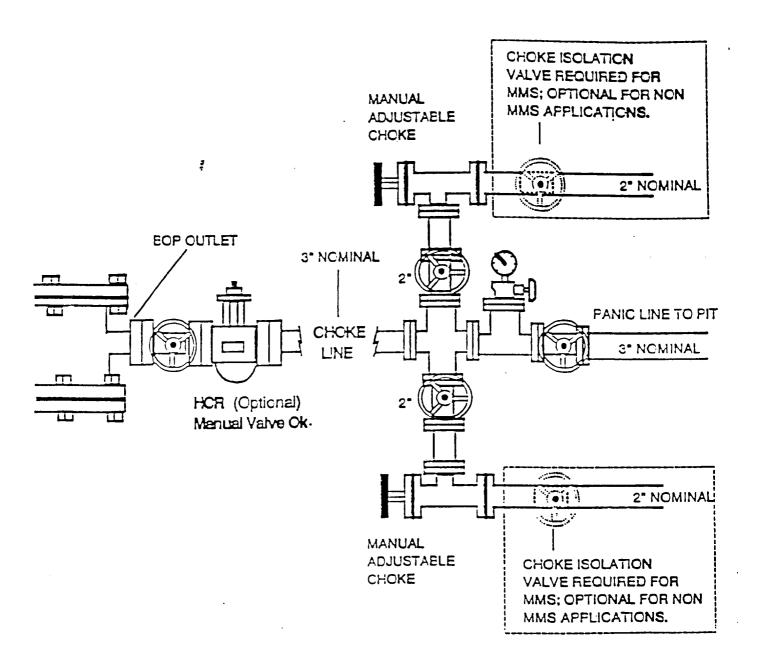


EXHIBIT 3

BLOWOUT PREVENTION EQUIPMENT SPECIFICATIONS

- 1. All BOP equipment shall be fluid and/or mechanically operated.
- 2. BOP's and all fittings will be in good working condition.
- 3. Equipment through which the bit must pass shall be at least as large as the casing size being drilled.
- 4. The nipple above the BOP shall be at least the same size as the last casing set.
- 5. The upper kelly cock with handle and lower kelly cock shall be rated at the BOP working pressure.
- 6. A floor safety valve (full opening) or drill string BOP with appropriate pressure ratings shall be available on the rig floor with connections or subs to fit any tool joint in the string.
- 7. The minimum size choke line shall be 3 inches nominal diameter, with a minimum size for vent lines downstream of chokes of 2 inches nominal, and vent lines which by-pass shall be a minimum of 3 inches nominal and as straight as possible.
- 8. All valves, fittings and lines between the closing unit and the blowout preventer stack should be of steel construction with rated working pressure at least equal to working pressure rating of the stack. Lines shall be bundled and protected from damage.
- 9. Minimum size for kill line is 2 inches nominal.
- 10. Ram type preventers shall be equipped with extension hand wheels or hydraulic locks.