		ARIAN	/ N	M. Oil Cons. 1 811 S. 1ST S ⁻	Divisio	n	x 3	
Form 3160 3	ARTESIA NIA 88215CAB34					FORM APPROVED OMB NO. 1004-0136		
(July 1992)				reverse side		Expires: Febru		
0 C DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT						5. LEASE DESIGNATION AND SERIAL NO. NM 22080		
						6. IF INDIAN, ALLOTTEE OF	TRIBE NAME	
APPLICATION FOR PERMIT TO DRILL OR DEEPEN					7. UNIT AGREEMENT NAM	E		
		DEEPEN						
b. TYPE OF WELL OIL X GAS OTHER SINGLE X MULTIPLE ZONE					£ 🗌	8. FARM OR LEASE NAME, WELL NO. BARCLAY FEDERAL 22		
ARCO Permian 990						2086		
ARCO Permian		9. API WELL NO.						
3. ADDRESS AND TELEPHONE NO. P.O. Box 1610, Midland, TX 79702 915-688-5570						$\frac{30-015-30596}{10. \text{ FIELD AND POOL, OR WILDCAT}}$ $\text{LIVINGSTON RIDGE (DEL)}$ $\frac{96143}{10.000}$		
4. LOCATION OF WELL (Repo								
1980'FNL, 1980'FW	L.					11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA		
At proposed prod. zone	UNITE	-				12-23S-31E		
14. DISTANCE IN MILES AND	DIRECTION FROM NEAREST TO	WN OR POST OFFICE	•			12. COUNTY OR PARISH	13. STATE	
21 MILES EAST FRO			16. NO.	OF ACRES IN LEASE	17. NO. OF	EDDY	NM	
LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if any) 660						SWELL 40		
18. DISTANCE FROM PROPOSED LOCATION*			· · · ·			RY OR CABLE TOOLS		
TO NEAREST WELL, DRILL OR APPLIED FOR, ON THE	S LEASE, FT. 1320		845	50'	ROTA			
21. ELEVATIONS (Show whether DF,RT, GR, etc.)						22. APPROX. DATE WORK WILL START 9/98		
3497								
23.	T			CEMENTING PROGRAM				
	GRADE SIZE OF CASING 13-3/8 H-40	48 ST&C		<u>SETTING DEPTH</u> 860	700	OUANTITY OF CEMENT		
11	8-5/8 J-55	32 ST&C		4600	1300	t	st ID-1	
7-7/8	5-1/2 J-55	15.5 # LT	&C	0-6700	935	3-26-99		
	1	' 17 # LT&	C	6700-8450		HĨ.	Ithoc	
SUBJECT WELL	IS PLANNED AS A 84	50' STRAIGHT	HOLE.			N1516171819.202	×	
3,000 PSI BOP	PE WILL BE USED FRO	4 860' TO TD	•			15 ¹⁰	12	
ATTACHMENTS A	ARE AS FOLLOWS:						دي. دي	
	LOCATION PLAT						22.	
2. DRILLING F	LAN WITH ATTACHMEN				-	FEDEIVEU		
3. SURFACE USE PLAN WITH ATTACHMENTS								
							i.	
IN ABOVE SPACE DESCRI	BE PROPOSED PROGRAM: ertinent data on subsurface loca	If proposalis to dee	pen,give	dataon presentproductivezor	reandpropo	sednew productivezone. If	proposalis to drill or	
deepen directionally, give pe	ertinent data on subsurface loca	mons and measured	1 and true	e vertical depths. Give blowot	n preventer			
24.	mut 4	Plan	/ nr		۲ <u>۲</u>	0 / 0 / 00		
SIGNED	CA.C	usuan I		GULATORY COMPLIANC	,	<u>DATE</u> <u>8/8/98</u>	<u></u>	
(This space for Federal	or State office use)							

PERMIT NO.-

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:

APPROVED BY SKICh and	A Whitey	ASSOC STATE DIE	- DATE -	3.15-97_					
*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 departments agency 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

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

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

□ AMENDED REPORT

API Number Pool Code Pool Name 96149 LIVINGSTON RIDGE Property Name Property Code ell Number 22 20460 BARCLAY FEDERAL OGRID No. **Operator** Name Elevation 000990 ARCO PERMIAN 3492 Surface Location Feet from the North/South line Feet from the East/West line UL or lot No. Section Township Range Lot ldn County 1980 NORTH 1980 WEST 23 S 31 E EDDY 12 F Bottom Hole Location If Different From Surface Lot Idn Feet from the North/South line Feet from the East/West line UL or lot No. Section Township Range County Dedicated Acres Joint or Infill Consolidation Code Order No. 40 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 25 contained herein is true and complete to the 612 best of my knowledge and belief. 011 ETiza Bett A. CASEF Printed **a**13 REB 5 8 Title 1980' 8 SEE DETAIL Date SURVEYOR CERTIFICATION I hereby certify that the well location shown 3493.1' on this plat was plotted from field notes of 3496.3 actual surveys made by me or under my supervison and that the same is true and 4 0 correct to the best of my belief. 3501.8 3499.7 JULY 20, 1998 DETAIL Date Surveyed way DMCC Signature & Seal of Professional Surveyor 3 023 23-98 ν 06 98-11-10**46** Certificate No. RONALD DEDSON 3239 - GARY RUSON 12641 P. C. AMPLICATION 12185

DRILLING OPERATIONS CLASS -1: NORMAL PRESSURE < 10FPG OFTION - 2: MMS STANDARD; SINGLE SZE DRILL STRING



EXHIBIT Z



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.