

OPERATOR'S COPY

Form 3130-3
(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0138
Expires February 28, 1995

1997 AUG 15

5. LEASE DESIGNATION AND SERIAL NO.

LC-060529

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
Drill Deepen

b. TYPE OF WELL
Oil Well Gas Well Other
Single Zone Multiple Zones

2. NAME OF OPERATOR: Shahara Oil, LLC
6. IF INDIAN, COMMITTEE OR TRIBE NAME

3. ADDRESS AND TELEPHONE NO.: 207 W. McKay Carlsbad, NM 88220
Phone: 505-885-5433 Fax: 505-885-4989
8. FARM OR LEASE NAME, WELL NO.: Beson "F" No. 18

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):
At surface: 1000' FSL & 2225' FWL, Unit N
At proposed prod. zone: UNORTHODOX LOCATION Same
9. API WELL NO.: 30-015-29830
10. FIELD AND POOL, OR WILDCAT: Loco Hills Queen Grayburg San Andres
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Section 31, T17S, R30E

SUBJECT TO
LIKE APPROVAL
BY STATE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 3 miles southwest of Loco Hills, NM
12. COUNTY OR PARISH: Eddy County
13. STATE: NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.: 415'
16. NO. OF ACRES IN LEASE: 440
17. NO. OF ACRES ASSIGNED TO THIS WELL: 40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 654'
19. PROPOSED DEPTH: 3200'
20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3574' GR
22. APPROX. DATE WORK WILL START: September 1, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# K-55	400' 570'	250 sx - circulate
7 7/8"	5 1/2"	17# J-55	3200'	600 sx -
				100' above 8 5/8" csg shoe

ROSWELL CONTROLLED WATER BASIN

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg 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 ACREAGE DEDICATION PLAT
 EXHIBIT C-1 - TOPO MAP
 EXHIBIT D - DRILLING AND RIG LAYOUT
 EXHIBIT E - 3M BOP EQUIPMENT

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

cc
8/26/97

IN ABOVE SPACE DESCRIBE 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: Melanie Stacker TITLE: Agent DATE: 8/7/97

(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: Jerry L. Ferguson TITLE: ADM, Minerals DATE: 8/26/97

*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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

EXHIBIT
11973-6

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, Artesia, NM 88211-0719

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

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

AMENDED REPORT

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 39520	Pool Name Loco Hills Queen Grayburg San Andres
Property Code 17368	Property Name BEESON "F"	Well Number 18
OGRID No. 143119	Operator Name SHAHARA OIL, LLC	Elevation 3574

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	31	17 S	30 E		1000	SOUTH	2225	WEST	EDDY

Bottom Hole Location If Different From Surface

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 or Infill	Consolidation Code	Order No.						

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

<p>1243.4'</p> <p>LOT 1 37.67 AC.</p> <p>LOT 2 37.65 AC.</p> <p>LOT 3 37.63 AC.</p> <p>LOT 4 37.61 AC.</p> <p>1240.8'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Melanie Parker</i> Signature</p> <p>Melanie J Parker Printed Name</p> <p>Agent Title</p> <p>8/7/97 Date</p> <hr/> <p>SURVEYOR CERTIFICATION</p> <p>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 supervision, and that the same is true and correct to the best of my belief.</p> <p>JULY 22, 1997 Date Surveyed JLP</p> <p>Signature & Seal of Professional Surveyor <i>Ronald J. Eidson</i> 7-2997 W.D. Num. 97-115187</p> <p>Certificate No. JOHN W. WEST, 676 RONALD J. EIDSON, 3239 RONALD J. EIDSON, 12641</p>
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0138

Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO. **LC-060529**

6. IF INDIAN ALLOTTEE OR TRIBE NAME _____

7. UNIT AGREEMENT NAME _____

8. FARM OR LEASE NAME, WELL NO. **Beeson "F" No. 19**

9. API WELL NO. **30-015-29829**

10. FIELD AND POOL, OR WILDCAT **Loco Hills Queen Grayburg San Andres**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA **Section 31, T17S, R30E**

12. COUNTY OR PARISH **Eddy County**

13. STATE **NM**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE * **3 miles southwest of Loco Hills, NM**

15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. **337'**

16. NO. OF ACRES IN LEASE **440**

17. NO. OF ACRES ASSIGNED TO THIS WELL **40**

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **949'**

19. PROPOSED DEPTH **3200'**

20. ROTARY OR CABLE TOOLS **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **3563' GR**

22. APPROX. DATE WORK WILL START* **September 1, 1997**

**SUBJECT TO
LIKE APPROVAL
BY STATE**

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# K-55	400' 570'	250 sx - circulate
7 7/8"	5 1/2"	17# J-55	3200'	600 sx -

100' above 8 5/8" csg shoe

ROSWELL OFFICE

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg 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 ACREAGE DEDICATION PLAT
- EXHIBIT C-1 - TOPO MAP
- EXHIBIT D - DRILLING AND RIG LAYOUT
- EXHIBIT E - 3M BOP EQUIPMENT

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

*acs
8/26/97*

IN ABOVE SPACE DESCRIBE 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 Melanie Harker TITLE Agent DATE 8/7/97

(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 Jerry L Ferguson TITLE ADM, Minerals DATE 8/26/97

*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.

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 110, Artesia, NM 88211-0719

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

DISTRICT III
1000 Elc Brasos Rd., Artec, NM 87410

AMENDED REPORT

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 39520	Pool Name Loco Hills Queen Grayburg San Andres
Property Code 17368	Property Name BEESON "F"	Well Number 19
OGRID No. 14319	Operator Name SHAHARA OIL, LLC	Elevation 3563

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	31	17 S	30 E		337	SOUTH	1279	WEST	EDDY

Bottom Hole Location If Different From Surface

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 or Infill	Consolidation Code	Order No.

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

<p>1243.4'</p> <p>LOT 1 37.67 AC.</p> <p>LOT 2 37.65 AC.</p> <p>LOT 3 37.63 AC.</p> <p>LOT 4 37.61 AC.</p> <p>3565.5' 3567.7'</p> <p>1279'</p> <p>1240.8' 3564.9' 3564.7'</p> <p>337'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Melanie J. Parker</i> Signature</p> <p>Melanie J. Parker Printed Name</p> <p>Agent Title</p> <p>8/7/97 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>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 supervision, and that the same is true and correct to the best of my belief.</p> <p>JULY 22, 1997 Date Surveyed</p> <p>JLP</p> <p><i>Arnold J. Eidson</i> Signature & Seal of Professional Surveyor</p> <p>NEW MEXICO No. 29-87 N.D. Num 97-1188</p> <p>Certified by: JOHN E. WEST, 576 ARNOLD J. EIDSON, 3239 CARY G. EIDSON, 12641</p>
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OPERATOR'S COPY

Form 160-3
(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
Drill Deepen

b. TYPE OF WELL
Oil Well Gas Well Other Single Zone Multiple Zone

5. LEASE DESIGNATION AND SERIAL NO.
LC-060529

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR
Shahara Oil, LLC

8. FARM OR LEASE NAME, WELL NO.
Beeson "F" No. 22

3. ADDRESS AND TELEPHONE NO
207 W. McKay Phone: 505-885-5433
Carlsbad, NM 88220 Fax: 505-885-4989

9. API WELL NO.

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 1974' FNL & 992' FEL, Unit H
At proposed prod. zone Same

**SUBJECT TO
LIKE APPROVAL
BY STATE FOR
UNCONTROLLED LOCATION**

10. FIELD AND POOL, OR WILDCAT
Loco Hills Queen San Andres

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Section 31, T17S, R30E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE *
2 1/2 miles southwest of Loco Hills, NM

12. COUNTY OR PARISH
Eddy County

13. STATE
NM

15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)
666'

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
737'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3582' GR

22. APPROX. DATE WORK WILL START*
September 1, 1997

23. PROPOSED CASING AND CEMENT SCHEDULE					
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12 1/4"	8 5/8"	24# K-55	500'	300 sx - circulate	WITNESS
7 7/8"	5 1/2"	17# J-55	3200'	600 sx -	
				100' above 8 5/8" csg shoe	

ROSWELL CONTROLLED WATER BASIN

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg 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 ACREAGE DEDICATION PLAT
- EXHIBIT C-1 - TOPO MAP
- EXHIBIT D - DRILLING AND RIG LAYOUT
- EXHIBIT E - 3M BOP EQUIPMENT
- EXHIBIT F - TOP OF SALT MAP

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

RECEIVED
1997 SEP - 3 10:09
BUREAU OF LAND MGMT
ROSWELL, NM

IN ABOVE SPACE DESCRIBE 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 Perry E. Hughes TITLE E.O. DATE 8/28/97

(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 Jerry L. Ferguson TITLE Asst. M. Minerals DATE 9/16/97

*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.

N 9/17/97

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., Artec, NM 87410

DISTRICT IV
P.O. Box 2068, Santa Fe, NM 87504-2068

State of New Mexico
Energy, Minerals and Natural Resources Department

RECEIVED

SEP 10 1997

BLM
ROSWELL, NM

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 39520	Pool Name Loco Hills Queen Grayburg San Andres
Property Code 17368	Property Name BEESON "F"	Well Number 22
OGRID No. 143119	Operator Name SHAHARA OIL, LLC	Elevation 3582

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	31	17 S	30 E		1974	NORTH	992	EAST	EDDY

Bottom Hole Location If Different From Surface

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 or Infill	Consolidation Code	Order No.						

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

<p>LOT 1 37.67 AC.</p> <p>LOT 2 37.65 AC.</p> <p>LOT 3 37.63 AC.</p> <p>LOT 4 37.61 AC.</p>			<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Perry L. Hughes</i> Signature</p> <p>Perry L. HUGHES Printed Name</p> <p>PRESIDENT Title</p> <p>9/5/97 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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 supervision, and that the same is true and correct to the best of my belief.</p>		<p>JULY 18, 1997 Date Surveyed</p> <p>JLP</p>
	<p>Signature & Seal of Professional Surveyor</p> <p><i>Gary G. Eidson</i></p>		<p>W.C. 1191</p>
	<p>Certificate No. JOHN W. WEST, 676</p> <p>RONALD J. EIDSON, 3239</p> <p>GARY G. EIDSON, 12641</p>		

OPERATOR'S COPY

Form 3160-3
(July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.
LC-060529

1a. TYPE OF WORK

Drill Deepen

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

b. TYPE OF WELL

Oil Well Gas Well Other Single Zone Multiple Zone

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR

Shahara Oil, LLC

8. FARM OR LEASE NAME, WELL NO.
Beeson "F" No. 23

3. ADDRESS AND TELEPHONE NO.

207 W. McKay Phone: 505-885-5433
Carlsbad, NM 88220 Fax: 505-885-4989

9. API WELL NO.

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

361' FSL & 2334' FEL, Unit O

10. FIELD AND POOL, OR WILDCAT
Loco Hills Queen San Andres

At proposed prod. zone

Same

11. SEC. T., R., M., OR BLK.

AND SURVEY OR AREA
Section 29, T17S, R30E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE *

1.5 miles southwest of Loco Hills, NM

12. COUNTY OR PARISH

Eddy County

13. STATE

NM

15. DISTANCE FROM PROPOSED * LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

361'

16. NO. OF ACRES IN LEASE

440

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

(Also to nearest drfg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

637'

19. PROPOSED DEPTH

3200

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3594' GR

22. APPROX. DATE WORK WILL START*

September 1, 1997

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# K-55	500'	300 sx - circulate
7 7/8"	5 1/2"	17# J-55	3200'	600 sx -
				100' above 8 5/8" csg shoe

SUBJECT TO
LIKE APPROVAL
BY STATE FOR
UNORTHODOX LOCATION

ROSWELL CONTROLLED WATER BASIN

WITNESS

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg 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 ACREAGE DEDICATION PLAT
- EXHIBIT C-1 - TOPO MAP
- EXHIBIT D - DRILLING AND RIG LAYOUT
- EXHIBIT E - 3M BOP EQUIPMENT
- EXHIBIT F - TOP OF SALT MAP

IN ABOVE SPACE DESCRIBE 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 Perry E. Hughes TITLE E.O. DATE 8/28/97

(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 Fong L Ferguson TITLE Asst. Manager DATE 9/14/97

*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.

RECEIVED
1997 SEP - 30
BUREAU OF LAND
MANAGEMENT
ROSWELL, NM

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

9/17/97

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

DISTRICT II
P.O. Drawer 111, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
State District Office
Fee Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

RECEIVED
SEP 10 97

AMENDED REPORT

SLM
ROSWELL, NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	39520	Loco Hills Queen Grayburg San Andres
Property Code	Property Name	Well Number
17368	BEESON "F"	23
OGRID No.	Operator Name	Elevation
143119	SHAHARA OIL, LLC	3594

Surface Location

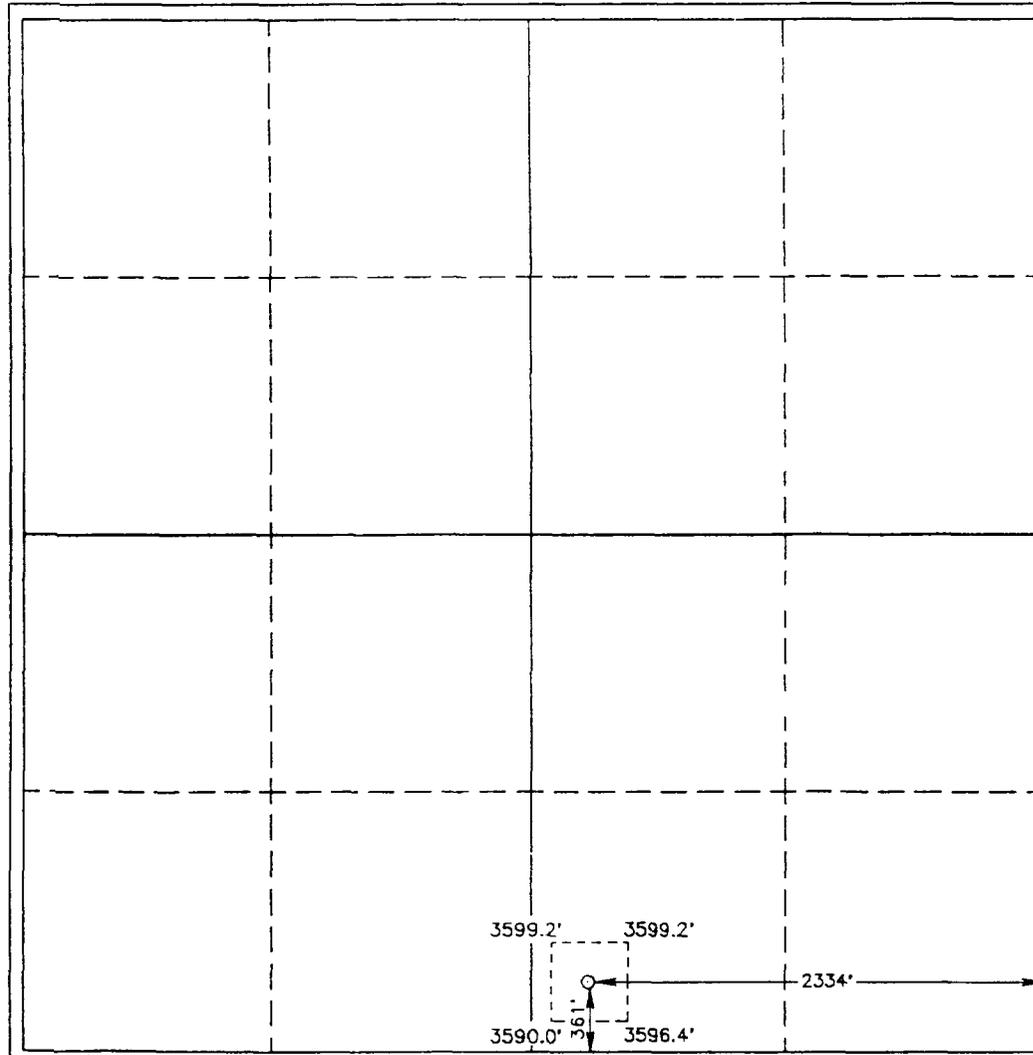
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	29	17 S	30 E		361	SOUTH	2334	EAST	EDDY

Bottom Hole Location If Different From Surface

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 or Infill	Consolidation Code	Order No.

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.

Perry L. Hughes
Signature

Perry L. Hughes
Printed Name

PRESIDENT
Title

9/5/97
Date

SURVEYOR CERTIFICATION

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 supervision, and that the same is true and correct to the best of my belief.

DATE SURVEYED: 9/5/97
Signature & Seal of Professional Surveyor: *Gary G. Eidson*
12641
W. O. PROFESSIONAL SURVEYOR 1192

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239
GARY G. EIDSON, 12641

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.
LC-060529

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
Beeson "F" No. 24

9. API WELL NO. *FR 2421*

10. FIELD AND POOL, OR WILDCAT
Loco Hills Queen San Andres

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Section 31, T17S, R30E

12. COUNTY OR PARISH
Eddy County

13. STATE
NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE *
2.5 miles southwest of Loco Hills, NM

15. DISTANCE FROM PROPOSED *
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
904'
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE
440

17. NO. OF ACRES ASSIGNED
TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION *
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.
652'

19. PROPOSED DEPTH
3200'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT GR, etc.)
3594' GR

22. APPROX. DATE WORK WILL START*
September 1, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# K-55	500' 570' min	300 sx - circulate
7 7/8"	5 1/2"	17# J-55	3200'	600 sx -
				100' above 8 5/8" csg shoe

The operator proposes to drill to a depth sufficient to test the Queen and Grayburg 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 ACREAGE DEDICATION PLAT
- EXHIBIT C-1 - TOPO MAP
- EXHIBIT D - DRILLING AND RIG LAYOUT
- EXHIBIT E - 3M BOP EQUIPMENT
- EXHIBIT F - TOP OF SALT MAP

SEESTIPS on setting 8 5/8", must be set @ 570' minimum (Fresh H₂O - G. Gourley - BLM - Roswell, 505-627-0249)

SUBJECT TO LIKE APPROVAL BY STATE

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ROSWELL OFFICE

IN ABOVE SPACE DESCRIBE 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 Perry L. Hughes TITLE E. O. DATE 8/28/97

(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 Sony L. Ferguson TITLE ADM, Minerals DATE 10/8/97

*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.

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OCT 9 1997

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPEN TOPS

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT --" for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. LC-060529
2. Name of Operator Shahara Oil, LLC	6. If Indian, Allotee or Tribe Name
3. Address and Telephone No. 207 W. McKay, Carlsbad, NM 88220 885-5433	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1340' FNL & 904' FEL, Unit H	8. Well Name and No. Beeson "F" No. 24
	9. Well API No.
	10. Field and Pool, or Exploratory Area Loco Hills Queen Grayburg San Andres
	11. County or Parish, State Eddy County, NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Change Well Name
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

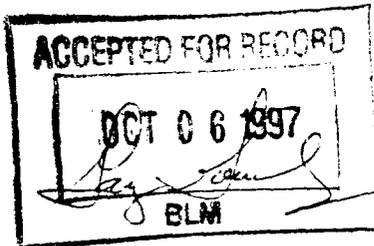
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this zone.)

To remain consistent we request to change the well name:

From: Beeson "F" No. 24

To: Beeson "F" Federal No. 24

SUBJECT TO
LIKE APPROVAL
BY STATE



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ROSWELL OFFICE

14. I hereby certify that the foregoing is true and correct

Signed Perry L. Hughes Title President Date 09/18/97

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE)

Approved By _____ Title _____ Date _____

Conditions of approval, if any:

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

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

State of New Mexico
Energy, Minerals and Natural Resources Department

SEP 10 97

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, Artesia, NM 88211-0719

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

BL
ROSWELL

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	39520	Loco Hills Queen Grayburg San Andres
Property Code	Property Name	Well Number
17368	BEESON "F" <i>& hang w. name of well to BEESON "F" Federal No. 24</i>	24
OGRID No.	Operator Name	Elevation
143119	SHAHARA OIL, LLC	3588

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	31	17 S	30 E		1340	NORTH	904	EAST	EDDY

Bottom Hole Location If Different From Surface

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 or Infill	Consolidation Code	Order No.						

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

<p>LOT 1 37.67 AC.</p> <p>LOT 2 37.65 AC.</p> <p>LOT 3 37.63 AC.</p> <p>LOT 4 37.61 AC.</p>			<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Perry L. Hughes</i> Signature</p> <p>Perry L. Hughes Printed Name</p> <p>PRESIDENT Title</p> <p>9/5/97 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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 supervision, and that the same is true and correct to the best of my belief.</p>		<p>Date Surveyed: _____ JLP</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Gary G. Eidson</i> 7-23-97</p> <p>W.O. Num. 97-14-1193</p>
	<p>Certificate No. JOHN W. WEST, 676</p> <p>RONALD J. EIDSON, 3239</p> <p>GARY G. EIDSON, 12641</p>		