

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Elm Ridge Resources, Inc. P. O. Box 189, Farmington, NM 87499		(505) 632-3476	CRID Number 149052
Property Code 23031	State 16	Property Name	Well No. 5

Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
0	16	23n	6w		640	South	2290	East	RA

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County

Proposed Pool 1 Counselors Gallup Dakota	Proposed Pool 2
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Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 6916'
Multiple No	Proposed Depth 6,000'	Formation Dakota	Constructor Bearcat	Spud Date 4-25-02

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24	350'	260 sx	Surface
6-3/4"	4-1/2"	10.5	6,000'	1,450 sx	Surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.
Describe the blowout prevention program, if any. Use additional sheets if necessary.

Will use 2000# BOP and run logs and DST as appropriate.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Brian Wood</i> Printed name: Brian Wood Title: Consultant Date: Apr. 20, 2002 Phone: (505) 466-8120		OIL CONSERVATION DIVISION Approved by: <i>[Signature]</i> Title: APR 22 2002 Approval Date: APR 22 2002 Expiration Date: APR 22 2003 Conditions of Approval: Attached ☐	
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NOI 7/10/01 FOR NSL

OIL CONSERVATION DIVISION

CASE NUMBER

EXHIBIT 3