

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL       DEEPEN       PLUG BACK

b. TYPE OF WELL  
 OIL WELL       GAS WELL       OTHER       SINGLE ZONE       MULTIPLE ZONE

2. NAME OF OPERATOR  
 JAMES K. ANDERSON, INC.

3. ADDRESS OF OPERATOR  
 13760 NOEL ROAD, STE. 325, DALLAS, TX 75240

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)  
 At surface  
 3100' FEL and 300' FSL Section 1, 4S-3E  
 At proposed prod. zone  
 SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 18 Miles East Southeast from Socorro, New Mexico

10. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)      3100'

16. NO. OF ACRES IN LEASE      960

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.      N/A

19. PROPOSED DEPTH      4,000'

20. ROTARY OR CABLE TOOLS      Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 5475' GR

22. APPROX. DATE WORK WILL START\*  
 November 30, 1988

5. LEASE DESIGNATION AND SERIAL NO.  
 NM - 45560

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 N/A

7. UNIT AGREEMENT NAME  
 N/A

8. FARM OR LEASE NAME  
 FEDERAL

9. WELL NO.  
 1

10. FIELD AND POOL, OR WILDCAT  
 WILDCAT

11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA  
 SEC. 1, T4S-R3E

12. COUNTY OR PARISH      13. STATE  
 SOCORRO      NEW MEXICO

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24# J-55	600'	250 SX to SURFACE
7 7/8"	4 1/2"	10.50# J-55	TD	475 SX back to 2000' with 50% excess; if calipher run-then fill up calculation plus 15%

- 1) Log B.O.P. checks in daily drilling reports and drill 7 7/8" hole to 4000'.
- 2) Run Drill Stem tests if warranted and run 4 1/2" casing if productive.
- 3) Run logs as needed and perforate and stimulate as needed.

EXHIBITS ATTACHED:

- "A" Location and Elevation Plat
- "B" Surface use Program
- "C" Drilling Program
- "D" Existing Access Road Map
- "E" Drill Pad Profile, Constructed Access Road Plan and Profile
- "F" Production Facilities
- "G" Drill Rig Layout
- "H" Blowout Preventer Diagram
- "I" Archeological Survey

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 JAMES K. ANDERSON TITLE LAND MANAGER DATE 11-2-88

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

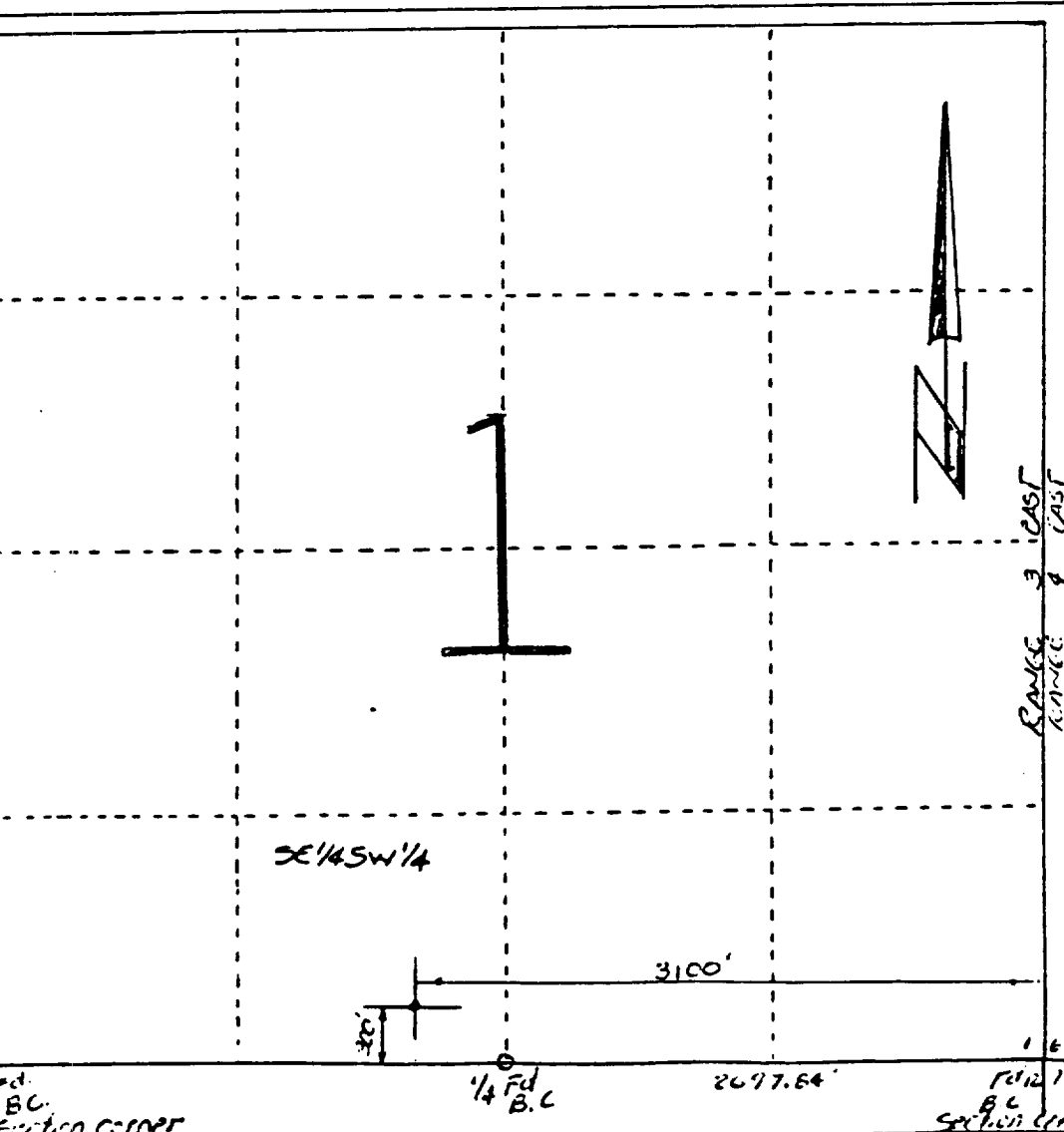
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

EXHIBIT "A"

All distances must be from the outer boundaries of the Section.

Operator	Lease			Well No.
JAMES K. ANDERSON, INC.	JAMES K. ANDERSON, INC.			BUM NH 4570 1
Unit Letter	Section	Township	Range	County
0	1	4S	3E	Socorro Co., NM
Actual Footage Location of Well:				
3100.0 feet from the EAST line and 300.0 feet from the SOUTH line				
Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:	
5475	EST. PENN.		40 Acres	



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

LUPE V. JOHNS  
 Name  
SURVEY CREW CHIEF  
 Position P.O. Box Y  
DENNIS ENG. CO., SOCORRO, NM  
 Company  
JULY 21, 1988  
 Date

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 knowledge and belief.

JULY 21, 1988  
 Date Surveyed  
Raymond Lee Dennis Jr.  
 Registered Professional  
 Engineer or Land Surveyor  
 Certified Professional

rd. BC. Section corner

rd. 16 B.C. Section corner