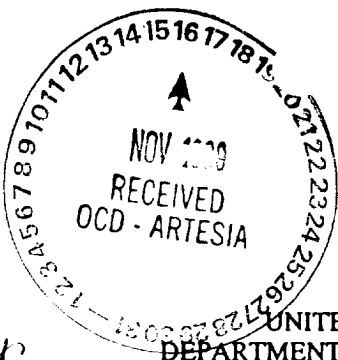


Form 3160-3
(August 1999)



N. M. Oil Cons. Division
18 1ST ST
ARTESIA, NM 88210-2834

082

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

2. Name of Operator
ANADARKO PETROLEUM CORPORATION

3a. Address
P O BOX 2497, MIDLAND TX 79702

3b. Phone No. (include area code)
915/682-1666

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface 1980' FSL & 1980' FWL U.L. K
At proposed prod. zone SAME

14. Distance in miles and direction from nearest town or post office*
7 MILES SOUTHEAST FROM LOCO HILLS

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any) (660')

16. No. of Acres in lease
80

17. Spacing Unit dedicated to this well
40 ACRES

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. 1320'

19. Proposed Depth
9300

20. BLM/BIA Bond No. on file
153571

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
3689' GL

22. Approximate date work will start*
NOVEMBER 15, 1999

23. Estimated duration
30 DAYS

24. Attachments **CAPITAN CONTROLLED WATER BASIN**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature *George R. S. Buehler*
Title **STAFF DRILLING ENGINEER**

Name (Printed/Typed)
GEORGE R. S. BUEHLER

Date
10/26/99

Approved by (Signature) *Armando A. Lopez*
Title **Assistant Field Office Manager**

Name (Printed/Typed)
ARMANDO A. LOPEZ

Date
NOV 10 1999

Office **APPROVED FOR 1 YEAR**

Application approved does not constitute certification 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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

*(Instructions on reverse)

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

George Buehler
915-682-0549

RECEIVED

OCT 27 '99

BLM
ROSWELL, NM

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 Depart

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	Pool Name
	56405	SHUGART BONE SPRINGS, NORTH
Property Code	Property Name	Well Number
	PATON "B" FEDERAL	2
OGRID No.	Operator Name	Elevation
000817	ANADARKO PETROLEUM CORPORATION	3689

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	9	18 S	31 E		1980	SOUTH	1980	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.						
40	N								

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>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>George R. S. Buehler</i> Signature</p> <p>GEORGE R. S. BUEHLER Printed Name</p> <p>STAFF DRILLING ENGINEER Title</p> <p>OCTOBER 4, 1999 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>SEPTEMBER 27, 1999</p> <p>Date Surveyed</p> <p>Signatory Seal of Professional Surveyor</p> <p>RONALD J. EDSON NEW MEXICO 3239 12641 12185</p> <p>RONALD J. EDSON 3239 12641 12185</p>



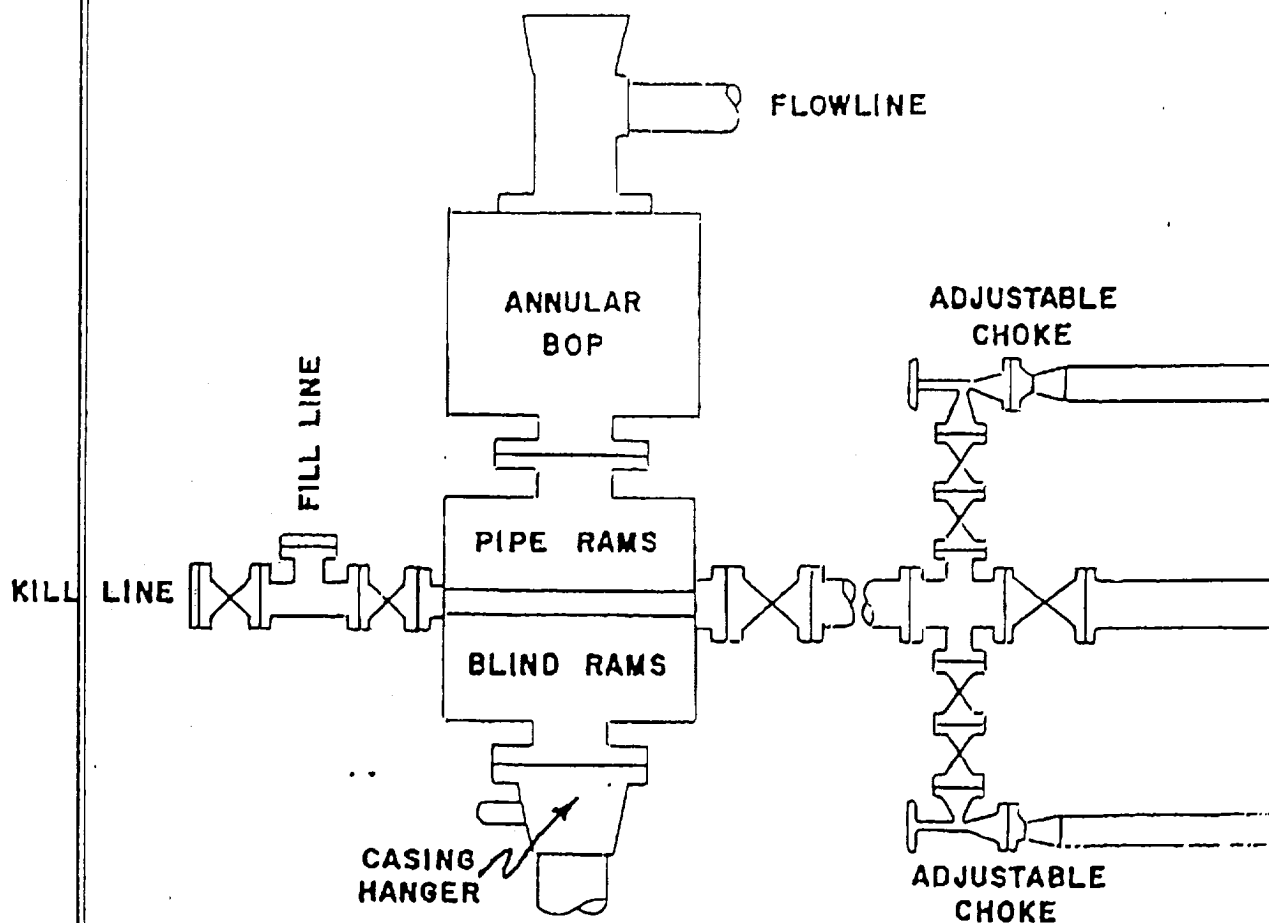
EXHIBIT 1

Paton "B" Federal No. 2
Eddy County, New Mexico
Anadarko Petroleum Corporation

BOP & Choke Manifold

BLOWOUT PREVENTOR ARRANGEMENT

11" SHAFFER TYPE LWS, 5000 psi WP
11" CAMERON SPHERICAL, 5000 psi WP
120 GALLON, 5 STATION KOOMEY ACCUMULATOR
5000 psi WP CHOKE MANIFOLD



Attachment to Exhibit #1
Attachment to Form 3160-3
Anadarko Petroleum Corporation
Paton "B" Federal No. 2
1980' FSL & 1980' FWL
Section 9, T18S, R31E
Eddy County, New Mexico

1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOP bore.
2. Wear ring will be properly installed in head.
3. Blowout preventor and all associated fittings will be in operable condition to withstand a minimum 3000 psi working pressure.
4. All fittings will be flanged.
5. A full bore safety valve tested to a minimum 3000 psi WP with proper thread connections will be available on the rotary rig floor at all times.
6. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
7. Will maintain a kelly cock attached to the kelly.
8. Hand wheels and wrenches will be properly installed and tested for safe operation.
9. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.