

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT


APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM 36408
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EXCO Resources, Inc. 190963		7. If Unit or CA Agreement, Name and No.
3a. Address 6500 Greenville Ave., Suite 600 Dallas, TX 75206	3b. Phone No. (include area code) 214 368 2084	8. Lease Name and Well No. Rose Federal 16 27435
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SW SW 660' FSL and 660' FWL At proposed prod. zone SW SW 660' FSL and 660' FWL W.M.		9. API Well No. 30-005-63414
14. Distance in miles and direction from nearest town or post office* 48 miles north and east from Roswell, NM		10. Field and Pool, or Exploratory Pecos Slope EIA 547405
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'		11. Sec., T., R., M., or Blk. and Survey or Area Section 20-5S-25E NMPM
16. No. of Acres in lease 1,840.76 gross acres		12. County or Parish Chaves
17. Spacing Unit dedicated to this well SW/4 of Section 20, 160 acres		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1867'		20. BLM/BIA Bond No. on file NM 2831
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3836'		22. Approximate date work will start* August 9, 2001
23. Estimated duration 15 days		

24. Attachments **ROSWELL CONTROLLED WATER BASIN**

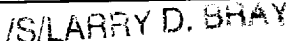
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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 	Name (Printed/Typed) R.L. Hilbun, P.E.	Date 06/05/01
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Title

Consulting Engineering

Approved by (Signature)  IS/LARRY D. BRAY

Name (Printed/Typed)

Date
AUG 16 2001

Title

Assistant Field Manager,
Lands And Minerals

Office
RFO

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, 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)

WITNESS

DECLARED WATER BASIN

CEMENT BEHIND THE 11 3/4"
CASING MUST BE CIRCULATED

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED

RECEIVED
OCD ARTESIA