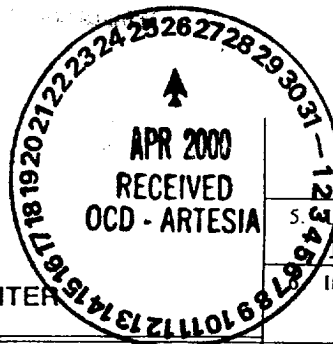


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER



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

5. Lease Serial No.
LC-056302 (B)

If Indian, Allottee or Tribe Name

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. NORTH SQUARE LAKE UNIT 25594	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. 175 NORTH SQUARE LAKE UNIT 175	
2. Name of Operator GP II ENERGY, INC. 8359		9. API Well No. 30-015-31118	
3a. Address P O BOX 50682 MIDLAND TX 79710		3b. Phone No. (include area code) 915/685.0878	
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface 210' FNL & 1310' FEL Unit A At proposed prod. zone Same UNORTHDOX LOCATION		10. Field and Pool, or Exploratory SQUARE LAKE GB-SA	
14. Distance in miles and direction from nearest town or post office* 7.0 miles NE of Loco Hills		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 33, T16S, R31E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 210'		16. No. of Acres in lease 400 (Unit 6125)	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 900'		17. Spacing Unit dedicated to this well 40 ACRES	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3995' GR		20. BLM/BIA Bond No. on file B03128	
22. Approximate date work will start* MAY 1, 2000		23. Estimated duration DRILL & COMP 30 DAYS	

24. Attachments **ARTESIA 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:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature *M. A. Sirgo III* Name (Printed/Typed) M. A. SIRGO, III Date 3-22-00
Title AGENT

Approved by (Signature) *[Signature]* Name (Printed/Typed) ASHLEY D. DRAY Date APR 25 2000
Title Assistant Field Manager, Lands And Minerals Office ROSWELL FIELD OFFICE

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

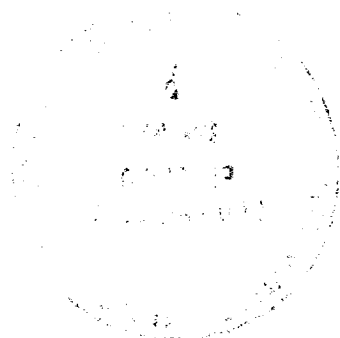
Conditions of approval, if any, are attached.

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

4/6/2000



BUREAU OF LAND MANAGEMENT
ROSWELL OFFICE

2000 MAR 30 A 11:26

RECEIVED