

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/> <b>PLUG BACK</b> <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-03318
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Davcro, Inc.			7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 2124 Broadway Lubbock, Texas 79701			8. FARM OR LEASE NAME Gulf Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1980' FSL & 1980' FEL At proposed prod. zone Same			9. WELL NO. 3
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 30 miles northeast of Tatum, NM			10. FIELD AND POOL, OR WILDCAT Sawyer Field
10. 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 320	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 29-T9S-R38E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1320'	19. PROPOSED DEPTH 5025'	20. ROTARY OR CABLE TOOLS Rotary	12. COUNTY OR PARISH Lea
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3938' GL			13. STATE New Mexico
22. APPROX. DATE WORK WILL START* December 2, 1991			

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	1350'	250 sx "C" circulated
7 7/8"	5 1/2"	15.5#	5025'	1200 sx "C" circulate

Mud Program:

0' - 400': Fresh water spud mud:  
400' - 2000': Native mud:  
2000' - 5025': Native mud:

Mud Wt.  
8.5-9 ppg  
8.5-9 ppg  
10.5 ppg

Vis.  
35-36  
35-36  
34-35

W/L Control  
No W/L cont.  
No W/L cont.  
W/L cont. 15cc

BOP Program:

A 10" 3000 psi wp Shaffer Series 900 BOP will be installed on the 8 5/8" casing. Casing and BOP will be tested before drilling out with 7 7/8". BOP will be used as a 2000 psi wp system and will be tested daily. See exhibit "E".

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 [Signature] Agent for: Davcro, Inc. DATE Oct. 28, 1991

(This space for Federal or State office use)

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

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 11-22-91

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side