

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> <i>Re-Entry</i> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 94121	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" 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 OGS Operating Co., Inc.		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. 550 W. Texas, Suite 1140 Midland, TX 79701 (915)682-6373		8. FARM OR LEASE NAME, WELL NO. Gates O'Brien "27" Fed #1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface (K)1980' FSL & 1980' FWL At proposed prod. zone		9. API WELL NO.	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 2 1/2 miles North of Milnesand, New Mexico		10. FIELD AND POOL, OR WILDCAT Todd Upper San Andres	
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 Sec. 27, T-7-S, R-35-E	
16. NO. OF ACRES IN LEASE 320		12. COUNTY OR PARISH Roosevelt	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320		13. STATE New Mexico	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1867' P&A		19. PROPOSED DEPTH 4400	
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START* March 10, 1995	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4209 GR		22. APPROX. DATE WORK WILL START*	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15"	11-3/4"	42.0	350'	380 sx (Circ) (Csg in place)
11"	8-5/8"	32.0	3608'	600 sx (Csg in place)
7-7/8"	J-55 4-1/2"	10.5	4400'	250 sx TOC @ 3400'

We propose to re-enter the former Texaco A.V. Tapp Federal NCT-1 #1 and test the Upper San Andres for gas. If productive, 4-1/2" casing will be cemented at TD. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal Regulations. Specific programs as per Onshore Oil and Gas Order No. 1 are outlined in the following attachments:

Drilling Program

- Exhibit A - Operations Plan
- Exhibit B - BOP Schematic
- Exhibit C - Drilling Fluids Program
- Exhibit D - Topo Map of Location
- Exhibit E - Plat showing Existing Wells
- Exhibit F - Well Site Layout
- Surface Use and Operational Plan

PLEASE BE ADVISED THAT THERE ARE NO ELEVATION OF FEDERALLY OWNED MINERAL AND LAND FOR CONSTRUCTION OF THE ACCESS ROAD OR PAD WITHOUT PERMIT IN ORDER GRID NO. 16367

PROPERTY NO. 16919

POOL CODE 36245

EFF. DATE 4/5/95

API NO. 30-241-20335

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 P. Phil Stinson TITLE Drilling Superintendent DATE 2/28/95
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:

APPROVED BY Earle Smith TITLE Acting Area Manager DATE 3/24/95

*See Instructions On Reverse Side