

New Mexico Oil Conservation Division, District 1
1625 N. French Drive
Hobbs, NM 88240

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: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-0245247	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Seely Oil Company		7. If Unit or CA Agreement, Name and No.	
3a. Address 815 W. 10th St. F. Worth, TX 76102		8. Lease Name and Well No. McElvain Federal, Well No. 12	
3b. Phone No. (include area code) 817/332-1377		9. API Well No. 30-025-35860	
4. Location of Well (Report location clearly and in accordance with BLM Form 3160-3) At surface 760' FNL & 2020' FEL At proposed prod. zone same		10. Field and Pool, or Exploratory EK Delaware	
14. Distance in miles and direction from nearest town or post office 30 miles to Hobbs, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 29-T18S-R34E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 760'		12. County or Parish Lea	
16. No. of Acres in lease 1751.44		13. State NM	
17. Spacing unit dedicated to this well 40		18. Distance from proposed* location to nearest well, drilling, completed, applied for, on this lease, ft. 1431'	
19. Proposed Depth 6,250'		20. BLM/BIA Bond No. on file MM-1816	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3973' GL		22. Approximate date work will start* February 25, 2002	
23. Estimated duration 3 weeks		24. Attachments Carlsbad 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 <i>George R. Smith</i>	Name (Printed Typed) George R. Smith	Date 01/29/02
Title Agent for Seely Oil Company		
Approved by (Signature) <i>/S/ JOE G. LARA</i>	Name (Printed Typed) <i>/S/ JOE G. LARA</i>	Date MAR 06 2002
Title <i>ACTING</i> FIELD MANAGER		
Office CARLSBAD FIELD OFFICE		

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.

APPROVAL FOR 1 YEAR

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)

Lease Responsibility Statement: Seely Oil Company accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof.

George R. Smith, agent

DECLARED WATER BASIN
CEMENT BONDING 8 7/8"
CASING MUST BE CIRCULATED

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED