

UNIT  
DEPARTMENT  
BUREAU OF  
APPLICATION FOR P

OPER. OGRID NO. 15262  
PROPERTY NO. 20021  
POOL CODE 49970  
EFF. DATE 12/5/96  
APIN NO. 30-025-33700

PLICATED  
ctions on  
ide)

10-25-96  
FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL  
WELL ☒

GAS  
WELL ☐

OTHER

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

Morexco, Inc.

3. ADDRESS AND TELEPHONE NO.

P. O. Box 481, Artesia, NM 88211-0481 505-746-6520

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

2310' FNL, 330' FEL (SE/4NE/4)

At proposed prod. zone

2310' FNL, 330' FEL (SE/4NE/4)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

8 miles SW of Maljamar, New Mexico

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

80

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

4,000'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3780'

22. APPROX. DATE WORK WILL START\*

December 2, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM **CAPITAN CONTROLLED WATER BASIN**

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# J-55	405'	4 WITNESS SXS
7 7/8"	5 1/2"	15.5# J-55	4000'	775 total sxs

Please see Drilling Program  
for cement program info.

Operator proposes to drill to a depth sufficient to test the Queen formation for oil. If productive, 5 1/2" casing will be cemented at T.D. If non-productive, the well will be plugged and abandoned in a manner consistent with B.L.M. specifications. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

Drilling Program

Surface Use and Operating Plan

Exhibit 1 - B.O.P. Diagram and Specifications

Exhibit 4 - One-mile radius Map

Exhibit 2 - Location and Elevation Plat

Exhibit 5 - Drilling Rig Layout

Exhibit 3 - Planned Access Roads

H2S Drilling Operations Plan

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen existing 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] TITLE President DATE October 23, 1996

(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 (ORIG SGD) TONY L FERGUSON TITLE ADM MINERALS DATE 10/23/96

\*See Instructions On Reverse Side