

DECEMBER 20, 1995  
APPLICATION FOR PERMIT TO RE-ENTER  
STEVENS & TULL, INC.  
AMERADA FEDERAL NO. 3

1650' from the south line. 660' from the east line. Section 17, T-20-S, R-36-E, Lea County, New Mexico.

The following items and attachments compliment Stevens & Tull, Inc.'s permit to re-enter the Amerada Federal No. 3.

- 1) The geologic surface formation is of Quaternary Age.
- 2) Estimated top of The Delaware Mountain Group is at 5650' with the bottom of the Delaware at 7050'.
- 3) The estimated depths at which water is expected are between 150' and 350'. The estimated depths which oil or gas is expected is between 5650' and 7050' in the Delaware Mountain Sand formations. Fresh water zones are protected with independent casing and cement. 13 3/8" casing is set at 1365'.
- 4) Red beds, Anhydrite and Salt are protected with 9 5/8" 36# + 40# J-55, LT&C casing set at 5505'. The Delaware Oil Zones are protected with 7"-26# casing set at 10,850'. The 7" casing has been removed at 3836'.
- 5) Pressure control, see the attached sketch.
- 6) Mud program, not applicable.
- 7) There is no planned auxiliary equipment.
- 8) Open hole logs - not applicable.
- 9) No abnormal temperatures or pressures are expected. No lost circulation is expected.
- 10) The anticipated starting date is January 15, 1996.