

N.M. OIL CONS. COMMISSION
UNITED STATES
P.O. BOX 1980
HOBBS, NEW MEXICO 88240
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPL **TE***
(Other instructions on
reverse side)

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-77058	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. UNIT AGREEMENT NAME	
2. NAME OF OPERATOR MERIDIAN OIL INC.		8. FARM OR LEASE NAME RED TANK FEDERAL	
3. ADDRESS AND TELEPHONE NO. P.O. BOX 51810, MIDLAND, TX 79710 915-688-6906		9. WELL NO. 4	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface K, 1650' FSL & 2135' FWL At proposed prod. zone		10. FIELD AND POOL, OR WILDCAT WEST RED TANK DELAWARE	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 43.4 MILES SW OF EUNICE, N.M.		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 14, T22S, R32E	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1650'		12. COUNTY OR PARISH LEA	
16. NO. OF ACRES IN LEASE 240		13. STATE N.M.	
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. 1123'	
19. PROPOSED DEPTH 10,150'		20. ROTARY OR CABLE TOOLS ROTARY	
21. ELEVATIONS (Show Whether DF, RT, GR, ETC.) 3724' GR Carlsbad Controlled Water Basin		22. APPROX. DATE WORK WILL START UPON APPROVAL	

23. PROPOSED CASING AND CEMENTING PROGRAM																				
<table border="1"> <tr> <th>SIZE OF HOLE</th> <th>GRADE, SIZE OF CASING</th> <th>WEIGHT PER FOOT</th> <th>SETTING DEPTH</th> <th>QUANTITY OF CEMENT</th> </tr> <tr> <td>17-1/2"</td> <td>13-3/8", H-40</td> <td>48#</td> <td>850'</td> <td>850 SXS CIRC TO SURF</td> </tr> <tr> <td>12-1/4"</td> <td>8-5/8", K-55</td> <td>28# & 32#</td> <td>4600'</td> <td>1800 SXS CIRC TO SURF</td> </tr> <tr> <td>7-7/8"</td> <td>5-1/2", K-55, N-80</td> <td>17#</td> <td>10,150'</td> <td>1345 SXS-TOC 4400'+/-</td> </tr> </table>	SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	17-1/2"	13-3/8", H-40	48#	850'	850 SXS CIRC TO SURF	12-1/4"	8-5/8", K-55	28# & 32#	4600'	1800 SXS CIRC TO SURF	7-7/8"	5-1/2", K-55, N-80	17#	10,150'	1345 SXS-TOC 4400'+/-
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NOT IN DESIGNATED POTASH AREA
NO H2S REQUIREMENTS

SEE 9 POINT DRILLING PLAN ATTACHED FOR MUD AND BOP PROGRAM

PER. OGRID NO. 20085
PROPERTY NO. 15014
POOL CODE 51680
EFF. DATE 5-27-94
PI NO. 30-035-32528

Approval Subject to
General Requirements and
Special Stipulations
Attached

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 Martin L. Perez TITLE PRODUCTION ASST. DATE 3-28-94
(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 15/ Ron Duntan (for) AREA MANAGER DATE 5-23-94
*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operation on an oil and gas lease.

RECEIVED

MAY 2 1994

U.S.

DEFENSE

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.