State of New Mexico Submit to Appropriate Form C-101 District Office Energy, Minerals and Natural Resources Department Revised 1-1-89 State Lease - 6 copies Fee Lease - 5 copies OIL CONSERVATION DIVISION API NO. (assigned by OCD on New Wells) P.O. Box 2088 P.O. Box 1980, Hobbs, NM 88240 30-025-31333 Santa Fe, New Mexico 87504-2088 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 STATE X FEE DISTRICT III 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 B-1167 APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK la. Type of Work: 7. Lease Name or Unit Agreement Name DRILL X RE-ENTER DEEPEN PLUG BACK b. Type of Well: OIL WELL WELL X SINGLE MULTIPLE OTHER ZONE Shell State 2. Name of Operator 8. Well No. Meridian Oil Inc. 3. Address of Operator 9. Pool name or Wildcat P. O. Box 51810, Midland, Texas 79710-1810 Jalmat Tansil (Yates-7 Rivers) 4. Well Location Unit Letter 850 Feet From The Line and 1980 Feet From The South Line 23-S 36-E Township **NMPM** Lea County 10. Proposed Depth 11. Formation 12. Rotary or C.T. 3600' Yates Sand Rotary 13. Elevations (Show whether DF, RT, GR, etc.) 14. Kind & Status Plug. Bond 15. Drilling Contractor 16. Approx. Date Work will start 3434.9 Blanket NA Upon Approval 17. PROPOSED CASING AND CEMENT PROGRAM SIZE OF HOLE SIZE OF CASING SETTING DEPTH SACKS OF CEMENT WEIGHT PER FOOT **EST. TOP** 12-1/4" 8-5/8" 28# 4001 250 sxs Surface 7-7/8" 11.6# 3600' 1175 sxs Surface Non-standard gas proration unit previously approved for well no. 4 Simultaneous dedication with well no. 4 in (K) 1980' FSL & 1980' FWL. (Order No. SD91-7) Est. Tops: Red Beds 350' Salt 1325' Tansil 2850' Yates 3065' Seven Rivers 32551 Queen 3625 IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE

Thereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE And A Perez

TITLE Production Asst.

DATE 7-9-91

TYPE OR PRINT NAME Maria L. Perez

TELEPHONE NO.915-686-576

OFFICE I SUPERVICE A

APPROVED BY A PROVED BY IS A PENATORAL DATE

CONDITIONS OF APPROVAL IF ANY:

Permit Expires 6 Months From Approval

22-41-7

Permit Expires 6 Months From Approval Date Unless Drilling Underway.