

(July 1988)  
(formerly 9-331C)

UNITED STATES

OFFICE OF THE DIRECTOR  
OF COPIES REQUIRED  
(Other instructions on  
reverse side)

NM060-3160-2

30-025-31614

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|  |             |   |       |             |               |                    |
|--|-------------|---|-------|-------------|---------------|--------------------|
| 1a. TYPE OF WORK<br><b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/> <b>PLUG BACK</b> <input type="checkbox"/>                      |             | 5. LEASE DESIGNATION AND SERIAL NO.<br><b>LC-030177-A</b>                       |       |             |               |                    |
| b. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>   |             | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME  |       |             |               |                    |
| 2. NAME OF OPERATOR<br><b>Meridian Oil Inc</b>   |             | 7. UNIT AGREEMENT NAME  |       |             |               |                    |
| 3a. AREA CODE & PHONE NO.<br><b>(915)688-6943</b>  |             | 8. FARM OR LEASE NAME<br><b>C.W. Shepherd "A" Fed.</b>                          |       |             |               |                    |
| 3. ADDRESS OF OPERATOR<br><b>P.O. Box 51810, Midland, TX 79710-1810</b>  |             | 9. WELL NO.<br><b>2</b>   |       |             |               |                    |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)<br>At surface<br><b>H, 1650' FNL &amp; 660' FEL</b><br>At proposed prod. zone |             | 10. FIELD AND POOL OR WILDCAT<br><b>Rhodes-Yates-7 Rvrs Gas</b>                 |       |             |               |                    |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*<br><b>3 miles south of Jal, NM</b>   |             | 11. SEC., T., R., M. OR BLK. AND SURVEY OF AREA<br><b>Sec 6, T-26-S, R-37-E</b> |       |             |               |                    |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)<br><b>660'</b>                                       |             | 12. COUNTY OR PARISH<br><b>Lea</b>  |       |             |               |                    |
| 16. NO. OF ACRES IN LEASE<br><b>640.10</b>   |             | 13. STATE<br><b>NM</b>  |       |             |               |                    |
| 17. NO. OF ACRES ASSIGNED TO THIS WELL<br><b>160</b>   |             | 19. PROPOSED DEPTH<br><b>3200'</b>  |       |             |               |                    |
| 18. DISTANCE FROM PROPOSED* LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.<br><b>-</b>  |             | 20. ROTARY OR CABLE TOOLS<br><b>Rotary</b>                                      |       |             |               |                    |
| 21. ELEVATIONS (Show whether DF, RT, GR, ETC.)<br><b>2976.7 GR</b>   |             | 22. APPROX. DATE WORK WILL START*<br><b>5/27/92</b>                             |       |             |               |                    |
| 23. PROPOSED CASING AND CEMENTING PROGRAM <b>Capitan Controlled Water Basin</b>  |             |   |       |             |               |                    |
| HOLE SIZE  | CASING SIZE | WEIGHT/FOOT   | GRADE | THREAD TYPE | SETTING DEPTH | QUANTITY OF CEMENT |
| 12-1/4"  | 8-5/8"      | 28#   | K-55  | BTC         | 400'          | 400 sx - circ      |
| 7-7/8"   | 5-1/2"      | 15.5#   | K-55  | LTC         | 3200'         | 1000 sx - circ     |

Lease Description: 640.10 acres (N/2 Sec. 6, T-26-S, R-37-E & N/2 of Sec. 1, T-26-S, R-36-E, Lea Co.)

Mud Program: 0'-400' fresh water gel & lime; 400'-3200' saltwater w/ MW 9.8-10.2. No abnormal pressures or temperatures expected.

BOP: 10" - 3M BOP stack to be installed on 8-5/8" & left for remainder of drilling.

APPROVAL SUBJECT TO  
COMPLIANCE WITH  
SPECIAL REGULATIONS  
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 *Thomas Schaefer* TITLE Production Asst. DATE 5/11/92  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY *Thomas Schaefer* TITLE \_\_\_\_\_ DATE 6-5-92  
CONDITIONS OF APPROVAL, IF ANY:

\*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.