

N.M. OIL CONS. COMMISSION
P.C. BOX 1980
HOBBS, NEW MEXICO 88240
UNITED STATES

SUBMIT IN "PLICATE"
(Other instr. on
reverse side)

Form approved.
Budget Bureau No. 1004-0136

Expires: December 31, 1991

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL



DEEPEN



b. TYPE OF WELL

OIL



GAS



OTHER

SINGLE



MULTIPLE



2. NAME OF OPERATOR

ARCH PETROLEUM, INC.

3. ADDRESS AND TELEPHONE NO.

10 Desta Drive, Suite 420E, Midland, TX 79705 (915) 685-1961

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

At surface Unit A, 1300' FNL and 560' FEL

At proposed prod. zone

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

10 MILES SOUTH OF EUNICE, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

760'

(Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

687'

16. NO. OF ACRES IN LEASE

1520

17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

19. PROPOSED DEPTH

6000'

20. ROTARY OR CABLE TOOLS

ROTARY

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

3294' GR

22. APPROX. DATE WORK WILL START*

ASAP

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	K-55, 8-5/8"	24#	1150'	675 sx. Cl. 'C' circ.
7-7/8"	J-55, 5-1/2"	15.5#	6000'	1835 sx. Cl. 'C' circ. (TIE BACK)

The operator proposes to drill to a depth sufficient to test the Blinebry formation for oil. If productive, 5-1/2" casing will be cemented at TD. If non-productive, the well will be plugged and abandoned in a manner consistent with federal regulations. Specific programs as per Onshore Oil & Gas Order #1 are outlined in the following attachments:

Drilling Program

Exhibit 1 - Blowout Preventer Equipment

Exhibit 2 - H2S Drilling Plan

Surface Use Plan

Exhibit A - Existing Roads

Exhibit B - Planned Access Roads

Exhibit C - One Mile Right of Way

Exhibit D - Drilling Rig Layout

OPER. OGRID NO. 962

PROPERTY NO. 14898

POOL CODE 58300

EXP. DATE 10/4/95

API NO. 3D-025-33133

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new production 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.

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SIGNED Bakari Brooks TITLE PRODUCTION ANALYST

DATE 8-22-95

(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 1517 MOTNY J. BURKE

TITLE Area Manager

DATE SEP 20 1995

*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.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED