

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-025-32345

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. LC032582 B		
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 _____		
2. NAME OF OPERATOR Prime Operating Company			7. UNIT AGREEMENT NAME NMFU		
3. ADDRESS AND TELEPHONE NO. 731 W. Wadley, Bldg. L-220, Midland, TX 79705			8. FARM OR LEASE NAME, WELL NO. Wells B-1 #6		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface: 660' ESL & 1980' FEL At proposed prod. zone: 660' ESL & 1980' FEL			9. API WELL NO. _____		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 2 1/2 miles northwest of Jal, NM			10. FIELD AND POOL, OR WILDCAT Jalmat (Yates, SR) Langley Mattix (On, GB)		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 660'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 1, T25S, R36E		
16. NO. OF ACRES IN LEASE 360			12. COUNTY OR PARISH Lea		
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			13. STATE NM		
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1320'			19. PROPOSED DEPTH 3800'		
20. ROTARY OR CABLE TOOLS Rotary			21. APPROX. DATE WORK WILL START* December 8, 1993		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3245.9' Gr.			_____		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	24#	1200'	600
8 3/4"	5 1/2"	15.50#	3800' +/-	750

Prime Operating Company proposes to drill to a depth sufficient to test the Yates, Queen, Grayburg formations for oil and gas. 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 & Surface Use Plan of Operations

- EXHIBIT #1 - Blowout Preventer Equip.
- EXHIBIT #2 - Location & Elevation Plat
- EXHIBIT #3 - Planned Access Roads
- EXHIBIT #4 - One Mile Radius Map
- EXHIBIT #5 - Drilling Pad Layout
- Surface Owner Agreement Stipulation
- Transfer of Operating Rights - Form 3000-3A

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 Eduw. Levea TITLE District Manager DATE 11-19-93

(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:

Signed Richard Mann TITLE AREA MANAGER DATE 12/3/93

*See Instructions On Reverse Side