

**N.M. OIL & GAS COMMISSION**  
**P.O. BOX 1980**  
**HOBBS, NEW MEXICO 88240**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

**SUBMIT TRIPLICATE\***  
 (Other instructions on reverse side)

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

5. LEASE DESIGNATION AND SERIAL NO.  
LC 032582-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME WELL NO  
Wells B-1 #7

9. API WELL NO

10. FIELD AND POOL, OR WILDCAT  
Jalmat (Tansil, Yts, 7 Rvs)

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
1, 25S, 36E

12. COUNTY OR PARISH  
Lea

13. STATE  
NM

17. NO. OF ACRES ASSIGNED TO THIS WELL  
40

20. ROTARY OR CABLE TOOLS  
Rotary

22. APPROX. DATE WORK WILL START\*  
12-1-94

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK  
 DRILL  DEEPEN

b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER   
 SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
Prime Operating Company

3. ADDRESS AND TELEPHONE NO  
731 W. Wadley, Bldg. L-220, Midland, TX 79705 (915) 682-5600

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface: 1930' FNL & 1780' FEL  
 At proposed prod. zone: 1930' FNL & 1780' FEL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
2 1/2 miles NW of Jal, NM

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 1780'

16. NO. OF ACRES IN LEASE: 360

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.: 1300'

19. PROPOSED DEPTH: 3100'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3241.1' GL

22. APPROX. DATE WORK WILL START\*: 12-1-94

23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8" J-55	24#	1200' +/-	462 Sxs - Circulate to surface
7 7/8"	5 1/2" J-55	15.5#	3100'	300 Sxs (TIEBACK)

Prime Operating Company proposes to drill to 3100', and if productive, set 5 1/2" production casing 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 plan and surface use plan of operations.
  - Exhibit #1: Blowout Prevention Equipment
  - Exhibit #2: Location & Elevation Plat
  - Exhibit #3: Planned Access Road Plat
  - Exhibit #4: One Mile Radius Map
  - Exhibit #5: Drilling Pad Layout
  - Surface Owner Agreement Stipulation
- OPER. OGRID NO. 180009  
 PROPERTY NO. 9392  
 POOL CODE 33820  
 EFF. DATE 12-2-94  
 API NO. 30-D25-3274

RECEIVED  
 NOV 9 11 25 AM '94  
 AREA

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: [Signature] TITLE: District Mgr. DATE: 11/3/94

(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:

AS APPROVED BY: [Signature] TITLE: AREA MANAGER DATE: 11-30-94

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

\*See Instructions On Reverse Side