

OPER. OGRID NO. 20077  
PROPERTY NO. 27331  
POOL CODE 49460  
DATE 2-2-01  
API NO 30-025-35391

Form 3160-3  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

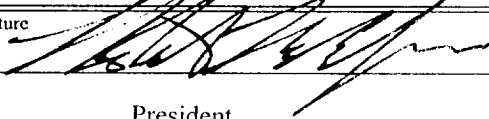
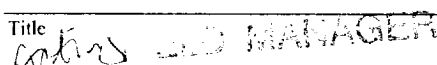
APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. LC-061873
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Sahara Operating Company		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. Box 4130 Midland, TX 79704		8. Lease Name and Well No. Boyle Federal #1
3b. Phone No. (include area code) 915/697-0967		9. API Well No. 30-025-35391
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface Unit Letter <u>D</u> 563' FNL & 651' FWL At proposed prod. zone Same as above		10. Field and Pool, or Exploratory Paduca Delaware
11. Sec., T., R., M., or Blk. and Survey or Area Sec. 8, T-25-S, R-32-E N.M.P.M.		12. County or Parish Lea
13. State N.M.		
14. Distance in miles and direction from nearest town or post office* 32 Miles West of Jal, New Mexico	15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 563'	16. No. of Acres in lease 2398.49 acres
17. Spacing Unit dedicated to this well NW/4 of NW/4, Sec. 8, UL D 40 Acres	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 7068'	19. Proposed Depth 4900'
20. BLM/BIA Bond No. on file NM 2352	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3445' G.L.	22. Approximate date work will start* As soon as possible
23. Estimated duration 12 days	24. Attachments	

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Robert McAlpine	Date 1/04/2001
Title President		
Approved by (Signature) 	Name (Printed/Typed) MANAGER	Date
Title MANAGER		
Office GALLUP FIELD OFFICE		

Application approval does not warrant or certify the 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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

\*(Instructions on reverse)

APPROVED BY DIRECTOR  
OF BUREAU OF LAND MANAGEMENT  
AND  
RECEIVED

MP