

N.M. Oil Cons. DIV-Dist. 2  
1301 W. Grand Avenue  
Artesia, NM 88210

RECEIVED

OCT 29 2003

Form 3160-3  
(August 1999)

OCD-ARTESIA

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-0554499	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator J.C. Williamson		7. If Unit or CA Agreement, Name and No. Ross Draw	
3a. Address 214 W. Texas, Suite 1250 Midland, TX 79701		8. Lease Name and Well No. Ross Draw Unit #26	
3b. Phone No. (include area code) 432-682-1797		9. API Well No. 30-015-33083	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 450' FNL & 990' FEL per SN dated 10/15/03 At proposed prod. zone same 660		10. Field and Pool, or Exploratory Ross Draw Delaware	
11. Sec., T., R., M., or Bk. and Survey or Area Sec 34, T-26-S, R-30-E		12. County or Parish Eddy	
13. State New Mexico		14. Distance in miles and direction from nearest town or post office* 20 miles Southeast of Malaga, New Mexico	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 450'		16. No. of Acres in lease 142	
17. Spacing Unit dedicated to this well 40		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 120'	
19. Proposed Depth 5700'		20. BLM/BIA Bond No. on file NM-2469	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 2990' GL		22. Approximate date work will start* October 20, 2003	
23. Estimated duration 30 days		24. Attachments CARLSBAD CONTROLLED WATER BASIN	

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.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Barbara A. Tranum</i>	Name (Printed/Typed) Barbara A. Tranum	Date 9-12-2003
Title Agent <i>Barbara A. Tranum</i>		
Approved by (Signature) <i>/s/ Joe G. Lara</i>	Name (Printed/Typed) <i>/s/ Joe G. Lara</i>	Date 7 OCT 2003
Title ACTING FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

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, are attached.

APPROVAL FOR 1 YEAR

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)

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

## DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1984

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

P.O. Box 2088, Santa Fe, N.M. 87504-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name ROSS DRAW UNIT	Well Number 26
OGRID No.	Operator Name J.C. WILLIAMSON	Elevation 2990'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	34	26-S	30-E		450	NORTH	990	EAST	EDDY

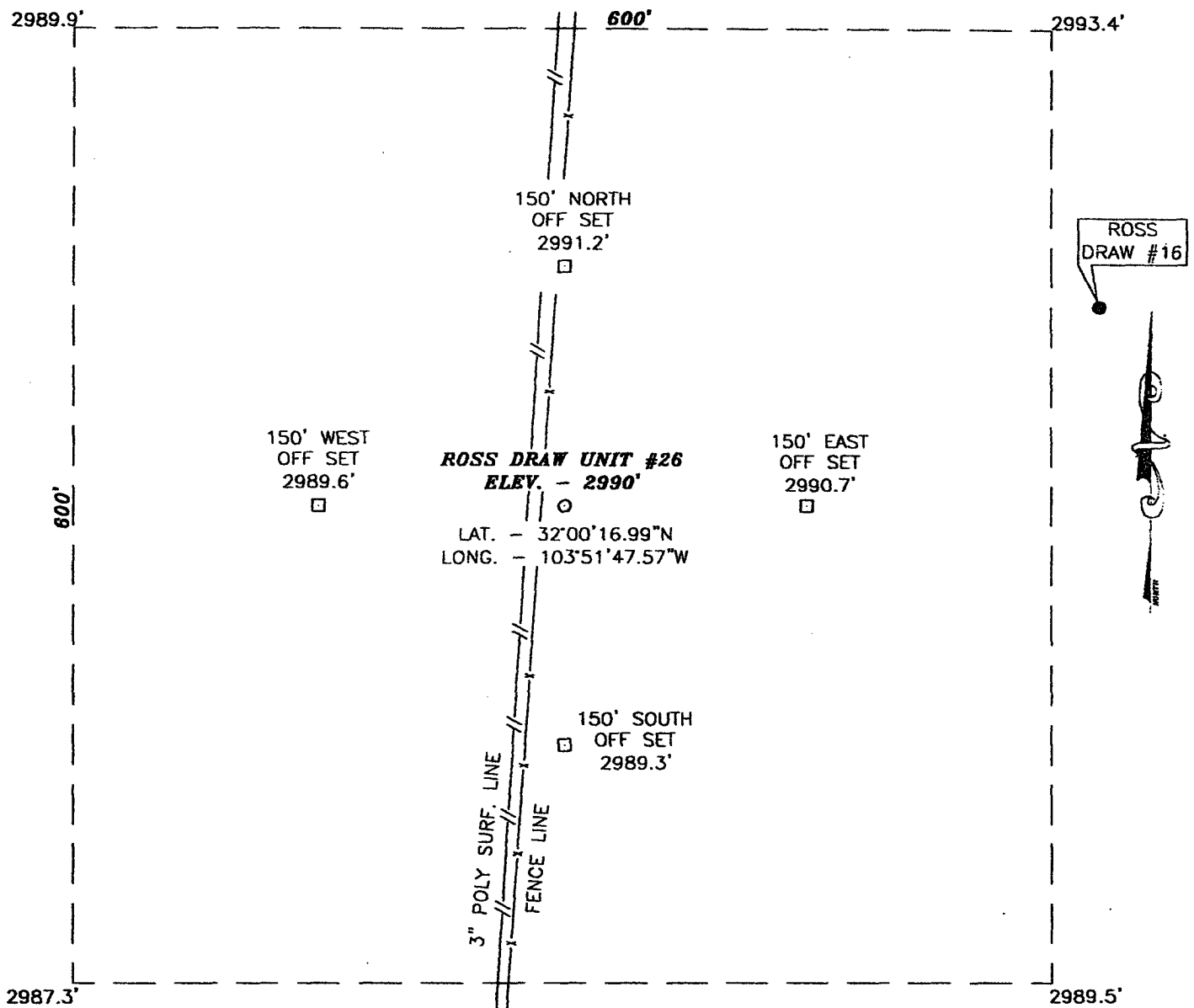
## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>GEODETIC COORDINATES NAD 27 NME Y = 365760.8 X = 645727.7 LAT. 32°00'16.99"N LONG. 103°51'47.57"W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>Date _____</p>
		<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 22, 2003</p> <p>Date Surveyed _____ L.A.</p> <p>Signature &amp; Seal of Professional Surveyor _____</p> <p>9/25/03</p> <p>03.11.1044</p> <p>Certificate No. GARY EIDSON 12641</p>

SECTION 34, TOWNSHIP 26 SOUTH, RANGE 30 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

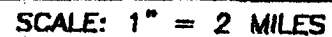
FROM THE INTERSECTION OF PECOS HWY (U.S. HWY 285) AND WHITETHORN (CO. RD. #725). GO NORTHEAST ON (CO. RD. #725) 11.6 MILES TO A ROAD TO THE LEFT, THEN GO 5.0 MILES EAST TO A ROAD TO THE RIGHT, THEN GO SOUTH TO THE SOUTHWEST CORNER OF AN EXISTING WELL PAD, THEN GO 330 FEET WEST TO PROPOSED WELL LOCATION.

J.C. WILLIAMSON

THE ROSS DRAW UNIT #26 LOCATED 450 FROM THE NORTH LINE AND 990 FROM THE EAST LINE SECTION 34, TOWNSHIP 26 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 9/22/03	Sheet 1 of 1 Sheets
W.O. Number: 03.11.1044	Drawn By: L.A.
Date: 9/24/03	DISK:CD#2
	03111044

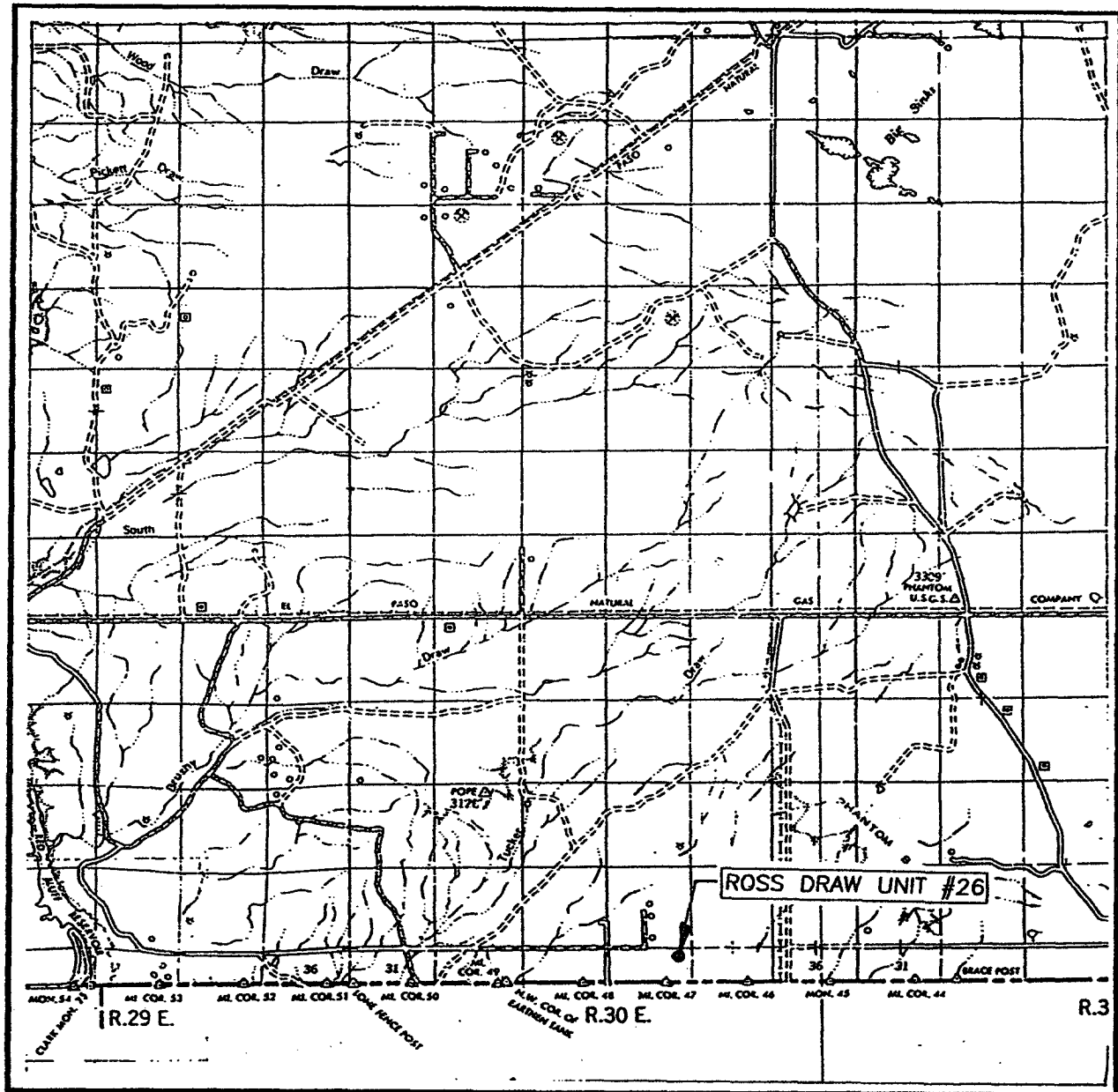
JOHN WEST SURVEYING COMPANY  
412 N. DAL PASO - HOBBS, NEW MEXICO - 505-393-3117



LEASE      ROSS DRAW UNIT

**JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117**

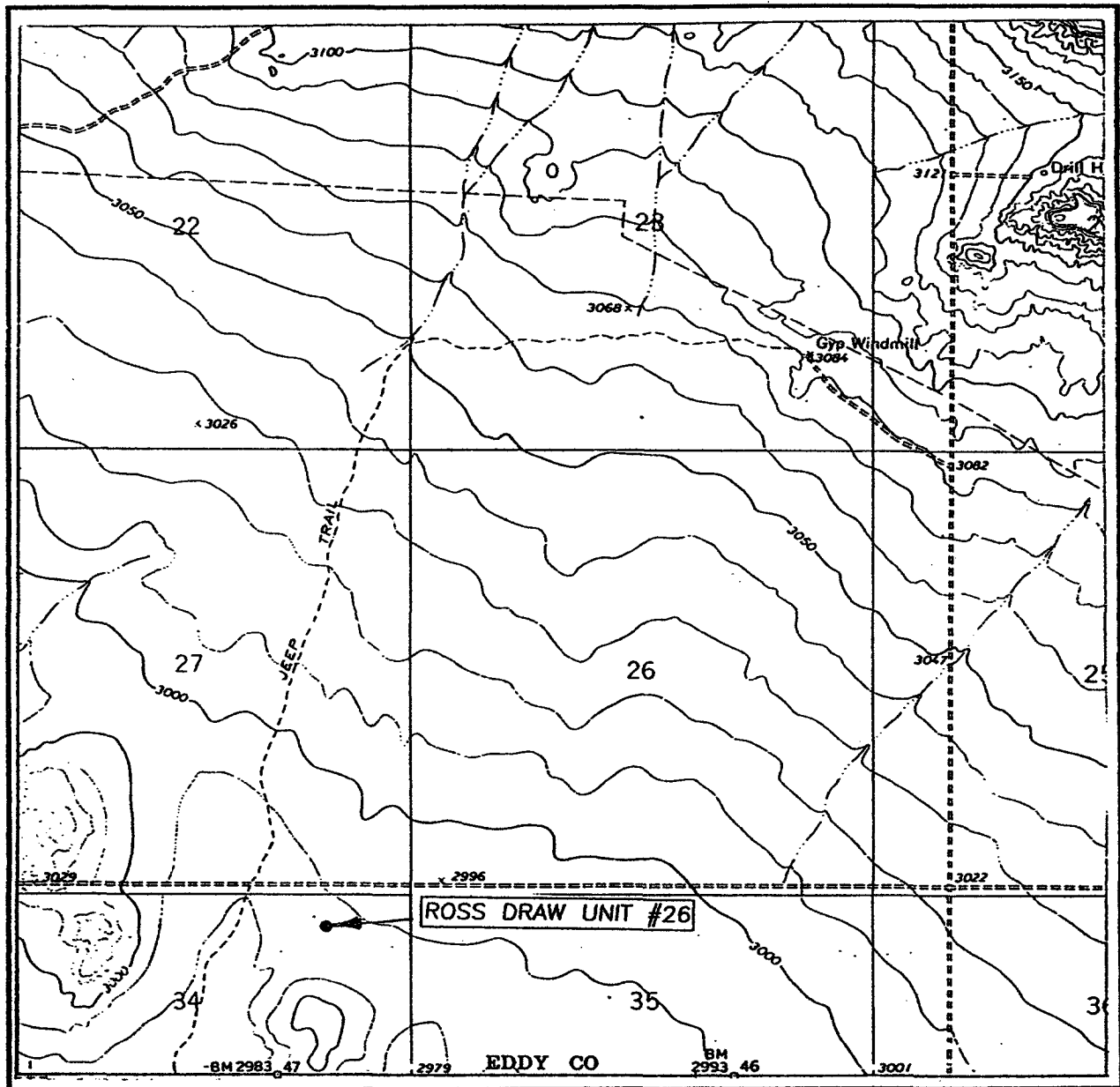
# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 34 TWP. 26-S RGE. 30-E  
 SURVEY N.M.P.M.  
 COUNTY EDDY  
 DESCRIPTION 450' FNL & 990' FEL  
 ELEVATION 2990'  
 OPERATOR J.C. WILLIAMSON  
 LEASE ROSS DRAW UNIT

**JOHN WEST SURVEYING**  
**HOBBS, NEW MEXICO**  
**(505) 393-3117**



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'  
PHANTOM BANKS, N.M.

SEC. 34 TWP. 26-S RGE. 30-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 450' FNL & 990' FEL

ELEVATION 2990'

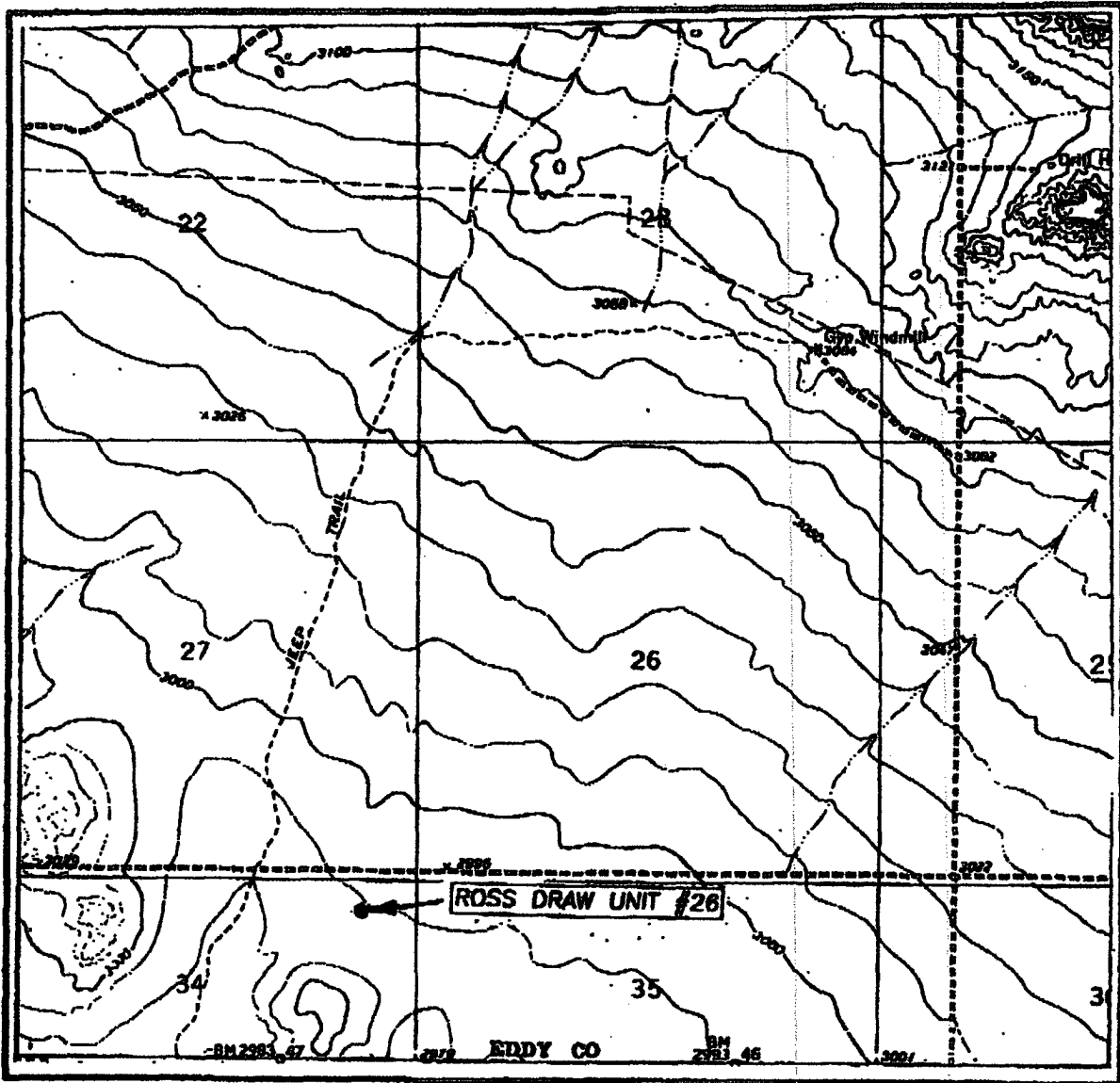
OPERATOR J.C. WILLIAMSON

LEASE ROSS DRAW UNIT

U.S.G.S. TOPOGRAPHIC MAP  
PHANTOM BANKS, N.M.

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'  
PHANTOM BANKS, N.M.

SEC. 34 TWP. 26-S RGE. 30-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 450' FNL & 660' FEL

ELEVATION 2988'

OPERATOR J.C. WILLIAMSON

LEASE ROSS DRAW UNIT

U.S.G.S. TOPOGRAPHIC MAP  
PHANTOM BANKS, N.M.

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117

EXIST. CALICHE ROAD

2988.9'

2991.5'

600'

PITS

150' NORTH  
OFFSET  
2989.0'

ANCHOR

ANCHOR x

ROSS DRAW  
UNIT #16

ANCHOR

ANCHOR x

150' WEST  
OFFSET  
2987.7'

TANKS

ROSS DRAW UNIT #28  
ELEV. - 2988'

150' EAST  
OFFSET  
2988.9'

LAT. - 32°00'16.99"N  
LONG. - 103°51'47.57"W

150' SOUTH  
OFFSET  
2987.1'

2985.7'

2986.1'

FROM THE INTERSECTION OF HWY #128 AND LEA CO. ROAD 1,  
GO SOUTH ALONG LEA CO. ROAD 1 14.8 MILES TO A CALICHE  
AND ROCK ROAD GOING WEST, (0.4 MILES NORTH OF NEW  
MEXICO STATE LINE ON LEA CO. RD 1) GO WEST ALONG CALICHE  
ROAD 8.6 MILES TO A CALICHE ROAD SOUTH INTO ROSS  
DRAW UNIT #16 WELL PAD. GO TO THE SOUTH EDGE OF WELL  
PAD (APPROX. 520') LOOK 125' WEST TO SEE WELL LOCATION  
FLAG 15' SOUTH OF WELL PAD.

**J.C. WILLIAMSON**

THE ROSS DRAW UNIT #26 LOCATED 450 FEET FROM  
THE NORTH LINE AND 680 FEET FROM THE EAST LINE  
SECTION 34, TOWNSHIP 26 SOUTH, RANGE 30 EAST,  
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 10/15/03	Sheet 1 of 1 Sheets
W.O. Number: 03.11.1146	Drawn By: L.A.
Date: 10/15/03	DISK:CD#2
	03111146



APPLICATION FOR DRILLING  
J.C. WILLIAMSON  
WELL ROSS DRAW #26  
450' FNL & 990' FEL, Sec 34, T26S, R30E  
Eddy County, New Mexico  
Lease No. NM-0554499

In conjunction with Form 3160-3, Application for Permit to Drill subject well, J.C. Williamson submits the following items of pertinent information in accordance with BLM requirements:

1. SURFACE FORMATION: Quaternary Alluvium.

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Rustler Anhydrite	800'
Lamar Shale	3460'
Ramsey Sand	3520'
Olds Sand	3570'
Top Cherry Canyon	4400'
Top Brushy Draw	5680'

3. ANTICIPATED POSSIBLE WATER AND HYDROCARBON BEARING ZONES:

Fresh Water Above	300'
Oil: Delaware	3520'
Oil: Brushy Canyon	6810'

4. PROPOSED CASING AND CEMENTING PROGRAM:

WITNESS Hole for surface casing will be drilled to a depth below fresh water zone. 8-5/8" surface casing will be run to a depth of 580 feet, below all fresh water zones and will be cemented to the surface with: Lead Cement: 125 sks Qass "C" 65/35/6 with 2% CaCl, 1/4 # Cello flake mix - @ 12.4#/gal, 1.97 cu.ft/sk, 10.9 gal/sk, Tail Cement: 185 sk Class "C" with 2% CaCl, 1/4# Cello flake-mix @ 14.8#/gal, 1.32 cu.ft/sk, 6.3/gal/sk to surface. Displace cement with fresh water to the float collar. Top out with pea gravel and cement of 1" as necessary.

5-1/2" casing will be run to total depth and will be cemented at a total depth if significant shows are encountered in the Brushy Canyon formation. The second stage of the cement procedure should tie the 5-1/2" casing back into the 8-5/8" surface casing, which is well above all productive zones.

5. PRESSURE CONTROL EQUIPMENT:

Install 8-5/8" X 5 Y2" Fig. 922500 psi WP casinghead and adapter flange for BOPE and NU BOPE, a minimum compliance H2S Safety package should be in operation prior to drilling out the shoe. Pressure control equipment will consist of a 1000# hydraulically controlled blow out preventor and a 1000# choke manifold. 2000#

2000#

6. CIRCULATING MEDIUM:

The circulating medium will be fresh water down to 550 feet and brine water in the rest of the hole, once the water saturates itself naturally with salt.

7. AUXILARY EQUIPMENT:

Pick up 7 7/8" bit (HRS30C), National 6 1/2", 7/8 M/L 2.8 stage mud motor with stabilizer sleeve, stabilization (3pt RR), shock sub and drill collars. Prior to drilling out cement out cement, test casing, BOP and choke manifold to 1000 psi for 10 minutes with rig pumps (requires chart recorder).

8. TESTING, LOGGING AND CORING PROGRAM:

Formation testing will be made by a mud logger at 3000'. No drill stem test or coring are planned. It is planned that an open hole logs will be run when total depth is reached.

9. ABORMAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE GAS:

None are anticipated based on wells drilled in the area.

10. ANTICIPATED STARTING DATE:

It had been planned that operations will commence on October 20, 2003, or as soon as the application is approved.

## SURFACE USE AND OPERATIONS PLAN

J.C. WILLIAMSON  
WELL ROSS DRAW #26  
450' FNL & 990' FEL, Sec 34, T26S, R30E  
Eddy County, New Mexico  
Lease No. NM-0554499

### 1. EXISTING ROADS:

Exhibit "A" is a portion of a road map showing the location of the proposed well. Access to the location will be gained by using an existing road which comes out of the Jal-Orla cut of Highway (Hwy. 652). See Point A.

### 2. PLANNED ACCESS ROAD:

- A. SURFACING MATERIAL: Some surfacing material may be needed for the prepared location, if necessary, 4" caliche, watered and compacted will be used. Surfacing materials where needed will be removed from an approved caliche pit, located one mile to the southwest of the location.
- B. MAXIMUM GRADE: Two Percent.
- C. TURNOUTS: None required.
- D. CULVERTS: None required.
- E. CUTS AND FILLS: None necessary. Only clearing and minor leveling will be required.
- F. GATES AND CATTLE GUARDS: None required. No fences will need to be cut in conjunction with drilling operations.

### 3. LOCATION OF EXISTING WELLS:

- A. Existing wells in the area are shown on Exhibit "B".

### 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. There are existing facilities owned and operated by J.C. Williamson that will be utilized by this lease, and these are the battery and treating facilities put on the lease in association with the Ross Draw #2.
- B. If the proposed well is completed for production, the tank battery for this well will be the battery constructed for the Ross Draw #2, and this will be connected to the existing battery by a steel surface flowline, crossing the lease to the west, leading along existing roads to the Ross Draw #2 battery.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Fresh water necessary for drilling will be purchased and hauled to the well site over existing and proposed roads. Produced brine water will be hauled to the location for make up water on the 7-7/8" portions of the hole or pumped to the location by surface flowline (3" fasline).

6. SOURCE OF CONSTRUCTION MATERIALS:

The construction materials that may be needed can be obtained from an approved pit located in SE/4 SE/4 of Sec. 15, T-26-S, R-30-E, Eddy County, New Mexico. We will be using the same drilling pad as the #16 Ross Draw.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pit.
- B. Drilling fluid will be allowed to evaporate in the drilling pit until the pit is dry.
- C. All pits will be fenced with normal fencing materials to prevent livestock from Entering the area.
- D. Water produced during testing of this well will be disposed of in the drilling pit.
- E. Oil produced during test will be stored in test tanks until sold.
- F. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- G. Trash, waste paper, garbage and junk will be contained in trash bins to prevent scattering by the wind and will be removed for deposit in an approved sanitary land fill within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

- A. None required.

9. WELL SITE LAYOUT:

- A. Exhibit "D" shows the relative location and dimensions of the well pad, mud pit, trash pit, and the location of major rig components for the #16 well with the #26 being the same but just 120' south.
- B. Using the same drill pad 400' x 400'.
- C. No Cut or fill will be necessary.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed as soon as possible. Pits will be filled and the location cleaned of all trash and junk to leave the well site in as an aesthetically pleasing condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment, all equipment, trash and junk will be removed or buried and the location cleaned. Any special rehabilitation and/or special vegetation requirements of the surface management agency will be complied with and accomplished as expeditiously as possible.

11. OTHER INFORMATION:

- A. Topography: The land surface is relatively level. Regional slope is to the southwest.
- B. Soil: The top soil at the well site is a gravelly, loamy sand.
- C. Flora and Fauna: The vegetative cover is sparse and consists of mesquite, grease wood, yucca, weeds and range grasses, wildlife in the area is that typical of semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, dove and quail.
- D. Ponds and streams: The Pecos River is approximately seven and one-half miles west of the proposed well site. Red Bluff Reservoir is approximately four and one-half miles Southwest of the well site.
- E. Residence and other structures: There are no occupied dwellings within two miles of proposed well site. There is a windmill approximately 1-1/2 miles to the north of the location.
- F. Archaeological, Historical and other Cultural Sites: None observed in the area.
- G. Land Use: Cattle grazing and hunting in season.
- H. Surface Ownership: Federal.

12. OPERATOR'S REPRESENTATIVE:

Representative responsible for assuring compliance with the approved Surface Use Plan is as follows:

James Blair  
B&W Southern Petroleum  
4131 N. Central Expressway, Suite 850  
Dallas, Texas 75204  
Office Phone: (214) 522-9200  
Cell Phone: (214) 395-7245

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by J.C. Williamson and its contractors and subcontractors in conformity with this plan and the term and conditions under which it is approved.

DATE: 9-22-03

BY: James Blair  
JAMES BLAIR  
J.C. WILLIAMSON, OPERATOR

SAMPLE NOTICE OF STAKING FORMAT

<b>NOTICE OF STAKING</b> (Not to be used in place of Application for Permit to Drill Form 3160-3		6. Lease Number <b>NM-0554499</b>
1. Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> (Specify)		7. If Indian, Alottee or Tribe Name
2. Name of Operator <b>J. C. Williamson</b>		8. Unit Agreement Name <b>Ross Draw</b>
3. Name of Specific Contact Person <b>Barbara A. Tranum/James Blair</b>		9. Farm or Lease Name <b>Ross Draw Unit</b>
4. Address & Phone No. of Operator or Agent <b>214 W. Texas, Suite 1250</b> <b>Midland, TX 79701 432-682-1797</b>		10. Well No. <b>#26</b>
5. Surface Location of Well <b>450' FNL &amp; 990 FEL</b> <b>Sec 24, T-26-S, R-30-E</b> Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other acceptable map showing location, access road, and lease boundaries.		11. Field or Wildcat Name <b>Ross Draw Delaware</b>
15. Formation Objective(s) <b>Brushy Draw</b>	16. Estimated Well Depth <b>5700'</b>	12. Sec., T., R. M., or Blk and Survey or Area  <b>Sec 34, T-26-S, R-30-E</b>
13. County, Parish or Borough <b>Eddy</b>		14. State  <b>NM</b>
17. Additional Information (as appropriate; shall include surface owner's name,		
18. Signed <u>Barbara A. Tranum</u> Title <u>Agent</u> Date <u>9/52/03</u>		

**Note:** Upon receipt of the Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road flagged prior to the onsite.

Operators must consider the following prior to the onsite:

- a) H2S Potential
- b) Cultural Resources (Archeology)
- c) Federal Right of Way or Special Use Permit

**IMPORTANT: SEE REVERSE SIDE FOR INSTRUCTIONS**

R28 E

R29 E 1/4

R29 E

R30 E

J.C. Williamson  
Ross Draw Unit #26  
Sec. 34, T-26-S, R-30-E

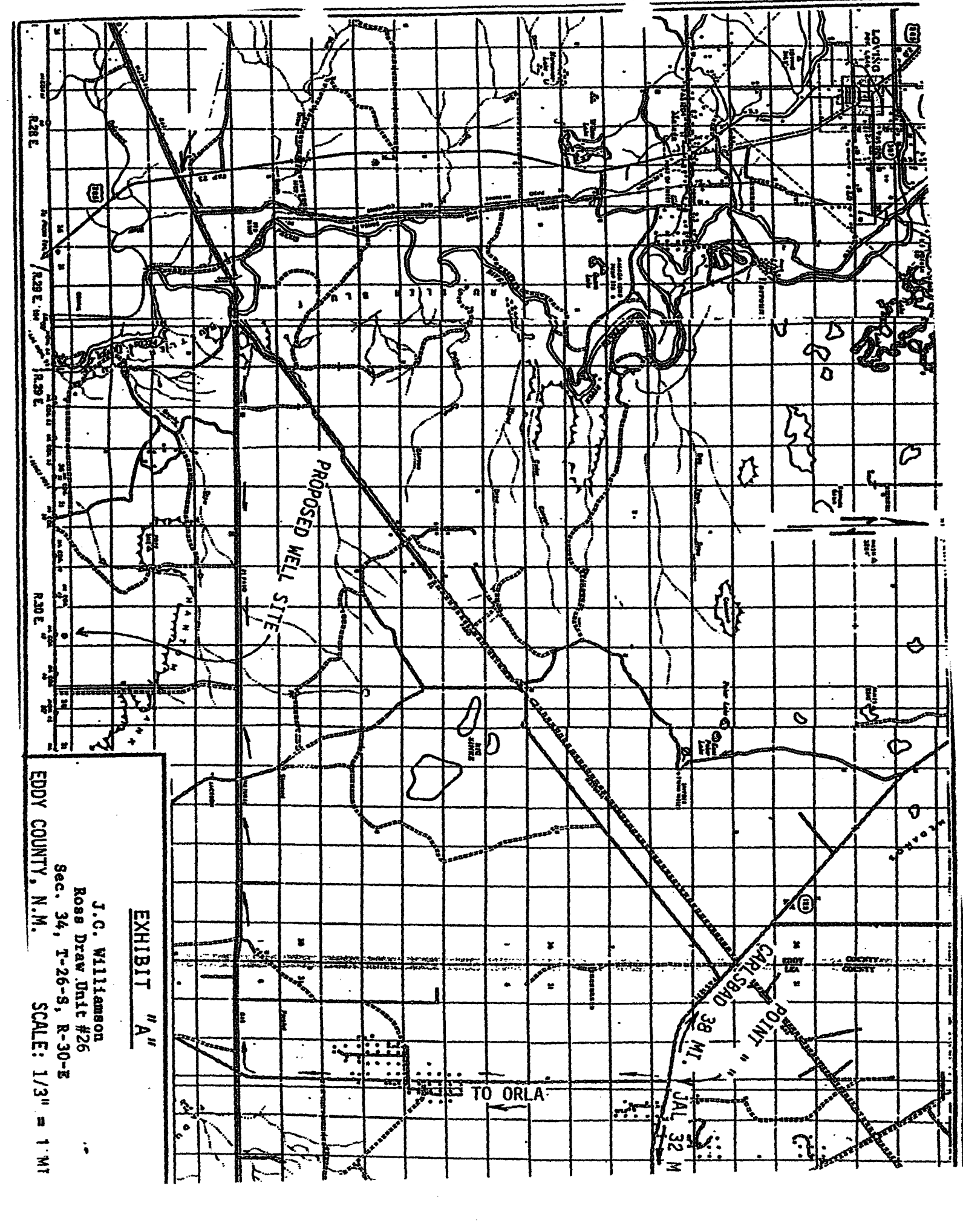
SCALE: 1/3" = 1 MI

EXHIBIT "A"

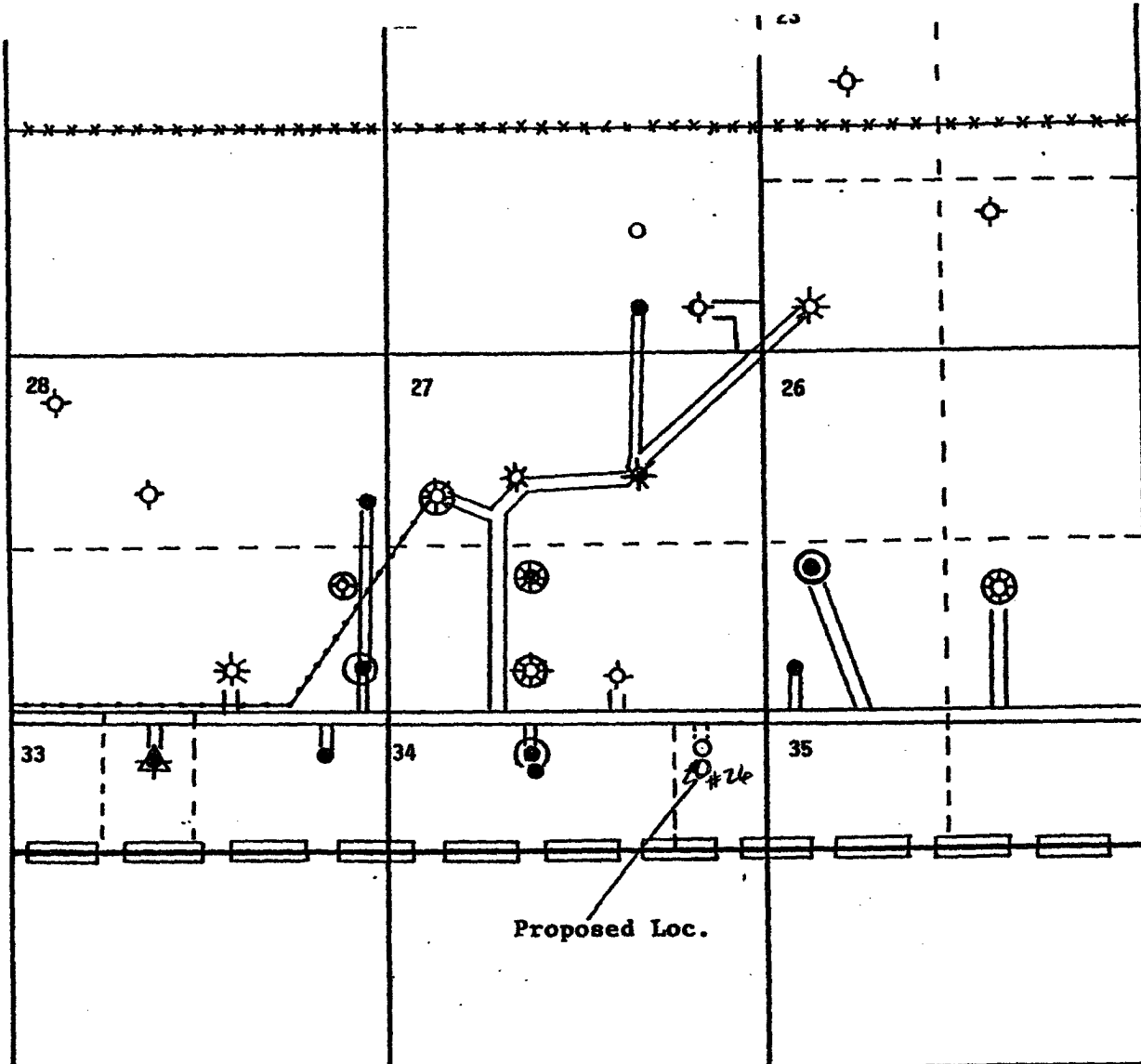
PROPOSED WELL SITE

TO ORLA

CARLSDAD 38 MI.  
JAL 32 M







**LEGEND:**

- Proposed Well Location
- Oil Well ☼ Gas Well
- ⊕ Plugged Well ○ Drilling Well
- ==== Existing Roads
- ===== Proposed Road
- Barbed Wire Fence
- Lease Lines
- ▲ Salt Water Disposal Well
- Salt Water Disposal Line

EXHIBIT "B"

J.C. WILLIAMSON  
 Ross Draw Unit #26  
 450' FNL & 990' FEL  
 Sec. 34-26-30 Eddy Co., NM

SCALE 4" = 1 MILE

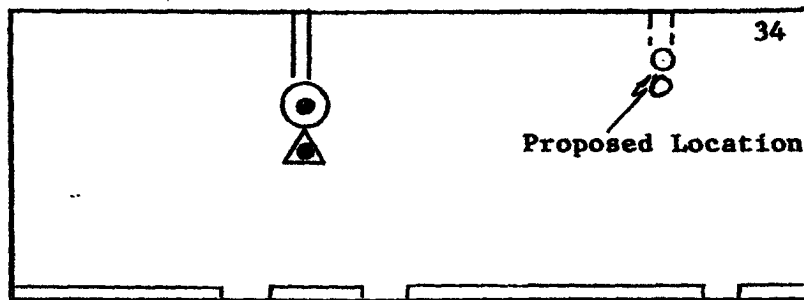
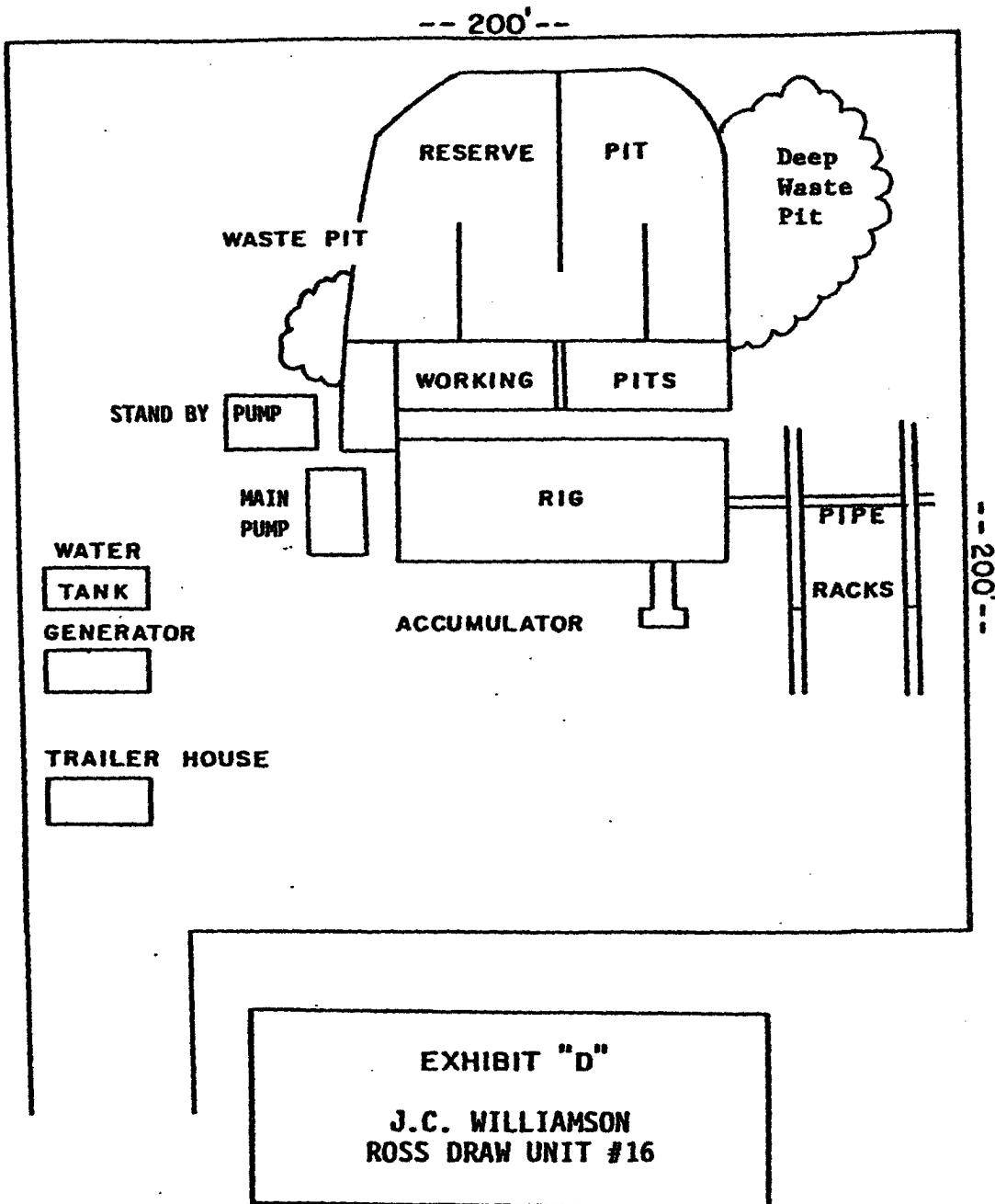


EXHIBIT "C"

J.C. Williamson  
Ross Draw Unit #26  
Sec. 34, T-26-S, R-30-E  
Eddy County, New Mexico



J.C. WILLIAMSON

ROSS DRAW UNIT #26

Sec 34, T-26-S, R-30-E

Eddy County, New Mexico

After 8-5/8" long string casing has been set and cement placed around bottom of pipe, we will then install an 7-7/8" BOP, as shown below. The pressure rating on this BOP is 1000# with a 1000# choke manifold.

