

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. LC-029392-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 Kiowa Federal	
2. NAME OF OPERATOR Siete Oil and Gas Corporation		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Box 2523, Roswell, New Mexico 88202-2523		8. FARM OR LEASE NAME Kiowa Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface: 2200' FNL & 330' FEL, SE/4NE/4, Unit letter H At proposed prod. zone: Same		9. WELL NO. 1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 15 1/2 miles southeast of Loco Hills, New Mexico		10. FIELD AND POOL, OR WILDCAT E. Shugart Delaware	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 26, T18S, R31E	
16. NO. OF ACRES IN LEASE 1880		12. COUNTY OR PARISH Eddy	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE N.M.	
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 660'		20. ROTARY OR CABLE TOOLS Rotary	
19. PROPOSED DEPTH 6500'		22. APPROX. DATE WORK WILL START* ASAP	
21. ELEVATIONS (Show whether DF, ET, GR, etc.) 3675' GR			

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	8 5/8"	24.0#	350'	230 sx (Circulate)
17 1/2"	5 1/2"	15.5#	6500'	1200 sx

Proposed well is a re-location of the original proposed well being 2300' FNL & 1950' FWL.

Attached amendments:

Form C-102 (Survey Plat)
Surface Use Plan: Exhibits A-D

Proposed new access road will measure 14' wide by approximately 790' in length as displayed on Exhibit 'B'.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 Jerry V. Franklin TITLE Agent DATE March 11, 1988
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 3-23-88
CONDITIONS OF APPROVAL, IF ANY: _____

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION P 1

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

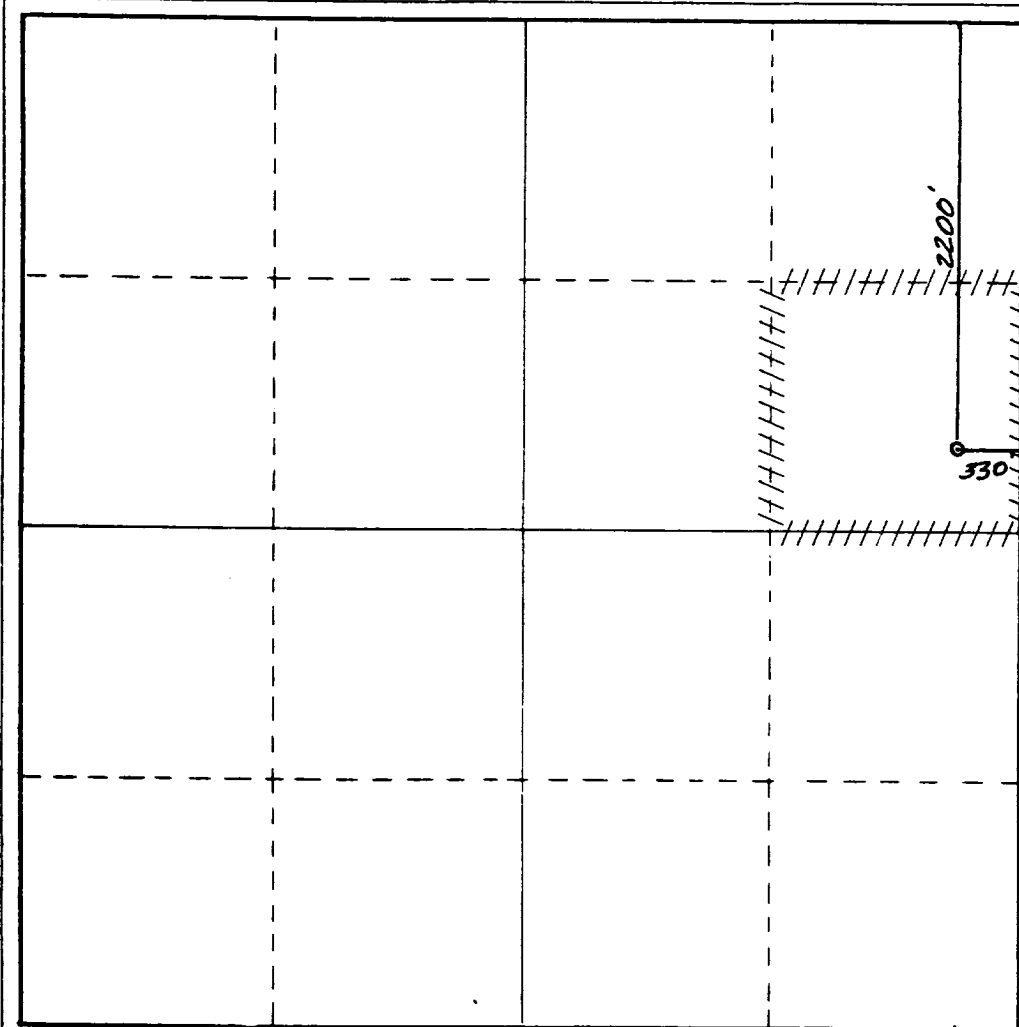
Operator SIETE OIL & GAS CORPORATION			Lease Kiowa Federal		Well No. 1
Unit Letter H	Section 26	Township 18 South	Range 31 East	County Eddy County, N.M.	
Actual Footage Location of Well: 2200 feet from the North line and 330 feet from the East line					
Ground Level Elev. 3675.	Producing Formation Delaware	Pool U.S.A. E. Shugart-Delaware		Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes;" type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Terry W. Franklin

Name
Harold D. Justice
Position
V.P. Drilling & Production
Company
Siete Oil & Gas Corporation

Date
March 10, 1988

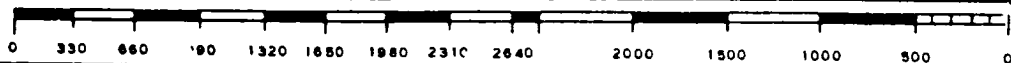
DAN R. REDDY
NEW MEXICO
hereby certify that the well location shown on this plat was plotted from field notes of surveys made by me or under my supervision, and that the same are true and correct to the best of my knowledge and belief.
REGISTERED PROFESSIONAL ENGINEER

Date Surveyed
March 4, 1988

Registered Professional Engineer and/or Land Surveyor

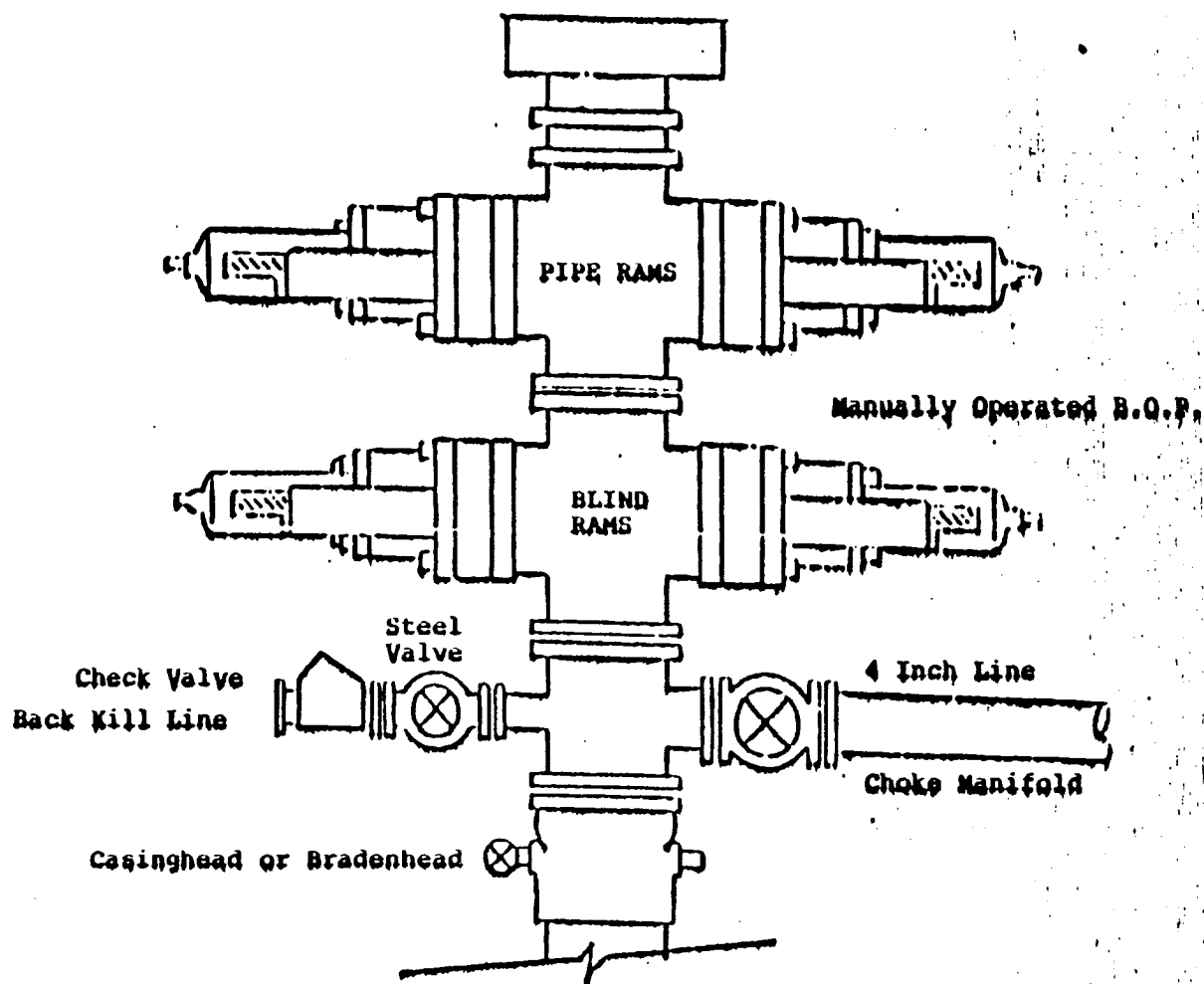
Dan R. Reddy

Certificate No.
NM FE&LS NO. 5612



BOP DIAGRAM

RATED 30004



SUPPLEMENTAL DRILLING DATA
SIETE OIL AND GAS CORPORATION
KIOWA FEDERAL NO. 1
~~2380'~~ FNL & ~~1950'~~ FWL
Section 26: T18S, R31E
Eddy County, New Mexico
Lease Number - LC-029392-B

In conjunction with Form 3160-3, Application to Drill the subject well, Siete Oil and Gas Corporation submits the following items of pertinent information in accordance with U.S.G.S. requirements.

1. The geologic surface is quaternary.
2. The estimated geological marker tops:

Queen	3599'
Yates	2372'
Seven Rivers	2548'
Grayburg	3974'
Delaware	5026'

3. Estimated depths to water, oil or gas:

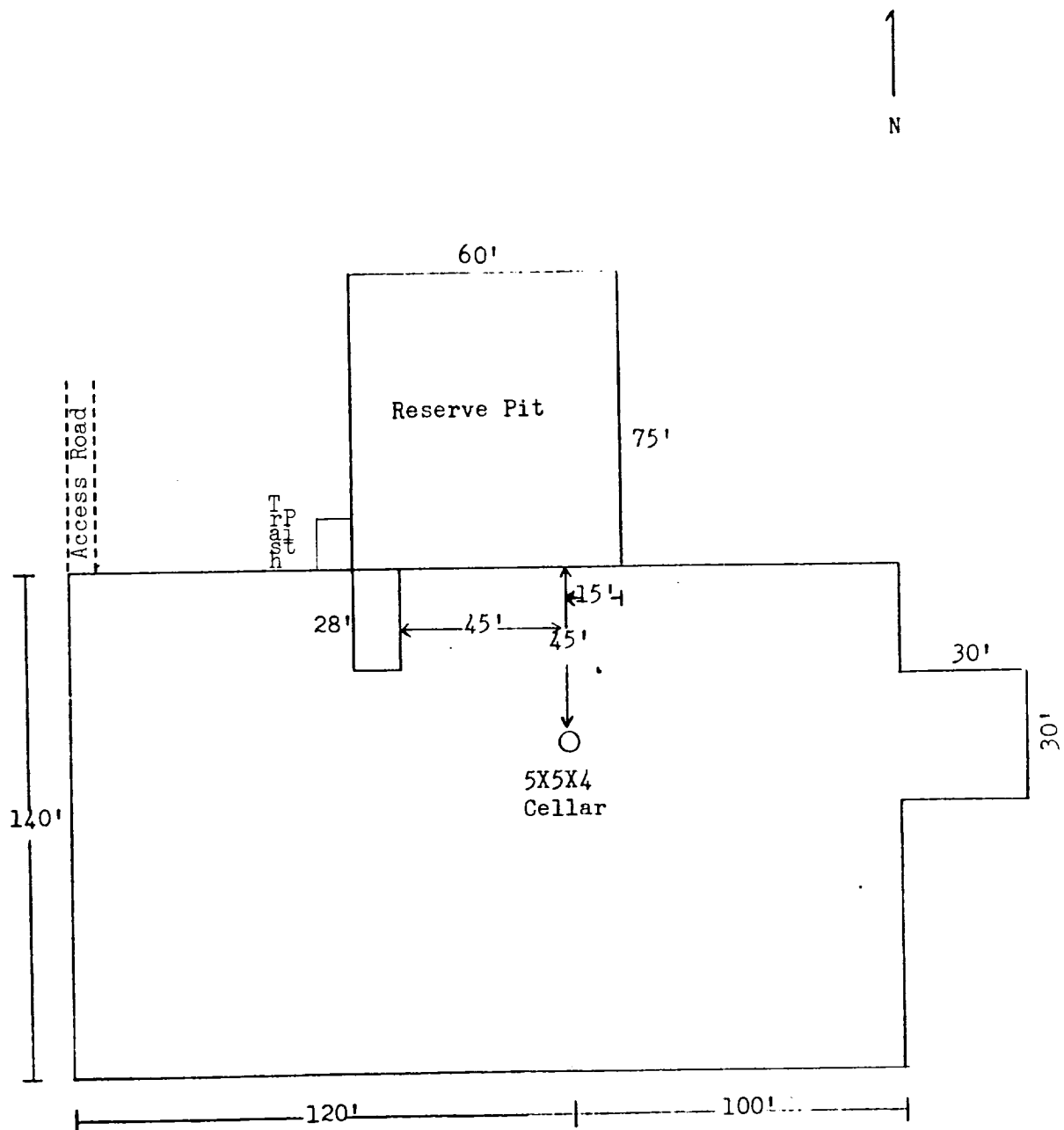
Water: Approximately 220'
Oil or Gas - Delaware, Approximately 5500' - 6200' -

4. Proposed casing program:

<u>Size</u>	<u>Interval</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>	<u>New or Used</u>
8 5/8"	0 - 350'	24#	J-55	ST&C	New
5 1/2"	0-6500'	15.5#	J-55	ST&C	New

5. Pressure Control Equipment: The blowout preventer will be a two ram type preventer. A sketch is attached.
6. Mud Program: A copy of the mud program to be used is attached.
7. Auxiliary Equipment: Master valve on blowout preventer.
8. Testing, Logging and Coring Programs: Possible drill stem tests and/or coring is not planned through the Pay Zone.

Logging: Compensated Neutron - Formation Density - Gamma Ray - Caliper - Dual Laterolog - RXO.
9. No abnormal pressures or temperature zones are anticipated.
10. Anticipated starting date: Commence drilling operations ASAP.



L&M Drilling Rig No. 1

EXHIBIT 'D'
 Siete Oil & Gas Corporation
 Kiowa Federal No. 1
 2300' FNL & 1950' FWL
 Sec. 26, T18S, R31E
 Eddy County, N.M.

EXHIBIT 'B'

Siete Oil & Gas Corporation
 Kiowa Federal No. 1
 2200' FNL & 330' FEL
 Sec. 26, T18S, R31E
 Eddy County, N.M.

Siete Oil & Gas Corporation
Kiowa Federal No. 1
2200' FNL & 330' FEL
Sec. 26, T18S, R31E
Eddy County, N.M.

2200' FNL & 330' FEL

Sec. 26, T18S, R31E

Eddy County, N.M.