SUBMIT TRIPLICATE.

N' IL CONS. COMMISSION

(Other i. uctions on reverse side)

Form approved. Budget Bureau No. 42 R1425 30-005-61128

DEPARTMENT OF PHE INTERIOR							5. LEASE DESIGNATION AND SERIAL NO.		
GEOLOGICAL SURVEY						NM 20932			
APPLICATION	I FOR PERMIT T	O DRILL, I	DEEPEN	I, OR PLU	IG BA	ACK	6. IF INDIAN, ALLOT	TTEE OR TRIBE NAME	
DRILL X REGEIVED DEEPEN							7. UNIT AGREEMEN	T NAME	
b. TYPE OF WELL	SELL X OTHER SE	P 2 5 1981	BING ZONE		ULTIPLE	· 🗆 _	S. FARM OR LEASE		
WELL WELL A OTHER OLI () () () () 20.02 2. NAME OF OPERATOR							STEWART FED	ERAL	
MESA PETROLEI	JM CO.	O. C. D					9. WELL NO.		
8. ADDRESS OF OPERATOR	AR RUTI DING/MIDI ANI	TESIA, OFFICE D, TEXAS 79	701-44	93		- · · · ·	10. FIELD AND POO		
4. LOCATION OF WELL (Report location clearly and in accordance with At surface 660' FNL & 1980' FWL				NE/NW 1981			UNDESIGNATE 11. BEC., T., R., M., AND BURYEY OF	OR BLK.	
At proposed prod. sone				Alla de la companya d			SEC 12, T8S		
14. DISTANCE IN MILES	AND DIRECTION FROM NEAR	EST TOWN OR POS	T OFFICE.				12. COUNTY OR PAR	1	
15 MILES NOR	TH OF ROSWELL,	NEW MEXICO		· · · · · · · · · · · · · · · · · · ·			CHAVES	NEW MEXICO	
10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FF.			16. NO. (639.03	SE	TO T	7. NO. OF ACRES ASSIGNED TO THIS WELL		
			19. PROPOSED DEPTH 3800 '		20. ROTARY OR CABLE TOOLS ROTARY				
21. ELEVATIONS (Show who	ether DF, RT, GR, etc.)		<u> </u>				DECEMBER 1	, 1981	
23.	F	ROPOSED CASI	NG AND	EMENTING P	ROGRAI	AT.			
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER F	OOT SETTING DEPTH		H	QUANTITY OF CEMENT			
17 1/2"	13 3/8"	48#		800'	k	SURFAC	E		
11"	8 5/8"	24#		1600'		ISOLA"	TE WTR, O&G		
7 7/8"	4 1/2"	10.5#		3800'		COVER	ALL PAY		
casing and o	drill 17 1/2" ho dement to surfac t 8 5/8" casing.	e. Will r Will nip	educe ple up	hole to l RAM type	l" an BOPs	d dri and i	ll to approx reduce hole :	to So.	
7 7/8" to dr	ill to total de	epth. Dril	ling m	edium wil	1 be	air, 1	foam, or mud	as "France,	

Pooled API+NLE required.

Gas Sales Are Dedicated.

XC: USGS (6), TLS, CEN RCDS, ACCTG, ROSWELL, MEC, LAND, PARTNERS, FILE

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive sone 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.

preventer program, a day.			
SIGNED ARPROVED	TITLE REGUL	ATORY COORDINATOR	9-8-81
(This space for Federal or State office use) (103. 883.) GEORGE STEWART PERMIT NO. SEP 23 1981	APPEC	OVAL DATE	
APPROVED BY CONDITIONS JAMES A.IIGHLHAM DISTRICT SUPERVISOR	TITLE		DATE

N: MEXICO OIL CONSERVATION COMMISSIC.4 WELL LOCATION AND ACREAGE DEDICATION PLAT

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

All distances must be from the outer boundaries of the Section 1 Mesa Petroleum Co. Stewart Fed. Section init Letter 8South 24East Chaves 12 Actual Footage Location of Well: 660 North 1980 feet from the line and feet from the Ground Level Elev. Producing Formation UNDESIGNATED NW/4160 AB₀ 3630.5 Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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? 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 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 1980 Næme MES R. E. MATHIS ET AL REGULATORY COORDINATOR NM 20932 MESA PETROLEUM CO. SEPTEMBER 3, 1981 I hereby certify that the well-location shown on this plat was plotted from field under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed Aug. 28, 1981 Registered Professional Engineer PATRICK A. ROMERO

330

660

1320 1650

1980 2310

26 40

2000

1 500

1000

Ronald J. Eidean

APPLICATION FOR DRILLING

MESA PETROLEUM CO. STEWART FEDERAL #1 660' FNL & 1980' FWL, SEC 12, T8S, R24E CHAVES COUNTY, NEW MEXICO

LEASE NO: NM 20932

In conjunction with Form 9331-C, Application For Permit to Drill subject well, the following additional information is provided:

- 1. Applicable portions of the <u>GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES</u>, Roswell District, Geological Survey of September 1, 1980 will be adhered to.
- 2. Geological markers are estimated as follows:
 SEVEN RIVERS
 SAN ANDRES
 GLORIETA
 YESO
 TUBB
 ABO
 SURFACE
 372'
 1016'
 1200'
 2651'
 3340'
- 3. Hydrocarbon bearing strata may occur in the Abo formation(s). No fresh water is expected to be encountered below 800'.
- 4. The Casing and Blowout Preventer Program will be determined by hole conditions as encountered. (See Exhibit VI) Anticipate drilling with air or foam using ram type preventer and rotating head for well control. The 13 3/8" casing will be set at approximately 800' to protect any fresh water zones and cemented to the surface. The 8 5/8" casing will be set at approximately 1600' if water zones have been encountered or omitted if not and ram type preventers installed. Sufficient amounts and kinds of cement would be used to ensure any water, gas, or oil zones encountered are isolated and shut off down to the casing point if run. The 4 1/2" production casing will be set at total depth or shallower depending upon the depth of the deepest commercial hydrocarbon bearing strata encountered.
- 5. No drill stem tests or coring program is planned. The logging program may consist of a GR-CNL from surface total depth and FDC from casing point to total depth.
- Anticipated drilling time is fifteen days with completion operations to follow as soon as a completion unit is available.

MULTI-POINT SURFACE USE AND OPERATION PLAN

MESA PETROLEUM CO. STEWART FEDERAL #1 660' FNL & 1980' FWL, SEC 12, T8S, R24E CHAVES COUNTY, NEW MEXICO

LEASE NO: NM 20932

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operational plan in both the actual and post drilling completion operations.

Existing Roads:

- A. Exhibit I is a portion of a highway map showing the location of the proposed well as staked. The proposed well is approxmately 15 miles North of Roswell, New Mexico.
- B. Directions: Travel North from Roswell on US Highway 285 for approximately 11 miles to Mile Marker 122 and turn East on "Red Bluff Ranch" road 7.7 miles then West on lease road 1 mile then South 1 mile then West 1/4 mile to the location.

2. Planned Access Road:

A. Length and width: The new access road will be 12' wide (20' ROW) and approximately 1/4 mile of new road.

(See Exhibit II)

- B. Construction: The new road will be constructed by grading and topping with compacted caliche. The surface will be crowned, with drainage on both sides. (See Exhibit III)
- C. Culverts, Gates and Cattleguards: None.
- D. Cut and Fill: In order for the location to be level, approximately 3' will be moved from the North and West for fill.

Location of Existing Wells:

Existing wells within a One-mile radius are depicted by Exhibit IV.

Multi-Point Surface Use and Operation Plan

Page 2

4. Location of Existing and/or Proposed Facilities:

If the well proves to be commercial, the necessary production facilities, gas separation process equipment and tank battery, will be installed on the drilling pad.

5. Location and Type of Water Supply:

It is planned to drill the proposed well with air, if needed, water will be obtained from commercial sources and will be trucked to the wellsite over the existing roads and proposed access road shown on Exhibits I and II.

6. Source of Construction Materials:

Caliche for surfacing the road and wellsite pad will be obtained by the dirt contractor from an approved pit. Probable pit is located: SE/4, Sec 1, T8S, R24E

7. Methods of Handling Waste Disposal:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing material to prevent livestock from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the USGS for approval.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finished and/or completion operations.

8. Ancillary Facilities: None required.

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9. Wellsite Layout:

- A. Exhibit V shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The pad and pit area has been staked and flagged.
- B. Some leveling of the wellsite may be required. See Exhibit III for additional details.
- C. The reserve pit will not be plastic lined.

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. Pits will be filled and location cleaned of all trash and junk to leave the wellsite in an aesthetically pleasing a condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management and the United States Geological Survey will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment, if drying conditions permit.

11. Other Information:

- A. Topography: See NMAS, Inc. Archaeological Report.
- B. Soil: The topsoil at the wellsite is sandy loam.
- C. Flora and Fauna: See NMAS, Inc. Archaeological Report for vegetative types.
- D. Ponds and Streams: Arroyo del Macho is 1 1/2 miles to the southwest.
- E. Residences and Other Structures: None

Multi-Point Surface Use and Operation Plan

Page 4

- F. Land Use: Grazing.
- G. Surface Ownership: The wellsite is on federal surface.
- H. NMAS, Inc. has conducted an archaeological study of this site and provides this report to interested parties.

12. Operator's Representatives:

A. The field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

J.	Jan	nes				
Р.	0.	Box	298	}		
Ro:	swe]	11, 1	lew	Mex	ico	
(50	05-6	522-(992	?) -	Office	2
(5	05-6	522-0	234	ļ) -	Home	

W. R. Miertschin 1000 Vaughn Building Midland, Texas 79701 (915-683-5391) - Office (915-682-6535) - Home

13. Certification:

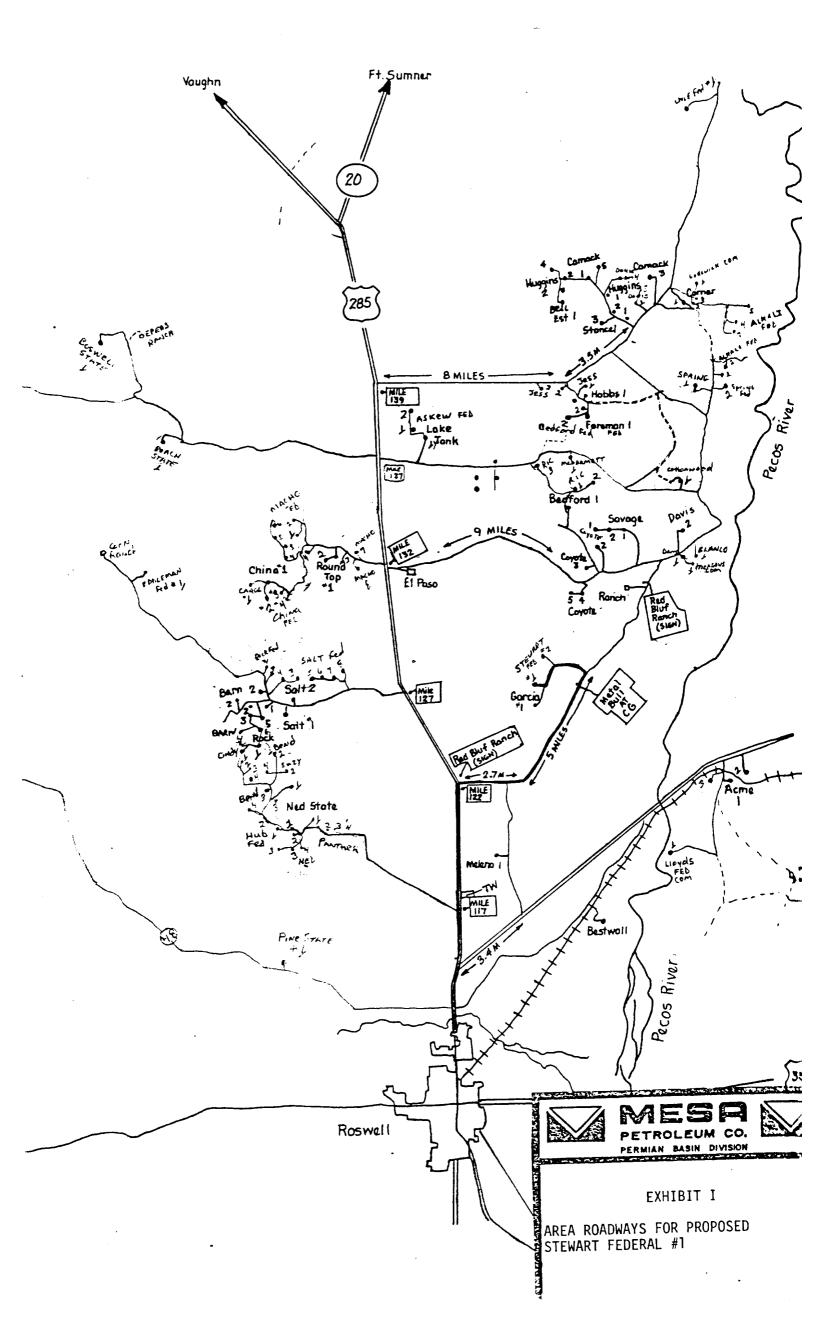
I hereby certify that I, or person under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated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

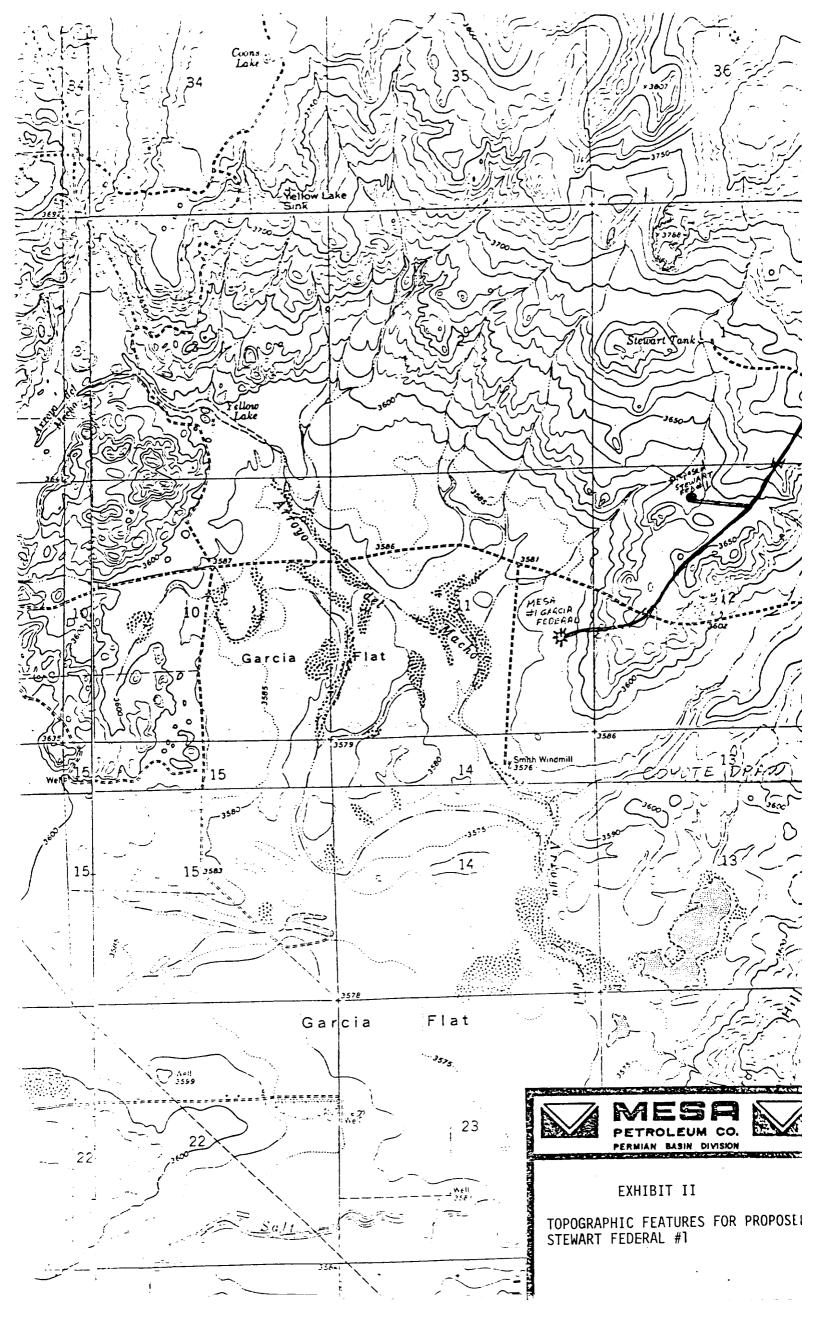
September 9, 1981

DATE

DATE

MICHAEL P. HOUSTON
OPERATIONS MANAGER





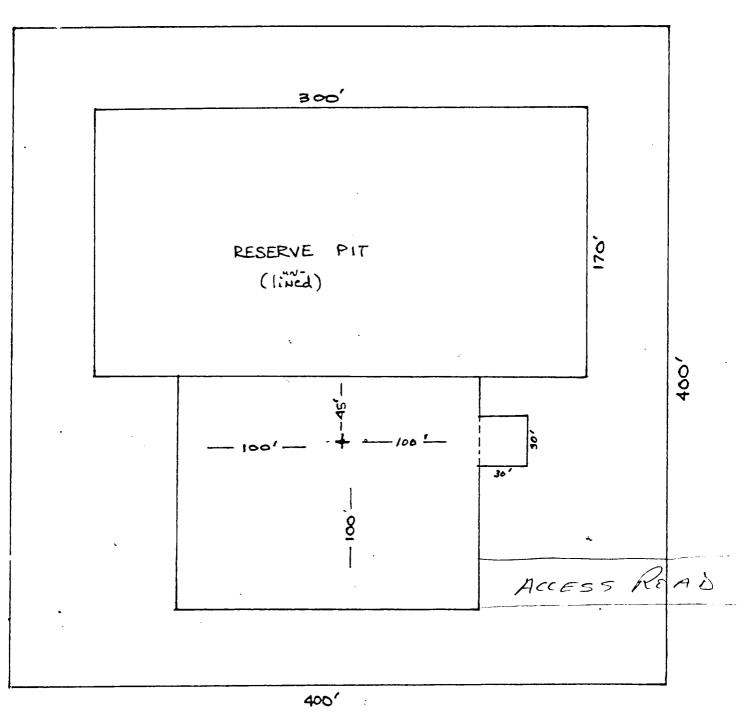


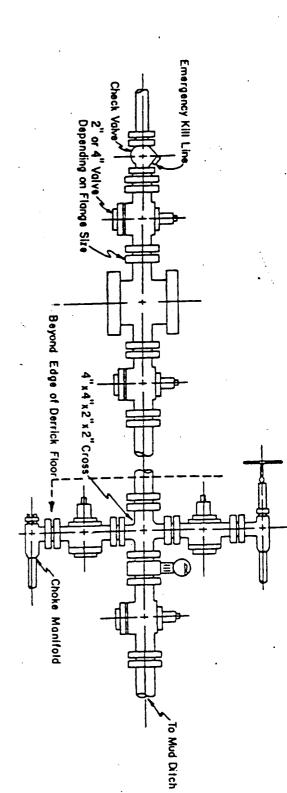




EXHIBIT V

PROPOSED STEWART FEDERAL #1





Fill Connection

3,000 PSI WORKING PRESSURE KILL, CHOKE, AND FILL CONNECTIONS

DETAIL OF 4" FLOW LINE CHOKE ASSEMBLY

Minimum assembly for 3,000 PS1 working pressure will consist of three preventers. The battom and middle preventers may be Cameron.

op Cellor Wall

See Detail of 4"Flow Line and Choke Assembly

HOTE: HYDRIL not installed on shallow-low pressure wells. RAM type BOPs are API 10" X 3000 PSI



3,000 PSI WORKING PRESSURE BLOW-OUT PREVENTER HOOK-UP