

## NM OIL CONS. COMMISSION

Drawer

Artesia, NM 88210

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEYSUBMIT IN . . . LICATE\*  
(Other instructions on  
reverse side)Form approved.  
Budget Bureau No. 42-R1425.

30-005-61413

C/SF  
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

## b. TYPE OF WELL

OIL  
WELL ☐GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☒MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

SANDERS PETROLEUM CORPORATION ✓

## 3. ADDRESS OF OPERATOR

11000-D Spain Rd. N.E., Albuquerque, N.M. 87111

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)

At surface

660' /N 1980' /E Sec. 22-7S-26E

At proposed prod. zone

Same

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

25 miles northeast of Roswell, New Mexico

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

660'

## 16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

2640'

## 19. PROPOSED DEPTH

4600' ABO

## 20. ROTARY OR CABLE TOOLS

Rotary

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3742' GL

## 22. APPROX. DATE WORK WILL START\*

February 7, 1982

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# J-55	840' +	600 sx (Circulate)
7 7/8"	4 1/2"	9.5# J-55	TD	900 sx - Sufficient to isolate water, oil and gas zones

Propose to drill to approximately 4600' to test Abo and intermediate formations.

See attached "Supplemental Drilling Information" and BOP diagram.

Gas is not dedicated to a pipeline.

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 W. LONG

TITLE Agent

DATE January 29, 1982

(This space for Federal or State office use)

PERMIT NO.

APPROVED

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY

FEB 18 1982

JAMES A. GILLHAM  
DISTRICT SUPERVISOR

TITLE

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

DATE

\*See Instructions On Reverse Side

RECEIVED  
JAN 29 1982OIL & GAS  
U.S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

All distances must be from the outer boundaries of the Sect

Operator <b>Sanders Petroleum Corp.</b>		Lease <b>Michael Eric</b>		Well No. <b>#3</b>
Unit Letter <b>B</b>	Section <b>22</b>	Township <b>7 South</b>	Range <b>26 East</b>	County <b>Chaves</b>
Actual Postage Location of Well: <b>660</b> feet from the <b>North</b> line, and <b>1980</b> feet from the <b>East</b> line				
Ground Level Elev. <b>3742</b>	Producing Formation <b>Abo</b>		Pool <b>Undesignated Abo</b>	Dedicated Acreage: <b>160</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

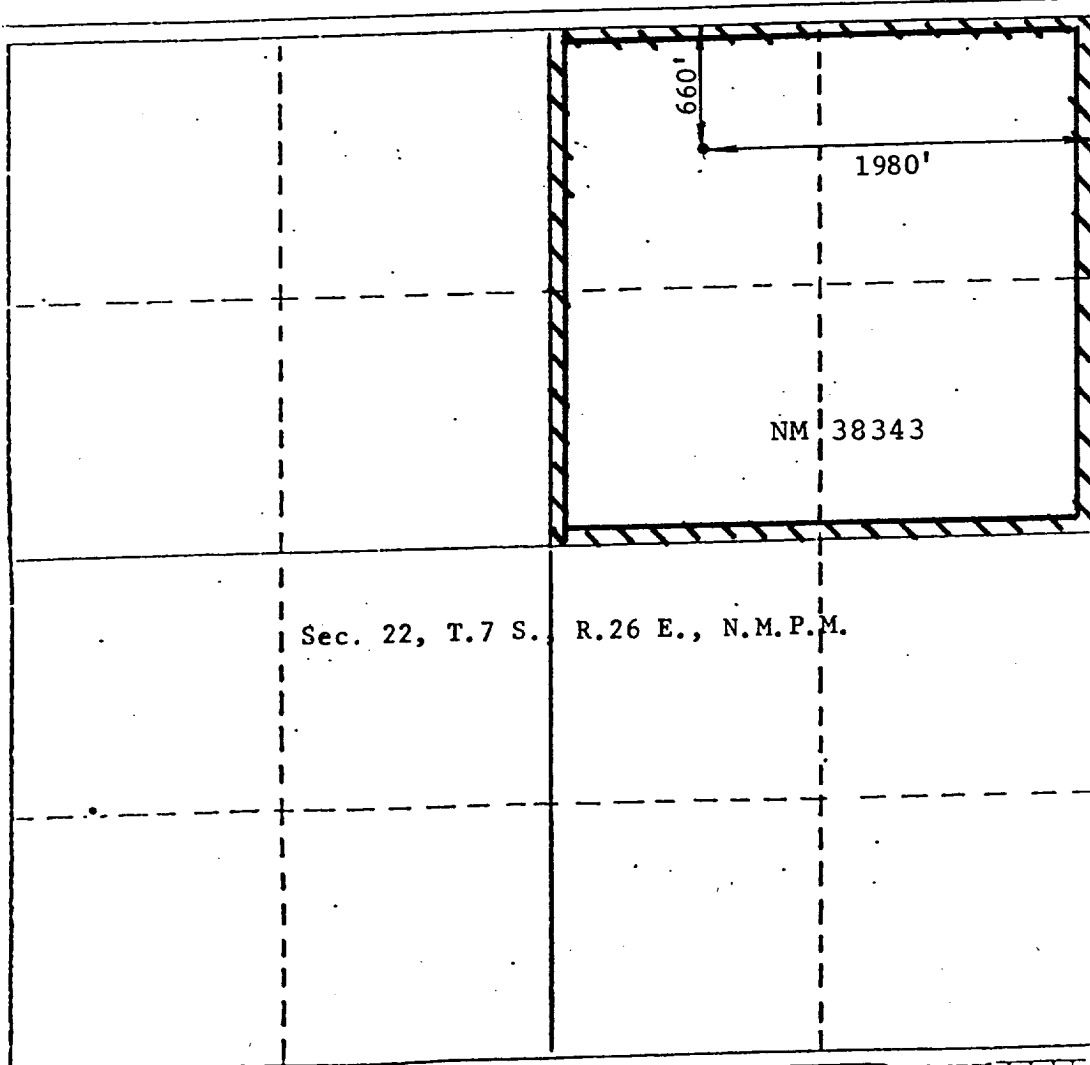
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). Single Lease

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 Division.



## CERTIFICATION

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

*Jerry W. Long*  
Name

JERRY W. LONG

Position  
Agent

Company

SANDERS PETROLEUM CORPORATION

Date

January 29, 1982

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 knowledge and belief.

JOHN D. JAQUESS  
NEW MEXICO  
Professional Engineer  
and/or Surveyor  
No. 8280

Date Surveyed  
January 29, 1982

John D. Jaquess, P.E. & L.S.

Certificate No. 6290

## SUPPLEMENTAL DRILLING DATA

SANDERS PETROLEUM CORPORATION

No. 3 Michael Eric  
NW 1/4 NE 1/4 Sec. 22-7S-26E  
Chaves County, N.M.

NM 38343

The following items supplement Form 9-331C in accordance with NTL-6 instructions.

1. SURFACE FORMATION: Artesia Group of the Permian System.

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Artesia Group	- Surface	San Andres	- 750'
Salt	- 200'	Glorietta	- 1800'
Queen	- 500'	Tubb	- 3300'
Penrose	- 600'	Abo	- 3980'

3. ESTIMATED DEPTH TO WATER, OIL OR GAS:

Fresh water	- In surface formations
Salt water	- In San Andres below 750'
Gas	- In Abo formation below 4000'

4. PRIMARY OBJECTIVE:

Gas from Abo formation.  
No fresh water expected below 200'.

5. CASING AND CEMENTING PROGRAM:

Surface: 840' of 8 5/8", 24#, J55, ST&C casing cemented with 400 sx HLW + 1/4# flocele + 2% CaCl mixed to 12.4 ppg. Tail in with 200 sx Class "C" + 4% CaCl mixed to 14.8 ppg. Cement will be circulated to the surface. If necessary, cement will be circulated to the surface using 1" pipe down the annulus. If severe lost circulation has been encountered while drilling the 12 1/4" hole, the cementing job will be preceded with 200 sx thick-set cement mixed to 14.8 ppg. Install 8 5/8"x10" API 3000# casinghead. Nipple up 10" API 3000# WP double-ram BOP to drill 7 7/8" hole to total depth. Choke, kill, and fill lines will be installed. The BOP system and casing will be tested to 1500 psi before drilling out the 8 5/8" casing. A full opening safety valve, to fit the drill pipe in use, will be kept available on the rig floor. Working condition of BOP rams will be checked at least daily. See Exhibit "D" for BOP diagram.

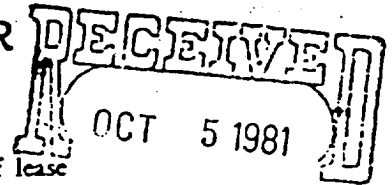
Production: 4600' of 4 1/2", 9.5#, K55, ST&C casing will be cemented with 500 sx HLW + 1.4% flocele + 10# salt mixed to 12.7 ppg. Tail in with 400 sx 50/50 POZ + 2% gel + 8# salt + 3/10% CFR-2 mixed to 14.1 ppg, to raise cement to at least 150' above top of Abo. Run temperature log to confirm top of cement.

6. CIRCULATING MEDIUM:

- 0' - 750' Use fresh water spud mud with fresh water gel and soda ash or lime. Treat with lost circulation material as recommended by mud contractor. If total lost circulation occurs, mix 2 or 3 viscous slugs with LCM and attempt to regain circulation. If unsuccessful, will attempt drilling without returns to casing point and spot about 150 barrels viscous slug treated with LCM on bottom before running pipe.
- 750' - 3300' Drill out 8 5/8" casing with fresh water. Add caustic soda for ph 9.0-9.5 and chemicals for corrosion control. Add LCM as needed to control lost circulation or to sweep the hole.
- 3300' - TD Maintain mud weight less than 10 ppg with additions of fresh water while keeping chloride ion concentration of 40,000-50,000 ppm and KCL at 3%. At top of Abo mud up with starch and soda ash to control water loss to 20-25cc to TD. Salt Water Gel will be added to clean hole to log and run casing.

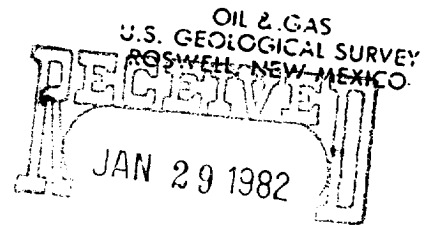
7. CORING, TESTING AND LOGGING: No coring or testing is planned for this well. It is proposed to run a Gamma Ray log from TD to surface and a Compensated Neutron-Density-Caliper log from the 8 5/8" casing shoe to TD.
8. SUBSURFACE HAZARDS: Maximum bottom hole pressure is expected to be about 1500 psi. Mud weight required to offset this pressure would be 9.0 ppg. Bottom hole temperature should not exceed 120°F. No sour gas is expected.
9. ANTICIPATED STARTING DATE: Anticipated spud date is February 7, 1982. Drilling should be completed in about 10 days. Completions operations will follow the drilling operations as soon as a unit is available. Completion will consist of normal perforating, stimulating and swabbing.

# DESIGNATION OF OPERATOR



The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: New Mexico  
SERIAL No. NM-38343



and hereby designates

NAME: Sanders Petroleum Corporation  
ADDRESS: 11,000-D Spain NE  
Albuquerque, New Mexico 87111

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

All of Section 22, Township 7 South, Range 26, East, N.M.P.M.  
Chaves County, New Mexico

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

SUN OIL COMPANY (DELAWARE)

(Signature of Lessee)

Wallace B. Langston  
Regional Manager - Northern Region  
P. O. Box 340184, Dallas, TX 75234

(Address)

Sept 30 1981

(Date)

SAND. 3 PETROLEUM CORPORATION  
No.3 Michael Eric  
NW¼NE¼ Sec.22-7S-26E  
Chaves County, N.M.

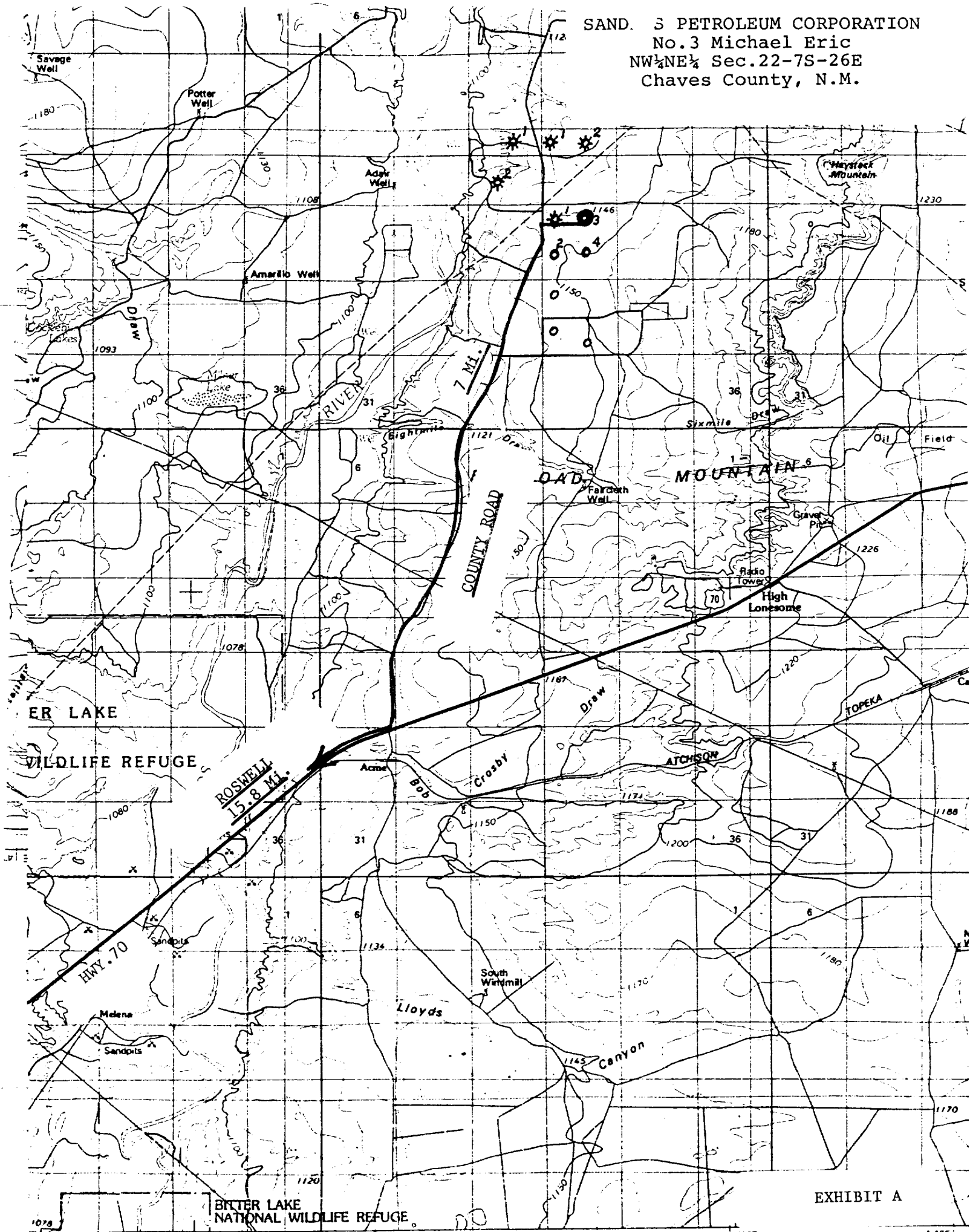
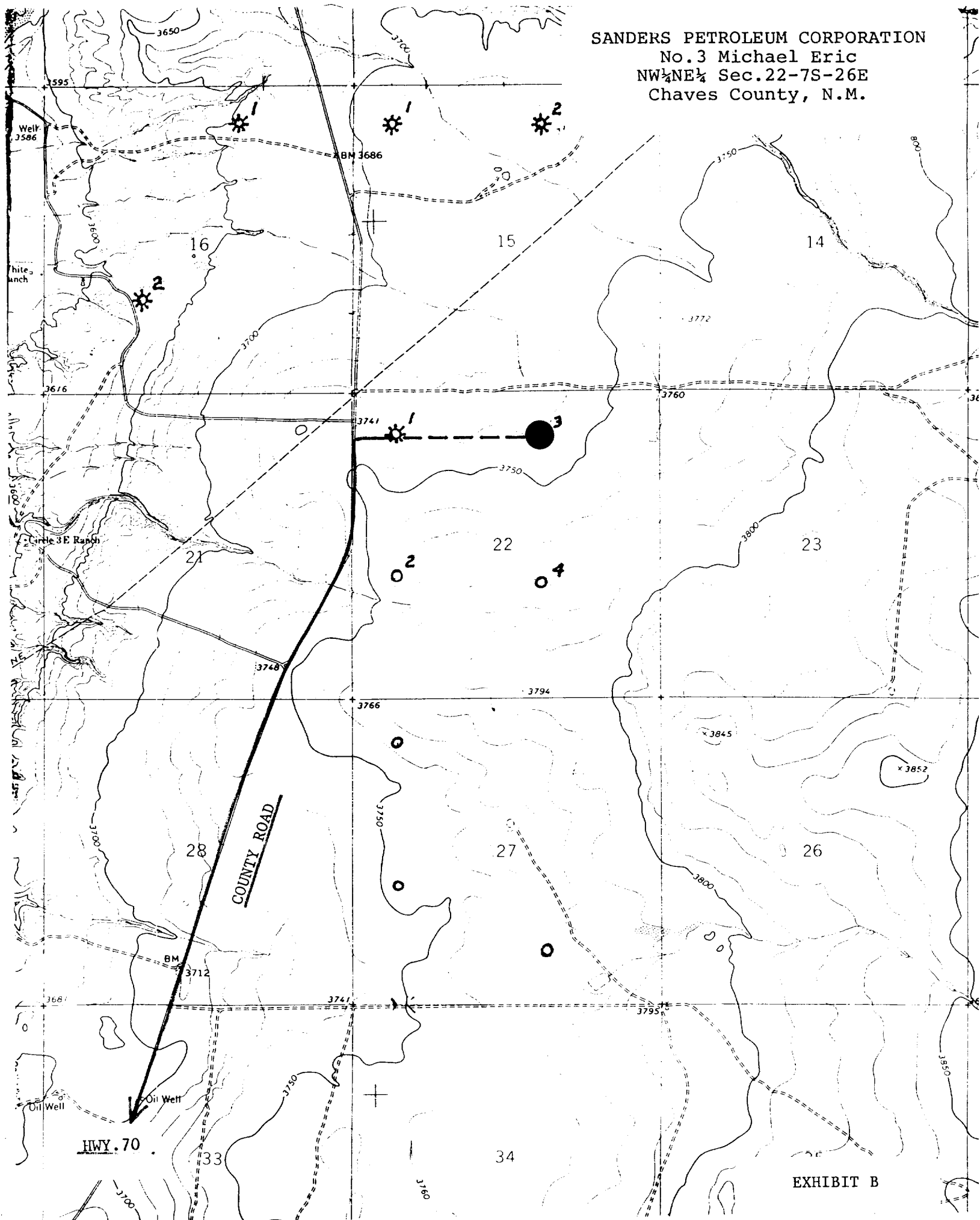
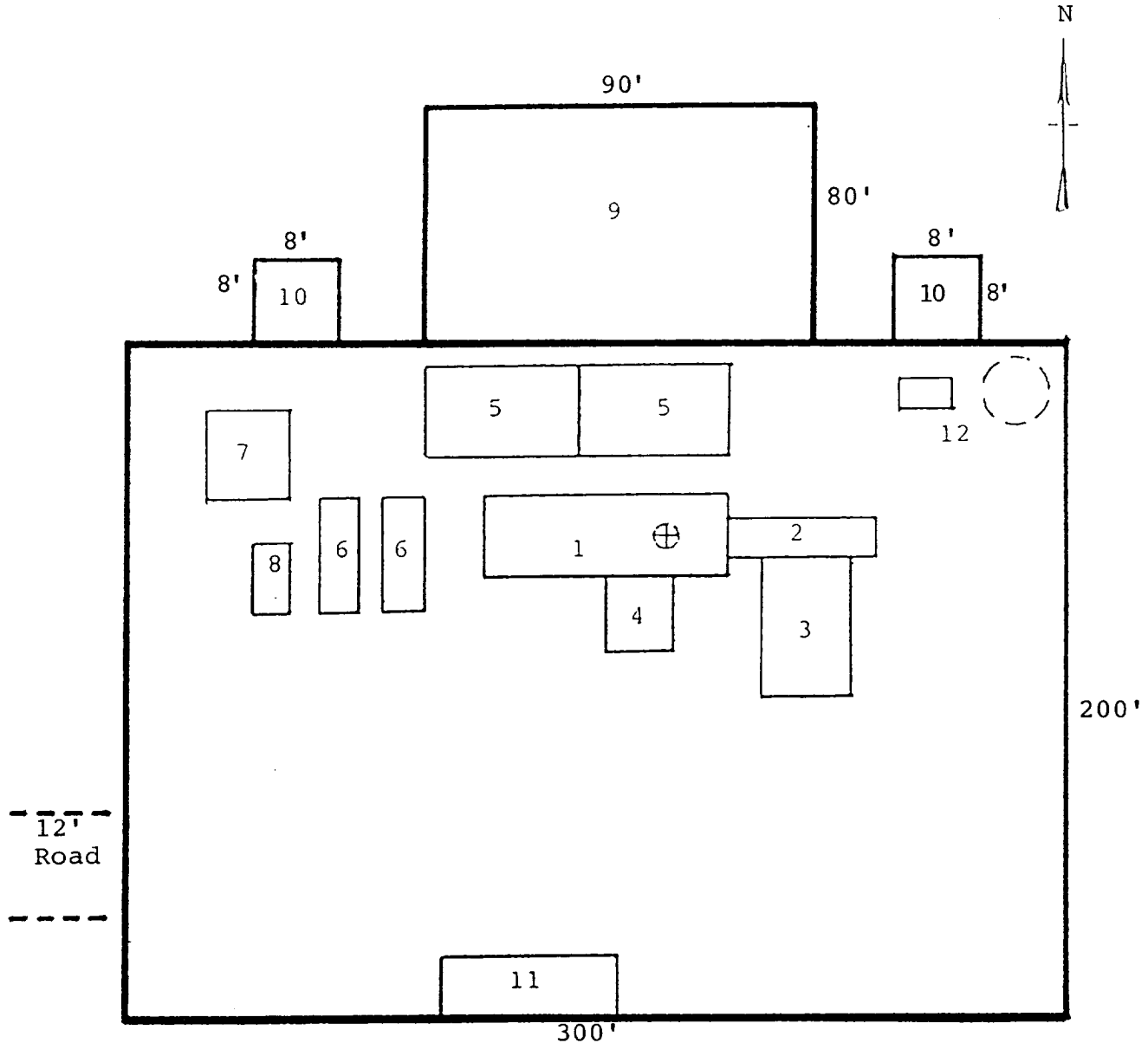


EXHIBIT A

SANDERS PETROLEUM CORPORATION  
No.3 Michael Eric  
NW¼NE¼ Sec.22-7S-26E  
Chaves County, N.M.



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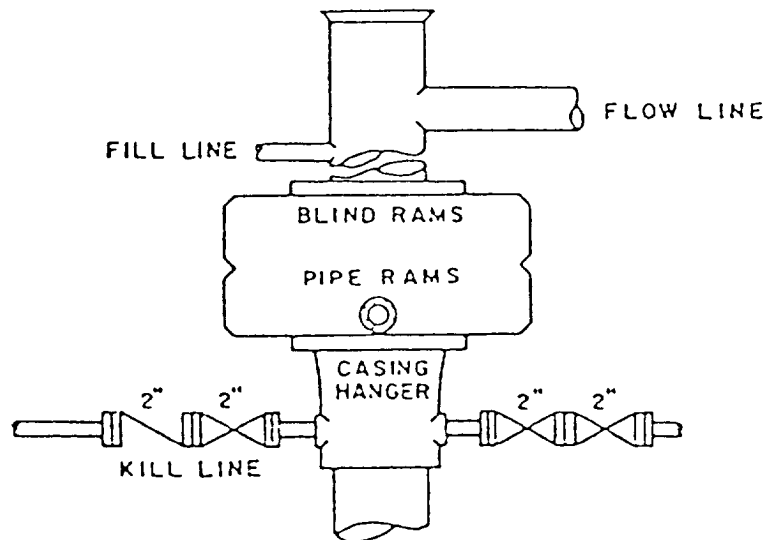


RIG LAYOUT

- |                 |                           |
|-----------------|---------------------------|
| 1. Substructure | 7. Water Tank             |
| 2. Catwalk      | 8. Light Plant            |
| 3. Pipe Rack    | 9. Reserve Pit            |
| 4. Doghouse     | 10. Trash Pit             |
| 5. Mud Pits     | 11. Trailer House         |
| 6. Mud Pumps    | 12. Production Facilities |



SANDERS PETROLEUM CORPORATION  
No.3 Michael Eric  
NW $\frac{1}{4}$ NE $\frac{1}{4}$  Sec.22-7S-26E  
Chaves County, N.M.



BOP STACK

3000 PSI WORKING PRESSURE

