

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL ☒

GAS ☐

OTHER

SINGLE ☒

MULTIPLE ☐

2. NAME OF OPERATOR

J.M. HUBER CORPORATION

3. ADDRESS OF OPERATOR

1900 WILCO BUILDING, MIDLAND, TEXAS 79701

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

At proposed prod. zone

ARTESIA, OFFICE

890' FSL AND 2310' FEL OF SECTION 12

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

7 MILES NORTHEAST OF CARLSBAD, NEW MEXICO

15. DISTANCE FROM PROPOSED*

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

890'

16. NO. OF ACRES IN LEASE

200

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1930'

19. PROPOSED DEPTH

3300'

20. ROTARY OR CABLE TOOLS

ROTARY

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

3131.6' GL

22. APPROX. DATE WORK WILL START*

UPON APPROVAL

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|-------------------------|
| 17-1/2" | 13-3/8" | 48# | 500' | SUFFICIENT TO CIRCULATE |
| 11-1/2" | 8-5/8" | 32# | 2600' | SUFFICIENT TO CIRCULATE |
| 7-7/8" | 5-1/2" | 14# | 3300' | 270 SACKS |

AFTER SETTING PRODUCTION CASING, PAY ZONE WILL BE PERFORATED AND
STIMULATED AS NECESSARY.

SEE ATTACHED FOR: SUPPLEMENTAL DRILLING DATA
BOP SKETCH
SURFACE USE AND OPERATIONS PLAN

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

Arthur R. Brown

Agent

DATE 7-12-85

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
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

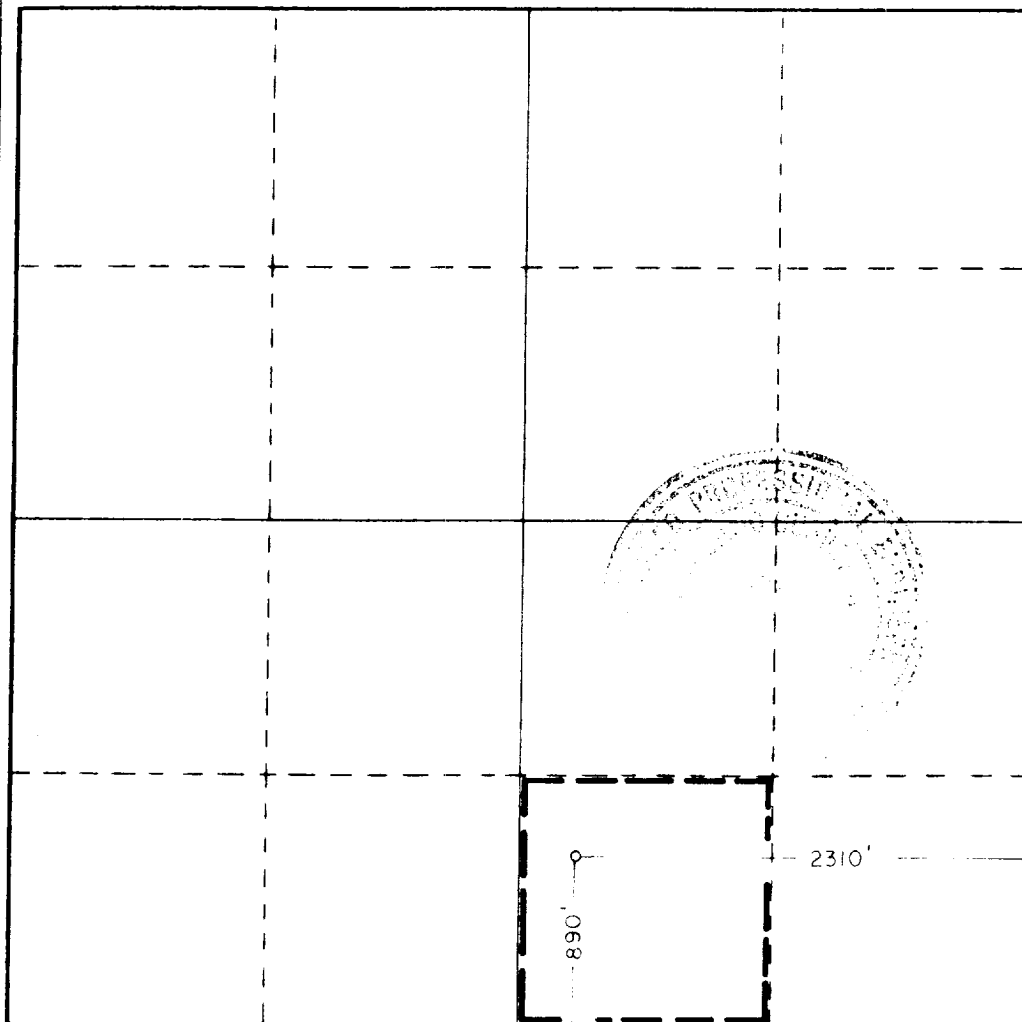
| | | | | | |
|---|---------------------------------|-----------------|-----------------------------------|----------------|--------------------------------|
| Operator J. M. HUBER CORP. | | | Lease FEDERAL 12 | | Well No. 2 |
| Unit Letter O | Section 12 | Township 21S | Range 27E | County EDDY | |
| Actual Footage Location of Well: 890 feet from the SOUTH line and 2310 feet from the EAST line | | | | | |
| Ground Level Elev. 3131.6 | Producing Formation DELAWARE | | Pool NORTHWEST FENTON 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.

Arthur R. Brown
Arthur R. Brown

Position

Agent

Company

J.M. HUBER CORPORATION

Date

JULY 12, 1985

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.

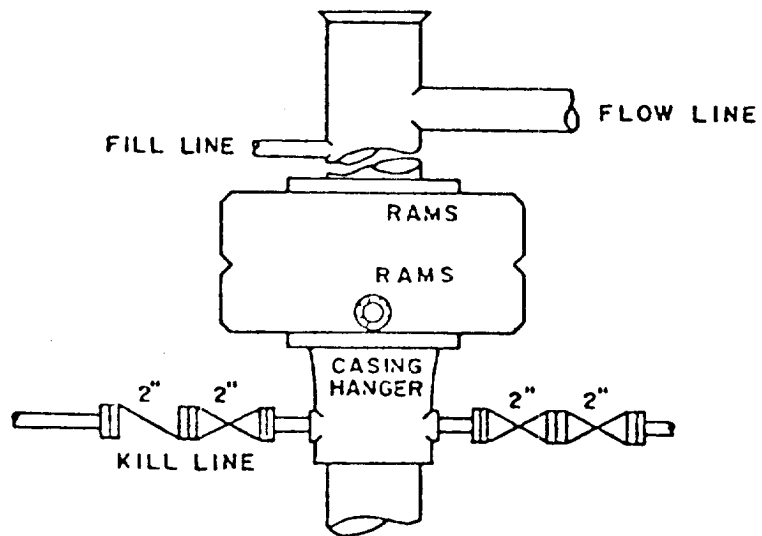
July 12, 1985

Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Ronald J. Eidson

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



BOP STACK

3000 PSI WORKING PRESSURE

BOP ARRANGEMENT

SUPPLEMENTAL DRILLING DATA

J.M. HUBER CORPORATION

WELL NO.2 FEDERAL 12

1. SURFACE FORMATION: Rustler Formation

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

| | |
|-------------------|------|
| Top Reef | 955 |
| Base Reef | 2490 |
| Top Delaware Pay | 2930 |
| Top Delaware Dand | 3080 |

3. ANTICIPATED POSSIBLE HYDROCARBON BEARING ZONES:

Delaware Oil

4. PROPOSED CASING AND CEMENTING PROGRAM:

| CASING SIZE | SETTING DEPTH | | WEIGHT | GRADE | JOINT |
|-------------|---------------|-------|--------|-------|-------|
| | FROM | TO | | | |
| 13-3/8" | 0 | 500' | 48# | H-40 | STC |
| 8-5/8" | 0 | 2500' | 32# | K-55 | STC |
| 5-1/2" | 0 | 3300' | 14# | K-55 | STC |

13-3/8" casing will be cemented with approximately 500 sacks of Class "C" cement with 2% CaCl. Cement to circulate.

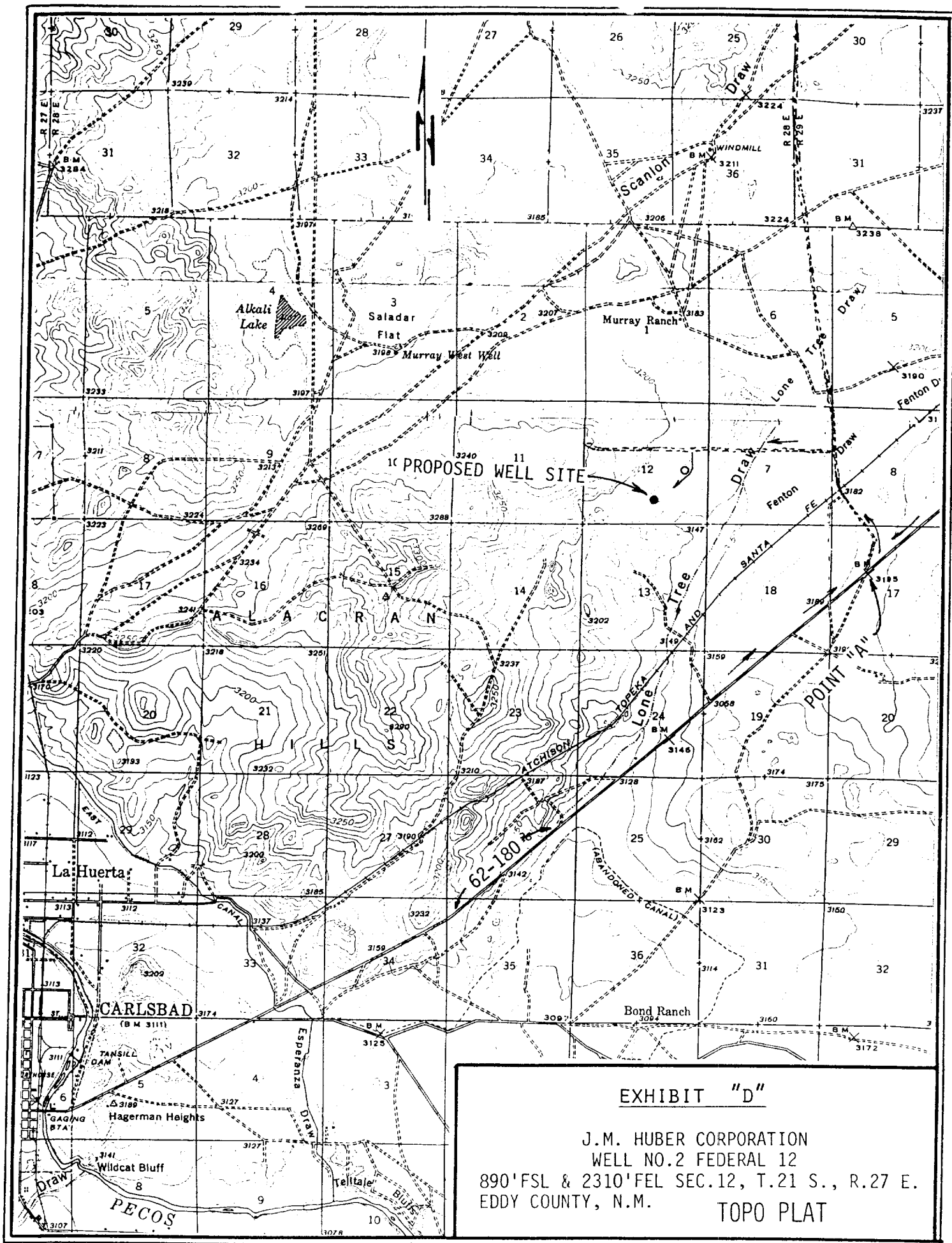
8-5/8" casing will be cemented with sufficient Light cement, tailed-in with 200 sacks of Class "C" cement, to circulate.

5-1/2" casing will be cemented with 270 sacks of Class "C" cement.

5. PRESSURE CONTROL EQUIPMENT:

Will nipple up and install preventers before drilling out below 8-5/8" casing. Blowout prevention equipment will consist of a dual, 3000 psi working pressure, ram type preventer

A BOP sketch is attached.



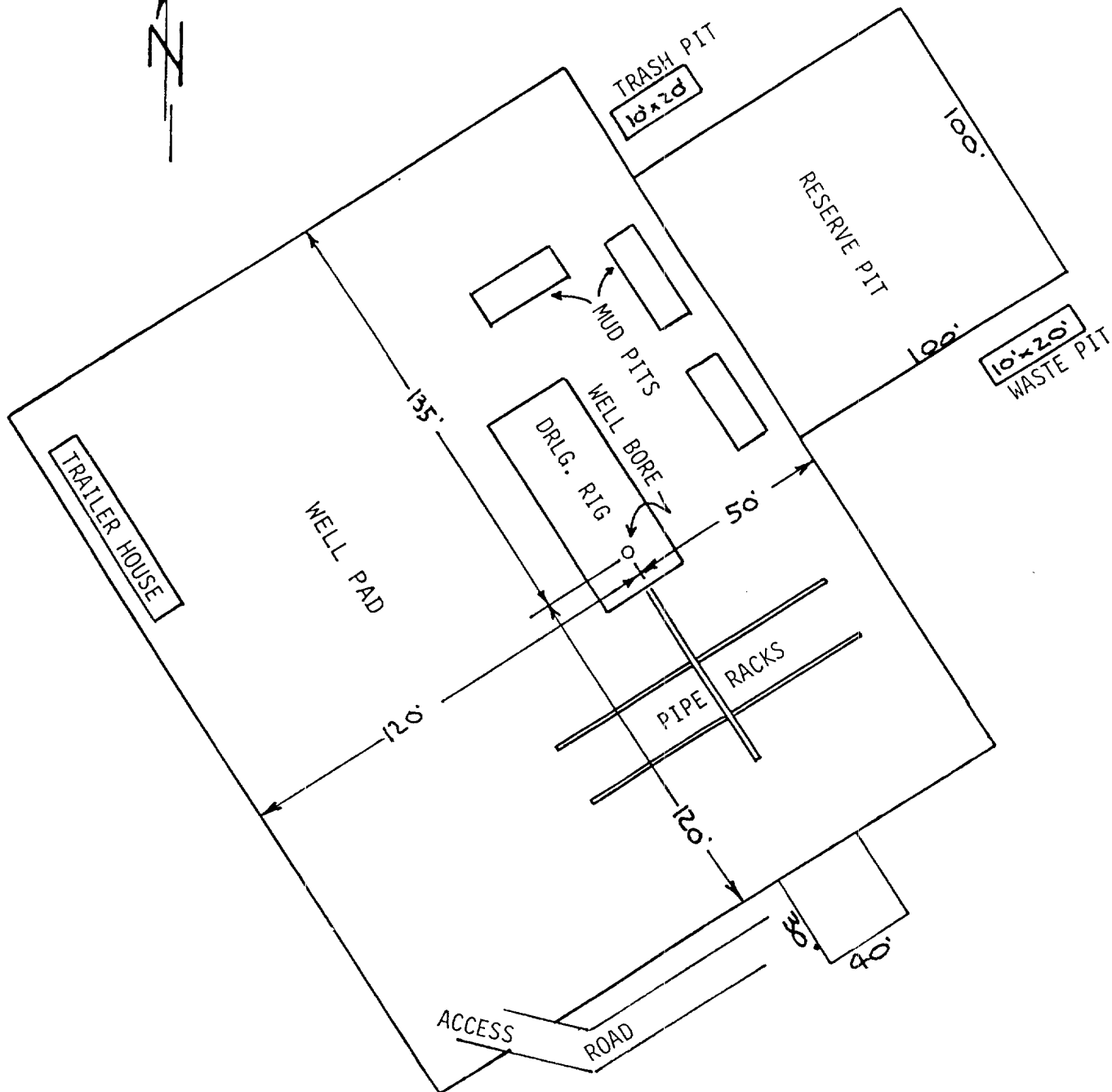


EXHIBIT "C"

J.M. HUBER CORPORATION
WELL NO.2 FEDERAL 12
DRILLING RIG LAYOUT
SCALE: None