

DRAWER DD
AR 31A. NM 88210

CONTACT RECEIVING
OFFICE F JMMR
OF COMPTON (MURKIN)
(Other instructions on
reverse side)

30-015-28136 c/gf
NM Roswell District
Modified Form No.
NM060-3160-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPE~~N~~ED ☒

PLUG BACK ☐

b. TYPE OF WELL

OIL ☐

GAS ☐

OTHER Inj

SINGLE ☒

MULTIPLE ☐

2. NAME OF OPERATOR

Siete Oil and Gas Corporation

3a. Area Code & Phone No.
(505) 622-2202

3. ADDRESS OF OPERATOR

P.O. Box 2523, Roswell, NM 88202-2523

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

At surface

2630' FSL & 1485' FEL, NW $\frac{1}{4}$ SE $\frac{1}{4}$, Unit Letter J

At proposed prod. zone

same

UNORTHDOX LOCATION

By State

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

17 miles Northeast of Carlsbad

10. DISTANCE FROM PROPOSED*

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

10'-lease

2630'-unit

16. NO. OF ACRES IN LEASE

920

17. NO. OF ACRES ASSIGNED
TO THIS WELL

N/A

18. DISTANCE FROM PROPOSED LOCATION*

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

450

19. PROPOSED DEPTH

4400

20. ROTARY OR CABLE TOOLS

Rotary

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

3338' - GR

Secretary's Potash

22. APPROX. DATE WORK WILL START*

September 1, 1994

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
26"	20"	90#	J-55	8rd	350'	325 sxs circ
17 $\frac{1}{2}$ "	13 3/8"	48#	J-55	8rd	1200'	875 sxs circ
12 $\frac{1}{4}$ "	8 5/8"	24#	J-55	8rd	3200'	1150 sxs circ
7 7/8"	5 $\frac{1}{2}$ "	15.5#	J-55	8rd	4400'	550 sxs

The operator proposes to drill to a depth sufficient to inject water into the Delaware formation.

Attachments:

Survey plat (C-102)

Supplemental Drilling Data

Surface Use Plan

EXPIRED INTENT

Siete Oil and Gas Corporation, as operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the lease or portion of lease described.

Siete Oil and Gas Corporation meets federal bonding requirements as follows:

Bond Coverage: Statewide

BLM Bond File No.: 3104

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

Cathy Batley-Seely

TITLE

Regulatory Specialist

DATE

7/21/94

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

INJECTION IS:

By State

TITLE

DATE

9/20/94

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

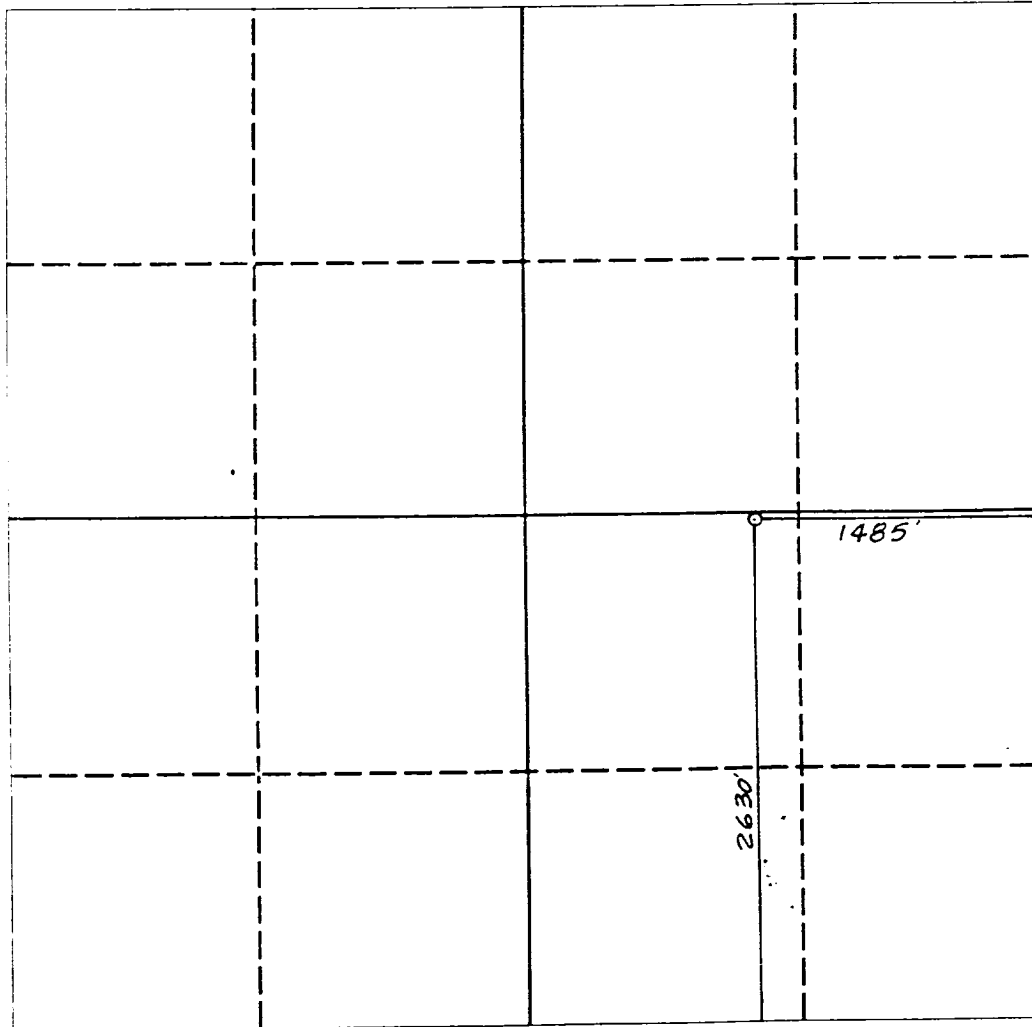
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator SIETE OIL & GAS CORPORATION			Lease PARKWAY DELAWARE UNIT		Well No. 509
Unit Letter J	Section 35	Township 19 SOUTH	Range 29 EAST	County NMPM EDDY COUNTY, NM	
Actual Footage Location of Well: 1485 feet from the EAST line and 2630 feet from the SOUTH line					
Ground level Elev. 3338.	Producing Formation Delaware	Pool Parkway	Dedicated Acreage: N/A 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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature *Gene Shumate* COS

Gene Shumate

Printed Name
President

Position
Siete Oil & Gas Corporation

Company
July 21, 1994

Date

SURVEYOR CERTIFICATION

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.

Date Surveyed

FEBRUARY 25 1993

Signature & Seal of
Professional Surveyor



Certificate No.
NM PE&S NO. 5412

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 49625	Pool Name Parkway Delaware
Property Code 10156	Property Name Parkway Delaware Unit		Well Number 509
OGRID No. 020847	Operator Name Siete Oil and Gas Corporation		Elevation 3338'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	35	19S	29E		2630	South	1485	East	Eddy

¹¹ 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

¹² Dedication Acres N/A	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

16				<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that 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>¹⁸ SURVEYOR CERTIFICATION</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>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number _____</p>

SUPPLEMENTAL DRILLING DATA
SIETE OIL AND GAS CORPORATION
PARKWAY DELAWARE UNIT #509
2630' FSL & 1485' FEL
Section 35: T19S, R29E
Eddy County, New Mexico
Lease Number: NM-24160
Agreement Number: NMNM88491X

The following items supplement "Onshore Oil and Gas Order No. 1":

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

B/Salt	1300'
Queen	2500'
Delaware	3200'

3. Estimated depths to water, oil or gas:

Water: Approx. 220'
Oil or Gas: Delaware-3400', 3950'

4. Proposed Casing Program:

<u>Size</u>	<u>Interval</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>	<u>New or Used</u>
20"	0'-350'	90#	J-55	ST&C	New
13 3/8"	0'-1200'	48#	J-55	ST&C	New
8 5/8"	0'-3200'	24#	J-55	ST&C	New
5 1/2"	0'-4400'	15.5#	J-55	ST&C	New

Cementing Program:

20"	75 sxs 35/65 POZC, 6% D-20, 250 sxs 35/65 POZC, 6% D-20, 3% S-1, 1/4# D-29
13 3/8"	275 sxs 35/65 POZC, 6% D-20, 1/4# D-29, 10% D-44, 3% CaCl, 600 sxs class C, 2% CaCl, 1/4# D-29
8 5/8"	100 sxs RFC 12-3, 700 sxs 35/65 POZC, 6% D-20, 3% S-1, 1/4# D-29, 350 sxs class C, 2% S-1, 1/4# D-29
5 1/2"	1st stage 200 sxs 10/10 self-stress, 50 sxs 35/65 POZC, 6% D-20, place DV tool @ (+-)3000', 2nd stage 300 sxs 35/65 POZC, 6% D-20, 3% CaCl

5. Pressure Control Equipment: The blowout preventer will be a double ram type preventer. A sketch is attached. The BOP will be nipped up on the 20" surface csg and used continuously until TD is reached. All BOP's and accessory equipment will be tested to 1000 psi before drilling out of surface and intermediate csg.

6. Mud Program:

0-350':	Fresh water and native mud adding gel and lime for sufficient viscosity to insure clean hole for running casing.
350'-1200':	Drill out with native becoming brine, occasional mud sweeps to clean hole.
1200'-3200':	Fresh water with occasional mud sweeps.
3200'-TD:	Drill out of intermediate with a cut brine system, add starch and salt gel to maintain a viscosity of 29; mud wt. 9.5-9.7.

SUPPLEMENTAL DRILLING DATA

Page Two

7. Auxiliary Equipment: A kelly cock will be installed on the rig floor while drilling operations are in progress.
8. Testing & coring programs: None anticipated.
Logging: Compensated Neutron-Formation Density-Gamma Ray-Caliper-Dual Laterlog-RXO @ 3200'-TD.
9. No abnormal pressures or temperature zones are anticipated. There has not been H₂S encountered while drilling formations from surface to T.D. Therefore, we do not have any contingency plans for this well.
10. Anticipated starting date: Commence building location September 1, 1994 upon BLM approval.

SURFACE USE PLAN
FOR
DRILLING, COMPLETING AND PRODUCING

SIETE OIL AND GAS CORPORATION
Parkway Delaware Unit #509
2630' FSL & 1485' FEL
Section 35: T19S, R29E
Eddy County, New Mexico
Lease Number: NM-24160
Agreement Number: NMNM88491X

LOCATED: 17 miles Northeast of Carlsbad, New Mexico

FEDERAL LEASE NUMBER: NM-24160

LEASE ISSUED: February 1, 1975

RECORD LESSEE: Conoco, Inc.

BOND COVERAGE: \$25,000 Bond of Siete Oil and Gas Operator

ACRES IN UNIT: 920

SURFACE OWNERSHIP: Federal

GRAZING PERMITTEE: Snyder Ranches
c/o Larry Squires
(505)393-7544

POOL: Parkway Delaware

EXHIBITS:

- A. Area Road Map
- B. Topographic Map Showing Access Route
- C. Lease Map Showing Well Site
- D. Sketch of Well Pad

ROAD LOG TO PROPOSED DRILLSITE

Starting point being Pecos River Bridge-Carlsbad on Highway 62-180:

0.00	Proceed East-Northeast on Highway 62-180 for 13.5 miles.
13.50	Turn North (4/10 mile past mile marker 49) on County Road 238 & proceed North for 2.1 miles(end of County Road North).
15.60	Proceed North off County Road(Tuesday Federal sign) & proceed 4.1 miles.
19.70	Turn East and proceed 1.2 miles(past Apache Federal #1).
20.90	Turn North and proceed .1 miles.
21.00	Turn West and proceed .1 miles.
21.10	Location.

THIRTEEN POINT PROGRAM

1. EXISTING ROADS:

- A. Existing access roads, which lead to the proposed drillsite, are illustrated in yellow on Exhibits "A" & "B".

2. PROPOSED NEW ROAD:

- A. The new access will be approx. 14' wide and 700' in length with 6" of compacted caliche. It will enter our proposed location from the Southeast corner. The new access road is illustrated in pink on Exhibit "B".

B. Surfacing Materials: Caliche

C. Maximum Grade: Less than 1%

D. Turnouts: None required

E. Drainage Design: None required

F. Culberts: None required

G. Cuts and Fills: Less than 3'

H. Gates and Cattleguards: None required

3. LOCATION OF EXISTING WELLS:

- A. Existing wells are shown on Exhibit "C".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. No production facilities will be necessary.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. The water supply for drilling purposes will be coming from the Osage Federal #1 battery (Sec. 35, T19S, R29E, NW $\frac{1}{4}$ SE $\frac{1}{4}$). We plan to lay approx. 3000' of 2" SDR11 polyurethane pipe temporarily on the surface following the new access road and existing access roads to the Osage #1 battery. The line will maintain an operating pressure of 30 psi. After drilling operations are completed we will have the line hauled off. The proposed temporary line is shown in Exhibit "B".

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. Construction materials will be obtained from a federal pit located in Section 3, T20S, R29E, SW $\frac{1}{4}$ NE $\frac{1}{4}$.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

- C. Water produced during tests will be disposed of in the drilling pits.
- D. Oil or condensate produced during tests, will be put into frac tanks.
- E. Trash, waste paper, garbage and junk will be stored in a trash trailer. All waste material will be contained to prevent scattering by the wind. Afterwards, it will be disposed of in an approved landfill.

8. ANCILLARY FACILITIES:

- A. None planned.

9. WELLSITE LAYOUT:

- A. The dimensions and location of the well site and mud pits with respect to the wellbore are shown on Exhibit "D".
- B. The wellsite is nearly level and will not require any cut or fill. The well pad will be surfaced with caliche.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of re-entry and/or completion operations, all equipment and other materials not needed for operations will be removed. Pits will be filled and the location cleansed of all trash and junk to leave the wellsite in 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 and the location cleaned. Any special rehabilitation and/or special revegetation requirements of the surface management agency will be complied with and accomplished as expeditiously as possible.

11. OTHER INFORMATION:

- A. Topography: The surface is relatively flat, drainage to the Southwest.
- B. Soil: Kermit Berino fine sands.
- C. Flora and Fauna: Vicinity surrounding the drillsite is semi-arid desert rangeland. Vegetation is thinly scattered with desert shrubs interspersed with a small amount of native grasses. No wildlife was observed, rodents, coyotes, dove or quail.
- D. Ponds and Streams: None in the area.
- E. Residences and other structures: A ranch house is located approx. 1 3/4 miles Northeast of the location.
- F. Archaeological, Historical and Other Cultural Sites: The pad area and new access road are currently being looked at by an archaeologist. A report of his findings will be submitted to you within a week.

G. Land Use: Grazing and occasional hunting.

12. OPERATOR'S REPRESENTATIVE:

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

Harold D. Justice
Petroleum Building, Suite 200
200 West First
Roswell, New Mexico 88202
Office: 622-2202
Home: 625-0072

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 currently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and that the work associated with operations proposed herein will be performed by SIETE OIL AND GAS CORPORATION and its subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

SIETE OIL AND GAS CORPORATION

Date: 7/22/94

BY: Harold D. Justice *cas*
Harold D. Justice
Executive Vice President

EXHIBIT "C"
Parkway Delaware Unit #509
2630' FSL & 1485' FEL
Sec. 35: T19S, R29E
Eddy County, NM

WEK Drilling Co., Inc.
Plat Rig #2
Location & Pit Specs
1-1-89

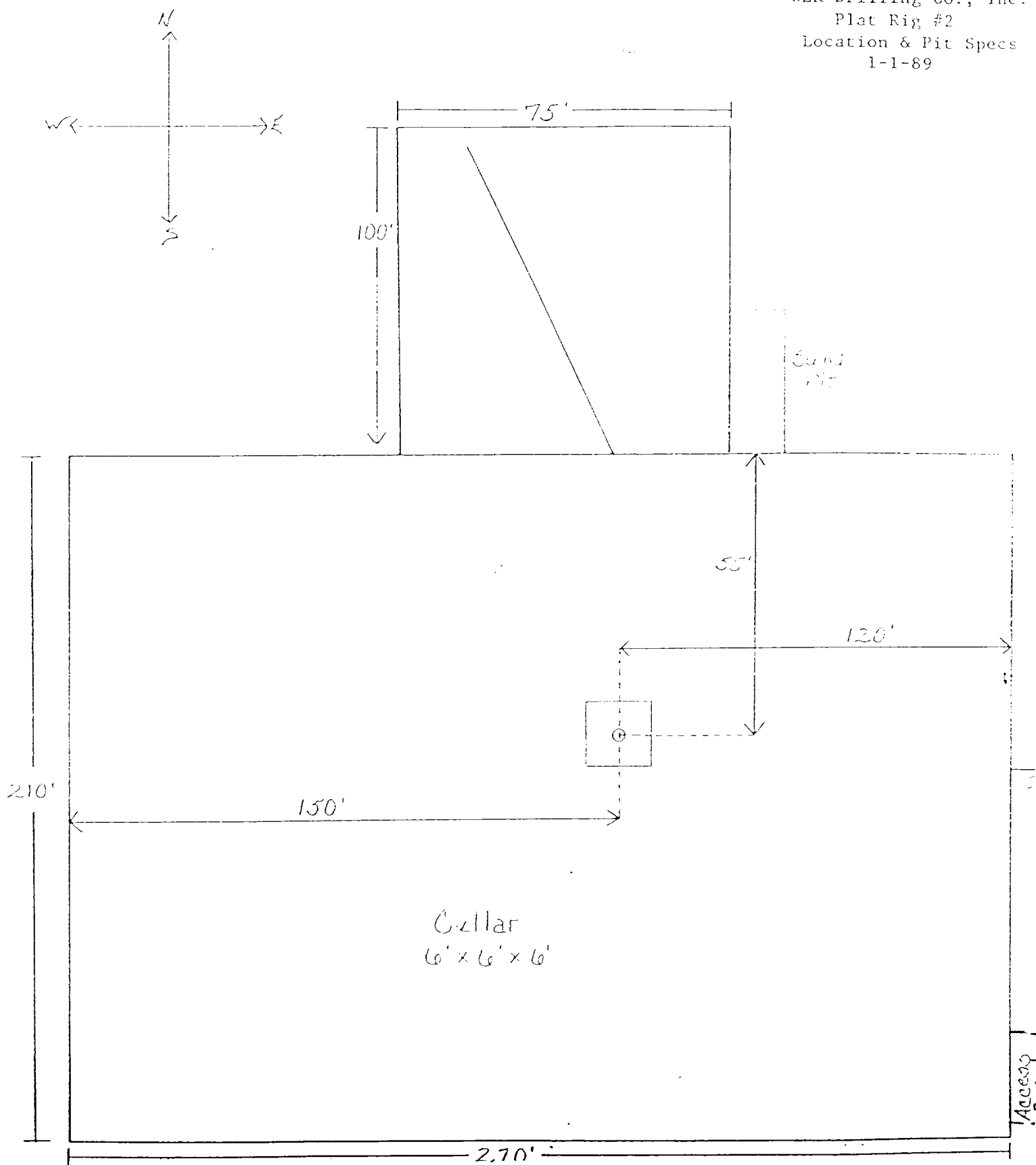
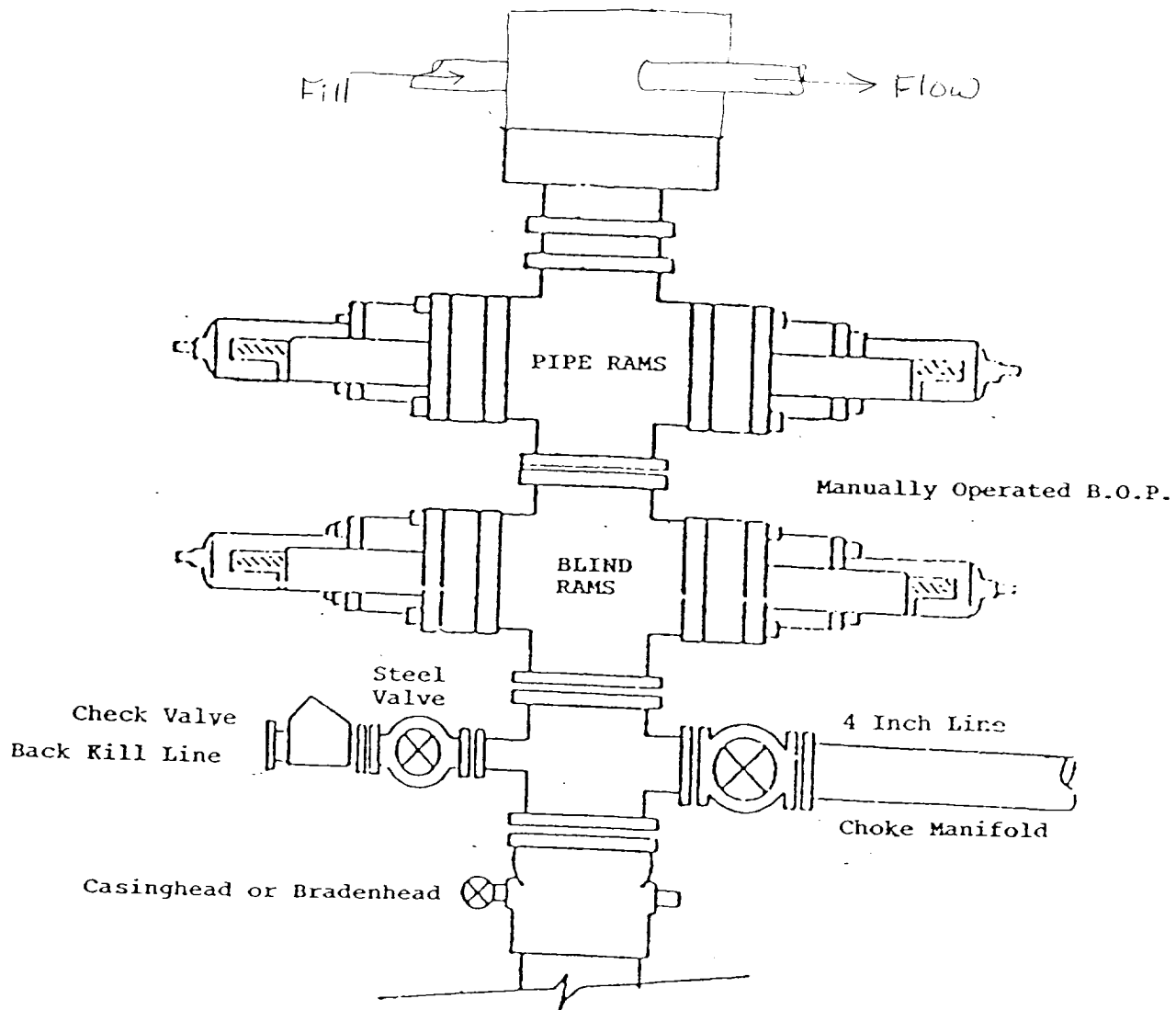


EXHIBIT "D"
Parkway Delaware Unit #509
2630' FSL & 1485' FEL
Sec. 35: T19S, R29E
Eddy County, NM

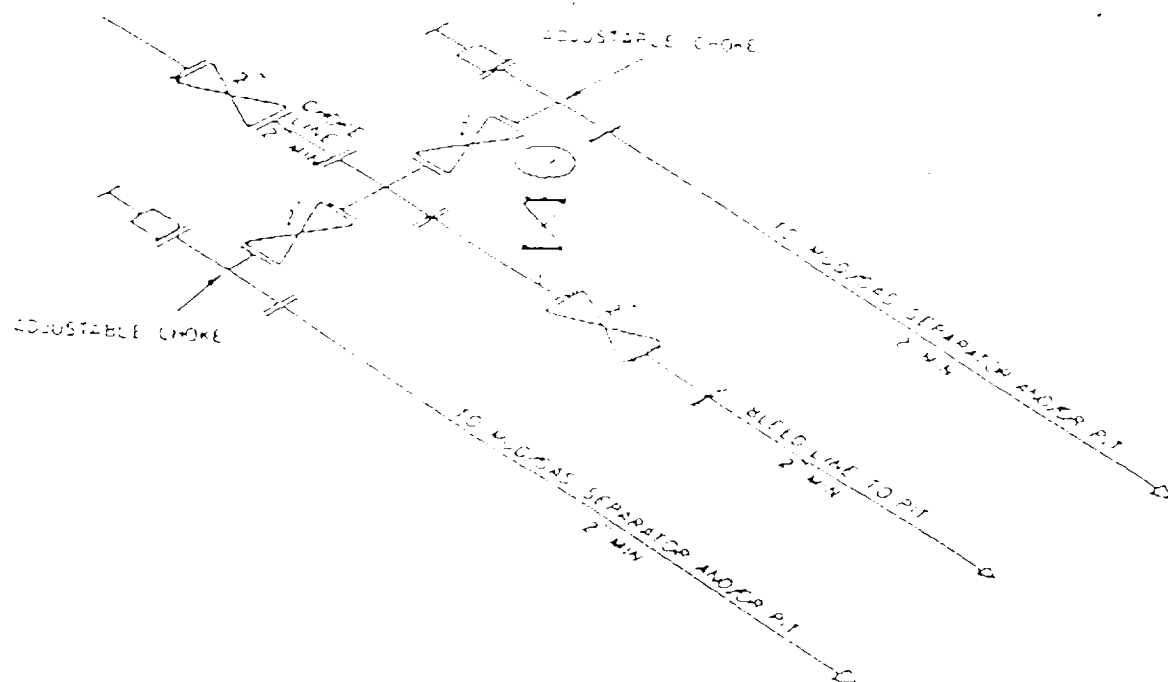
BOP DIAGRAM

RATED 3000#

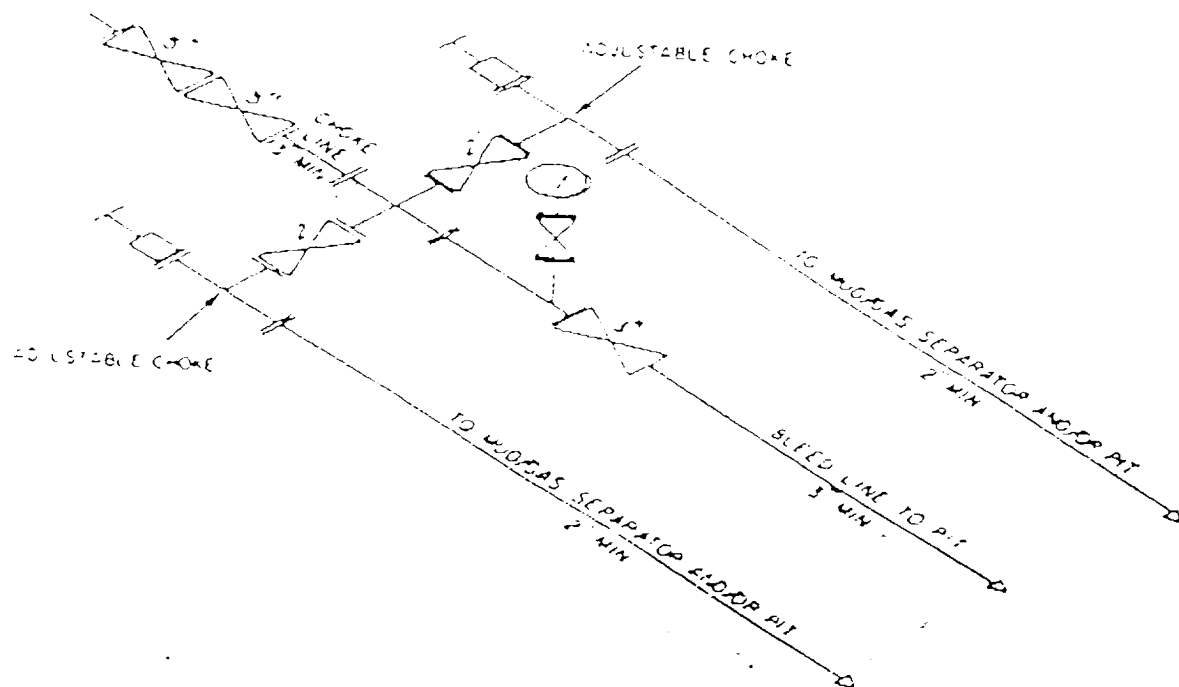


1. Diagram of Choke Manifold Equipment

Illustration 2, Page 1



2M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY



3M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY