

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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. N00-C-14-20-5568
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR GULF OIL CORPORATION		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P. O. Box 670, Hobbs, New Mexico 88240		8. FARM OR LEASE NAME Navajo "KY"
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1850' FNL & 1850' FWL At proposed prod. zone		9. WELL NO. 1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10 miles east of Counselors, New Mexico		10. FIELD AND POOL, OR WILDCAT Rusty Menefee
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 11, T-22N, R-7W
16. NO. OF ACRES IN LEASE 160		12. COUNTY OR PARISH Sandoval
17. NO. OF ACRES ASSIGNED TO THIS WELL 160		13. STATE New Mexico
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		20. ROTARY OR CABLE TOOLS Rotary
19. PROPOSED DEPTH 3800'		22. APPROX. DATE WORK WILL START*
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6947' GL		

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8-5/8"	24.0#	250'	Circ
6-3/4"	4-1/2"	9.5#	3800'	Circ

NOTE: See Attached BOP Drawing No. 2

Mud: 0' - 250' Fresh water spud mud;
250' - TD Saturated BW w/Polymer

Gas is not dedicated.

- AMENDMENT TO PREVIOUSLY APPROVED APPLICATION -

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 [Signature] TITLE Area Production Manager DATE 07-20-78
(This space for Federal or State office use)

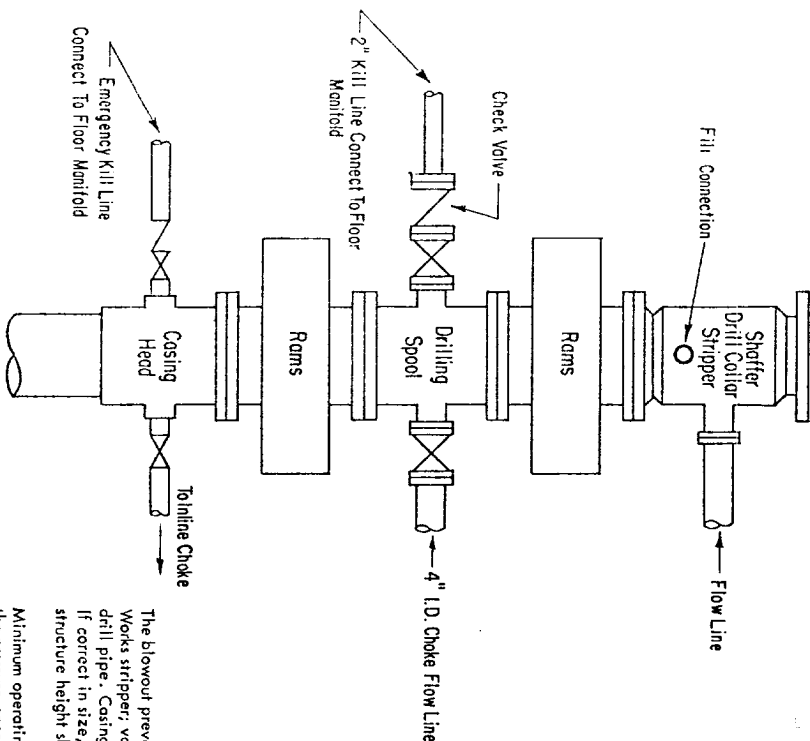
PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

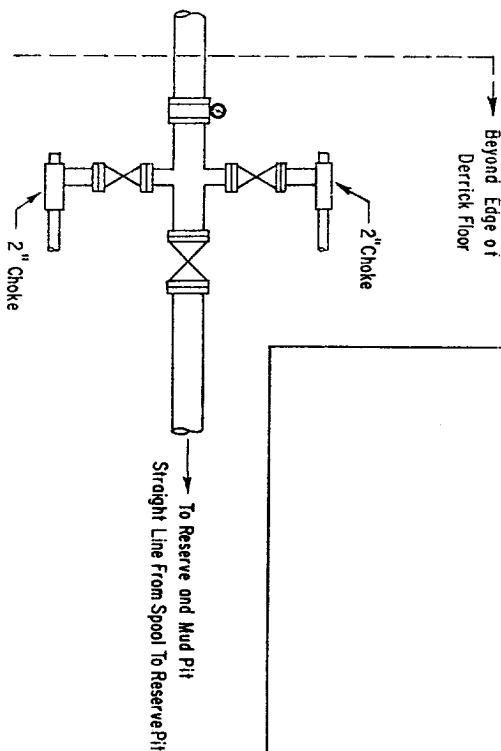
JUL 27 1978

*See Instructions On Reverse Side

Okal



2000 - 3000 PSI WORKING PRESSURE BLOWOUT PREVENTER HOOK-UP



ADDITIONS - DELETIONS - CHANGES
SPECIFY

The blowout preventer assembly shall consist of one blind ram preventer and one pipe ram preventer, both hydraulically operated; a Shafter Tool Works stripper; valves; chokes and connections, as illustrated. If a tapered drill string is used, a ram preventer must be provided for each size of drill pipe. Casing and tubing rams to fit the preventers are to be available as needed. The ram preventers may be two singles or a double type. If correct in size, the flanged outlets of the ram preventer may be used for connecting to the 4-inch I.D. choke flow line and kill line. The sub-structure height shall be sufficient to install a rotating blowout preventer.

Minimum operating equipment for the preventers shall be as follows: (1) Pump (s) driven by a continuous source of power, capable of closing all the pressure-operated devices simultaneously within _____ seconds. The pump (s) is to be connected to a closed type hydraulic operating system. (2) When requested, accumulators with a precharge of nitrogen of not less than 750 PSI and connected so as to receive a fluid charge from the above pump (s). With the charging pump (s) shut down, the pressurized fluid volume stored in the accumulators must be sufficient to close all the pressure-operated devices simultaneously within _____ seconds; after closure, the remaining accumulator pressure shall be not less than 1000 PSI with the remaining accumulator fluid volume of at least _____ percent of the original. (3) When requested, an additional source of power, remote and equivalent, is to be available to operate the above pump (s); or there shall be an additional pump (s) operated by separate power and equal in performance capabilities.

The closing manifold shall have a separate control for each pressure-operated device. Controls are to be labeled, with control handles indicating open and closed positions. A pressure reducer and regulator must be provided if a Hydril preventer is used. Gulf Legion No. 38 hydraulic oil, an equivalent or better, is to be used as the fluid to operate the hydraulic equipment.

The choke manifold, choke flow line, and choke lines are to be supported by metal stands and adequately anchored. The choke flow line and choke lines shall be constructed as straight as possible and without sharp bends. Easy and safe access is to be maintained to the choke manifold. All valves are to be selected for operation in the presence of oil, gas, and drilling fluids. The choke flow line valve connected to the drilling spool and all ram type preventers must be equipped with stem extensions, universal joints if needed, and hand wheels which are to extend beyond the edge of the derrick substructure. All other valves are to be equipped with handles.