Form 9-331 C
(May 1963)

COPY TO O. C. C.

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

30-005-20716

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL
OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [X] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR
El Ran, Inc.

3. ADDRESS OF OPERATOR
1603 Broadway, Lubbock, Texas 79401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
660 FNL & 660 FWL
At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.
N. M. 13999

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Dashner Federal

9. WELL NO.
4

10. FIELD AND POOL, OR WILDCAT
Chaveroo (SA)

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 3, T8S, R32E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
20 Miles South of Elida

12. COUNTY OR PARISH
Chaves

13. STATE
New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
1980	160	40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
1540	4325	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
4508.2

22. APPROX. DATE WORK WILL START*
December 15, 1979

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-7/8	8-5/8	23#	1710	550
7-7/8	4-1/2	10.5#	4325	200

Mud Program: 10# Mud, 35 viscosity from 4000' to TD
BOP Program: See Exhibits C, D, & E.

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U. S. GEOLOGICAL SURVEY
HOBBS, NEW MEXICO

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 W. Ran, Jr. TITLE Vice-President DATE November 6, 1979

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVED AS AMENDED
NOV 19 1979
A. R. Hall
ACTING DISTRICT ENGINEER

*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	Lease	Well No.
EL RAN, INC.	U.L. Matthews & Daughters	4

Unit Letter	Section	Township	Range	County
"H"	3	8 South	31 East	Chaves

Actual Footage Location of Well:
660 feet from the North line and 660 feet from the West line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage
4505.2	San Andres	Chaveroo	40.02 Acres

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

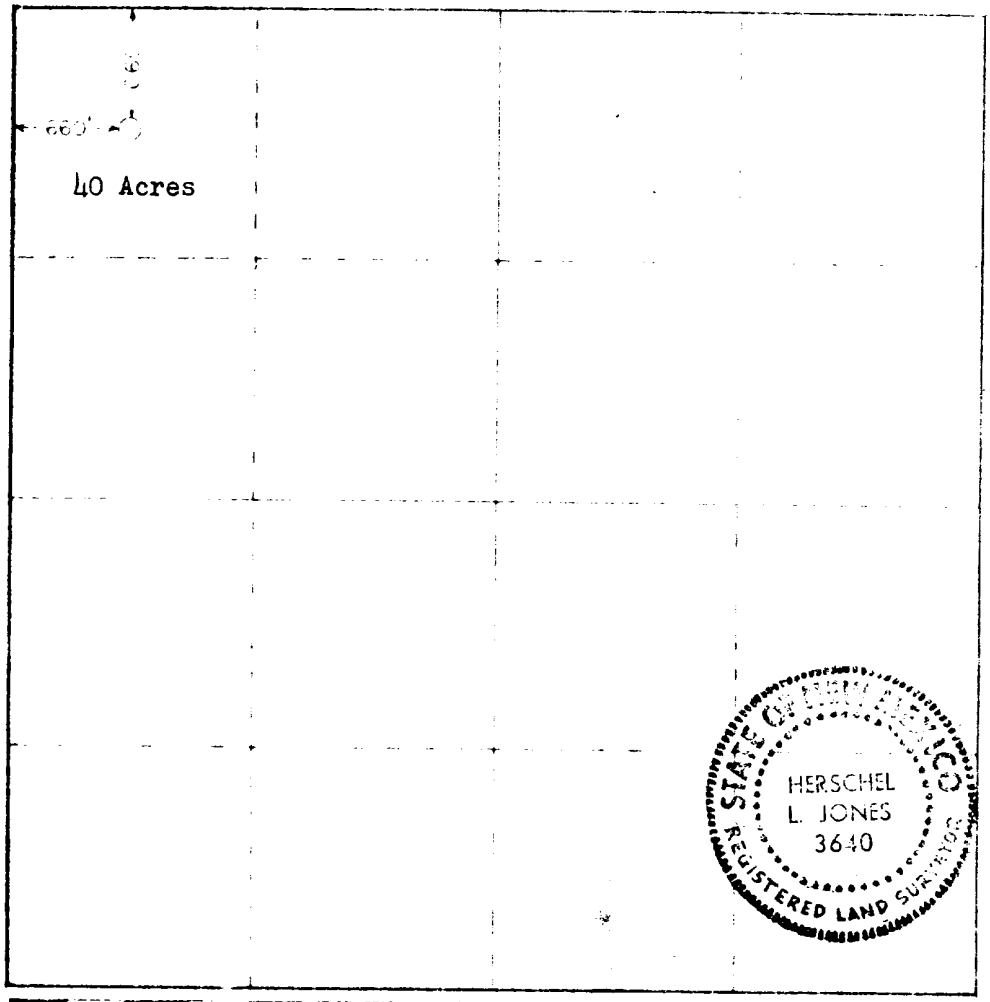
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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?

X Yes ☐ No If answer is "yes," type of consolidation Federal Minerals

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.

W. W. Ranck, Jr.

Vice-President

El Ran, Inc.

November 7, 1979

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.

October 31, 1979

Registered Professional Engineer and/or Land Surveyor

Certificate No. 3640

APPLICATION FOR DRILLING

EL RAN, INC.
DASHNER FEDERAL #4
Section 3, T8S, R32E
Chaves County, New Mexico

In Conjunction with Form 9-331 C, Application for Permit to Drill subject well, El Ran, Inc. submits the following ten items of pertinent information.

1. The geologic surface formation is the Ogallala formation.

2. The estimated tops of geologic markers are as follows:

Yates	2385'
San Andres	3458'

3. The depths at which anticipated water, oil or gas formations are expected to be encountered:

   Water: No data available. Probably from Triassic formation at approximately 500 to 600 feet.
   Oil or Gas: San Andres at approximately 3478 feet to 4325 feet.

4. Proposed casing program: See Form 9-331 C.

5. Pressure control equipment: See Exhibits C, D, and E.

6. Mud Program: See Form 9-331 C.

7. Auxiliary equipment: See Exhibit D.

8. Testing, logging and coring programs: None.

9. No abnormal temperatures or pressures are anticipated.

10. Anticipated starting date: Early December.
    Anticipated completion of drilling operations: Approximately 7 days after starting date.

El Ran Inc.

1600 BROADWAY
806 763-0378
Lubbock, Texas 79401

November 6, 1979

U. S. Geological Survey
Oil and Gas Operations
414 West Taylor
P. O. Box 1157
Hobbs, New Mexico 88240

RE: Dachner Federal #4
Section 3, T8S, R32E
Chaves County, New Mexico

Gentlemen:

El Ran, Inc., has a written agreement with Mr. H. D. Carrol of Lubbock, Texas, which states that at which time the well is determined to be non-productive, at Mr. Carrol's option, El Ran will have the road site ripped and replanted with native grasses, or will leave the well site and road cleaned of all trash and junk, and in as aesthetically pleasing condition as possible.

Sincerely,

W. W. Ranck, Jr.
Vice-President

/lh

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

El Ran, Inc.
Dashner Federal #4
660 FNL & 660 FWL
Section 3 - T8S - R32E
Chaves County, New Mexico
(Development Well)

This plan is submitted with Form 9-331 C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface distrubance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS

A. Exhibit A is a portion of BLM quad-color map No. SE-9 showing the area surrounding the proposed wellsite on a scale of 1/2 inch to a mile. The proposed location is situated at a driving distance of approximately 22.9 miles (excluding the proposed new access road) south of Elida, New Mexico, and the existing roads leading to the wellsite are indicated in red in Exhibit A.

(1) Proceed south from Elida on Highway 114 for approximately 0.6 miles. At this point, take the right fork onto Highway 440.

(2) Continue in a southward direction for an additional 19.8 miles (20.4 miles from Highway 70 in Elida). The road surface will change from blacktop to a dirt surfact about 14.5 miles from Elida. You will pass over a number of cattleguards, including five cattleguards on the dirt road. Approximately 0.4 miles after crossing the fifth cattleguard, turn right (west).

(3) Approximately 0.1 miles after this turn, you will pass a tank battery on your left. Approximately 0.1 miles beyond this point, a well (Byron 1-Y) is located. Approximately 0.2 miles beyond this well, you will reach the well pad of Bryon #2. Turn south at the Byron #2 and go approximately 0.3 miles to the Roberts #1. At this point you will pass a caliche pit on your right. Turn west on the Roberts #1 well pad and proceed approximately 0.3 miles to the Federal #1. Proceed west past the Federal #1 well pad 0.3 miles to the Dashner #4 well pad.

2. PLANNED ACCESS ROAD

A. The proposed new access road will be constructed in an east to west direction, from the southwestern corner of the drill pad at Federal #1 to the southeastern corner of the drill pad at the proposed location.

B. The route of the proposed road passes over a relatively level area and only very minor leveling will be required.

C. The length of the proposed road will be approximately 1540 feet. It will have a driving surface width of 12 feet and the surface will be topped with six inches of compacted caliche. The center of the road will be crowned with drainage on both sides.

D. No turnouts will be required; one fence cut will be required. No culverts are involved.

E. A cattleguard is required and will be constructed by El Ran, Inc. at the location indicated on Exhibit A.

F. The starting point of the new road is clearly marked with surveyor's ribbons and the route of the road is staked and flagged.

G. The route is on fee surface owned by H. D. Carrol. El Ran, Inc. has an agreement with Mr. Carrol for access roads and drillsites in all of Section 3.

3. LOCATION OF EXISTING WELLS

A. Existing wells within a one-mile radius are shown on Exhibit B.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. There will be no production facilities on this lease

B. In the event that the well is productive of oil, the Dashner #2 tank battery and heater will be used. Electric lines would be run overground along side existing roads to the existing storage and treating facilities on the Dashner #2.

5. LOCATION AND TYPE OF WATER SUPPLY

A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from privately owned or commercial sources and will be hauled to the location by truck over the existing and proposed roads described in Paragraphs 1 and 2.

6. SOURCE OF CONSTRUCTION MATERIALS

A. Caliche required for road and drilling pad surfaces will be obtained from a privately owned pit approximately two-thirds of a mile northeast of the proposed drillsite. This is the caliche pit referred to in Paragraph 1A (3).

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 the entry of livestock into the pits.

D. Water produced during operations will be collected in tanks until hauled to an approved disposal system; or a separate disposal application will be submitted to the USGS for approval.

E. Oil produced during operations will be stored in tanks until sold.

F. Current laws and regulations pertaining to the disposal of human waste will be complied with.

G. Trash, waste paper, garbage and junk will be buried in a separate pit and covered with a minimum of 24 inches of dirt. All waste materials will be contained to prevent scattering by the wind.

H. All trash and debris will be buried or removed from the wellsite within 90 days after drilling and/or completion operations have been finished.

8. ANCILIARY FACILITIES

A. None required.

9. WELLSITE LAYOUT

A. Exhibit C shows the relative location and dimensions of the well pad and reserve pits.

B. The ground surface at the wellsite is comparatively flat and very little cut or fill will be required to construct either the drilling pad or the reserve pits. The drilling surface will be covered with six inches of compacted caliche.

C. The pad and pit area has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE

A. After drilling and/or completion operations have been finished, all equipment and other material not needed for further operations will be removed. Pits will be filled and the location cleaned of all trash and junk so as to leave the wellsite in as aesthetically pleasing a condition as possible.

B. Any unfilled pits containing fluids will be fenced until they have been filled.

vegetation requirements of the BLM and surface restoration will be in accordance with the agreement with the surface owner. Rehabilitation should be accomplished within 90 days after abandonment.

11. OTHER INFORMATION

A. The proposed wellsite is located in an essentially level area. The proposed new access road crosses a generally level area with only minor surface anomalies.

B. The topsoil at the wellsite consists of moderately soft sand.

C. Flora and Fauna: The vegetation cover at the proposed location is moderately sparse, consisting of miscellaneous weeds and grass, bear grass yucca, and a few cactus plants. No wildlife was observed but it is likely that typical semi-arid desert wildlife inhabit the area which is used for cattle grazing.

D. There are no ponds, lakes, or flowing streams or rivers in the vicinity of the wellsite.

E. There are no occupied dwellings within several miles of the wellsite. The nearest windmill is about one-half mile south of the location.

F. There is no evidence of any significant archaeological, historical or cultural sites in the area of the proposed location. An archaeological survey has been conducted by the Agency for Conservation Archaeology, Eastern New Mexico University, Portales, New Mexico, and their report has been distributed to the appropriate government agencies.

G. Surface Ownership: Wellsite and roads will be on fee surface.

12. OPERATOR'S REPRESENTATIVES

A. The field representatives of the operator responsible for assuring compliance with the approved surface use plan are:

W. W. Ranck
El Ran, Inc.
1603 Broadway
Lubbock, Texas 79401
Phone: 806/763-4091

Robert R. Ranck
El Ran, Inc.
1603 Broadway
Lubbock, Texas 79401
Phone: 806/763-4091

W. W. Ranck, Jr.
El Ran, Inc.
1603 Broadway
Lubbock, Texas 79401
Phone: 806/763-4091

13. CERTIFICATION

Statement on next page.

CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statement 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 El Ran, Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Date

W. W. Ranck, Jr.
Vice-President
El Ran, Inc.

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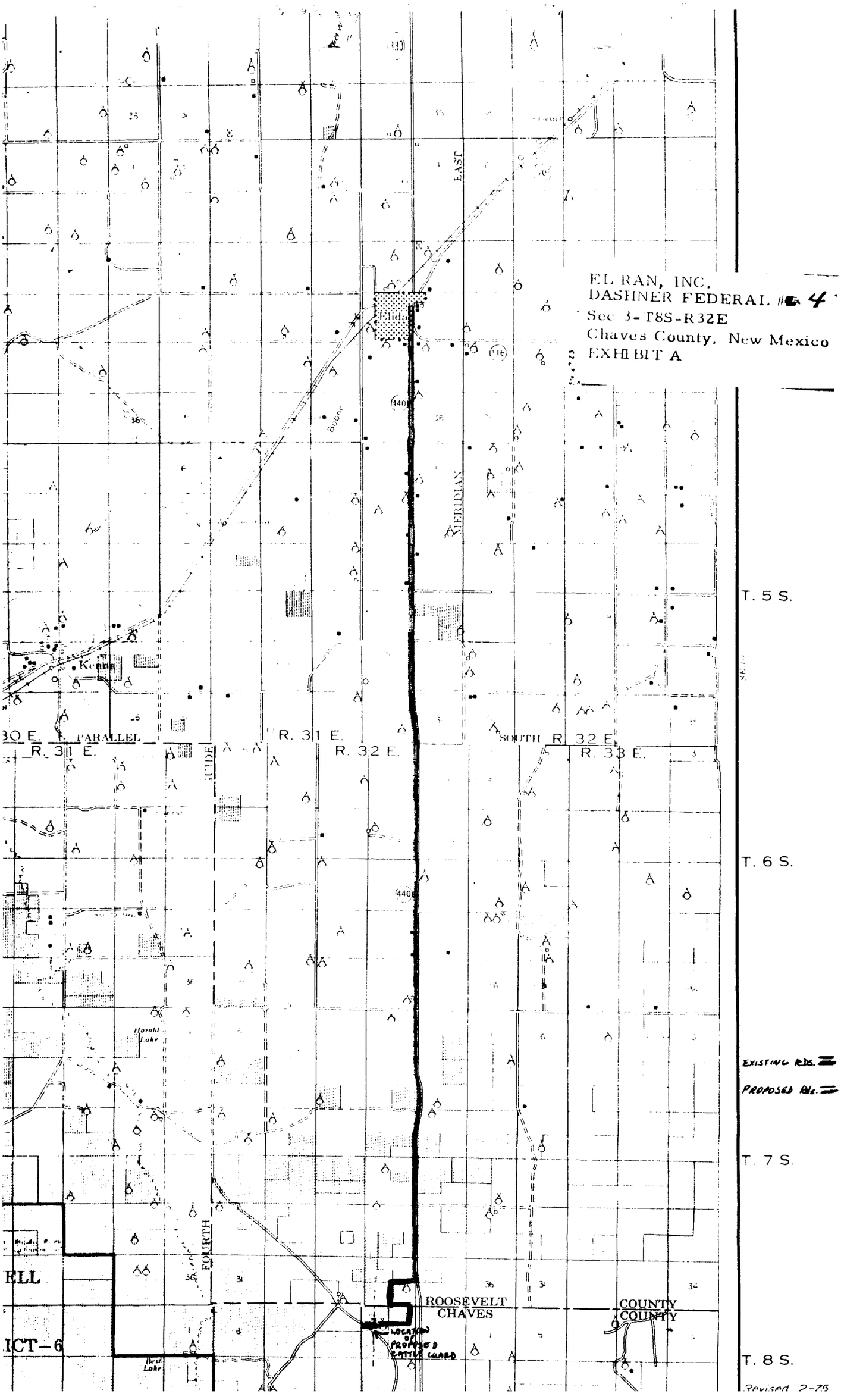
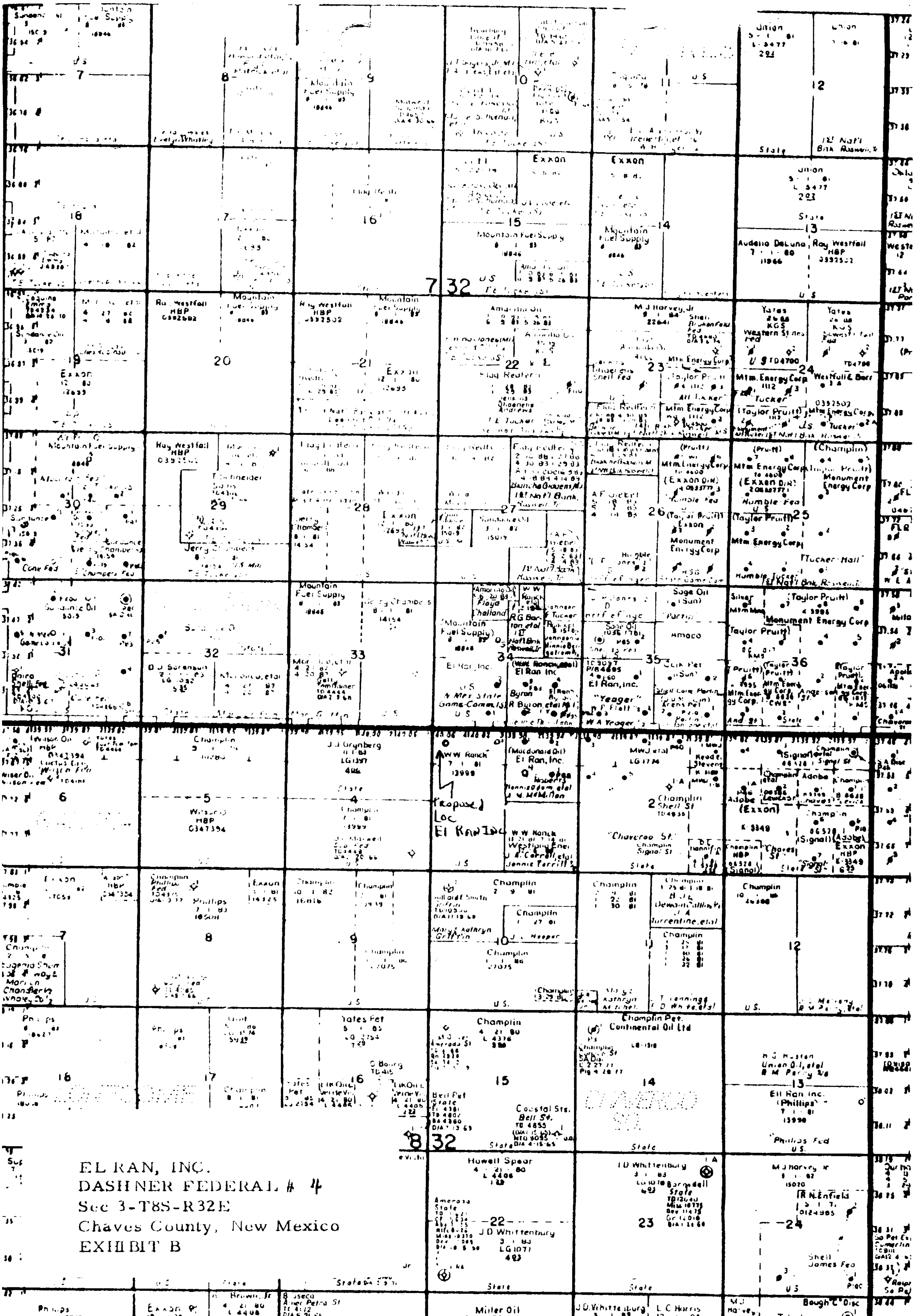
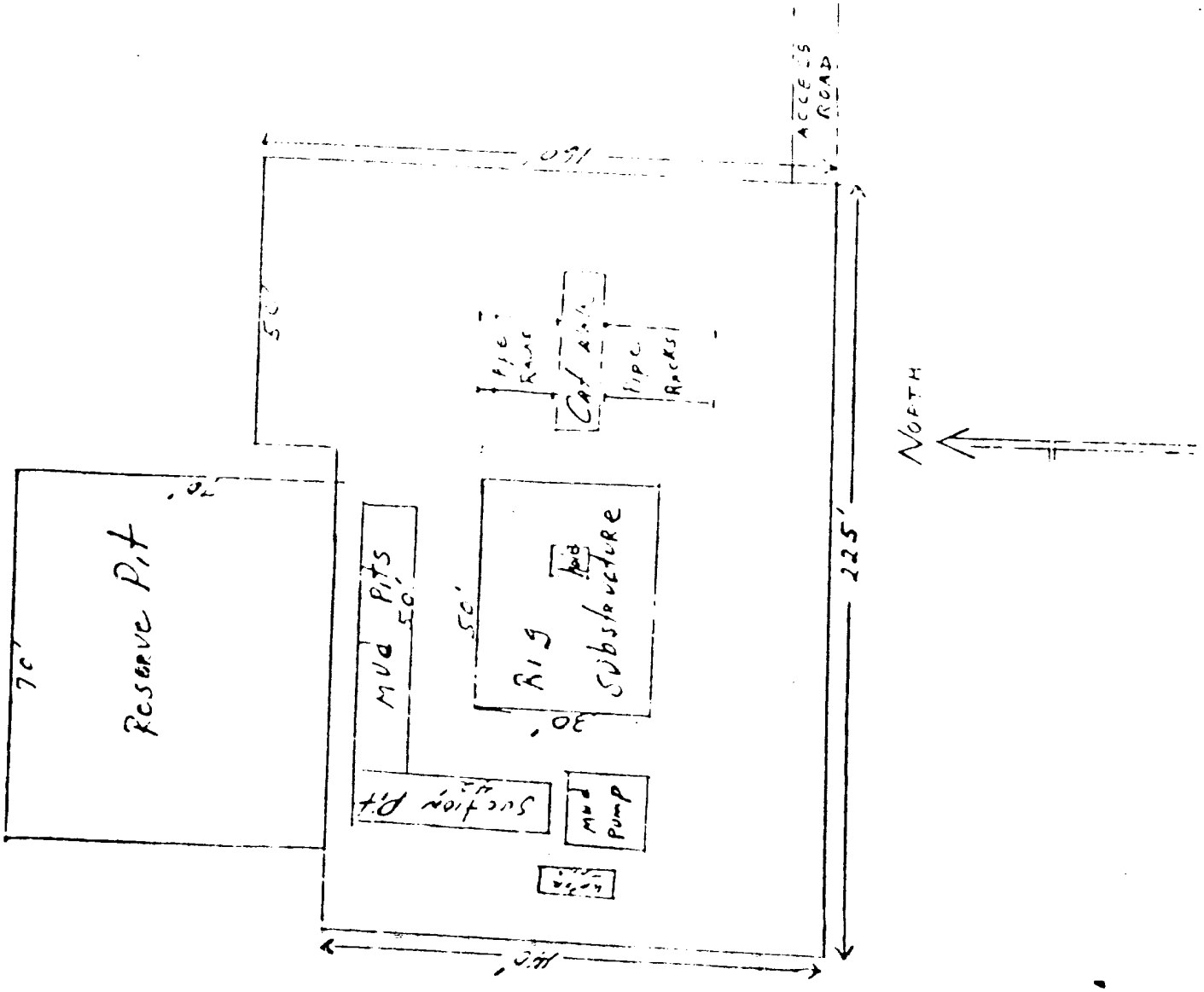
OIL CONSERVATION DIV.


EL RAN, INC.
DASHNER FEDERAL #4
Sec 3-T8S-R32E
Chaves County, New Mexico
EXHIBIT A
LEA
CHAVES
ROOSEVELT
COUNTY
COUNTY
R. 31 E.
R. 32 E.
R. 33 E.
T. 5 S.
T. 6 S.
T. 7 S.
T. 8 S.
EXISTING RDS.
PROPOSED RDS.
LOCATION OF PROPOSED CATTLE GUARD
Revised 2-75



EL RAN, INC.
DASHNER FEDERAL # 4
Sec 3-T8S-R32E
Chaves County, New Mexico
EXHIBIT B

EL RAE, INC.
DASHER FEDERAL #1
Sec. 4-18S-R32E
Chaves County, New Mexico
EXHIBIT C



This rig is equiped with a Shaffer LWS Series 900 Double 900 Hydralic operated. With blanks, 4", 4½" and side connections.

WEK DRILLING CO., INC. - RIG 3

EQUIPMENT DESCRIPTION

All equipment should be at least 3,000 psi WP or higher unless otherwise specified.

- Bell nipple
- Hydril bag type preventer
- Ram Type pressure operated blowout preventer with blind rams
- Flanged spool with one 3-inch and one 2-inch (minimum) outlet
- 2-inch (minimum) flanged plug or gate valve
- 2-inch by 2-inch by 2-inch (minimum) flanged tee
- 3-inch gate valve
- Ram type pressure operated blowout preventer with pipe rams
- Flanged type casing head with one side outlet
- 2-inch treaded (or flanged) plug or gate valve
- Flanged on 5000# WP, threaded on 3000# WP or less
- 3-inch flanged spacer spool
- 3-inch by 2-inch by 2-inch by 2-inch flanged cross
- 2-inch flanged plug or gate valve
- 2-inch flanged adjustable choke
- 2-inch threaded flange
- 2-inch XXH nipple
- 2-inch forged steel 90° ell
- Cameron (or equal.) threaded pressure gauge
- Threaded flange
- 2-inch flanged tee
- 2-inch flanged plug or gate valve
- 2½-inch pipe, 300' to pit, anchored
- 2½-inch SE Valve
- 2½-inch line to steel pit or separator

NOTES:

- Items 3, 4, and 8 may be replaced with double ram type preventer with side outlets between the rams.

- The two valves next to the stack on the fill and kill line to be closed unless drill string is being pulled.

- Kill line is for emergency use only. This connection shall not be used for filling.

- Replacement pipe rams and blind rams shall be on location at all time.

- Only type U, LSW and QRC ram type preventer with secondary seals are acceptable for 5000 psi WP and higher BOP stacks.

- Type E ram-type BOP's with factory modified side outlets may be used on 3000 psi or lower WP BOP stacks.

EXHIBIT D
El Ran, Inc.
Dashmer Federal #4
Sec. 3-T8S-R32E
Chaves County, New Mexico