

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brumas 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
P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|------------------------------------------------|
| ¹ Operator name and Address Phillips Petroleum Company 4001 Penbrook Street Odessa, TX 797962 | | ² OGRID Number 017643 |
| | | ³ API Number 30-025-33416 |
| ⁴ Property Code 009099 | ⁵ Property Name HALE, M. E. | ⁶ Well Number 024 |

⁷ 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 | 17-S | 34-E | | 1926' | SOUTH | 2430' | EAST | LEA |

⁸ Proposed 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 |
|---------------|-----------|-------------|-------------|----------|---------------|------------------|---------------|----------------|------------|
| J | 35 | 17-S | 34-E | | 1980' | SOUTH | 2630' | EAST | LEA |

⁹ Proposed Pool 1

VACUUM GRAYBURG/SAN ANDRES

¹⁰ Proposed Pool 2

VACUUM GRAYBURG/SAN ANDRES

| | | | | |
|------------------------------------------|-----------------------------------------------|------------------------------------------|-------------------------------------------|---------------------------------------------------------|
| ¹¹ Work Type Code N | ¹² Well Type Code 0 | ¹³ Cable/Rotary R | ¹⁴ Lease Type Code S | ¹⁵ Ground Level Elevation 4016' GL |
| ¹⁶ Multiple | ¹⁷ Proposed Depth 5,000' | ¹⁸ Formations GB/SA | ¹⁹ Contractor | ²⁰ Spud Date UPON APPROVAL |

²¹ Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|----------------|---------------|--------------------|---------------|-----------------|----------------|
| 12-1/4" | 8-5/8" | 24#, J-55 | 1,600' | 600 SXS | SURFACE |
| 7-7/8" | 5-1/2" | 15.5#, J-55 | 5,000' | 1000 SXS | SURFACE |
| | | | | | |
| | | | | | |

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary

USE APPROPRIATE BOP FOR CONTROL
SEE ATTACHED CASING AND CEMENTING PROGRAM
SEE ATTACHED MUD PROGRAM

NOTE: AFTER UNITIZATION THIS WELL WILL BECOME:
STATE 35 UNIT WELL NO. 20.

NOTE: DEVIATED HOLE REQUEST SENT TO NMCD - SANTA FE.

NOTE: UNORTHODOX LOCATION TO COMPLETE AND EFFICIENT PRODUCTION AND INJECTION PATTERN
WITHIN A SECONDARY RECOVERY PROJECT.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

| | | | |
|------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------------------------------------------------------------|------------------|
| ²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. | | OIL CONSERVATION DIVISION | |
| Signature: <i>Larry M. Sanders</i> | | Approved by: <i>LARRY M. SANDERS</i> | |
| Printed name: Larry M. Sanders | | Title: DISTRICT SUPERVISOR | |
| Title: Senior Regulation Analyst | | Approval Date: MAY 06 1996 | Expiration Date: |
| Date: 05/02/96 | Phone: (915) 368-1488 | Conditions of Approval: Attached <input type="checkbox"/> | |

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Box 100, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Dept. at

Form C-102
Revised February 10, 1984
Submit to Appropriate District Office
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Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-----------------------------------|------------------------------------------------|------------------------------------------------|
| API Number 30.025.33416 | Pool Code 62180 | Pool Name VACUUM GRAYBURG/SAN ANDRES |
| Property Code 009099 | Property Name HALE, M. E. | Well Number 024 |
| OGRID No. 017643 | Operator Name PHILLIPS PETROLEUM CO. | Elevation 4016 |

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 | 17 S | 34 E | | 1926 | SOUTH | 2430 | EAST | LEA |

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 |
|---------------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| J | 35 | 17-S | 34-E | | 1980' | SOUTH | 2630' | EAST | LEA |
| Dedicated Acres 40 Ac. | Joint or Infill | Consolidation Code | Order No. | | | | | | |

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

| | | | |
|---|---|---|---|
| D | C | B | A |
| E | F | G | H |
| L | K | J | I |
| M | N | O | P |

2430'

1926'

OPERATOR CERTIFICATION

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

L. M. Sanders
Signature

L. M. Sanders
Printed Name

Sr. Regulation Analyst
Title

05/02/96
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 belief.

APRIL 3, 1996

Date Surveyed

Signature & Seal of Professional Surveyor

Ronald J. Eidson
96-11-0408

Certificate No. JOHN W. WEST 676
RONALD J. EIDSON 3239
GARY EIDSON 12641

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Dept.

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DISTRICT II
P.O. Brewer RD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2008, SANTA FE, N.M. 87504-2008

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|-----------------------------------------|-----------------------------------------|
| API Number 30-025-33416 | Pool Code 62180 | Pool Name VACUUM GRAYBURG/SAN ANDRES |
| Property Code 009099 | Property Name HALE, M. E. | Well Number 024 |
| OGRID No. 017643 | Operator Name PHILLIPS PETROLEUM CO. | Elevation 4016 |

Surface Location

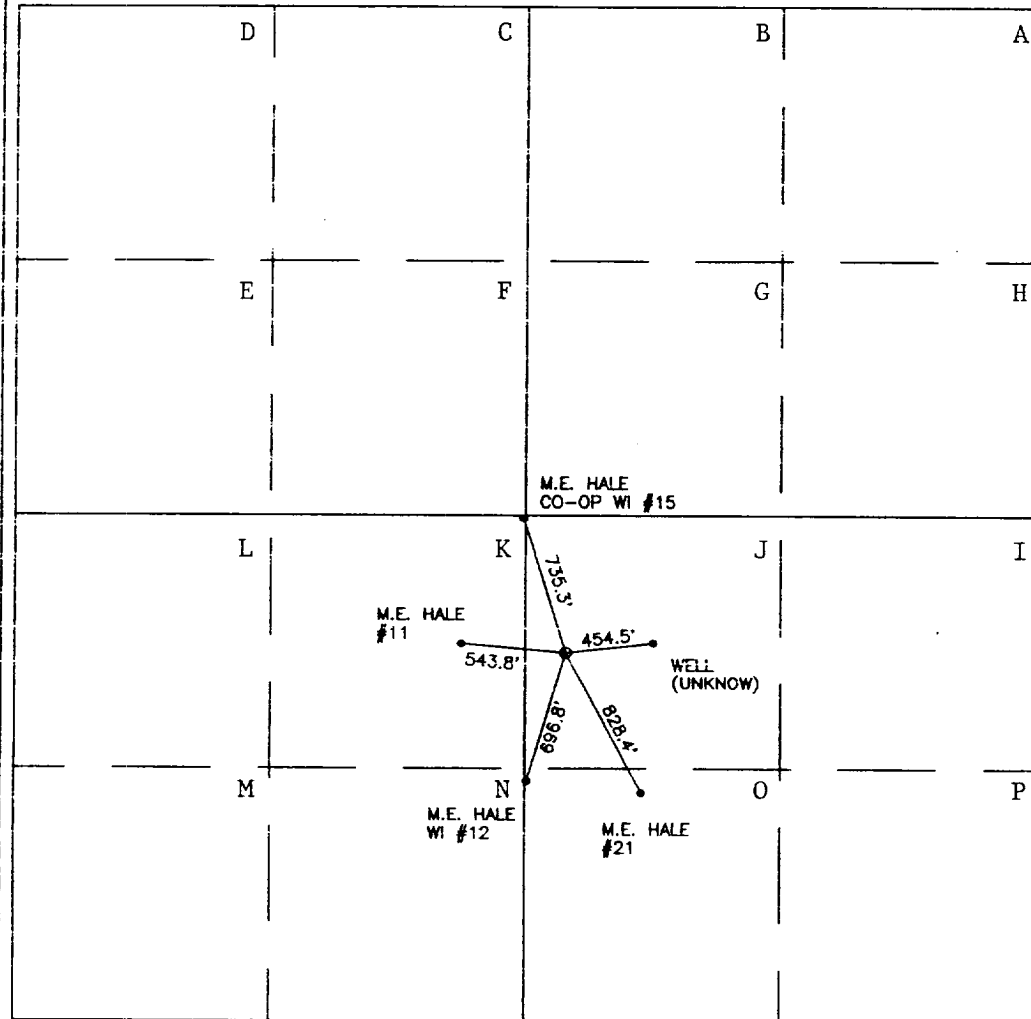
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| J | 35 | 17 S | 34 E | | 1926 | SOUTH | 2430 | EAST | LEA |

Bottom Hole Location If Different From Surface

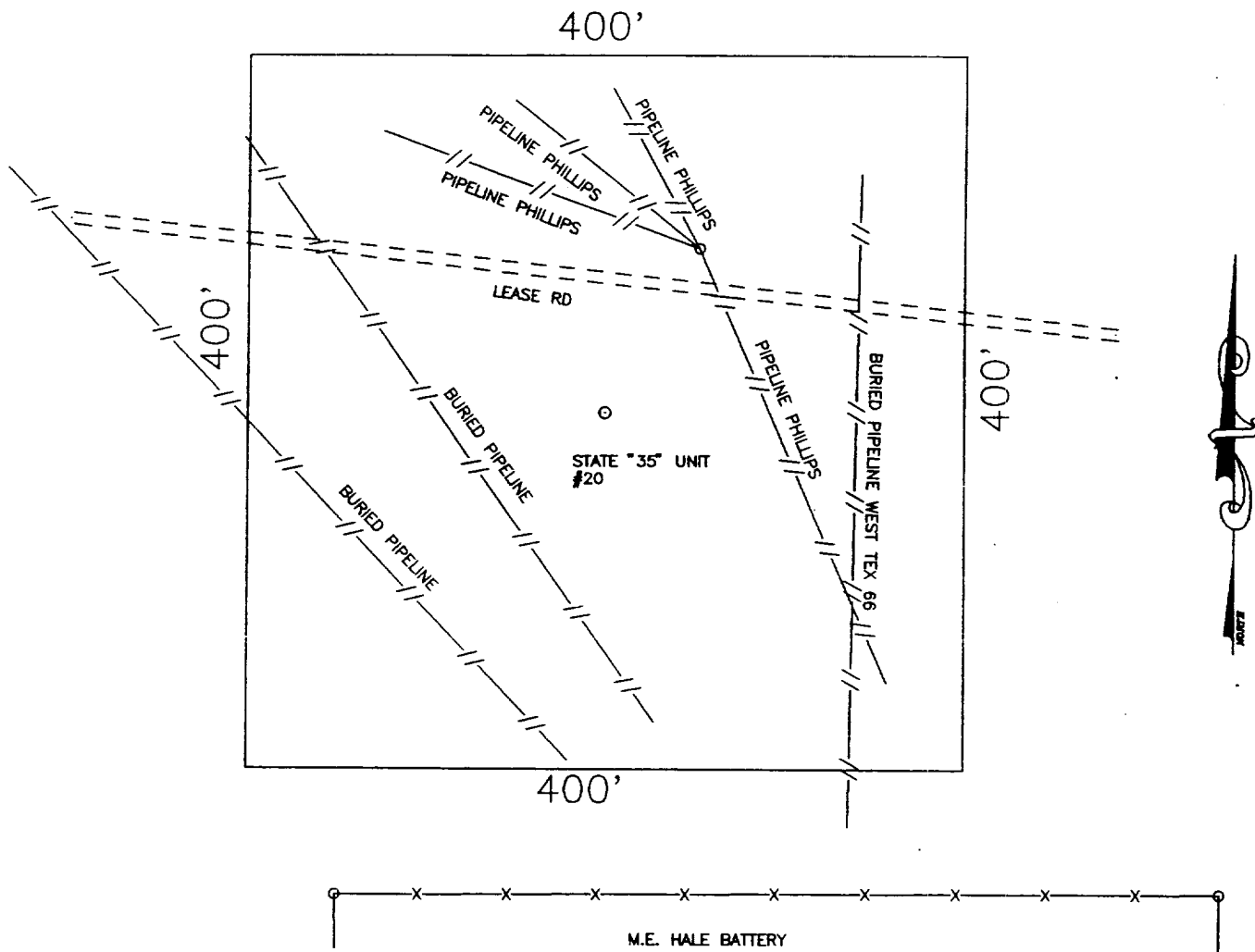
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| J | 35 | 17-S | 34-E | | 1980' | SOUTH | 2630' | EAST | LEA |

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
| 40 Ac. | | | |

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

| | |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>L.M. Sanders</i> Signature</p> <p>L. M. Sanders Printed Name</p> <p>Sr. Regulation Analyst Title</p> <p>05/02/96 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of cital surveys made by me or under my upervison and that the same is true and orrect to the best of my belief.</p> <p>APRIL 3, 1996</p> <p>Date Surveyed Signature & Seal of Professional Surveyor RONALD J. EIDSON 4-05-96 96-11-0408</p> <p>Certificate No. JOHN W. WEST 676 RONALD J. EIDSON 3239 GARY EIDSON 12641</p> |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**SECTION 35, TOWNSHIP 17 SOUTH, RANGE 34 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO**



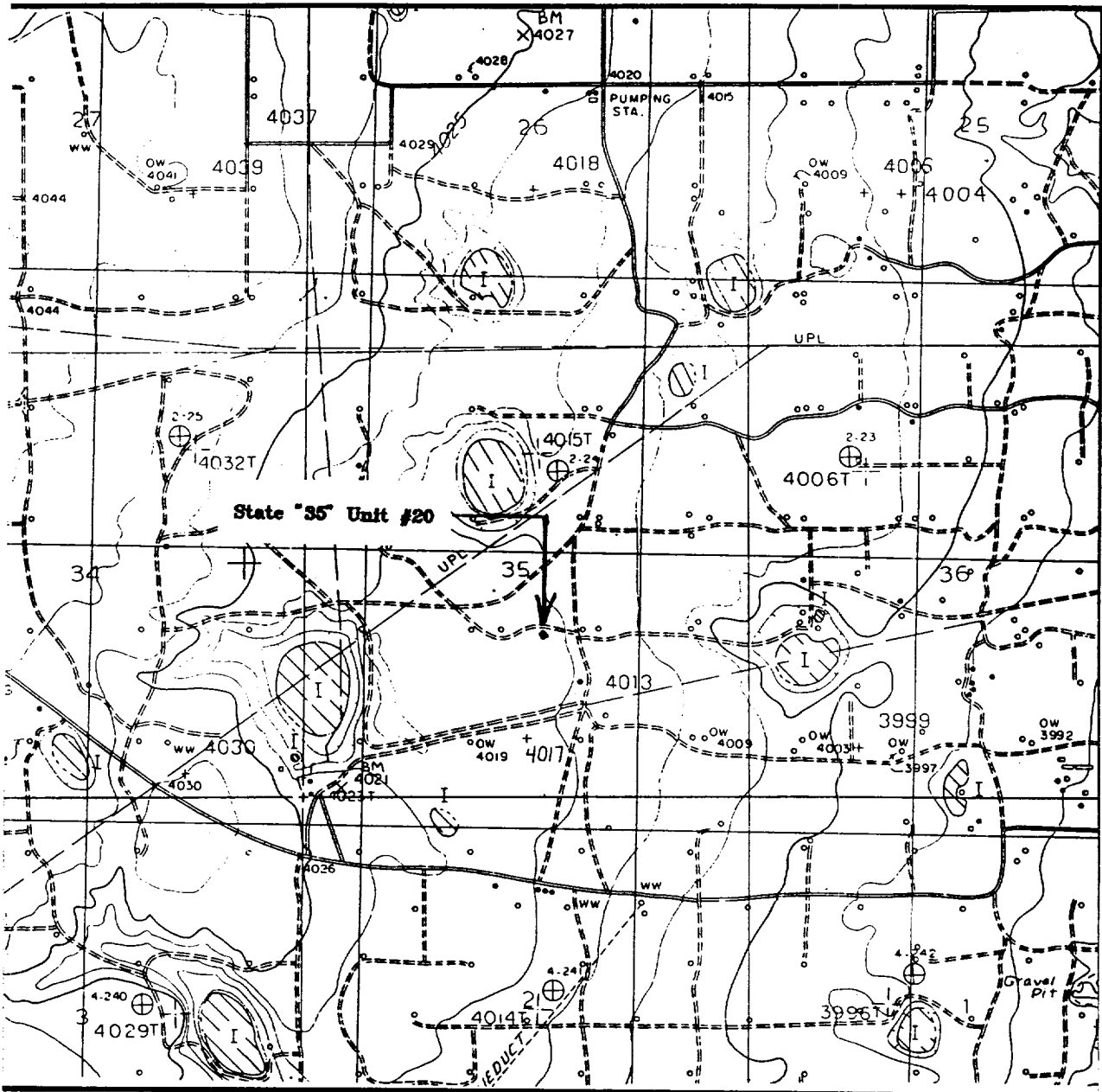
PHILLIPS PETROLEUM CO.

THE STATE "35" NO. 20 IS LOCATED 1926 FEET FROM THE SOUTH LINE AND 2430 FEET FROM THE EAST LINE, SECTION 35, TOWNSHIP 17 SOUTH, RANGE 34 EAST, N.M.P.M. LEA COUNTY, NEW MEXICO.

JOHN W. WEST ENGINEERING COMPANY
CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

| | |
|-------------------------|---------------------------------|
| Survey Date: 4-3-96 | Sheet 1 of 1 Sheets |
| W.O. Number: 95-11-0408 | Drawn By: D.McCARLEY |
| Date: 4-3-96 | DISK: PHILLIPS Scale: 1" = 100' |

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
BUCKEYE - 5'

SEC. 35 TWP. 17-S RGE. 34-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1926' FSL & 2430' FEL

ELEVATION 4016

OPERATOR PHILLIPS PETROLEUM CO.

LEASE STATE "35" UNIT

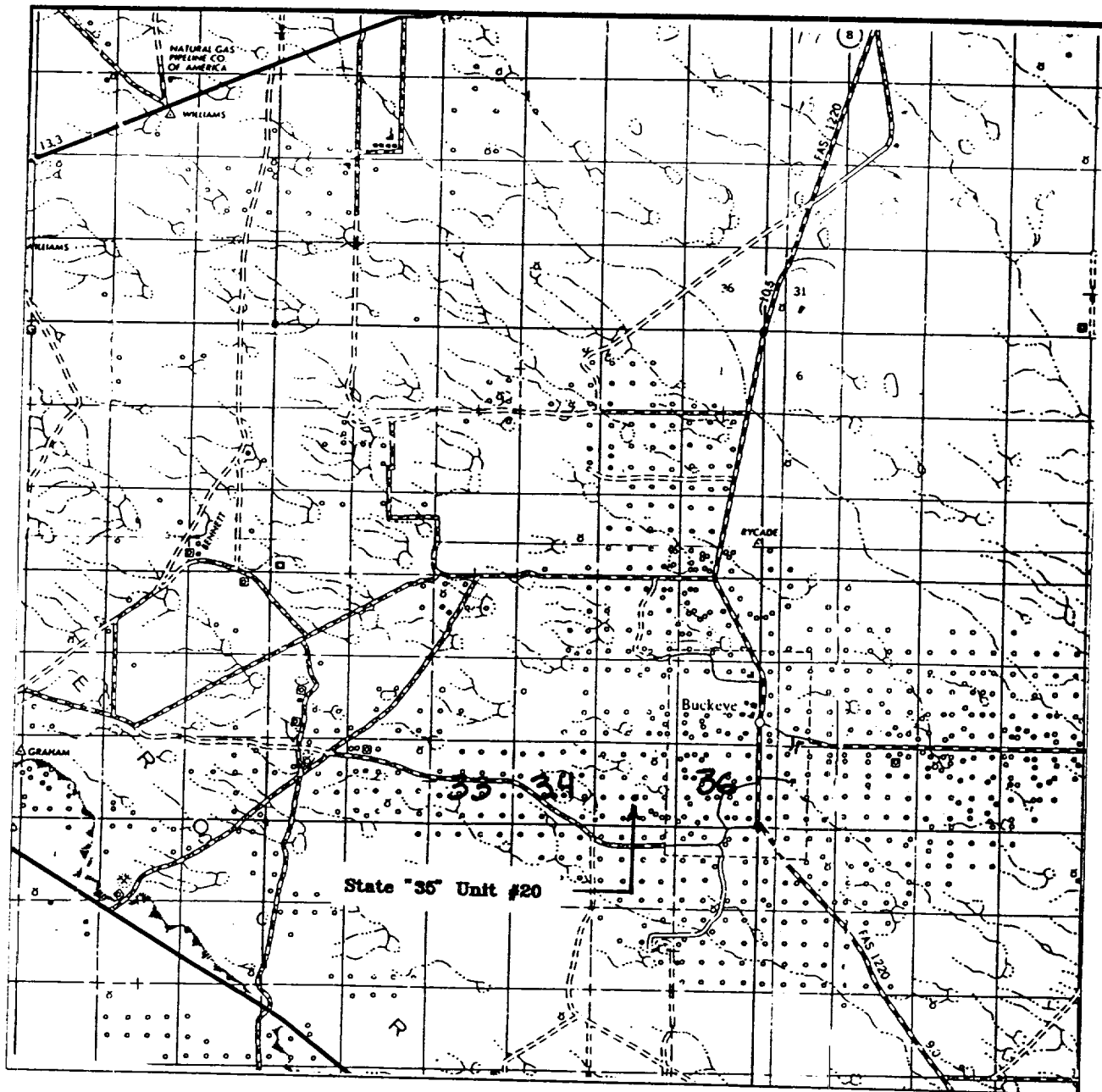
U.S.G.S. TOPOGRAPHIC MAP

BUCKEYE, N.M.

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO

(505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 35 TWP. 17-S RGE. 34-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1926' FSL & 2430' FEL

ELEVATION 4016

OPERATOR PHILLIPS PETROLEUM CO.

LEASE STATE "35" UNIT

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO**

(505) 393-3117

CASING & CEMENTING PROGRAM

HALE, M.E. WELL NO. 24

8 5/8" 24 lb/ft J-55 Surface Casing Set at 1600' - 12 1/4" Hole:

Lead: 450 sx Class "C" + 4% Gel + 2% CaCl₂.
Desired TOC = Surface.

| | |
|--------------------|--------------------------|
| Slurry Weight: | 13.5 ppg |
| Slurry Yield: | 1.72 ft ³ /sx |
| Water Requirement: | 9.06 gals/sx |

Tail: 150 sx Class "C" + 2% CaCl₂.
Desired TOC = 1300'.

| | |
|--------------------|--------------------------|
| Slurry Weight: | 14.8 ppg |
| Slurry Yield: | 1.32 ft ³ /sx |
| Water Requirement: | 6.3 gals/sx |

5 1/2" 15.5 lb/ft J-55 Production Casing Set at 5000' - 7 7/8" Hole:

Lead: 750 sx Class "C" + Econolite + 3% Salt.
Desired TOC = Surface.

| | |
|--------------------|--------------------------|
| Slurry Weight: | 11.80 ppg |
| Slurry Yield: | 2.60 ft ³ /sx |
| Water Requirement: | 15.60 gals/sx |

Tail: 250 sx Class "C" + 50 lbs Pozmix + 7% CalSeal + 3% Salt +
0.5% Diacel FL + 0.5% CFR-3 + 0.5% Econolite.

Desired TOC = 4000'.

| | |
|--------------------|--------------------------|
| Slurry Weight: | 15.00 ppg |
| Slurry Yield: | 1.16 ft ³ /sx |
| Water Requirement: | 4.77 gals/sx |

Attachment II**MUD PROGRAM**

STATE H-35 WELL NOS. (16, 17)
HALE, M.E. WELL NOS. (24, 25, 26, 27)

| DEPTH | MUD WEIGHT | VISCOSITY | FLUID LOSS | CL PPM | % SOLIDS | ADDITIVES |
|---------------|-----------------|---------------------|------------|-----------|----------|-----------------|
| Surf. - 1600' | 8.3 - 9.0 ppg | 28 - 36 sec/1000 cc | N/C | - | - | Native Solids |
| 1600' - 4000' | 10.0 ppg | 28 - 32 sec/1000 cc | N/C | Saturated | - | Native Solids |
| 4000' - TD | 10.0 - 10.2 ppg | 32 - 36 sec/1000 cc | 20 cc | Saturated | - | Starch/Drispac+ |

The Mud Engineer shall include on each test report the materials used for the previous 24 hour period. Daily fax the test reports to (915) 368-1507 Attn: J.C. Shoumaker / L.E. Robinson.

Send two copies of the Well Recap (Final Cost & Engineering Summaries) to Phillips Petroleum Company , Attn: J.C. Shoumaker / L.E. Robinson, 4001 Penbrook, Odessa, Texas 79762