



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

March 30, 1994

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Rachael Exploration Corporation
c/o Terra Energy Ltd.
1503 N. Garfield Rd.
Traverse City, Michigan 49684

Attention: Craig J. Tester

Administrative Order DD-91

Dear Mr. Tester:

Under the provisions of General Rules 111 (C), (D) and (E) and 104 (F), Terra Energy Ltd. on behalf of the operator Rachael Exploration Corporation made application to the New Mexico Oil Conservation Division on March 14, 1994, for authorization to re-enter the existing E. P. Operating Company Federal "9" Well No. 1 and recompleat said well by side tracking off of the vertical wellbore and directionally drill to a pre-determined bottom-hole location in order to further test the Devonian formation for oil production, Chaves County, New Mexico.

The Division Director Finds That:

- (1) The application has been duly filed under the provisions of Rules 111 (D) and (E) and 104 (F) of the Division General Rules and Regulations;
- (2) The E. P. Operating Company Federal "9" Well No. 1 (API No. 30-005-62293) was originally drilled in 1985 to a total depth of 9600 feet to test the Devonian formation for oil at a standard oil well location 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 9, Township 13 South, Range 29 East, NMPM, Chaves County, New Mexico. Said well subsequently tested "dry" and was properly plugged and abandoned;
- (3) The applicant/operator proposes to kick off vertical at a depth of approximately 7600 feet in a northeasterly direction and drill in such a manner as to bottom in the Devonian formation at a true vertical depth of approximately 9500 feet within 50 feet of a target point located 2360 feet from the South line and 245 feet from the West line of said Section 9;
- (4) The NW/4 SW/4 (Unit L) of said Section 9 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit;

- (5) Said test is not within a mile of any designated Devonian oil pool and is therefore classified as a wildcat oil well; therefore, said re-completion is subject to the Division's General Rules and Regulations governing wildcat oil well locations [see Rule 104.B(1)(a)] which requires wells to be no closer than 330 feet from the outer boundary of its designated 40-acre, more or less, drilling tract;
- (6) The proposed sidetracked bottom-hole recompletion is therefore considered to be unorthodox;
- (7) All of said Section 9 and the E/2 of off-setting Section 8 is included within a single lease issued by the U. S. Bureau of Land Management as Lease No. NM-54287; therefore, there are no off-set operators;
- (8) This application has met all the necessary requirements under Division General Rule 104.F and 111 and approval of such will serve to prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights;
- (9) The operator should be required to determine the subsurface location of the kick-off point of the Federal "9" Well No. 1 prior to directional drilling and should subsequently be required to conduct an accurate wellbore survey during or upon completion of directional drilling operations from the kick-off point to total depth to determine its true depth and course; and,
- (10) The operator should be required to notify the supervisor of the Artesia District Office of the Division of the date and time said directional surveys are to be conducted so that they may be witnessed. The applicant should further be required to provide a copy of said directional surveys to the Santa Fe and Artesia District Offices of the Division upon said re-completion.

IT IS THEREFORE ORDERED THAT:

(1) Rachael Exploration Corporation, is hereby authorized to re-enter the existing E. P. Operating Company Federal "9" Well No. 1, located at a standard surface oil well location, 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 9, Township 13 South, Range 29 East, NMPM, Chaves County, New Mexico, and recomplete said well by side tracking off of the vertical wellbore and directionally drill in such a manner as to bottom in the Devonian formation at a true vertical depth of approximately 9500 feet within 50 feet of a target point located 2360 feet from the South line and 245 feet from the West line of said Section 9, being an unorthodox bottom-hole oil well location for said formation.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations into said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

PROVIDED HOWEVER THAT during or upon completion of said directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

(2) The applicant shall notify the supervisor of the Artesia district office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Artesia offices of the Division upon completion.

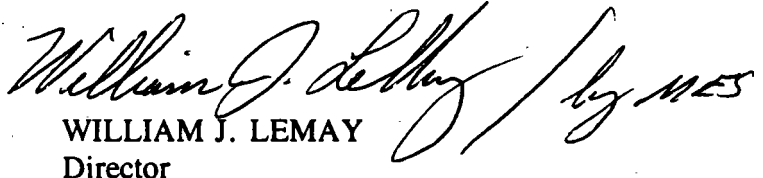
(3) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(4) The NW/4 SW/4 (Unit L) of said Section 9 shall be dedicated to the well forming a standard 40-acre oil spacing and proration unit.

(5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L

WJL/MES/amg

cc: Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad

March 30, 1994

Rachael Exploration Corporation
c/o Terra Energy Ltd.
1503 N. Garfield Rd.
Traverse City, Michigan 49684

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Administrative Order DD-*91

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- (4) The NW/4 SW/4 (Unit L) of said Section 9 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit;
- (5) Said test is not within a mile of any designated Devonian oil pool and is therefore classified as a wildcat oil well; therefore, said re-completion is subject to the Division's General Rules and Regulations governing wildcat oil well locations [see Rule 104.B(1)(a)] which requires wells to be no closer than 330 feet from the outer boundary of its designated 40-acre, more or less, drilling tract;
- (6) The proposed sidetracked bottom-hole recompletion is therefore considered to be unorthodox;
- (7) All of said Section 9 and the E/2 of off-setting Section 8 is included within a single lease issued by the U. S. Bureau of Land Management as Lease No. NM-54287; therefore, there are no off-set operators;
- (8) This application has met all the necessary requirements under Division General Rule 104.F and 111 and approval of such will serve to prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights;
- (9) The operator should be required to determine the subsurface location of the kick-off point of the Federal "9" Well No. 1 prior to directional drilling and should subsequently be required to conduct an accurate wellbore survey during or upon completion of directional drilling operations from the kick-off point to total depth to determine its true depth and course; and,
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a target point located 2360 feet from the South line and 245 feet from the West line of said Section 9, being an unorthodox bottom-hole oil well location for said formation.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations into said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

WJL/MES/amg

cc: Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad



TERRA ENERGY LTD

1503 North Garfield Road
Traverse City, Michigan 49684
(616) 941-7919
FAX: (616) 941-3426

OIL CONSERVATION DIVISION
RECEIVED

'94 MAR 21 AM 8 39

OIL & GAS
EXPLORATION AND PRODUCTION

March 14, 1994

Mr. Michael Stogner
N.M.O.C.C.
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Rachael Federal 9 No. 1 Well
Section 9, T13S, R29E
Chaves County, New Mexico

Dear Mr. Stogner:

Please find enclosed information concerning the geological picture, and lease situation concerning the referenced permit application. This information is being sent to show just cause for drilling the proposed well at a non-standard spacing location. The geological map is a contour map on the top of the Devonian horizon. Wellbore data was incorporated into a 3D seismic shoot to come up with the structure to be evaluated by the test well. Shown on this map are the old dry hole to be re-entered and the proposed bottom hole location for this application.

The E/2 of Section 8 and all of Section 9 are part of a large lease from the Bureau of Land Management. The lease serial number is NM-54287. The proposed unit and all offsetting acreage is therefore under one lease and one common owner.

If any additional information is needed, please feel free to call me at (616) 941-7919.

Sincerely,

TERRA ENERGY LTD.


Craig J. Tester
Vice President
Exploration & Production

Enclosures

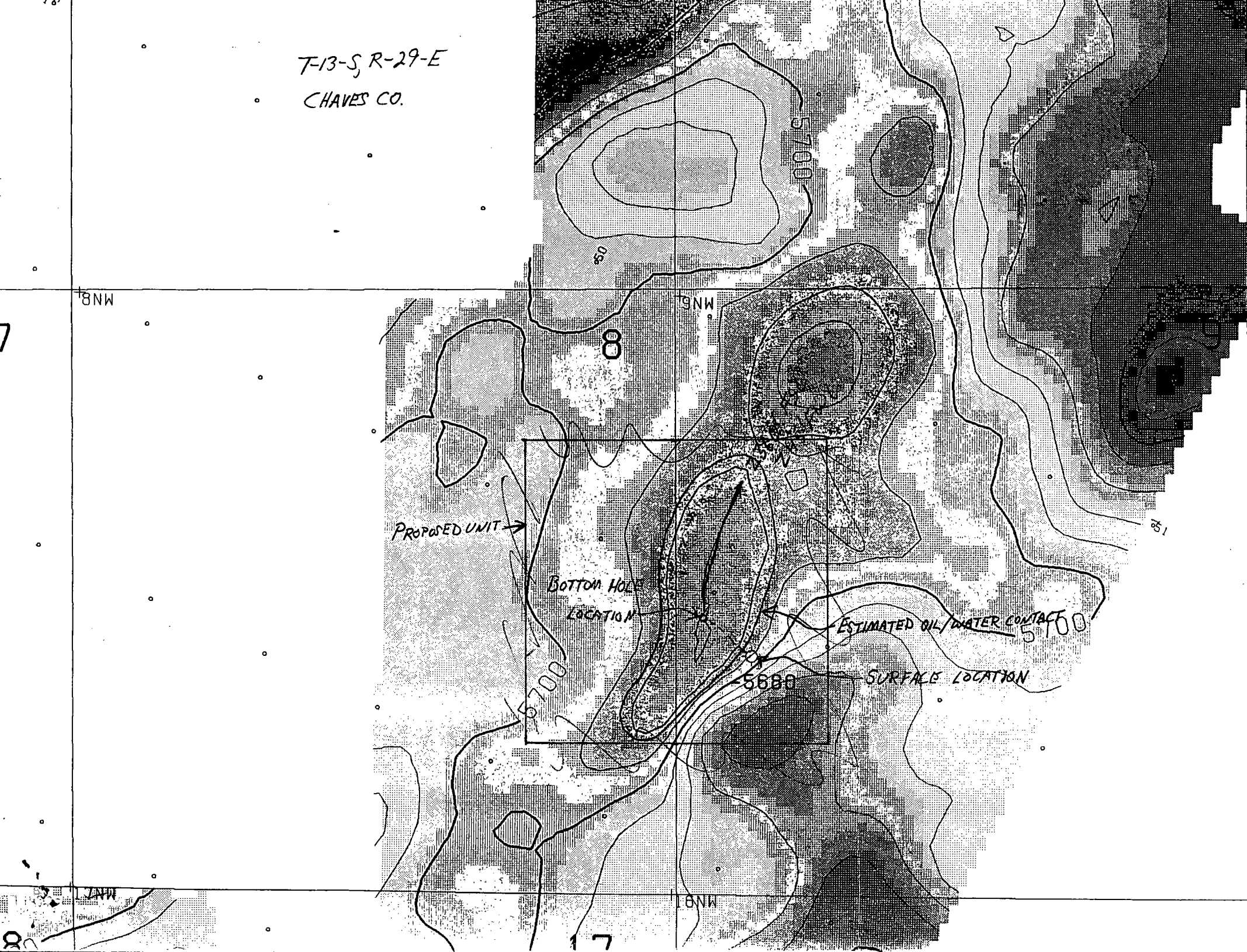
CJT:lld

00004069.cjt

21
320
80
240

T-13-S, R-29-E

CHAVES CO.



INTENTIONAL OMISSIONS

The following document(s) have been intentionally omitted from this file due to the indicated reasons.

FILE #

DD 91

DESCRIPTION OF OMITTED DOCUMENTS

OMITTED DOCUMENT

REASON OMITTED

Horizontal Plan Map

Too large

Form 3160-3
(December 1990)SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒ RE-ENTRY DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒GAS WELL ☐OTHER ☐SINGLE BORE ☐MULTIPLE BORE ☐

2. NAME OF OPERATOR

Rachael Exploration Corporation

616/941-7919

3. ADDRESS AND TELEPHONE NO.

1503 N. Garfield Rd. Traverse City, MI 49684

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

At surface 1980' FSL & 880' FWL

At proposed prod. zone

2360' FSL & 245' FWL

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

30 NE of Hagerman, NM

15. DISTANCE FROM SURFACE

PROPERTY OR LEASE LINE, FT.
(Also to nearest sig. str. if any)

2360'

16. NO. OF ACRES IN LEASE

2040

19. PROPOSED DEPTH

12,000'

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

20. ROSTER OF CABLE TOOLS

Rotary

22. APPROX. DATE WHEN WELL WILL BE DRILLED
April 15, 1994

23. REMARKS (Other notes, etc., etc., etc.)

3777.6 OL

25.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE AND DATE	THICKNESS	WEIGHT PER FOOT	LENGTH (FEET)	QUANTITY OF CEMENT
17 1/2"	13 3/8" H=40	48#	330'	Cement 300 40 "00" EQUIPMENT
11"	0 6/8" H=22	01#	0000'	1000 11" 1" "00" "11"
7 7/8"	5 1/2" J=66	17 & 20#	12,000'	700 SA "H" (300 BX @ 9600')
	N=80			

Mud Program:

0' = 3000' Out brine w/gel to clean
5000' 10,000'. Out brine w/poly & starch.

H.L. OL

0.0 ppg

VIB.

20

W/L CONTROL

No W/L cont.

00 00

W/L CONT. 10-15 CC

BOP Program:

A 5000 psi wp 11" Schaffer Type LWD BOP, with a 5885 psi wp Cameron Spherical, will be installed on the 13 3/8" casing. Casing and BOP will be tested before drilling out with the 7 7/8" bit. BOP will be used as a 3000 psi wp system and will be tested daily. See exhibit "B".

Note: Propose to re-enter well, drill out plugs and will directional drill a new hole between 7000' and 8000'. Drilling will stop in the Devonian if well tests commercial and production equipment will be installed.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface location and measured and true vertical depths. Give blowout prevention program, if any.

24.

George R. Smith

Agent for:

Rachael Expl. Corp.

March 4, 1994

Post-It Fax Note

7671

Date 3/24/94

of pages 1

To Mike Stogner

From George R. Smith

Co./Dept. NMOC

Co. Energy Adm Srv Co.

Phone # 827-5811

Phone # 623-4940

Fax # 827-5741

Fax # 623-5556

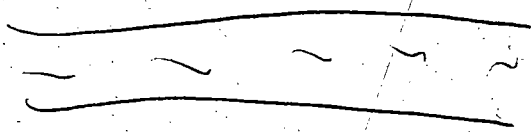
OVAL DATE

lose rights in the subject lease which would enable the applicant to conduct operations thereon.

DATE

Reverse Side

NOTICE: This document is the property of the Bureau of Land Management and is loaned to you for your use only. It contains confidential information and its use is restricted to the purpose for which it was loaned. It is to be returned to the Bureau of Land Management when no longer needed.



SM

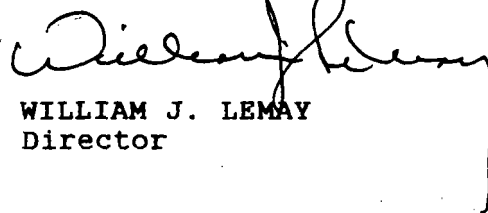
Talked w/ Craig J. Tesler on
3-24-94 will be submitting
additional stuff to complete their
application.

Note to file

Case No. 9539
Order No. R-8820
Page No. 7

DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in dark ink, appearing to read 'William J. Lemay', is written over the typed name and title. The signature is fluid and cursive, with a long vertical line extending downwards from the end of the name.

WILLIAM J. LEMAY
Director

S E A L

TERRA ENERGY LTD

1503 North Garfield Road
Traverse City, Michigan 49684
(616) 941-7919

OIL & GAS
EXPLORATION AND PRODUCTION

FACSIMILE COVER SHEET

TO: MR MICHAEL STOGNER
FROM: CRAIG YESTER
DATE: 3/24/94

1 OF 2 PAGES (including cover page)

COMMENTS: I'M FORWARDING THE FRONT PAGE OF THE LEASE
COVERING THE ACREAGE INVOLVED WITH OUR PROPOSED WELL,
RACHAEL FEDERAL 9 NO. 1. AS CAN BE SEEN, THE EAST
HALF OF SECTION 8 AND ALL OF SECTION 9 IS INCLUDED IN
ONE LEASE. THIS LEASE HAS BEEN EXTENDED FROM OUR
DRILLING TO THE SOUTH

CLIENT NAME: Craig

FAX NUMBER: _____

PLEASE CALL: (616) 941-7919 IF UNABLE TO READ FAX

FAX NUMBERS:

(616) 941-3426 (Accounting/Revenue/Land)

(616) 929-0471 (Drilling/Production/Exploration/Geology)

ORIGINAL

Form 3110-2
(January 1978)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
BUR. OF LAND MGMT.
N.M.S.O. SANTA FE
JAN 10 1983
AM 7:18, 9:10, 11:12, 1:23, 4:56 PM

LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive Public Domain Lease)
Act of February 25, 1920 (41 Stat. 437), as amended (30 U.S.C. 181-263)

Name Edward D. Barham, M.D.
Street 514-B E. Woodrow Wilson
City Jackson, Mississippi 39216
State
Zip Code

NM 54287
(Serial Number)

22

This oil and gas lease is issued for a period of ten (10) years to the above-named lessee pursuant and subject to the provisions of the Mineral Leasing Act and subject to all rules and regulations of the Secretary of the Interior now or hereafter in force, when not inconsistent with any express and specific provisions herein, which are made a part hereof.

Lands included in the lease: State: New Mexico County: Chaves

T. 13 S., R. 29 E. NMPM

- Sec. 8: E $\frac{1}{2}$
- Sec. 9: All
- Sec. 17: NE $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$
- Sec. 18: E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$
- Sec. 19: E $\frac{1}{2}$ SE $\frac{1}{4}$
- Sec. 20: W $\frac{1}{2}$ E $\frac{1}{2}$, SW $\frac{1}{4}$

LANDS IN OFFER WERE NOT WITHIN
A KNOWN GEOLOGIC STRUCTURE
ON

JAN 21 1983

Richard W. Melts
District Supervisor,
Resource Evaluation
For The Director
Minerals Management Service

NOTED
S/R 1/25/83
HIP 2-11-83 DMG
OG 2-10-83 AAG
USE
COAL
POT
GEO
MC

Containing a total of 2280.00

acres

(Regs. CFR 3103.3-2 Amended 2/19/82)
Annual Rental-\$1. Per acre. \$ 2280.00
for first 5 years. \$3 per acre thereafter.

This lease is issued to the successful drawee pursuant to his "Simultaneous Oil and Gas Entry Card" application filed under 43 CFR 3112, and is subject to the provisions of that application and those specified on the reverse side hereof.

Effective date of lease:

FEB 01 1983

THE UNITED STATES OF AMERICA

By Martha A. Rivera
(Signature of Signing Officer)

Chief, Mineral Leasing Unit 1
(Title)

JAN 27 1983

(Date)

Edward D. Barham, M.D.
Lessee's Signature

Date

1/4/83

ANNUAL RENTALS AND OTHER DOCUMENTS
WITH REMITTANCES ARE TO BE MAILED
BY CERTIFIED MAIL TO: CASHIER UNIT,
BUREAU OF LAND MANAGEMENT, P.O. BOX
1449, SANTA FE, NEW MEXICO 87501

TOTAL P.02

Form 3160-3
(December 1990)SUBMIT IN TRIPPLICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK DRILL <input checked="" type="checkbox"/> RE-ENTRY <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE ORIGINATOR AND SERIAL NO. NM-90575	
2. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. NAME OF OPERATOR Rachael Exploration Corporation 616/941-7919		7. UNIT AGREEMENT NAME	
4. ADDRESS AND TELEPHONE NO. 1503 N. Garfield Rd. Traverse City, MI 49684		8. FARM OR LEASE NAME, WELL NO. Rachael Federal	
9. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980' FSL & 660' FWL At proposed prod. zone 2360' FSL & 245' FWL		9. API WELL NO. 1	
10. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 30 NE of Hagerman, NM		10. FIELD AND POOL, OR WILDCAT Wildcat	
11. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest 6 3/4" unit line, if any) 2360'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 9-T13S-R29E	
12. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		12. COUNTY OR PARISH Chaves	
13. NO. OF ACRES IN LEASE 2040		13. STATE New Mexico	
14. PROPOSED DEPTH 12,000'		14. NO. OF ACRES ASSIGNED TO THIS WELL 40	
15. ROTARY OR CABLE TOOLS Rotary		15. APPROX. DATE WORK WILL START April 15, 1994	
16. ELEVATIONS (Show whether DF, RT, GR, etc.) 3777.5 GL			

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8" H-40	48#	330'	Circ 320 sx "C" existing
11"	8 5/8" K-55	24#	2300'	1200 sx Lite & "H" exist.
7 7/8"	5 1/2" J-55 & N-80	17 & 20#	12,000'	750 sx "H" (500 sx @ 9600')

Mud Program:

0' - 5600': Cut brine w/gel to clean:	Mud Wt. 9.0 ppg	Vis. 28	W/L Control No W/L cont.
5600' - 12,000': Cut brine w/poly & starch:	8.8-9.2 ppg	36-38	W/L cont. 10-15 cc

BOP Program:

A 5000 psi wp 11" Schaffer Type LWS BOP, with a 5000 psi wp Cameron Spherical, will be installed on the 13 3/8" casing. Casing and BOP will be tested before drilling out with the 7 7/8" bit. BOP will be used as a 3000 psi wp system and will be tested daily. See exhibit "E".

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SIGNED George R. Smith Agent for: Rachael Expl Corp. March 4, 1994
DATE

Post-It Fax Note 7671	Date 3/24/94 # of pages 1
To Mike Stogner	From George R. Smith
Co/Dept NMCD	Co Energy Adm Srv Co.
Phone # 827-5811	Phone # 623-4940
Fax # 827-5741	Fax # 623-5556

DATE _____
use rights in the subject lease which would entitle the applicant to conduct operations thereon.

Reverse Side

THIS U.S.C. SECTION 1001, MAKES IT A CRIME FOR ANY PERSON KNOWINGLY AND WILLFULLY TO MAKE TO ANY DEPARTMENT OR AGENCY OF THE UNITED STATES ANY FALSE, FICTITIOUS OR FRAUDULENT STATEMENTS OR REPRESENTATIONS AS TO ANY MATTER WITHIN ITS JURISDICTION.



TERRA ENERGY LTD

1503 North Garfield Road
Traverse City, Michigan 49684
(616) 941-7919

OIL & GAS
EXPLORATION AND PRODUCTION

FACSIMILE COVER SHEET

TO: Mike Stogner
FROM: Craig Tester
DATE: 3-14-94

1 OF 3 PAGES (including cover page)

COMMENTS: Originals are being mailed

CLIENT NAME: _____

FAX NUMBER: 505/827-5741

PLEASE CALL (616) 941-7919 IF UNABLE TO READ FAX

**TERRA ENERGY LTD**

1503 North Garfield Road
Traverse City, Michigan 49684
(616) 941-7919
FAX: (616) 941-3426

March 14, 1994

OIL & GAS
EXPLORATION AND PRODUCTION

Mr. Michael Stogner
N.M.O.C.C.
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Rachael Federal 9 No. 1 Well
Section 9, T13S, R29E
Chaves County, New Mexico

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Sincerely,

TERRA ENERGY LTD.

Craig J. Tester
Vice President
Exploration & Production

Enclosures

CJT:lld
00004069.cjt

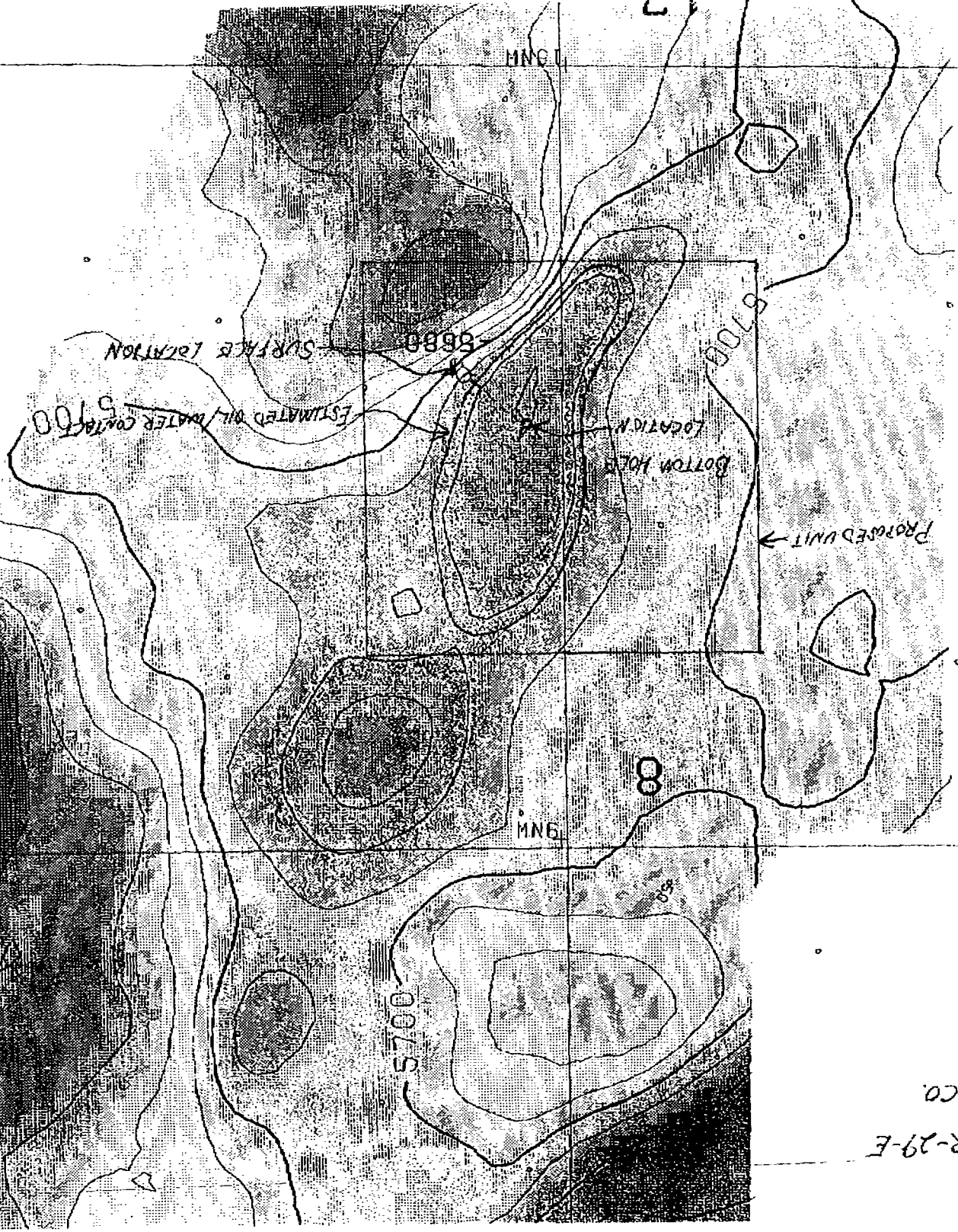
MAR-14-94 MON 17:38

TERRA

FAX NO. 16169413426

P. 03/03

T-13-S-R-29-E
CHAVES CO.



MAR-14-94 MON 15:32

16169413426

P. 03

NM OIL CONS. COMMISSION

Drawer DD

UNITED STATES

SUBMIT IN DUPLICATE*

Artesia NM 88219

DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY(See other in-
structions on
reverse side)Form approved.
Budget Bureau No. 42-B355.5.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☒

b. TYPE OF COMPLETION:

NEW
WELL ☐WORK
OVER ☐DEEP-
EN ☐SUCG
BACK ☐DIFF.
RESER. ☐Other ☐P&A ☐

2. NAME OF OPERATOR

E. P. Operating Company

3. ADDRESS OF OPERATOR

7800 Stemmons Frwy., Suite 500, Dallas, Texas 75247

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

At surface 1980' FSL & 660' FWL

At top prod. interval reported below

At total depth Same

14. PERMIT NO.

DATE ISSUED

O. C. D.

9/6/85

15. DATE SPUDDED

10-2-85

16. DATE T.D. REACHED

11-3-85

17. DATE COMPLETED (Ready to prod.)

P&A 11-6-85

18. ELEVATIONS (DF, REB, RT, GR, ETC.)*

3776' GR, 3788' RKB

19. ELEV. CASINGHEAD

3776'

20. TOTAL DEPTH, MD & TVD

9600' KB

21. PLUG, BACK T.D., MD & TVD

P&A

22. IF MULTIPLE COMPL.,
HOW MANY*23. INTERVALS
DRILLED BY

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

P&A

26. TYPE ELECTRIC AND OTHER LOGS RUN

DLL/MSFL/GR/Cal

LPT/CNL/GR/Cal

BHC Sonic/GR/Cal

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48#	330'	17-1/2"	320 sx "C" to Surface	
8-5/8"	24#	2300'	11"	1100 sx Lite to surface	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.*

PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)		
DATE OF TEST		HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
FLOW. TUBING PRESS.		CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

C. H. Peeples

TITLE

Regional Drilling Manager

DATE

11/11/85

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
DST #1 San Andres	2475	2655	No recovery, IFP=ISIP=FFP=FSIP=13.5 psi No Cushion
DST #2 Devonian	9490	9508	Recovered 377' Drilling Mud, 3334' For- mation water IFP 392/828 psi ISIP 3302 psi FFP 871/1650 psi FSIP 3652 psi HP 4660 psi No Cushion Times on Both Tests: IFP - 30 min., ISIP - 90 min., FFP - 60 min., FSIP - 180 min.

38.

GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
San Andres	2498'	
Wolfcamp	6804'	
Strawn	8215'	
Atoka	8520'	
Mississippian	8890'	
Devonian	9468'	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons. Commission
Submit in triplicate
Anticipation of future requirements on re-verse side

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> DRY HOLE	RECEIVED BY
2. NAME OF OPERATOR E. P. Operating Company	NOV 25 1985
3. ADDRESS OF OPERATOR 7800 Stemmons Frwy., Suite 500 - Dallas, Texas 75247	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1980- FSL 2 660' FWL (NW/4 - SW/4)	
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3776' GR
5. LEASE DESIGNATION AND SERIAL NO. NM- 54287	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA	
7. UNIT AGREEMENT NAME NA	
8. FARM OR LEASE NAME Federal "9"	
9. WELL NO. 1	
10. FIELD AND POOL, OR WILDCAT Wildcat (Undesignated)	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 9, T13S-R29E	
12. COUNTY OR PARISH Chaves	13. STATE New Mexico

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Drill Stem Test</u> <input checked="" type="checkbox"/>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

This Sundry Notice is sent as a subsequent report of performing a drill stem test. On November 3, 1985 a drill stem test was performed in the Devonian formation through an interval from 9490 feet to 9508 feet. The following is a summary of the results:

30 minute IFP - opened with 1-1/2 inch blow in bubble bucket, closed with 1 psi
90 minute ISIP -
60 minute FFP - opened with 1 inch blow in bubble bucket steady throughout period.
180 minute FSIP -

Drill pipe recovery contained: 377' drilling mud; 3334' formation water
Sample Chamber contained: 0.271 cf gas at 21 psi; 300 cc's formation water
Pressures: IHP - 4659 psi; IFP - 392/828 psi; ISIP - 3302 psi; FFP - 871/1650 psi;
FSIP - 3652 psi; FHP - 4615 psi
BHT - 152°F

18. I hereby certify that the foregoing is true and correct
SIGNED C. H. Peeples TITLE Regional Drilling Manager DATE 11-12-85
C. H. Peeples
(This space for Federal or State office use)

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

ACCEPTED FOR RECORD
PETER W. CHESTER
DATE

NOV 20 1985

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM DIE CONS. COMMISSION
DRAWER SUBMIT IN TRIPPLICATE
(Other instructions on re-
verseside) NM 88210

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	RECEIVED BY	5. LEASE DESIGNATION AND SERIAL NO.
2. NAME OF OPERATOR	OCT 23 1985	NM 54287
3. ADDRESS OF OPERATOR	O. C. D.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7800 Stemmons Freeway, Suite 1500, Dallas, Texas 75247		NA
7. LOCATION OF WELL (Report location and in accordance with any State requirements. See also space 17 below.) At surface		7. UNIT AGREEMENT NAME
1980' FSL & 660' FWL (NW/4-SW/4)		NA
14. PERMIT NO.	15. ELEVATIONS (Show whether DP, RT, GR, etc.)	8. FARM OR LEASE NAME
	3776' GR	Federal "9"
		9. WELL NO.
		1
		10. FIELD AND POOL, OR WILDCAT
		Wildcat (Undesignated)
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
		Section 9, T13S-R29E
		12. COUNTY OR PARISH
		Chaves
		13. STATE
		New Mexico

13. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input checked="" type="checkbox"/> Drill Stem Test	

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

This Sundry Notice is sent as a subsequent report of performing a drill stem test. On October 8, 1985 a drill stem test was performed in the San Andres formation through an interval from 2655 feet to 2475 feet. The following is a summary of the results:

30 minute IFP - Opened with 2 bubbles to surface, then dead
90 minute ISIP
60 minute FFP - Opened with no blow and remained dead
180 minute FSIP

Had no drill pipe recovery, no sample chamber recovery.

BHT = 108° F

Pressures:

IHP	1169.4 psi
IFP	13.5 psi
ISIP	13.5 psi
FFP	13.5 psi
FSIP	13.5 psi
FHP	1169.4 psi

18. I hereby certify that the foregoing is true and correct

SIGNED

C. H. Peeples
C. H. Peeples

TITLE Regional Drilling Manager

DATE October 11, 1985

(This space for Federal or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

ACCEPTED FOR RECORD
PETER W. CHESTER
OCT 22 1985
BUREAU OF LAND MANAGEMENT
RGSWELL RESOURCE AREA

SF

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/>	RECEIVED BY OCT 29 1985 O. C. D.
2. NAME OF OPERATOR EP Operating Company	
3. ADDRESS OF OPERATOR 7800 Stemmons Freeway, Suite 500 - Dallas, Texas 75247	ARTESIA, OFFICE
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1980' FSL & 660' FWL (NW/4 - SW/4)	
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, HT, GR, etc.) 3776' GR

5. LEASE DESIGNATION AND SERIAL NO. NM 54287	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA	
7. UNIT AGREEMENT NAME NA	
8. FARM OR LEASE NAME Federal "9"	
9. WELL NO. 1	
10. FIELD AND POOL, OR WILDCAT Wildcat (Undesignated)	
11. SEC. T., R., M., OR BLK. AND SUBVY OR AREA Section 9, T13S-R29E	
12. COUNTY OR PARISH Chaves	13. STATE New Mexico

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	MULTIPLE COMPLETE	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ABANDON*	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
(Other)	<input type="checkbox"/>		<input type="checkbox"/>

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
FRACTURE TREATMENT	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
SHOOTING OR ACIDIZING	<input type="checkbox"/>	ABANDONMENT*	<input type="checkbox"/>
(Other) Spudding & Setting Casing	<input checked="" type="checkbox"/>		

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The Federal "9" No. 1 well was spudded on October 2, 1985 at 4:00 p.m.. A 17-1/2 inch hole was drilled to 330 feet and a string of 13-3/8 inch, 48#, H-40, STC surface casing was run to 330 feet and was cemented to surface with 320 sacks Class "C" + 2% Calcium Chloride. Cement was circulated to surface. The surface casing was run and cemented into place on October 3, 1985. The BOP stack was nipped up and was satisfactorily tested to a pressure of 500 psi. Prior to drilling out, the surface casing was pressure tested to 500 psi. The pressure tests were performed on October 3, 1985.

An 11 inch hole was drilled to a depth of 2300 feet and a string of 8-5/8 inch, 24#, K-55, ST&C intermediate casing was run to total depth and was cemented with 900 sacks "Lite" cement + 7#/sack salt + 0.1% D-46,tailed in with 200 sacks Class "H" + 2% Calcium Chloride. Cement was not circulated to surface but was topped out to surface with 100 sacks Class "H". Approval was orally obtained from the B.L.M. prior to topping out. Cementing of the intermediate was performed on October 6, 1985. On October 7, 1985 the ram preventers were pressure tested to 2500 psi, the annular preventer to 1500 psi. The intermediate casing was pressure tested to 600 psi. All pressure tests were satisfactory.

OCT 1 5 1985

18. I hereby certify that the foregoing is true and correct

SIGNED C. H. Peeples
C. H. Peeples

TITLE Regional Drilling Manager DATE October 9, 1985

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

ACCEPTED FOR RECORD
PETER W. CHESTER
DATE _____

OCT 22 1985

*See Instructions on Reverse Side

BUREAU OF LAND MANAGEMENT
ROSVELL RESOURCE AREA

UNITED STATES P. O. BOX 1682
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NEW MEXICO 88240

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	5. LEASE DESIGNATION AND SERIAL NO. NM 54287
2. NAME OF OPERATOR EP OPERATING COMPANY	6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA
3. ADDRESS OF OPERATOR 7800 Stemmons Frwy., Suite 500, Dallas, Texas 75247	7. UNIT AGREEMENT NAME NA
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1980' FSL & 660' FWL (NW/4-SW/4)	8. FARM OR LEASE NAME FEDERAL "9"
14. PERMIT NO.	9. WELL NO. 1
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3776' GR	10. FIELD AND POOL, OR WILDCAT, OR WILDCAT, OR WILDCAT Wildcat (undesignated)
	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 9, T13S-R29E
	12. COUNTY OR PARISH Chaves
	13. STATE New Mexico

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input checked="" type="checkbox"/> Change Plans	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

This is notification of a change in location construction. An approximate 90' x 90' caliche pit was dug due east of the proposed reserve pit. The pit is an average of 6' deep. The attached well site layout sheet (Exhibit "E") shows the caliche pit and dimensions. Oral approval was obtained from the Bureau of Land Management, Roswell, New Mexico on September 24, 1985. Bureau of Land Management representative was Mr. Skip Renschler.

18. I hereby certify that the foregoing is true and correct

SIGNED C. H. Peeples TITLE Regional Drilling Manager DATE October 1, 1985
(This space for Federal or State office use)

APPROVED BY S/Homer Meyer, Acting TITLE Area Manager DATE 10-2-85
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

Approval Stipulation

EP Operating Co.
1 Federal "9"
1980'/FSL, 660'/FWL
Sec. 9, T.13S., R.29E.

Sundry Notice Approval for Addition of Caliche Pit to Surface
Use Plan

Upon abandonment of this well, all caliche removed from this pit will be scraped from the location and placed back into the pit. This stipulation is in addition to other stipulations which will be developed for surface reclamation at the time of abandonment.

Form 3160-3
(November 1983) BY
(formerly 9-331C)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEP -9 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER ☐

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

EP Operating Company

3. ADDRESS OF OPERATOR

7800 Stemmons Frwy - Suite 500 - Dallas, Texas 75247

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

At surface

1980' FSL & 660' FWL (NW/4 - SW/4)

At proposed prod. zone

Same

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

Approximately 17-1/2 miles East-Northeast of Hagerman, N. M.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

1980'

16. NO. OF ACRES IN LEASE

2280'

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.

NA

19. PROPOSED DEPTH

9700'

20. ROTARY OR CABLE TOOLS

Rotary

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

3776' GR

22. APPROX. DATE WORK WILL START*

September 15, 1985

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#	300'	469 cu. ft. Circulate to Surface
12-1/4"	8-5/8"	24#	2300'	2195 cu. ft. Circulate to Surface
7-7/8"	5-1/2"	17#	9700'	468 cu. ft. Cement top 7900'

Propose to drill a 17-1/2 inch hole to 300 feet, set 13-3/8 inch surface casing and cement to surface. A 13-3/8 inch, 3000 psi bradenhead and a 12 inch, 3000 psi annular preventer will be installed and tested. Drill a 12-1/4 inch hole to 2300 feet and set 8-5/8 inch intermediate casing and cement to surface. The 13-3/8 inch bradenhead will be removed and an 8-5/8 inch, 3000 psi bradenhead, 3000 psi double ram blowout preventer and a 3000 psi annular preventer will be installed and tested. Drill a 7-7/8 inch hole to a total depth of 9700 feet and run a suite of open-hole logs. Evaluate the logs. If productive, run a string of 5-1/2 inch casing to total depth and cement from 9700 feet to 7900 feet (an additional stage may be used to cover the ABO shale). If dry, plug and abandon according to the rules and regulations of the Minerals Management Service and the State of 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

C. H. Peeples

TITLE Regional Drilling Manager

August 20, 1985

(This space for Federal or State office use)

PERMIT NO.

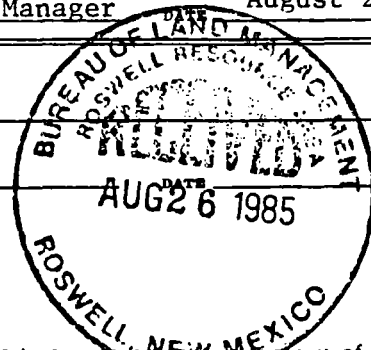
APPROVAL DATE

APPROVED BY

S/Levi Deike, Acting

TITLE

CONDITIONS OF APPROVAL, IF ANY:



*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-152
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

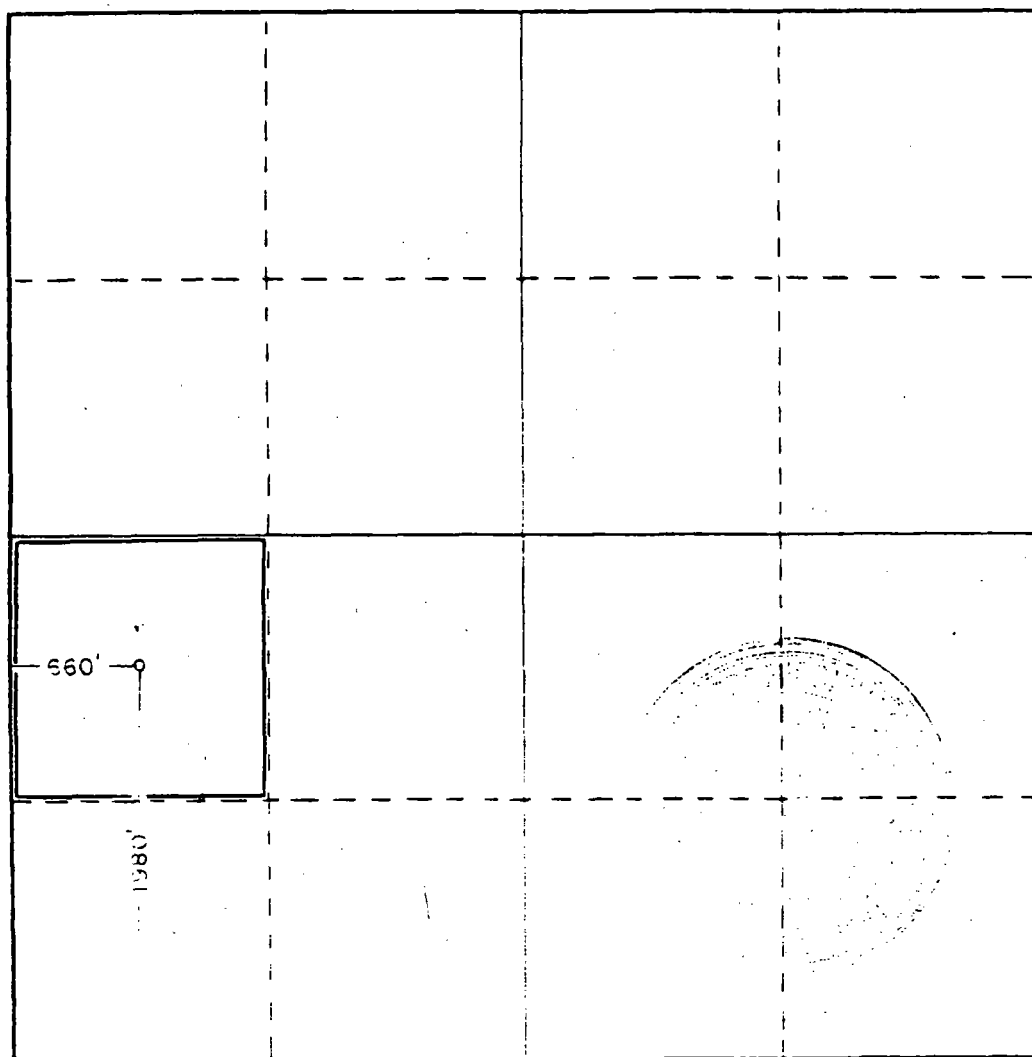
Operator EP Operating Company - formerly (ENSERCH EXPLORATION, INC.)		Lease FEDERAL 9		Well No. 1	
Tract Letter L	Section 9	Township 13S	Range 29E	County CHAVES	
Actual Footside Location of Well:					
1980 feet from the SOUTH line and		660 feet from the WEST line			
Ground Level Elev. 3775.5	Producing Formation Devonian	Pool Wildcat	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.

C. H. Peeples
Name

C. H. Peeples

Position
Regional Drilling Manager

Company
Enserch Exploration, Inc.

Date
August 13, 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.

Date Surveyed
7/9/85

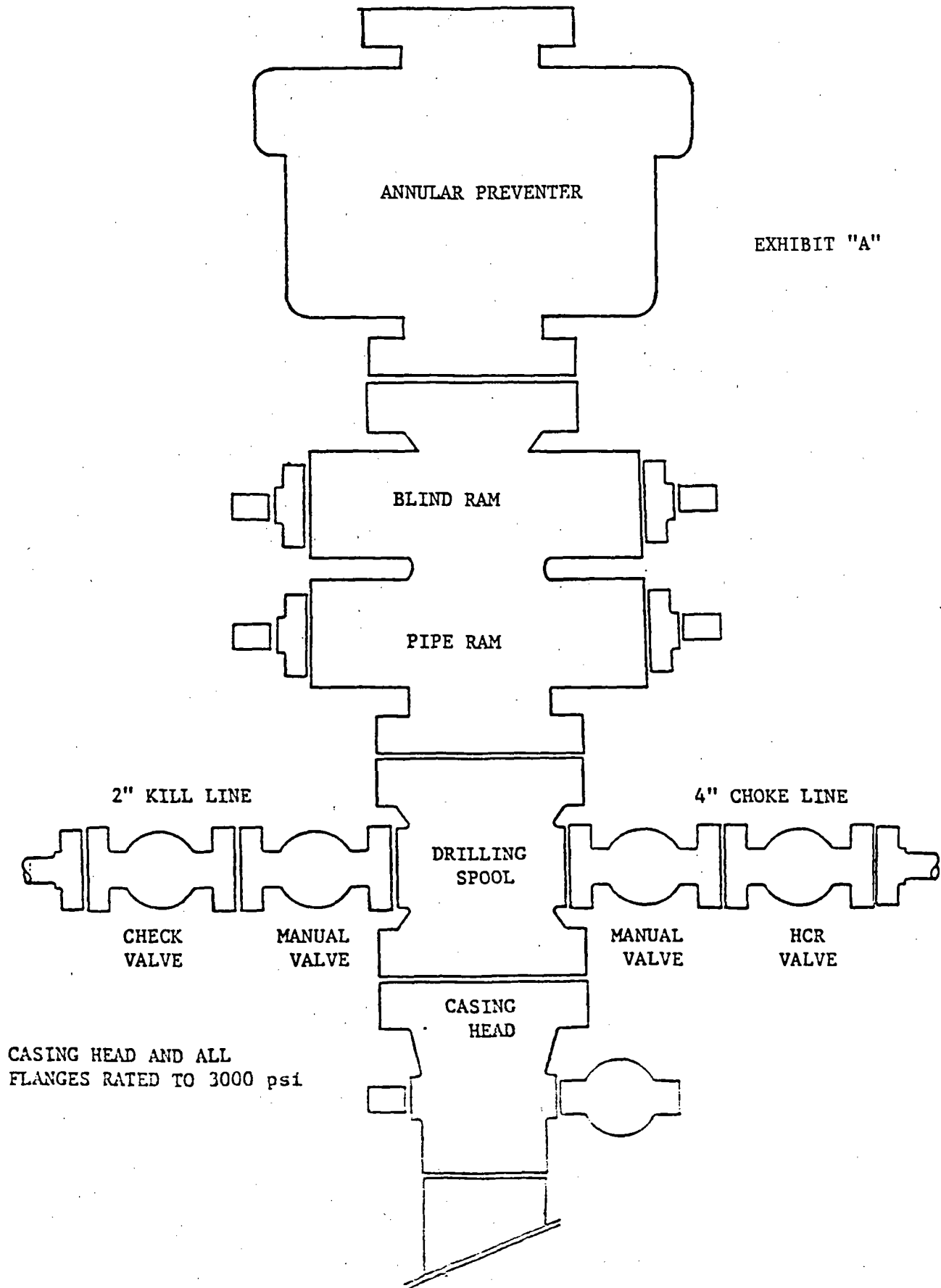
Registered Professional Engineer
and/or Land Surveyor

John W. West
Certificate No. JOHN W. WEST, 676

RONALD J. EIDSON, 3239

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

ENSERCH EXPLORATION, INC
MINIMUM REQUIREMENTS FOR BLOW-OUT PREVENTION EQUIPMENT
3000 psi W. P.



MINIMAL REQUIREMENTS FOR CHOKE MANIFOLD

3000 psi W. P.

EXHIBIT "A" Continued

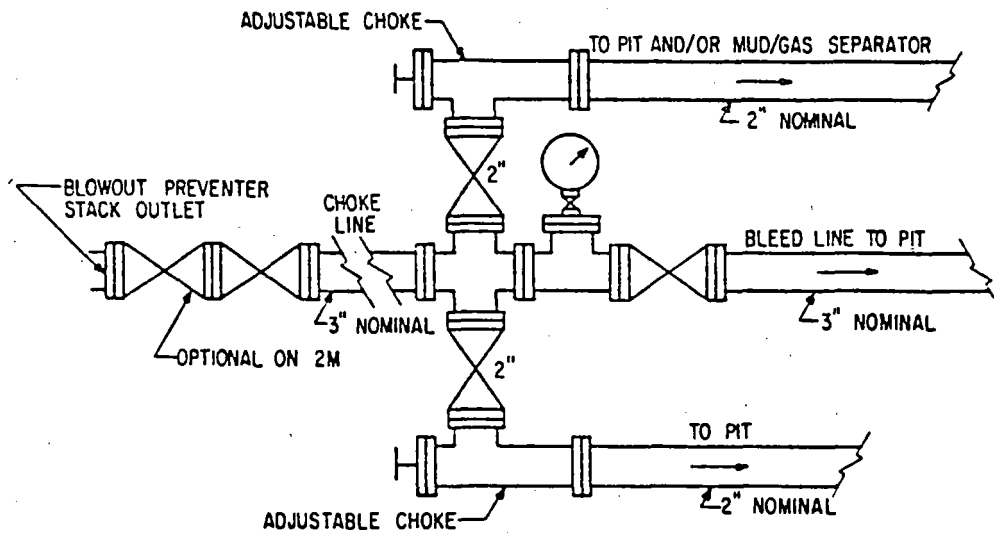


FIG. 3.A.1

TYPICAL CHOKE MANIFOLD ASSEMBLY
FOR 2M AND 3M RATED WORKING
PRESSURE SERVICE — SURFACE INSTALLATION

WRS COMPLETION REPORTREISSUES SEC 9 TWP 13S RGE 29E
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NMEX CHAVES * 1980FSL 660FWL SEC

STATE COUNTY FOOTAGE

SPOT

EP OPERATING

WF WF

OPERATOR WELL CLASS INIT FIN

1 FEDERAL "9"

WELL NO. LEASE NAME

3788KB 3776GR

WILDCAT

OPER ELEV FIELD/POOL AREA

API 30-005-62293-0000

LEASE TYPE NO.

PERMIT OR WELL I.D. NO.

10/04/1985 11/06/1985 ROTARY

D&A

SPUD DATE COMP. DATE TYPE TOOL

STATUS

9700 DEVONIAN HONDO DRLG

7

RIG SUB 11

PROJ. DEPTH PROJ. FORM CONTRACTOR

DTD 9600

FM/TD DEVONIAN

DRILLERS T.D. LOG T.D. PLUG BACK TD OLD T.D. FORM T.D.

LOCATION DESCRIPTION

16 MI NE HAGERMAN, NM

CASING/LINER DATA

CSG 13 3/8 @ 330 W/ 320 SACKS

01

CSG 8 5/8 @ 2300 W/ 1100 SACKS

02

FORMATION TEST DATA

DST 1 2475- 2655 SN ANDRS

003

INIT OP 30M IFP 92 FFP 92

IFP 92 FFP 92

ISIP 92 1H30M FSIP 92 3H IHP 1257 FHP 1257

NO OTHER DETAILS

NO FLUID RECOVERY

DST 2 9490- 9508 DEVONIAN

004

REC 377.0 FT MUD 3334.0 FT FWTR

REC 300.0 CC WTR

INIT OP 30M IFP 392 FFP 828

FINAL OP 1H IFP 871 FFP 1650

ISIP 3302 1H FSIP 3652 3H IHP 4459 FHP 4615

SPL REC .271 CFT GAS @ 21 PSI + 300 CC WTR CHL 25000

PPM

DRILLING PROGRESS DETAILS

EP OPERATING

1230 RIVER BEND DR STE 136

CONTINUED IC# 300057010485

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REISSUES
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30-005-62293-0000 PAGE 2

EP OPERATING
1

FEDERAL "9"

WF WF

DRILLING PROGRESS DETAILS

DALLAS, TX 75247
214-630-8711
09/05 LOC/1985/
10/10 DRLG 3600(SH)
10/17 DRLG 6006 (SH)
10/21 LOC
10/24 DRLG 8135 (LM & SH)
12/06 TD REACHED 11/01/85 RIG REL 11/06/85
9600 TD
COMP 11/6/85, D&A
NO CORES, TWO DSTS
06/04 REISSUE TO CORRECT DSTS
REPLACEMENT FOR CT ISSUED 12/9/85

[illegible]

	00159E	00	DC	X'00'		
	00159F	00000A	DC	X'00000A'		
	0015A2	0D0001F8	DC	X'0D0001F8'	BL =1	
	0015A6	001F	DC	X'001F'		
363	0015A8	FFFF	DC	X'FFFF'		
	0015AA		GN=016	EQU *		
	0015AA	F2 71 D 228 6 000	PACK	228(8,13),000(2,6)	TS=025	DNM=1-401
	0015B0	F9 10 D 22E C 098	CP	22E(2,13),098(1,12)	TS=031	LIT+0
	0015B6	58 F0 C 088	L	15,088(0,12)	GN=017	
	0015BA	07 DF	BCR	13,15		
363	0015BC	58 F0 C 008	L	15,008(0,12)	V(ILBDDSP0)	
	0015C0	05 1F	BALR	1,15		
	0015C2	0001	DC	X'0001'		
	0015C4	10	DC	X'10'		
	0015C5	000016	DC	X'000016'		
	0015C8	0C00014A	DC	X'0C00014A'	LIT+178	
	0015CC	0000	DC	X'0000'		
	0015CE	0F	DC	X'0F'		
	0015CF	000002	DC	X'000002'		
	0015D2	0D000200	DC	X'0D000200'	BL =3	
	0015D6	0000	DC	X'0000'		
364	0015D8	FFFF	DC	X'FFFF'		
	0015DA	58 10 C 044	L	1,044(0,12)	PN=010	
	0015DE	07 F1	BCR	15,1		
365	0015E0		GN=017	EQU *		
	0015E0	92 F0 6 002	MVI	002(6),X'F0'	DNM=1-417	
	0015E4	D2 07 6 003 C 0B4	MVC	003(8,6),0B4(12)	DNM=1-432	LIT+28
	0015EA	D2 07 6 00E C 0B4	MVC	00E(8,6),0B4(12)	DNM=1-484	LIT+28
	0015F0	D2 08 6 01F C 0BC	MVC	01F(9,6),0BC(12)	DNM=2-19	LIT+36
	0015F6	D2 08 6 016 C 0BC	MVC	016(9,6),0BC(12)	DNM=2-0	LIT+36
	0015FC	D2 08 6 028 C 0BC	MVC	028(9,6),0BC(12)	DNM=2-35	LIT+36
	001602	D2 05 6 031 C 0B6	MVC	031(6,6),0B6(12)	DNM=2-51	LIT+30
	001608	D2 07 6 037 C 0B4	MVC	037(8,6),0B4(12)	DNM=2-67	LIT+28
	00160E	D2 04 6 03F C 0AF	MVC	03F(5,6),0AF(12)	DNM=2-85	LIT+23
367	001614	58 10 C 024	L	1,024(0,12)	PN=02	
	001618	07 F1	BCR	15,1		
368						
369						
	00161A	F3 42 6 059 6 101	UNPK	059(5,6),101(3,6)	DNM=2-312	DNM=3-484
	001620	96 F0 6 05D	OI	05D(6),X'F0'	DNM=2-312+4	
370						
	001624	F8 74 D 228 6 409	ZAP	228(8,13),409(5,6)	TS=025	DNM=6-185
	00162A	F0 40 D 22B 0 03E	SRP	22B(5,13),03E(0),0	TS=028	
	001630	D2 0B D 230 C 0C5	MVC	230(12,13),0C5(12)	TS2=1	LIT+45
	001636	DE 0B D 230 D 22B	ED	230(12,13),22B(13)	TS2=1	TS=028
	00163C	05 30	BALR	3,0		
	00163E	47 40 3 008	BC	4,008(0,3)		
	001642	92 40 D 23B	MVI	23B(13),X'40'	TS2=12	
	001646	D2 0A 6 061 D 231	MVC	061(11,6),231(13)	DNM=2-349	TS2=2