

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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
PLAINS PETROLEUM OPERATING COMPANY

3. ADDRESS OF OPERATOR
415 W. Wall, Suite 1000 Midland, TX 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface Unit Letter M, 330' FSL & 330' FWL
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
10.3 Miles NE of Jal, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330'
16. NO. OF ACRES IN LEASE 520

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. 467'
19. PROPOSED DEPTH 5850'

20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) GR 3750
22. APPROX. DATE WORK WILL START* As soon as possible

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 12-1/4" | 8-5/8" | 24#, J-55 | 1175' | 550 sx Circ |
| 7-7/8" | 5-1/2" | 15.5#, K-55 | 5850' | 1645 sx Circ |

Propose to drill this well through the Blinebry and complete as a Blinebry produce

Mud Program 0' - 1175' Spud Mud, FW, gel
1175' - 5850' Brine & native mud, MW 10-10.2 ppg
Vis 26-28, SW gel for logs

BOP A 3000 psi Shaffer double hydraulic operated will be used and tested at installation, drill out and each time they are removed or rearranged. BOP used as a two mud system.

Subject to
Requirements and
Regulations

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 Stephen D. Owen TITLE Petroleum Engineer DATE 4-19-96

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY RICHARD L. MANNIS TITLE Area Manager DATE MAY 22 1996

5. LEASE DESIGNATION AND SERIAL NO.
NMLC 064118

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
E. C. HILL "B" FEDERAL

9. WELL NO.
14

10. FIELD AND POOL, OR WILDCAT
Teague Blinebry

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 35, T23S, R37E

12. COUNTY OR PARISH
LEA

13. STATE
NM

OPER. OGRID NO. 178905
PROPERTY NO. 9289
POOL CODE 583100
EFF. DATE 5/31/96
APPL. NO. 30-025-33402

*See Instructions On Reverse Side

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

State of New Mexico
 Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94
 Instructions on back

DISTRICT II
 P. O. Drawer DD
 Artesia, NM 88211-0719

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

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

AMENDED REPORT

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------------------------------------------|----------------------------|--------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|---------------|
| 1 API Number 30-025-33467 | | 2 Pool Code 58300 | | 3 Pool Name Teague Blinebry | | | | | |
| 4 Property Code 009280 | | 5 Property Name E. C. HILL 'B' FEDERAL | | | | | | 6 Well Number 14 | |
| 7 OGRID No. 17805 | | 8 Operator Name PLAINS PETROLEUM OPERATING COMPANY | | | | | | 9 Elevation 3250' | |
| * SURFACE LOCATION | | | | | | | | | |
| UL or lot no. M | Section 35 | Township 23 SOUTH | Range 37 EAST, N.M.P.M. | Lot Ida | Feet from the 330' | North/South line SOUTH | Feet from the 330' | East/West line WEST | County LEA |
| "BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
| 12 Dedicated Acres 40 | | 13 Joint or Infill | | 14 Consolidation Code | | 15 Order No. | | | |
| NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT 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 <i>Stephen D. Owen</i> | | | |
| | | | | | | Printed Name Stephen D. Owen | | | |
| | | | | | | Title Area Engineer | | | |
| Date 4-19-96 | | | | | | | | | |
| | | | | | | 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. | | | |
| | | | | | | Date of Survey APRIL 16, 1996 | | | |
| | | | | | | Signature <i>V. Lynn Bezner</i> | | | |
| | | | | | | Professional Seal STATE OF NEW MEXICO V. LYNN BEZNER NO. 7920 | | | |
| V. Lynn Bezner, P.E. #7920 JOB # 199601 SW / JSJ | | | | | | | | | |

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
NMLC-064118

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
E. C. Hill "B" Federal #14

9. API Well No.

10. Field and Pool, or Exploratory Area
Teague Blinebry

11. County or Parish, State

Lea Co., NM

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Plains Petroleum Operating Company

3. Address and Telephone No.

415 West Wall, Suite 1000, Midland, Texas 79701 (915) 683-4434

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**330' FSL & 330' FWL
Sec 35, T23S, R37E, Unit Letter M**

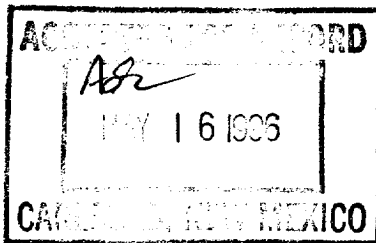
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION |
|-------------------------------------------------------|--------------------------------------------------------------------|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Plugging Back |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> Altering Casing |
| | <input checked="" type="checkbox"/> Other <u>Correction to APD</u> |
| | <input type="checkbox"/> Change of Plans |
| | <input type="checkbox"/> New Construction |
| | <input type="checkbox"/> Non-Routine Fracturing |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Conversion to Injection |
| | <input type="checkbox"/> Dispose Water |

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

13. 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)*

4/19
Page 4 of the APD filed ~~May 8~~, 1996 states "Hydrogen sulfide is not expected to be encountered with this well". This should read "Hydrogen sulfide may be encountered in this well". A complete safety plan has been submitted to the BLM for other recently drilled wells in this half-section, i.e. the Eva E. Blinebry #21. The same Hydrogen Sulfide Drilling plan will be implemented and a copy of the plan will be on location while drilling this well.



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

Signed Stephen D. Owen *Stephen D. Owen* Title Area Engineer Date May 14, 1996

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

APPLICATION TO DRILL

PLAINS PETROLEUM OPERATING COMPANY

E. C. HILL "B" Federal #14

330' FSL & 330' FWL

Sec 35 (M), T23S, R37E

Lea County, New Mexico

Lease No. NMLC 064118

April 19, 1996

In addition with Form 3160-2, Application to Drill the above well, Plains Petroleum Operating Company submits the following in accordance with BLM requirements.

1. ESTIMATED GEOLOGICAL MARKERS

GL: 3250'

KB: 3262'

| <u>FORMATION</u> | <u>TOP</u> | <u>SS</u> |
|-------------------|------------|-----------|
| Penrose | 3404' | -137' |
| Glorietta-Paddock | 4927" | -1680' |
| Blinebry | 5307' | -2060' |

APPLICATION TO DRILL
 Plains Petroleum Operating Company
 E. C. Hill "B" Federal #14
 Lea County, New Mexico
 Lease No. 064118
 April 19, 1996
 Page 2

2. CASING DETAIL

| | CASINO SIZE OD | INTERVAL | LENGTH OF INTERVAL | WEIGHT #/FT | INTERVAL WEIGHT | CASINO GRADE | JOINT |
|--------------|-------------------|------------|-----------------------|----------------|--------------------|-----------------|-------|
| Intermediate | 8-5/8" | 0' - 1175' | 1175' | 244#/R | 28,200 | K-55 | STC |
| Production | 5-1/2" | 0' - 5850' | 5850' | 15.5#/R | 90,975.0 | K-55 | LTC |
| Tubing | 2-7/8" | 0 - 5800' | 5800' | 6.4# | 27,260 | J-55 | EUE |

3. CEMENTING & FLOAT EQUIPMENT DETAIL

| WELL DATA | SURFACE | PRODUCTION (TD 5850') |
|-----------------------|---------------------|--------------------------------------------|
| Depth | 1175' | 5850' |
| Casing Size | 8-5/8" | 5-1/2" |
| Hole Size | 12-1/4" | 7-7/8" |
| Desired Fill | Surface | 4900', Surface |
| Hole Volume | 485 Ft ³ | 165 Ft ³ , 872 Ft ³ |
| Recommended Volume | 970 FT ³ | 247 Ft ³ , 1308 Ft ³ |
| DV Tool Depth | N/A | 2900' |

APPLICATION TO DRILL
 Plains Petroleum Operating Company
 E. C. Hill "B" Federal #14
 Lea County, New Mexico
 Lease No. 064118
 April 19, 1996
 Page 3

SLURRY

| | <u>Surface</u> | <u>1st Stage</u> | <u>2nd Stage</u> |
|------------------|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recommend | 735 sx 'C' + 2% Cacl ₂ + 1/4#/sk Celloseal | Lead: 100 sx 36:65 Poz "C" + 6% Gel + 9PPS Salt +.2%+.2% Defoamer + .8% F.L. Additive Tail: 250 sx 50:50 Poz 'C' + 2% Gel + 4 PPS Salt + .2% Defoamer + .6% F. L. Additive | Lead: 1175 sx "C" + .25% Dispersent + 2.5% Extender + .5% Gel + .2% Salt + 1/4 PPS Cellophane Tail: 120 sx "C" Neat 2.85 Ft ³ |
| Yield | 1.32 Ft ³ | 2.14, 1.32 Ft ³ Ft/sk | 2.85 Ft ³ |
| Weight | 14.8 PPG | 12.7, 14.2 PPG | 11.6 PPG |
| Mix Water | 6.32 gal/sk | 11.6, 6.2 gal/sk | 17.2 gal/sk |

4. MUD DETAIL

| <u>DEPTH</u> | <u>PROPERTIES</u> | <u>TREATMENT</u> |
|--------------|------------------------------------------------------|-----------------------------------------------------------------------|
| 0 - 1175' | Weight: 8.7 - 9.4 Viscosity: 33 35 Solids: <4. | Spud Mud: Fresh water gel with sufficient viscosity to clean hole. |

APPLICATION TO DRILL

Plains Petroleum Operating Company

E. C. Hill "B" Federal #14

Lea County, New Mexico

Lease No. 064118

April 19, 1996

Page 4

1175' - 5850' Weight: 10.0 - 10.2 Drill out from surface csg with brine water
 Viscosity: 26 - 28
 Solids: < 1.0

5. PRESSURE CONTROL EQUIPMENT (BOPE) DETAIL

11" API Shaffer 3000# series 900 dual hydraulic preventers adapted for the drilling contractors 4-1/2" and 5-1/2" drill pipe. The BOPS will be tested after they are installed on the surface casing, prior to drilling out, and each time they are removed or rearranged on the wellhead. See Exhibit A.

6. TESTING AND LOGGING PROGRAMS

TESTING

Drill stem tests may be performed to quantify and identify prospective producing horizons as drilling progresses. Production testing will be commenced after the well is drilled and casing has been set and cemented.

LOGGING

At TD, the following open hole well logs will be run: GR-CNL-CDL-DLL-MLL

7. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are anticipated. Hydrogen sulfide is not expected to be encountered with this well.

8. ANTICIPATED START DATE:

May 28, 1996 with completion on or about June 16, 1996.

The Class III preventer stack is designed for drilling or workover operations. It is composed of a single hydraulically operated annular preventer on top, then a blind ram preventer, a drilling spool, and a single pipe ram preventer on bottom. The choke and kill lines are installed onto the drilling spool and must have a minimum internal diameter of 2". All side outlets on the preventers or drilling spool must be flanged, studded, or clamped. An emergency kill line may be installed on the wellhead. A double ram preventer should only be used when space limitations make it necessary to remove the drilling spool. In these instances, the choke manifold should be connected to a flanged outlet between the preventer rams only. In this hookup, the pipe rams are considered master rams only, and cannot be used to routinely circulate out a kick. The Class III blowout preventer stack is shown to the right in Figure 11J.4.

Figure 11J.4
Class III Blowout Preventer Stack

