

UNORTHODOX
LOCATION

OCD Hobbs

SECRETARY'S POTASH

14-885

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 20105. Lease Serial No.
SHL: NM-56264 BHL: NM-105221

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
North Lea 10 Fed Com #3H9. API Well No.
30-025-4368110. Field and Pool, or Exploratory
Quail Ridge; Bone Spring, South11. Sec., T. R. M. or Blk. and Survey or Area
Sec. 10 T-20S R-34E12. County or Parish
Lea13. State
NM1a. Type of work: ☒ DRILL☐ REENTER1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator Read and Stevens, Inc.

3a. Address 400 N. Pennsylvania Ave #1000
Roswell, NM 882013b. Phone No. (include area code)
575-622-3770

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface 420' FNL 2290' FWL (C)

At proposed prod. zone 330' FSL 2290' FWL (N)

14. Distance in miles and direction from nearest town or post office*
26 miles WSW of Hobbs15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)

420'

16. No. of acres in lease
64017. Spacing Unit dedicated to this well
16018. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. See raduis maps
attached.19. Proposed Depth
10,866'TVD / 14,960'MD20. BLM/BIA Bond No. on file
NM-231021. Elevations (Show whether DF, KDB, RT, GL, etc.)
GL - 3637.8' RKB - 3659.8'22. Approximate date work will start*
07/15/201723. Estimated duration
60 days until completion

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO must be filed with the appropriate Forest Service Office).4. Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above).

5. Operator certification

6. Such other site specific information and/or plans as may be required by the
BLM.

25. Signature

Name (Printed/Typed)
Rory McMinnDate
10/27/2016

Title

Project Manager

Approved by (Signature)

/s/Cody Layton

Name (Printed/Typed)

Date
FEB 24 2017

Title

FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to
conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Continued on page 2)

*(Instructions on page 2)

Capitan Controlled Water Basin

Approval Subject to General Requirements
& Special Stipulations AttachedSEE ATTACHED FOR
CONDITIONS OF APPROVAL