

ARTESIA, NM 88210

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(Other instructions on
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30-015-26278
BIM Roswell District
Modified Form No.
NM60-3160-2

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

1b. TYPE OF WELL
OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Strata Production Co. ✓

3a. Area Code & Phone No.
505-622-1127

3. ADDRESS OF OPERATOR
648 Petroleum Bldg., Roswell, NM 88201

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
460' FSL & 1780' FEL, Sec. 18-T26S-R25E
At proposed prod. zone
660' FNL & 660' FEL, Sec. 18-T26S-R25E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
20 Miles SW White City, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'

16. NO. OF ACRES IN LEASE
800 acres

17. NO. OF ACRES ASSIGNED TO THIS WELL
160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
4900'

19. PROPOSED DEPTH
4900'

20. ROTARY OR CABLE TOOLS
rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GL 3839' 2824

22. APPROX. DATE WORK WILL START*
March 1, 1990

RECEIVED
JAN 29 '90
ARTESIA, NM

5. LEASE DESIGNATION AND SERIAL NO.
NM 30886-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Yeso Hills Federal

9. WELL NO.
#1

10. FIELD AND POOL, OR WILDCAT
Wildcat Bone Spring

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 18-T26S-R25E

12. COUNTY OR PARISH
Eddy

13. STATE
NM

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	J55	LTCCIRCULATE	900'	308sxLite, 360sxNeat
7 7/8"	5 1/2"	15.5#	J55	STC(See stip)	4375'	300sxLite, 500sx C'
7 7/8"	Liner 5 1/2" slotted	---	slotted alum.	---	TD	100sx C

*changes as per telecon w/J. MFC & land on 1/26/90.

- 1) Commence Drilling at unorthodox SFC LCN 460' FSL & 1780' FEL-unit 0.
- 2) Drill to TVD of approx. 4900' in the Bone Spring Formation.
- 3) Evaluate B.S. formation to determine fracture direction.
- 4) Will then decide to orient horizontal part of hole to due north, due east or northeast.
- 5) PB to TD of approx. 4375' and commence a medium radius curve in the predetermined direction to encounter the B.S. formation at approx. 4680', at which point the well be drilled horizontally in the B.S. formation a distance of 1200 - 1500'.
- 6) A slotted liner will be set in the horizontal section and cemented in place over the curved interval of the hole.
- 7) See Exhibits A, B and C.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Post ID-1
2-2-90
New Doc &
APF

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 James G. McCall TITLE Vice President DATE 1-24-90

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 1-26-90

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side