

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT ORIGINAL AND DUPLICATE\*

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL  
WELL ☒

GAS  
WELL ☐

OTHER

SINGLE  
ZONE

MULTIPLE  
ZONE

2. NAME OF OPERATOR

SOUTHWEST ROYALTIES INC. (NELSON PATTON)

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 11390 MIDLAND, TEXAS 79702

Ph. 915-686-9927

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

At surface

2110' FSL & 2310' FEL SEC. 17 T17S-R30E EDDY CO. NM

At proposed prod. zone Same

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

Approximately .75 miles Northwest of Loco Hills New Mexico.

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

530'

16. NO. OF ACRES IN LEASE

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

330'

19. PROPOSED DEPTH

5000'

20. ROTARY OR CABLE TOOLS

ROTARY

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

3669' GR.

22. APPROX. DATE WORK WILL START\*

As soon as approved

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT              |
|--------------|-----------------------|-----------------|---------------|---------------------------------|
| 25"          | Conductor 20"         | NA              | 40'           | Cement to surface with Redi-mix |
| 12 1/2"      | J-55 8 5/8"           | 24              | 550'          | 225 Sx. circulate to surface.   |
| 7 7/8"       | J-55 5 1/2"           | 15.5            | 5000'         | 500 Sx. TC 600' above upper pay |

1. Drill 25" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.

ROSWELL CONTROLLED WATER BASIN

2. Drill 12 1/2" hole to 550'. Run and set 550' of 8 5/8" J-55 24# ST&C casing. Cement with 225 Sx. of Class "C" + 2% CaCl + 1/2# Flocele/Sx. , circulate cement to surface.

3. Drill 7 7/8" hole to 5000'. Run and set 5000' of 5 1/2" J-55 15.5# ST&C casing. Cement with 500 Sx. of Class "C" + 2% Gel + 5# salt/Sx. + 10# Microbond/Sx. + .4% LAP-1. Top of cement to be 600' above upper most Hydrocarbon bearing zone.

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

Post ID-1  
11-1-97  
API & Loc acc  
10/1/97

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 locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*John S. Bimtz*

TITLE Agent

DATE 07/19/97

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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:

APPROVED BY

(ORIG SG) JOHN S. BIMTZ

TITLE

ADM. MINERALS

DATE

11-2-97

\*See Instructions On Reverse Side

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

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

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

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                   |   |  |
|-----------------------------------|---|--|
| API Number<br><b>30-015-29902</b> | Pool Code<br><b>39520</b>                         | Pool Name<br><b>LOCO HILLS-QUEEN, GRAYBURG, SAN ANDRES</b> |
| Property Code                     | Property Name<br><b>McINTYRE</b>                  | Well Number<br><b>4</b>                                    |
| OGRID No.<br><b>021355</b>        | Operator Name<br><b>SOUTHWEST ROYALTIES, INC.</b> | Elevation<br><b>3669'</b>                                  |

Surface Location

|               |           |             |             |         |               |                  |               |                |             |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| UL or lot No. | Section   | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County      |
| <b>J</b>      | <b>17</b> | <b>17 S</b> | <b>30 E</b> |         | <b>2110</b>   | <b>SOUTH</b>     | <b>2310</b>   | <b>EAST</b>    | <b>EDDY</b> |

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 |
|                              |                 |                    |           |         |               |                  |               |                |        |
| Dedicated Acres<br><b>40</b> | 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

|  |   |
|--|---|
|  | <b>OPERATOR CERTIFICATION</b><br><br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.<br><br><br>Signature<br><b>Joe T. Janica</b><br>Printed Name<br>Agent<br><br>Title<br><b>07/19/97</b><br>Date  |
|  | <b>SURVEYOR CERTIFICATION</b><br><br>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.<br><br><b>MAY 27, 1997</b><br>Date Surveyed<br><b>CDG</b><br>Signature & Seal of Professional Surveyor<br><br>Certificate No. <b>JOHN MCWIST 676</b><br><b>RONALD E. EDSON 3239</b><br><b>PROFESSIONAL SURVEYOR 12641</b> |

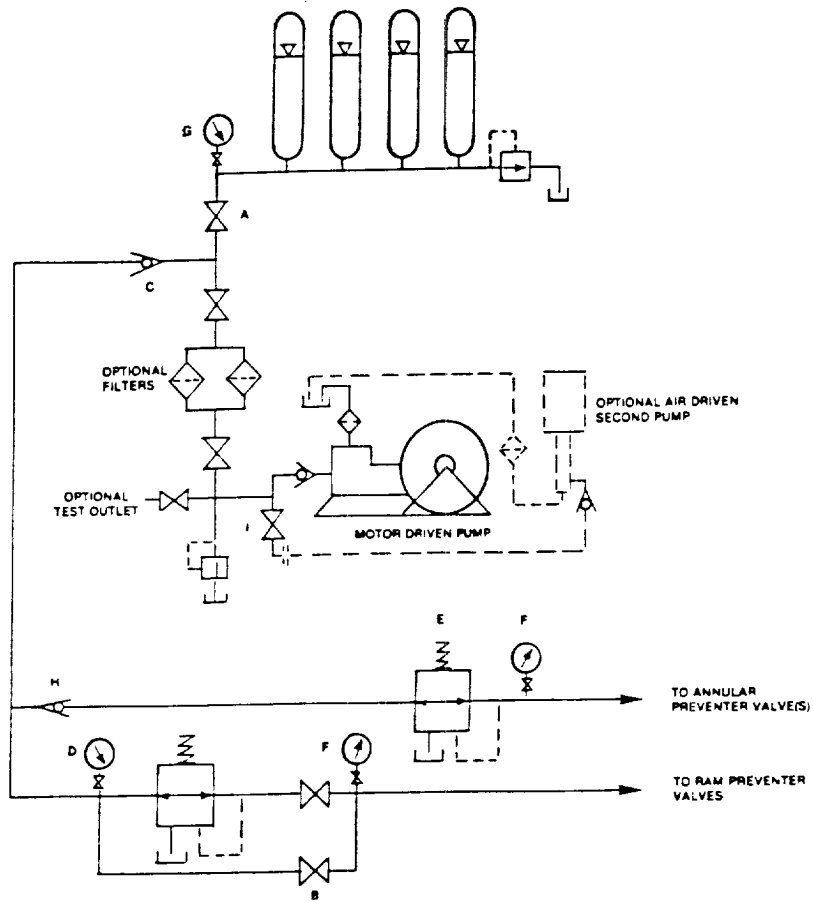


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

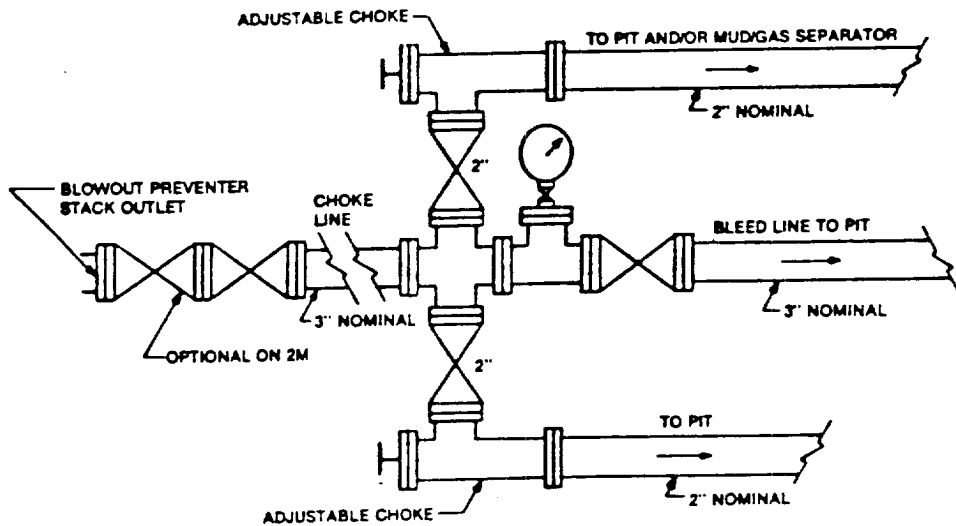


FIGURE K4-1. Typical choke manifold assembly for 2M and 3M rated working pressure service — surface installation.

EXHIBIT "1-E"  
CHOKE MANIFOLD & CLOSING UNIT

SOUTHWEST ROYALTIES INC.  
McINTYRE FEDERAL # 4  
UNIT "J" SECTION 17  
T17S-R30E EDDY CO. NM