SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

Form approved. Budget Bureau No. 42-R1425.

UNITED STATES

DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO. GEOLOGICAL SURVEY NM024907 6. IF INDIAN, ALLOTTER OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK - - -1a. TYPE OF WORK 7. UNIT AGREEMENT NAME DEEPEN [PLUG BACK DRILL XX 1 b. TYPE OF WELL MULTIPLE ZONE SINGLE ZONE X S. FARM OR LEASE NAME WELL WELL XX NICKLES T 2. NAME OF OPERATOR 9. WELL NO. OKLAHOMA OIL CO. 3. ADDRESS OF OPERATOR 1E: Suite 1120 One Energy Square, Dallas, Texas 75206

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) 10. FIELD AND POOL, OR WILDCAT · - - <u>- -</u> BASIN DAKOTA 11. SEC., T., R., M., OR HLK. AND SURVEY OR AREA 800'/S & 1470'/E At proposed prod. zone 11-31N-13W 12. COUNTY OR PARISH | 13. STATE 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* NEW MEXICO SAN JUAN NO. OF ACRES ASSIGNED TO THIS WELL 15. DISTANCE FROM PROPUSED*
LOCATION TO NEARRST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 16. NO. OF ACRES IN LEASE 592.44 20. ROTARY OR CABLE TOOLS 19. PROPOSED DEPTH 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. ROTARY 6800 22. APPROX. DATE WORK WILL START* 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5754 GL PROPOSED CASING AND CEMENTING PROGRAM SETTING DEPTH QUANTITY OF CEMENT SIZE OF CASING WEIGHT PER FOOT SIZE OF HOLE

<u>300'</u>

68001

(SEE ATTACHMENTS)

12 1/4

7/8

8 5/8

1/2

Gas under this lease is committed to a contract.

24

15.5

and proposed new productive IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive solutions zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout

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200 sk

1050 sk

preventer program, if any. November 16. SIGNED -ALEX for Federal or State office APPROVAL DATE PERMIT NO. DATE APPROVED BY CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Form C-102 Revised 10-1-78

		All distances	must be from the	cuter hounders	les of the Section	ı.	
Cperator			Leas	e			Well No.
	OIL COMPANY			NICKLES			1-E
Unit Letter	Section	Township		Range	County		
0	11	31N		13W	San	Juan	-
Actual Footage L	ocation of Well:		-				us promo
800	feet from the	South	line and	1470	feet from the	East	line
Cround Level Ele		ormation	Pool				Dedicated Acreage:
5754	Dakota			Basin Dako	ota		-320 3/3. 27 Acres
1 Outline	the acreage dedic	ated to the si	hiect well by	colored per	icil or hachure	marks on th	e plat helow
interest 3. If more t	and royalty). han one lease of	different owne	rship is dedic	ated to the v	•	-	hereof (both as to working
Yes If answer this form	r is "no," list the if necessary.) able will be assign	owners and to	s;" type of con	solidation _	ve actually be	ted (by com	munitization, unitization, approved by the Commis-
						T	
	ï			1			CERTIFICATION
	 	Sec.	 -			Home JOHN ALE Position AGENT Company OKLAHOMA	ertify that the information con- tein is true and complete to the ten knowledge and belief. EXANDER OIL CO.
	 +		11		and the second s	shown on notes of under my is true a	certify that the well location this plat was plotted from field actual surveys made by me or supervision, and that the same and correct to the best of my and belief.
	i			,	01	Date Survey	ed.
				12	60'	Registered and of Land	per 9, 1979 Fore and Engineer Bill day By Kerner
330 660	-90 1220 1650 199	90 2310 2640	1 252			Registered	Asir lawy

OKLAHOMA OIL COMPANY

Formation Information and Drilling Practices

WELL:

Nickles 1E

LOCATION:

800'/S & 1470'/E

Sec.11-31N-13W

San Juan Co., NM

LEASE NUMBER:

NM024907

1. Surface Formation

Nacimiento

2. Estimatéd Formation Tops

Ojo Alamo	724	Point Lookout	4353
Pictured Cliffs	2004	Greenhorn	6394
Cliff House	3603	Dako ta	6514

3. Estimated Depth of Anticipated Water, Oil, Gas or Minerals

6514 Gas

4. Proposed Casing Program

0-300' 10 3/4" 40.5# K-55 ST&C new casing. Cement w/ 300 sk class "B" + 2% CaCl2

0-6800' $5\frac{1}{2}$ " 15.5# casing, ST&C (new). Cement 1st stage w/300 sk 50-50 Pozmix + 2% gel. Cement 2nd stage w/ 100 sk 65-35 Pozmix + 12% gel followed by 400 sk 50-50 Pozmix + 2% gel. Cement 3rd stage w/ 250 sk 65-35 Pozmix + 12% gel.

5. Pressure Control Equipment - Blowout Preventer

The attached schematic shows the type of blowout preventer to be used while drilling. The unit will be tested to 800 psi prior to drilling from under surface pipe by pressuring through casing valves with blind ram closed. This procedure will be repeated with the pipe rams closed on a joint of drill pipe. Operation of the hydraulic system will be checked daily.

6. Drilling Fluids

Depth	Type	Vis	Weight	Fluid Loss
0-300	Gel-lime	35-45	8.6-9.0	N/L
0-6800	Low-solids	30-40	8.6-11.5	10

7. Auxiliary Equipment

- a. bit float
- b. Stabbing valve to be used in drill pipe when the kelly is not connected.
- c. rotating drilling head

8. Logging - Coring - Testing

Logging: IES, FDC/CNL, Caliper, GR

Coring: None planned Testing: None planned

9. Abnormal Temperatures, Pressures or Potential Hazards

None expected.

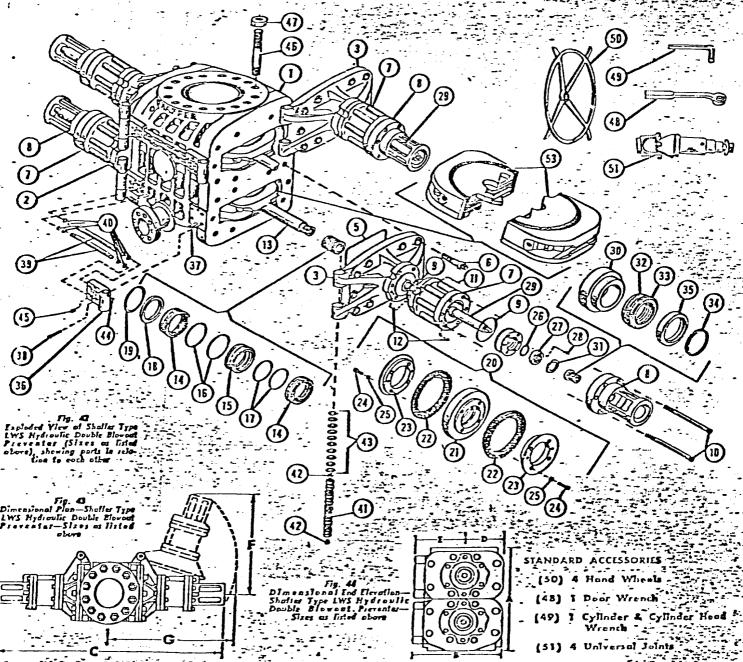
10. Starting Date

Anticipated starting date is January 1, 1980. Approximately 15 days will be needed to build roads, location and drill to total depth. Completion will commence immediately and require approximately 20 days.

SHAFFER HYDRAULIC BLOWOUT PREVENTERS

TYPE LWS PREVENTERS—8", 3000 Lb. & 5000 lb.—10", 5000 Lb.
12", 3000 Lb.—735/8", 5000 Lb.—16", 3000 Lb.

PARTS AND DIMENSIONAL ILLUSTRATIONS



DIMENSIONAL AND ENGINEERING DATA ON ABOVE SIZES OF TYPE LWS PREVENTERS

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OKLAHOMA OIL COMPANY

Surface Use Plan

WELL:

Mickles 1E

LOCATION:

800'/S & 1470'/E

S.11-31N-13W

San Juan Co., NM

LEASE NUMBER MM024907

1. Existing Roads (shown in green)

The attached topographic map shows all existing roads within one mile of the proposed location. The access road will join an existing lease road.

2. Planned Access Road

The access road will be approximately 300' long and 20' wide. No turnouts will be needed. Water bars will be used to aid drainage and prevent erosion. Max. grade will be about 5%. No fences or cattleguards will be crossed.

3. Location of Existing Wells

All wells (water, oil, gas, disposal and drilling) are shown and so labeled on the topographic map.

4. Location of Tank Batteries, Prod. Facilities, Prod. Gathering & Service Lines

All production facilities are to be contained within the proposed site. Other facilities operated by Oklahoma Oil Co. are shown on the attached topographic map.

5. Location of Water Supply

Water for drilling will be trucked from Bloomfield, NM, approximately 14 miles east of the location. Water is privately owned.

6. Source of Construction Materials

Any construction material required for road or location will be excess material accumulated from building such sites.

7. Methods of Handling Waste Disposal (refer to attached well site layout) All burnable material will be burned in the trash pit when conditions permit. All nonburnable material (drilling fluids, cuttings, chemicals, etc.) will be held in the reserve pit and buried when dry. Any oil produced while drilling will be trucked from the location prior to leaving the pit to dry. Pits will be fenced during dryout time, then completely backfilled with dirt prior to preparing the location for production or abandonment. Material that cannot otherwise be safely disposed of will

be carried to a sanitary land fill.

8. Ancillary Facilities

No ancillary facilities are planned.

9. Well Site Layout

The attached layout shows the drilling rig with all facilities. Cut and fill required is also indicated.

10. Plans for Restoration of Surface

Restoration of well site and access road will begin within 90 days of well completion, weather permitting. Should the well be abandoned, the drilling site will be reshaped to its approximate former contour. The access road will be plowed and leveled. Both site and road will have topscil replaced and well be reseeded when germination can occur.

should the well be commercial, that portion of the location not needed for operation will be repaired as above. The portion needed for daily production operations, and the access road, will be maintained in good repair.

In either case, cleanup of the site will include burning any safely burnable material, filling of all pits, carrying away of all nonburnable material and chemicals that cannot be buried. Any oil that has accumulated on the pits will be trucked away.

11. Other Information

This well is located about $1\frac{1}{2}$ miles southeast of LaPlata, NM. The area is rugged and covered with sagebrush, yucca, and Cedar trees. The soil is a sandy clay. Small animals and rodents inhabit the area.

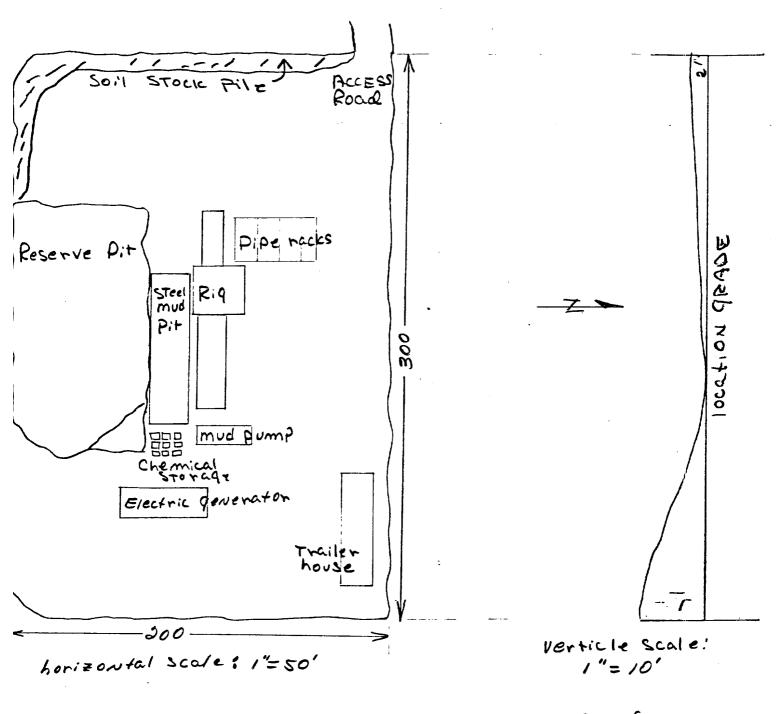
Surface belongs to the Bureau of Land Management. There are no occupied dwellings in the area. No artifacts were noticed.

- 12. John Alexander
 3E Company, Inc.
 P.O. Box 190
 Farmington, NM 87401
 Phone: 505-327-4020
- 13. I hereby certify that I or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Oklahoma Oil Co. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

DATE OF

John alexander

JA:cp



DICKLES IE SEM 11-31N-13W

location GRADE

