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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.
OG-2001

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

b. Type of Well DRILL DEEPEN PLUG BACK

OIL WELL GAS WELL OTHER

SINGLE ZONE MULTIPLE ZONE

7. Unit Agreement Name

8. Farm or Lease Name
Quail State

2. Name of Operator
Read & Stevens, Inc.

3. Address of Operator
P. O. Box 1518, Roswell, New Mexico 88201

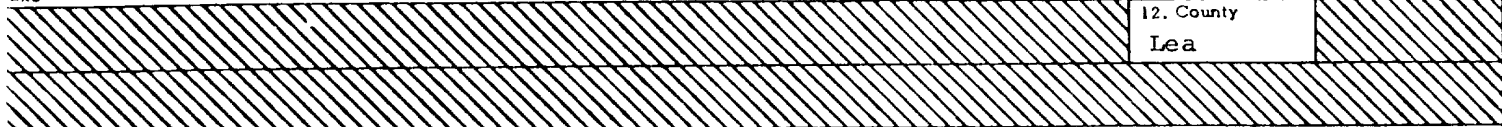
9. Well No.
3-Y

10. Field and Pool, or Wildcat
Quail Queen

4. Location of Well UNIT LETTER I LOCATED 1841 FEET FROM THE South LINE

AND 759 FEET FROM THE East LINE OF SEC. 11 TWP. 19-S RGE. 34-E NMPM

12. County
Lea



19. Proposed Depth 5600'

19A. Formation Queen

20. Rotary or C.T. Rotary

21. Elevations (Show whether DF, RT, etc.) 3960' GR - 3970' RKB

21A. Kind & Status Plug. Bond Statewide

21B. Drilling Contractor WEK Drilling Co.

22. Approx. Date Work will start 2-14-79

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11"	8 5/8"	24#	1900'	375 sx.	circulated
7 7/8"	4 1/2"	10.5#	5600'	500 sx.	

See attached well prognosis for drilling program and blowout preventer data. Casinghead gas from this proration unit is dedicated to Warren Petroleum Co.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed John L. Anderson Jr. Title Agent Date 2-9-79

(This space for State Use)

APPROVED BY Jerry Sutton TITLE SUPERVISOR DISTRICT 1 DATE FEB 12 1979

CONDITIONS OF APPROVAL, IF ANY:

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form O-122
Supersedes O-124
Effective 1-1-65

All distances must be from the outer boundaries of the Section

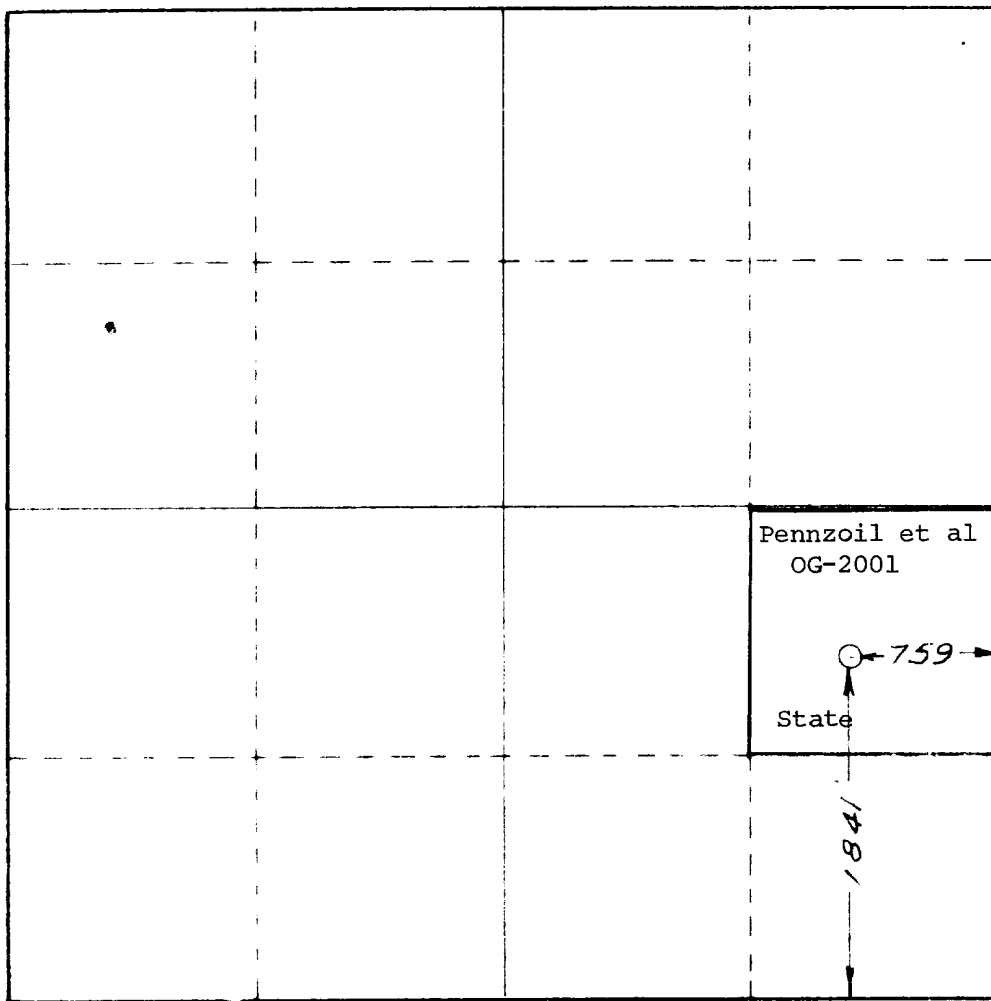
Operator READ & STEVENS Inc.			Lease Quail State		Well No. 3-Y
Section "I"	Section 11	Township 19 South	Range 34 East	County Lea	
Approximate Location of Well:					
1841	feet from the South	line and	759	feet from the East	line
Ground Level Elev. 3960	Producing Formation Queen	Pool Quail Queen		Dedicated Acreage: 40.00 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

John L. Anderson, Jr.
Name

John L. Anderson, Jr.
Position

Agent
Company

Read & Stevens, Inc.
Date

2-9-79

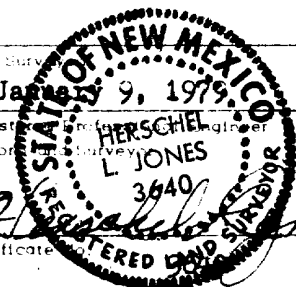
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

January 9, 1979

Registered Professional Engineer
No. of Survey
L. JONES
3640

Herschel L. Jones
Registered Professional Engineer
Certificate No. _____



WELL PROGNOSIS

OPERATOR: READ & STEVENS, INC.
WELL: #3-Y Quail State
FIELD & DEPTH: Quail Queen - 5,600'
LOCATION: 1841' FSL & 759' FEL Sec. 11, T-19-S, R-34-E, Lea County, New Mexico
CONTRACTOR: WEK Drilling Company - Rig #3
ELEVATION: 3960' GR - 3970' RKB

ESTIMATED FORMATION TOPS

T/ Anhydrite	1832' (+ 2138)
T/ Salt	1950' (+ 2020)
B/ Salt	3295' (+ 675)
T/ Yates	3560' (+ 410)
T/ Queen Sand	4730' (- 760)
T/ Penrose sands	5002' (- 1032)

CASING PROGRAM

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt. Per Foot</u>	<u>Setting Depth</u>	<u>Cement</u>
11"	8 5/8"	24#	1900'	375 sx. Circulated
7 7/8"	4 1/2"	9.5# & 10.5#	5600'	500 sx.

MUD PROGRAM

0' - 1,900' Spud mud with gel/lime slurry. Mud wt. 9.0#-9.5#, Vis. 32-34, WL no control.

1,900' - 4,600' Clear water and native mud. Mud wt. 10.0#-10.2#, Vis. 28-32, WL no control.

4,600' - 5,600' Salt gel mud system. Mud wt. 9.5#-10.2#, Vis. 36-38, WL 20.

DRILLING AND CEMENTING PROGRAM

1. Drill 11" hole to 1,900' and set 8 5/8", 24#, S.T. & C. casing at 1,900' cemented with 375 sx. Class C. cement with 2% CaCl₂ and 8# salt per sx. Cement will be circulated.
2. Drill 7 7/8" hole to 5,600' and, if production is indicated, set 4 1/2" casing to total depth. Cement from total depth to 3,200' with 500 sx. Class C pozmix with 1/4# floseal and 6# salt per sx. with .5 of 1% CFR-2.

EVALUATION PROGRAM

Start salt gel mud system at 4,600' for increased sample quality. Drill to total depth and run logs. Take selected sidewall cores and additional formation evaluation.

LOGGING PROGRAM

Run Simultaneous Gamma Ray-Caliper, Compensated Neutron Formation Density as porosity tool with Dual laterolog as Resistivity tool. Detail from 3,400' to total depth.

BLOWOUT PREVENTER SYSTEM

Drilling rig will be equipped with a 10" Shaffer Type E Series 900, blowout preventer with double rams and rated to 3,000# working pressure with Payne dual control 3,000# closing unit and Payne dual control 300# accumulator.

WELL SUPERVISION

Well site supervision will be maintained from surface to total depth. Samples will be caught, washed and sacked from below surface string to 1,900' to total depth at 10 foot intervals. Mechanically recorded drilling time will be maintained from surface to total depth. Blowout preventer stack and casing head will be independently pressure tested before drilling into the Queen formation. A daily check of the blowout preventer system will be made from 4,600' to total depth.

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