

~~CONFIDENTIAL~~

NMOC D. Santa Fe

Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN TRIPPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

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 ☐

B. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☐

OTHER Strat-Test

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Mountain States Petroleum Corporation

3. ADDRESS OF OPERATOR

Post Office Box 1936, Roswell, New Mexico, 88202

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

At surface

907' FSL & 945' FEL, Sec. 23-3S-6E

At proposed prod. zone

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

12 miles NE from Bingham, New Mexico Post Office

15. DISTANCE FROM PROPOSED*

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

N/A

16. NO. OF ACRES IN LEASE

1280

17. NO. OF ACRES ASSIGNED
TO THIS WELL

N/A

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

N/A

19. PROPOSED DEPTH

3,200'

20. ROTARY OR CABLE TOOLS

Rotary

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

5910' GR

22. APPROX. DATE WORK WILL START*

3-22-93

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8-5/8"	28# H40	380'	sufficient to circulate
7-7/8"	4 1/2"	9.5# J55	TD	100 sks

Test, Log & Run 4 1/2" (if shows encountered)

Attached Exhibits:

- A. Well location and elevation plat
- B. Existing access road map
- C. Pertinent information
- D. Supplemental drilling data
- E. Multi-point surface use and operations plan
- F. Drill rig layout and BPO diagram
- G. Archeological survey



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 Paul Slayton

TITLE President

DATE 2/23/93

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY Sandra L. Miller

TITLE Area Manager

DATE 3/26/93

CONDITIONS OF APPROVAL, IF ANY:

LEASEE BE ADVISED THAT THERE WILL BE NO EXCAVATION
OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION
OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT
ADVANCE.

APPROVAL OF THIS APPLICATION 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.

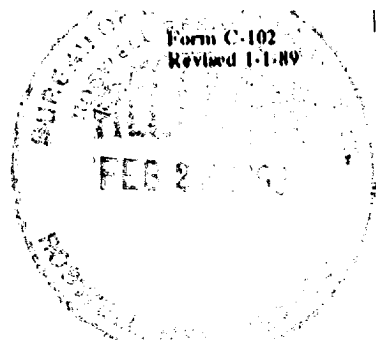
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088



DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

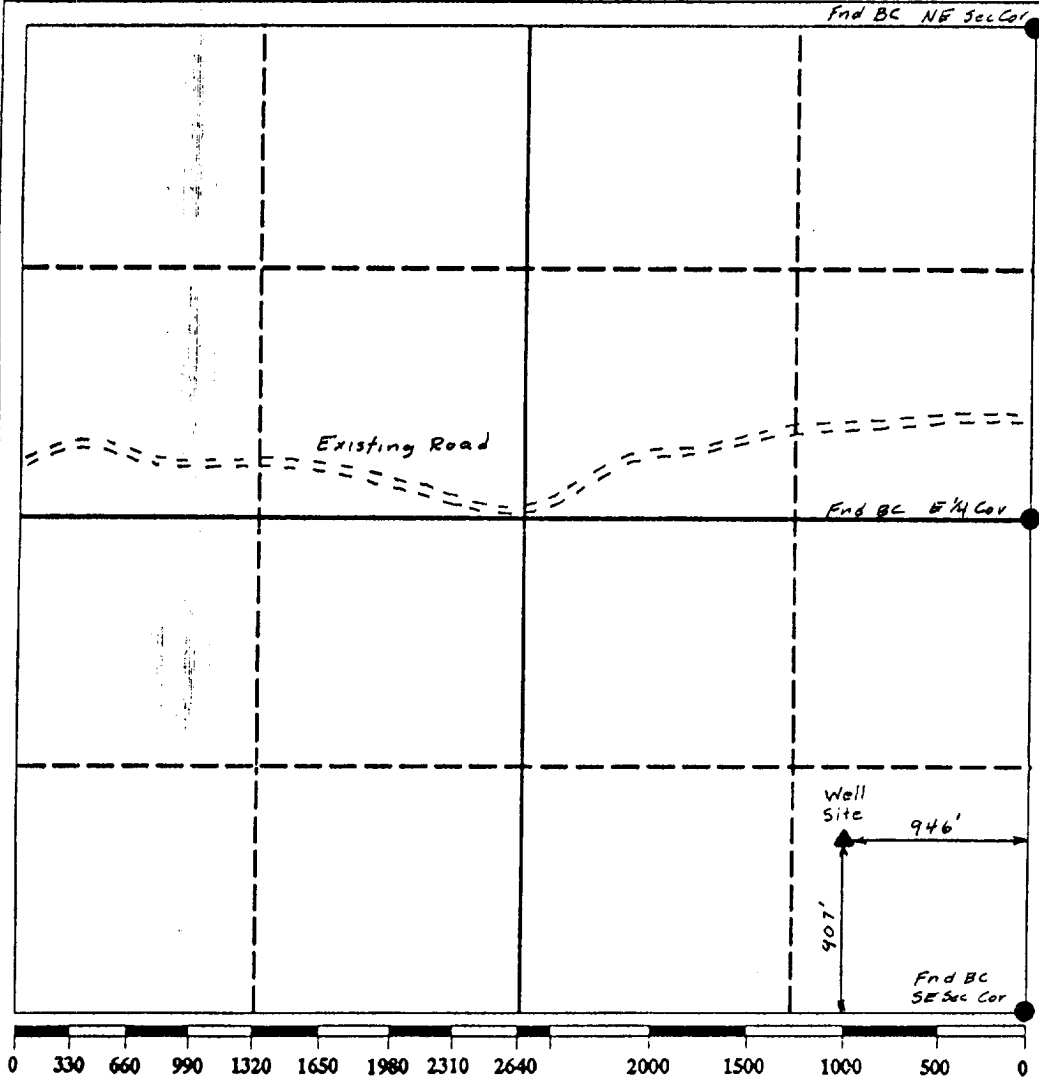
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator MOUNTAIN STATES PETROLEUM CORP.		Lease NM-57190		Well No. 4
Unit Letter SE 1/4	Section 23	Township 3 South	Range 6 East	County NMPM Socorro, NM
Actual Footage Location of Well: 907 feet from the South line and 945 feet from the east line				
Ground level Elev. 5910	Producing Formation N/A	Pool N/A	Dedicated Acreage: N/A Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, 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 communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Signature	<i>Paul Slayton</i>
Printed Name	Paul Slayton
Position	President
Company	Mountain States Petroleum
Date	2/23/93
SURVEYOR CERTIFICATION 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. February 18, 1993	
Date Surveyed	
Signature of State of New Mexico Professional Surveyor	<i>Edgington</i>
9060	Certificate No.

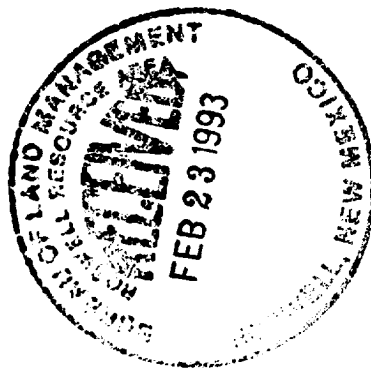


EXHIBIT "C"

PERTINENT INFORMATION

For

MOUNTAIN STATES PETROLEUM CORPORATION
CHUPADERA #4
907' FSL & 945' FEL, Sec. 23-3S-6E
Socorro County, NM

LOCATION: 12 air miles NE of Bingham, NM

FEDERAL LEASE NUMBER: NM-57190

LEASE ISSUED: October 1, 1987

ACRES IN LEASE: 1,280 acres

SURFACE OWNERSHIP: Weldon McKinley

AUTHORITY TO OPERATE: Farm-out agreement - Yates Petroleum

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS:
Per Article IV of NTL-89-1 New Mexico

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No. NM-57190

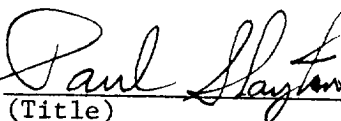
Legal Description of Land: Sec. 23-3S-6E, Socorro County, NM

Bond Coverage: State wide Oil and Gas to Mountain States Petroleum Corporation
#AR71371-14

BLM Bond File: NM 0269

Date: 2/23/93

Authorized Signature


(Title)

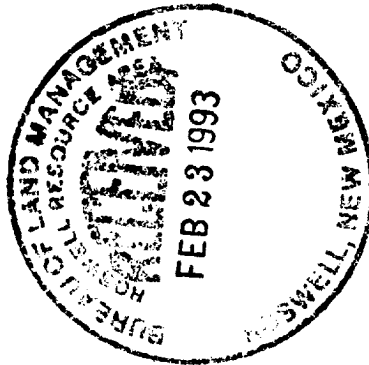


EXHIBIT "D"

SUPPLEMENTAL DRILLING DATA

For

MOUNTAIN STATES PETROLEUM CORPORATION
 CHUPADERA #4
 907' FSL & 945' FEL, Sec. 23-3S-6E
 Socorro County, NM

The following items supplement Form 3160-3 in accordance with instructions contained in Onshore Oil and Gas Order No. 1:

1. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Abo	800'
Penn	1600'
Strawn	2800'
Granite	3200'

2. ESTIMATED DEPTH TO WATER: 80' - 100' and 190' - 220'3. PROPOSED CASING PROGRAM:

8-5/8" Casing - 380' of 28#, H-40, ST&C
 4-1/2" Casing - 3000' of 9.5#, J-55, ST&C

The surface and production casing strings will be tested to ¹⁵⁰⁰~~1000~~ psi. MK

4. PRESSURE CONTROL EQUIPMENT: Pressure control equipment will include a 2000# WP blowout preventer stack, with Series 900 blind and pipe rams. The BOP stack will include a kill line and choke manifold tested to ¹⁵⁰⁰~~1000~~ psi. BOP hydraulic controls will be operated at lease daily. A diagrammatic sketch of the BOP is attached as Exhibit "F" BWC5. CIRCULATING MEDIUM: Fresh water mud conditioned for control of weight, viscosity and water loss.6. AUXILLIARY EQUIPMENT: A full opening safety valve, to fit the drill string in use, will be kept on the rig floor at all times.7. TESTING, LOGGING AND CORING PROGRAM:

Samples:	Samples will be caught at 10' intervals below 800'
DST and Cores:	At discretion of well site geologist
Logging:	Neutron-Density Log (Surface to TD)

8. ABNORMAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE: None anticipated. BHP anticipated to be less than 1000#9. ANTICIPATED STARTING DATE: Drilling will commence as soon as possible after approval is obtained. Drilling and completion operations will last approx. 30 days.



EXHIBIT "E"

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

For

Mountain States Petroleum Corporation
CHUPADERA #4
907' FSL & 945' FEL, Sec. 23-3S-6E
Socorro County, NM

NM-57190

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the minor surface disturbance involved, and the procedures to be followed after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS:
 - A. Exhibit "B" is a map of the existing access road to the proposed well as staked. The well is approximately 12 air miles northeast of Bingham, New Mexico.
2. PLANNED ACCESS ROAD:
 - A. Presently used roads go within 1/4 mile or less of well site.
 - B. Surfacing Material: Any new road will be constructed of material-in-place, caliche is outcropping in this area.
 - C. Maximum Grade: Less than 1%
 - D. Turnouts: Since the road is essentially flat, no traffic turnouts are necessary. No gates, cattle guards will be needed.
3. LOCATION OF EXISTING WELLS: None
4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES: If the well is productive, production, storage and measurement facilities will be constructed on the wellpad.
5. LOCATION AND TYPE OF WATER SUPPLY: Water for drilling operations will be furnished by a leased company well.
6. SOURCE OF CONSTRUCTION MATERIALS: None planned



7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during test will be disposed of in the drilling pits.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of soil. All waste material will be contained to prevent scattering by the wind. The trash pit will be located adjacent to the mud pit.
- F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES: None necessary.

9. WELL SITE LAYOUT:

- A. The wellsite and 400' x 300' dimensions and relative location of the drill pad, pit and equipment are shown on Exhibit "F".
- B. Top soil for rehabilitation will be stock-piles on the north side of the location.

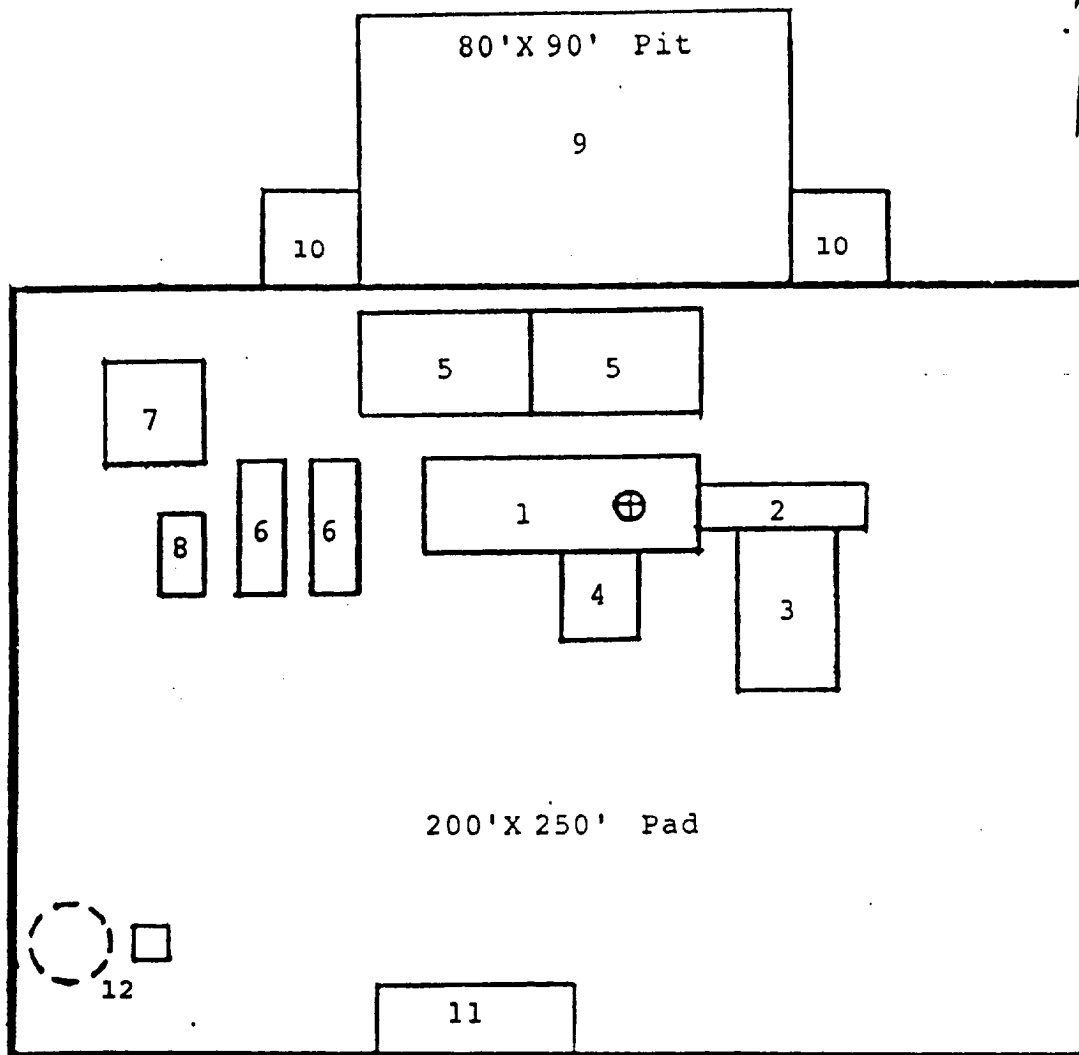
10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in an aesthetically pleasing condition as possible. The surface casing, 380', and hole will be given to Weldon McKinley for future use as a stock well, as will the road to the well.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the well is non-productive, the disturbed area will be rehabilitated as per agreement with Mr. McKinley.

11. OTHER INFORMATION:

- A. Topography: The regional terrain is a rolling alluvial hill sloping to the North. The access road is essentially level. The drillsite slopes North.
- B. Soil: The soil at the wellsite is sandy clay loam with associated gravels and some caliche.





RIG LAYOUT

- | | |
|-----------------|---------------------------|
| 1. Substructure | 7. Water Tank |
| 2. Catwalk | 8. Light Plant |
| 3. Pipe Rack | 9. Reserve Pit |
| 4. Doghouse | 10. Trash Pit |
| 5. Mud Pits | 11. Trailer House |
| 6. Mud Pumps | 12. Production Facilities |

EXHIBIT
"F"

BOP DIAGRAM

