

RAY WESTALL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue

Artesia, NM 88210

6. LEASE DESIGNATION AND SERIAL NO.

LC-058709 A

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

RAY WESTALL

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 4, LOCO HILLS, NM 88255 505.677.2370

4. LOCATION OF WELL (REPORT LOCATION CLEARLY AND IN ACCORDANCE WITH ANY STATE REQUIREMENTS)

AT SURFACE

20' FSL & 330' FWL

AT PROPOSED PROD. ZONE

SAME

6. IF INDIAN, ALLOTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

TAYLOR UNIT #24

9. API WELL NO.

30-015-32080

10. FIELD AND POOL, OR WILDCAT

SHUGART

11. SEC., T., R., M., OR BLK

AND SURVEY OR AREA

SEC. 12 T18S-R31E

12. COUNTY OR PARISH

EDDY

13. STATE

NEW MEXICO

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

10 MILES SE OF LOCO HILLS NM

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

20

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION

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

600

19. PROPOSED DEPTH

3800

20. ROTARY OR CABLE TOOLS

RT.

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

3742 GR.

CAPITAN CONTROLLED WATER BASIN

APPROX. DATE WORK WILL START

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WT PER FT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4" WITNESS	8 5/8" J-55	32# ST&C	995	350 SXS CIRCULATED
7 7/8"	5 1/2" J-55	15.5# LTC	3800	850 SXS EST TOP 300'
				WITNESS

ALL CASING WILL BE NEW, OR USED MEETING BLM SPECS.

CEMENT QUANTITIES AND ADDITIVES ARE SUBJECT TO CHANGE DUE TO HOLE CONDITIONS.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

PROPOSED MUD PROGRAM

0-995	FRESH WATER
995-TD	BRINE WATER
0	0

MUD PROGRAM SUBJECT TO CHANGE DUE TO HOLE CONDITIONS

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

Randall Harris

TITLE

Geologist

DATE

4/10/03

(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:

ACTING

APPROVED BY

/s/ Joe G. Lara

TITLE

FIELD MANAGER

DATE

18 AUG 2003

TITLE 18 U.S.C. SECTION 1001, MAKES IT A CRIME FOR ANY PERSONS 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

APPROVAL FOR 1 YEAR

07072072 2 0000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. LC-058709 A
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTEE OR TRIBE NAME
2. NAME OF OPERATOR RAY WESTALL		7. UNIT AGREEMENT NAME TAYLOR UNIT
3. ADDRESS AND TELEPHONE NO. P.O. BOX 4, LOCO HILLS NM 88255 505.677.2370		8. FARM OR LEASE NAME, WELL NO. TAYLOR UNIT #24
4. LOCATION OF WELL (REPORT LOCATION CLEARLY AND IN ACCORDANCE WITH ANY STATE REQUIREMENTS) AT SURFACE 20 FSL & 330 FWL AT PROPOSED PROD. ZONE SAME		9. API WELL NO.
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 10 MILES SOUTHEAST OF LOCO HILLS NM		10. FIELD AND POOL, OR WILDCAT SHUGART
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 20		11. SEC., T., R., M., OR BLK AND SURVEY OR AREA SEC. 12 T18S-R31E
16. NO. OF ACRES IN LEASE 640		12. COUNTY OR PARISH EDDY
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE NEW MEXICO
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 600		
19. PROPOSED DEPTH 3800		
20. ROTARY OR CABLE TOOLS ROTARY		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3742		APPROX. DATE WORK WILL START ASAP
23. PROPOSED CASING AND CEMENTING PROGRAM		

SIZE OF HOLE	GRADE, SIZE OF CASING	WT PER FT	SETTING DEPTH	QUANTITY
12 1/4"	8 5/8" J-55	32# ST&C 8RD	915' 955'	350 SXS CIRCULATED
7 7/8"	5 1/2" J-55	15# LT&C 8RD	3800	850 SXS EST TOP 300'

ALL CASING WILL BE NEW, OR USED MEETING BLM SPECS.
CEMENT WILL BE CIRCULATED ON 8 5/8" CASING.
CEMENT QUANTITIES AND ADDITIVES ARE SUBJECT TO CHANGE DUE TO HOLE CONDITIONS.

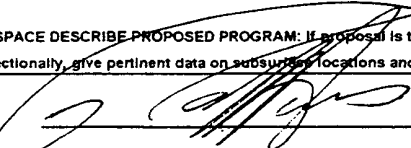
**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

PROPOSED MUD PROGRAM

0-955	FRESH WATER
955-3800	BRINE WATER

MUD PROGRAM SUBJECT TO CHANGE DUE TO HOLE CONDITIONS

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 	TITLE GEOLOGIST	DATE 01/13/2001
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(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  TITLE FIELD MANAGER DATE 1/31/01

TITLE 18 U.S.C. SECTION 1001, MAKES IT A CRIME FOR ANY PERSONS 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

APPROVAL FOR 1 YEAR

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-107
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name			6 Well Number
		Taylor Unit Federal			24
7 OGRID No.		8 Operator Name			9 Elevation
		Ray Westall, Operator			3742

10 Surface Location

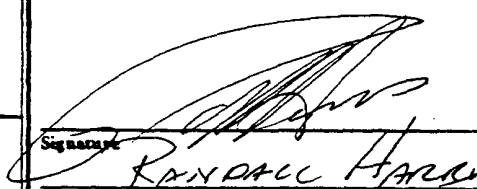
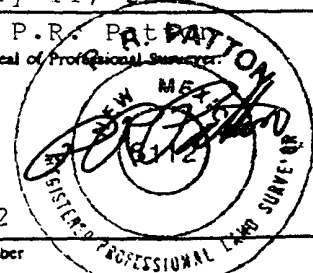
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	12	18s	31e		20	South	330	West	Eddy

11 Bottom Hole Location If Different From Surface

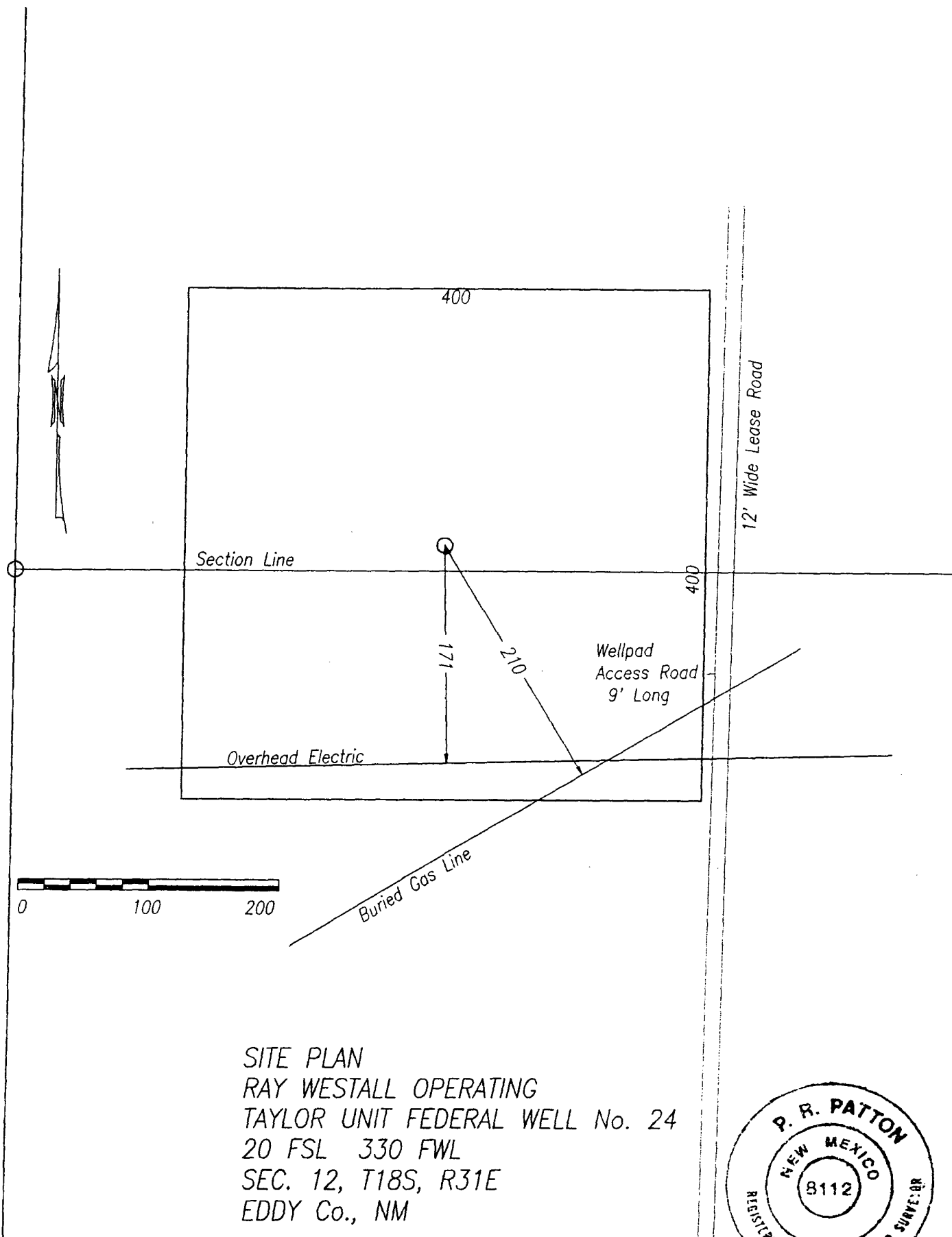
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 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

16				17 OPERATOR CERTIFICATION	
				I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
				Signature 	
				Printed Name <u>RANDALL HAYS</u>	
				Title <u>Geologist</u>	
				Date <u>2/15/01</u>	
				18 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 belief.	
				January 11, 2001	
				Date of Survey P.R. Patton	
				Signature and Seal of Professional Surveyor 	
				8112	
				Certificate Number	

3741.4
330
3739.8
20
3746.3
3743.0



SITE PLAN
RAY WESTALL OPERATING
TAYLOR UNIT FEDERAL WELL No. 24
20 FSL 330 FWL
SEC. 12, T18S, R31E
EDDY Co., NM



APPLICATION FOR DRILLING

Ray Westall
Taylor Unit #24
20' FSL & 330' FWL
Section 12
Township 18 South, Range 31 East
Eddy County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill, Ray Westall submits the following ten items of pertinent information in accordance with BLM requirements:

1. The geological surface formation is Quaternary.
2. The estimated tops of geologic markers are as follows:
Base Salt 2110'
Yates 2390'
Queen 3520'
3. The estimated depths at which anticipated water, oil & gas formations are expected to be encountered:
Water 0-180'
Oil & Gas Zones 3520-3600
4. Proposed casing program: See 3160-3
5. Pressure Control Equipment:
A 2M BOP will be installed on the 8 5/8" casing and tested prior to drill out.
6. Mud Program:
Fresh water in surface hole.
Brine in production hole.
7. Auxiliary Equipment: None
8. Logging Program: CNL/FDC/GR, DLL.
9. No abnormal pressures or temperatures are anticipated. Estimated BHP is 2100#, Estimated BHT is 110 F.
10. Anticipated Starting date: 06/01/03
Duration: 7 Days drilling
5 Days completion

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

RAY WESTALL TAYLOR UNIT #24

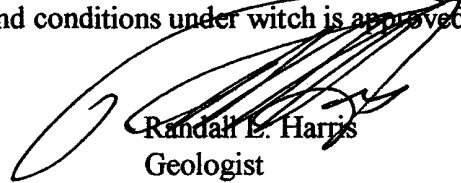
This plan is submitted with form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operation.

1. Existing Roads.
Exhibit A is a portion of a USGS topographic map showing the wells and roads in the vicinity of the proposed location.
2. Planned Access Road.
Approximately 100' of road will be constructed west from the main road.
3. Location of Existing Wells.
Exhibit B is a topo map showing the existing wells.
4. Location of existing/or proposed facilities:
If productive a 3" SDR 7 poly line will be laid along existing ROW located on the Taylor Unit Facility located in the NWSE of section 12. A 3 phase power line and poles will be routed along the existing ROW paralleling the road.
5. Location and Type of Water Supply.
It is planned to drill the proposed well with fresh and brine water system. The water will be obtained from commercial sources and will be hauled to the location by truck.
6. Source of Construction Materials.
The location and road will be from pit excavation and or will be hauled in from an approved caliche pit.
7. Methods of Handling Waste Disposal.
 - A. Drill cuttings will be disposed of in the reserve pit.
 - B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
 - C. Produced water during operations will be stored in reserve pits until dry.
 - D. Oil produced during operations will be stored in tanks until sold.
 - E. Current laws and regulations pertaining to the disposal of human waste will be complied with.

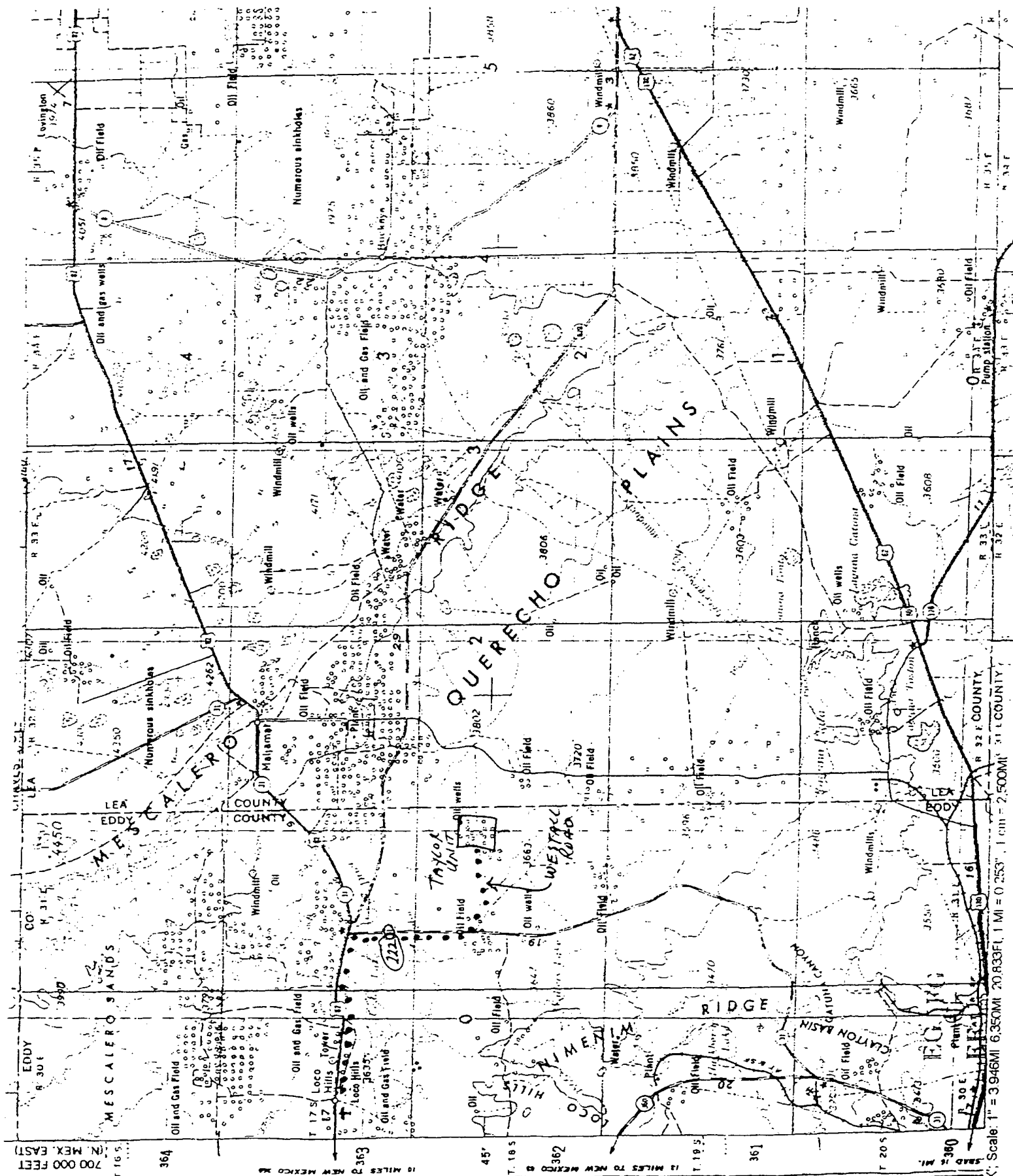
- F. Trash, waste paper, garbage and junk will be stored in a wire cage preventing blowing or scattering by the wind. After drilling and completion all waste will be removed to an approved site.
8. Ancillary Facilities
None required.
9. Wellsite Layout.
Exhibit C shows the relative location and dimensions of the well pad, the reserve pit, a 400' X 400' area has been staked and flagged.
10. Plans For Restoration of The Surface.
- A. After finishing drilling and completion operations all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the Wellsite in as aesthetically pleasing a condition as possible.
 - B. Unguarded pits, if any containing fluids will be fenced until they have been filled.
 - C. If the proposed well is non-productive, all rehabilitation and or vegetation requirements of the BLM and USGS will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.
11. Other Information:
- A. Topography: The land surface in the vicinity of the Wellsite is sandy loam with caliche hills and outcrops.
 - B. Flora and Fauna: the vegetation cover consists of prairie grass, greasewood and miscellaneous desert growth. No wildlife was observed, but wildlife in the area probably includes those typical of semi-arid desert land. The area is used for cattle grazing.
 - C. There are no ponds, lakes or rivers in the area.
 - D. There are no inhabited dwellings in the vicinity of the proposed well.
 - E. Surface ownership is federal.
 - F. Evidence of archeological sites has been reported and previously filed by Archaeological Survey Consultants.
12. Operator's Representative:
Ray Westall
P.O. Box 4
Loco Hills, NM 88255
(505) 677-2370

13. **Certification:**

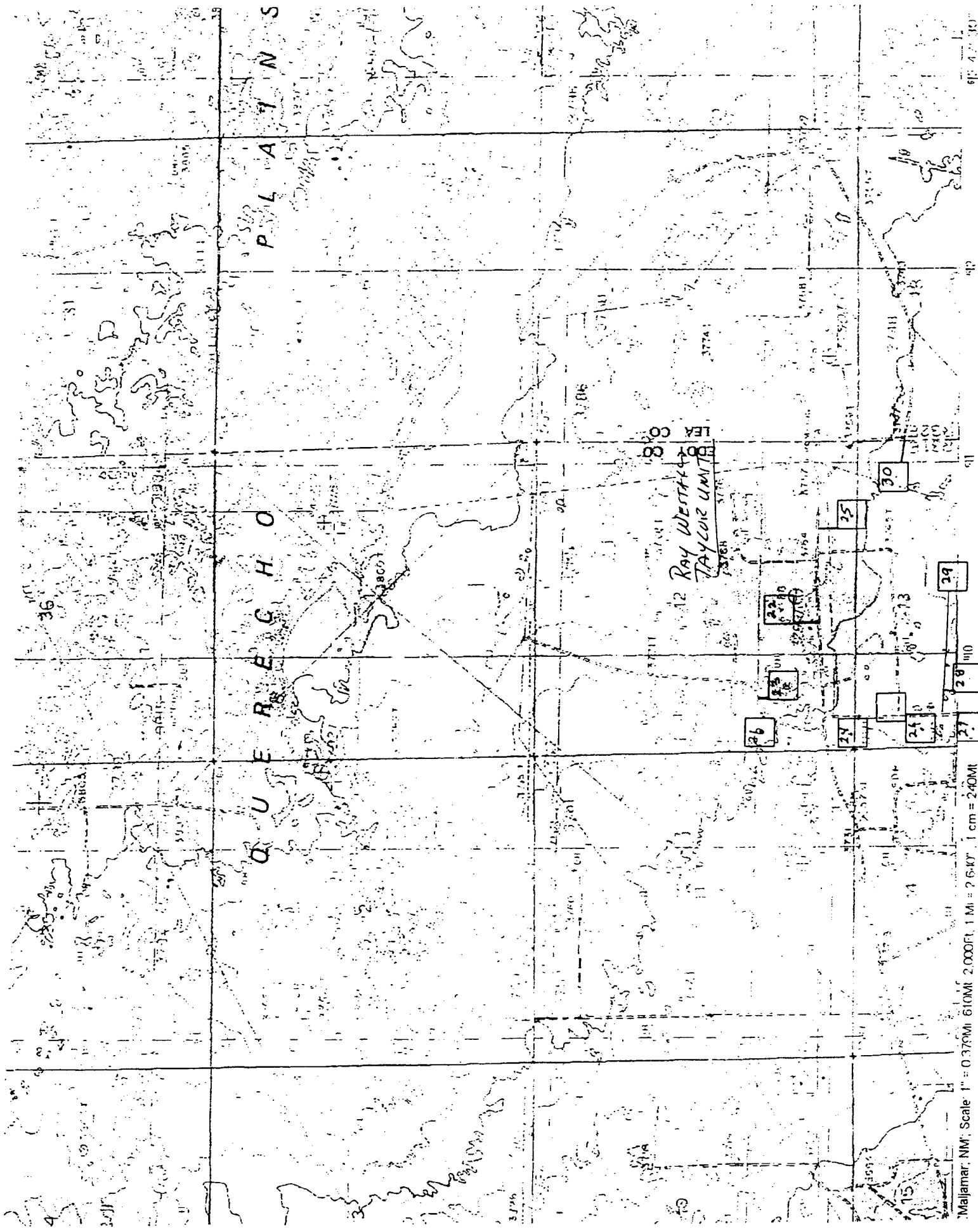
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge true and correct; and that the work associated with the operation proposed herein will be performed by the operator and its' subcontractors in conformity with this plan and the terms and conditions under witch is approved



Randall E. Harris
Geologist



Scale: 1" = 3.946 MI, 1 MI = 0.253", 1 CM = 2.500 CM



Malabar, NM; Scale 1" = 0.375MI 610MI 2,000FT 1 MI = 2.6KM 1 cm = 2.40MI

ARTESIA FISHING TOOL CO., INC.

RIG #2

RIG PLAT

RIG INVENTORY

Drawworks - N4 Brewster

Powered by 2 - 3306B Caterpillars

Parmac 15" Double Brake

Pump #1 - Emsco D550,
7-1/4" x 16", D379
Caterpillar

Pump #2 - Emsco D-300,
7-1/4" x 14", 3406
Caterpillar

104' Butler Parks, 350,000#

10' x 23' x 40', 350,000#
Substructure

Rotary drive off Drawworks

8000', 4-1/2" XH, 16.60 Grade E
Drill Pipe

Air Hoist

28 - 30' 6-1/4", 4-1/2" XO

12" Shaeffer Type B, 3000#
Double BOP

Hydraulic Closing Unit

Hydraulic Wireline Machine

5 Valve w/2 Chokes Manifold, 3000#

30' Metal Doghouse

2-pen Recorder Geolograph

Light Plants: 1- 180 kw, 1- 105 kw
3306 Cat

3000 gallon Pressurized Diesel
Tank

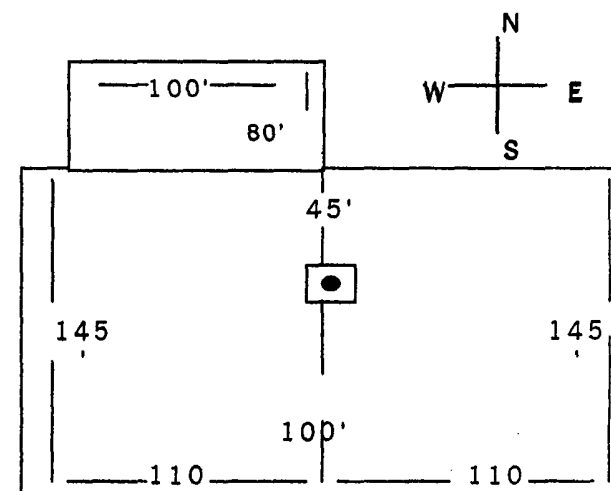
900 gallon Propane Tank

500 bbl. Water Storage Tank

3 sets Triangle Pipe Racks - 42"

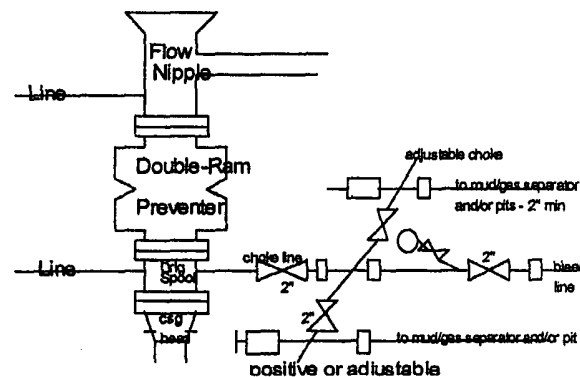
60' Catwalk - 42"

2 - 250 bbl Mud Pits



BOP SCHEMATIC

2M CHOKE MANIFOLD EQUIPMENT



updated 8/18/02