| Form 9-331 C<br>(May 1963)                          |  |  | (Other inst<br>reverse  |                                 | и из юм-<br>Form approved<br>Budget Bureau<br>5. LEASE DESIGNATION A | No. 42-B1425.  |
|---|--|--|---|---------------------------------|--|--|
|   | GEOL   | OGICAL SURVE   | TA A PROPING  | 2                               | NM-14472   |  |
| APPI ICATION  | N FOR PERMIT   | TO DRILL   | EEPEN COR PLUG  | BACK                            | 6. IF INDIAN, ALLOTTER   | OR TRIBE NAME  |
| 1a. TYPE OF WORK                                    |  |  |   |                                 | 7  |  |
|   |  | DEEPE  | PLUG B  |                                 | 7. UNIT AGREEMENT NA   |  |
|   | AS OTHER   |  | NUVIE1 4 1983 MULT  |                                 | 8. FARM OR LEASE NAM   |  |
| 2. NAME OF OPERATOR                                 |  |  | DIL & EAS   |                                 | Palma Mesa Federal   |  |
| Read & <sup>S</sup> teve                            | ns, Inc.   |  | UIL Q CAS   |                                 | 9. WELL NO.  |  |
| 3. ADDRESS OF OPERATOR                              | ¥  |  | ROSWELL, NEW MEXICO   |                                 | 1  |  |
| P. 0. Box 15  | 18 Roswell, N  |  |   |                                 | 10. FIELD AND POOL, OF   | R WILDCAT  |
| 4. LOCATION OF WELL (R<br>At surface                | eport location clearly a   | nd in accordance wit                                   | RECEIVE Geguitements.*)   | Х                               | Wildcat - (a))<br>11. SBC., T., B., M., OR B                         | thad he  |
| 1980'   | FNL & 660' FWL   |  | NOV 16 1983   | HE                              | AND SURVEY OR AR   |  |
| At proposed prod. zon<br>Same                       | 16   | 1  | NDA TO 1999   | W. L                            | Sec. 6-T9S-R28   | BE   |
| 14. DISTANCE IN MILES                               | AND DIRECTION FROM N   | EAREST TOWN R POST                                     | orr <b>C</b> . D.   | ι                               | 12. COUNTY OR PARISH   | 13. STATE  |
| 31 mi1  | es Northeast o   | f Ro <b>swell</b> , N                                  | MARTESIA, OFFICE  |                                 | Chaves   | New Mexico   |
| 15. DISTANCE FROM PROP<br>LOCATION TO NEARES        | USED*<br>T   |  | IG. NO. OF ACRES IN LEASE   |                                 | OF ACEES ASSIGNED<br>His Well  | · · · · · · · · · · · · · · · · · · ·  |
| PROPERTY OR LEASE I<br>(Also to nearest dr)         | LINE, FT.  | 660'   | 2,396.60  | 4                               |  |  |
| 18. DISTANCE FROM PROI<br>TO NEAREST WELL, D        | POSED LOCATION <sup>®</sup><br>DRILLING, COMPLETED,  |  | 19. PROPOSED DEPTH  | 20. ROTA                        | RY OR CABLE TOOLS  |  |
| OR APPLIED FOR, ON TH                               | IIS LEASE, FT.   | None   | 2,450'  | Ro                              | LATY   |  |
| 21. ELEVATIONS (Show wh<br>3905                     | ether DF, RT, GR, etc.)<br>MSL   |  |   |                                 | November 15,   | •  |
| 23.   |  | PROPOSED CASIN   | IG AND CEMENTING PROC   | RAM                             |  |  |
|   | 1  |  |   |                                 | QUANTITY OF CEMEN  |  |
| size of hole  | size of casing   | WEIGHT PER FO  | 450 setting pepth   | 350 0                           | x "C" Circulate  |  |
| 7 7/8"  | 4 1/2"   | 9.2#   | 2450'   |                                 | x "C" To cover   |  |
| Mud Program:<br>Well will<br>and a Vis<br>will be n | be drilled with<br>to be drilled with<br>to be drilled with<br>to water loss of<br>to water loss of<br>tam: At 450', | th Brine wat<br>The Viscosi<br>control.<br>install and | ty will be raised   | with a to 34 n                  | mud wt. of 10.0<br>ear total depth<br>blind rams (m:                 | Posted and<br>Posted and<br>Posted and<br>Post<br>Post<br>Post<br>Post<br>Post<br>Post<br>Post<br>Post |
|   | bag-type<br>be suffic<br>action th   | preventer an<br>cient to oper<br>nrough the cl         | d choke manifold.<br>ate the bag preve<br>ose, open close s                   | BOP ac<br>nter and<br>equence.  | cumulator volu<br>blind rams wi                                      | ne will<br>th a snap   |
| zone. If proposal is to<br>preventer program, if an | drill or deepen directi  | If proposal is to deep<br>onally, give pertinen        | pen or plug back, give data on<br>t data on subsurface location<br>Agent for: | n present proe<br>s and measure | ductive zone and propose<br>and true vertical depth                  | d new productive<br>as. Give blowout   |
| 24.   |  |  |   |                                 |  |  |

| 24.   | Agent for:                 |                           |
|---|----------------------------|---------------------------|
| BIGNED Deverger Smith                               | TITLE Read & Stevens, Inc. | DATE <u>NOV. 14, 1983</u> |
| (This space for Federal or State office use)        |                            |                           |
| PERMIT NO.  | APPROVAL DATE              | 1.1.                      |
| APPROVED BY A. A. Appenditions of Approval, if any: | TITLE                      | , DATE/1///83             |
|   |                            | APPROVAL SUBJECT TO       |

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

## P. O. 110X 2088 SANTA FE, NEW MEXICO 87501

Form C-102 Revised 10-1-78

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| ENERGY AND MINEHALS  | DEPARTOCIAL                                     |   | it he from the outer h                               |                                  | iection.                              | ·····  |
|--|---|---|--|----------------------------------|---------------------------------------|--|
| erolof   |   |   | Lease  |                                  | •                                     | Well No.   |
| Read & Stevens, Inc.   |   |   |  | Mesa Feder                       |                                       |  |
| it Letter Secti  |   | Township  | Hunge<br>20 E  |                                  | Chaves                                |  |
| <u> </u>   | 6   | 9 South   | 28 E   | dSL                              |                                       |  |
| inal Fostage Location o  |   | h u   | and 660  | feet In                          | n the West                            | tine   |
| 1980 feet<br>ound Level Elev.  | Producing Forme                                 | lion  | Poul   | Wildcat                          |                                       | Dedicated Acreoge:<br>40   |
| 2005 MSI   | San A   |   |  |                                  | · · · · · · · · · · · · · · · · · · · | Acres  |
| <ol> <li>Outline the act</li> <li>If more than o interest and roj</li> </ol> | ne Icase is d<br>ralty).                        | edicated to the   | e well, outline ea                                   | ch and identif                   | y the ownership                       | p thereof (both as to working  |
| dated by commu   | nitization, un<br>No II ans<br>no;" list the ov | itization, lorce-<br>wer is "yes," t<br>vners and tract | pooling. etc?<br>ype of consolida<br>descriptions wh | ion                              | lly been conso                        | of all owners been consoli-<br>lidated. (Use reverse side of   |
|  | ILL. and incode                                 | to the well un<br>r until a non-st                      | til all interests h<br>andard unit, elim             | ave been cons<br>inating such in | solidated (by c<br>nterests, has be   | ommunitization, unitization,<br>een approved by the Division.<br>CERTIFICATION   |
|  |   |   |  |                                  |                                       | by certify that the information con-   |
| 1380   | ↓<br>↑<br>↓.<br>↓.                              |   |  |                                  |                                       | of my knowledge and belief.  |
| NM- 14472  |   | evens, Inc.<br>rgy, Inc.<br>be:                         | = 12.5%<br>= 87.5% ( In<br>ing reassigned            | the proces<br>to Read &          | s of Agent<br>Stevens<br>Compan       |  |
|  |   | •   |  |                                  | Date<br>Nover                         | nber 14, 1983  |
|  |   |   |  |                                  | showi<br>notes<br>under<br>Is tr      | eby certify that the well location<br>n on this plat was platted from field<br>of actual surveys made by me or<br>my supervision, and that the same<br>we and correct to the best of my<br>ledge and belief. |
| ·  |   |   |  |                                  | Date Su<br>P.R.<br>Hegiste            | Patton   |
| 330 640 80   | 1320 1050 1080                                  |   | 2000 1300  |                                  |                                       | Fate No. To ASSIGNAL LIN   |

.

B.O.P. PROGRAM





EXHIBIT "E" READ & STEVENS, INC. Palma Mesa Federal, Well No. 1 BOP Specifications

## APPLICATION FOR DRILLING

READ & STEVENS, INC. Palma Mesa Federal, Well No. 1 1980' FNL & 660' FWL, Sec. 6-T9S-R28E Chaves County, New Mexico Lease No.: NM-14472 (Exploratory Well)

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Read & Stevens, Inc. submits the following items of pertinent information in accordance with BLM requirements:

- 1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
- 2. The estimated tops of geologic markers are as follows:

| Yates      | 500'  | Slaughter   | 2250' |
|------------|-------|-------------|-------|
| Queen      | 1100' | Total depth | 2450' |
| San Andres | 1650' |             |       |

3. The estimated depth at which anticipated water, oil or gas formations are expected to be encountered:

Water: Surface water in sands from surface to 300' + .

Oil: San Andres/Slaughter at approximately 2200'.

Gas: None expected.

- 4. Proposed Casing Program: See Form 9-331C.
- 5. Pressure Control Equipment: See Form 9-331C, and Exhibit "E".
- 6. Mud Program: See Form 9-331C.
- 7. Auxiliary Equipment: Blowout preventer, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valve.
- 8. Testing, Logging and Coring Program:

Drill Stem Tests: None planned.

| Logging: | FDC/CNL with Gamma Ray: | Surface to T. D.      |
|----------|-------------------------|-----------------------|
|          | Micro Laterolog:        | Surface Csg. to T. D. |
| ,        | Dual Ind. Laterolog:    | Surface Csg. to T. D. |

Coring: None.

- 9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight.
- 10. Anticipated starting date: November 15, 1983. Anticipated completion of drilling operations: Approximately 10 days.



UNINGAN INIG 1-1 1"=50

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EXHIBIT "D" READ & STEVENS, INC. Palma Mesa Federal, Well No. 1 Rig Layout