

## OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088  
SANTA FE, NEW MEXICO 87501Form C-102  
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

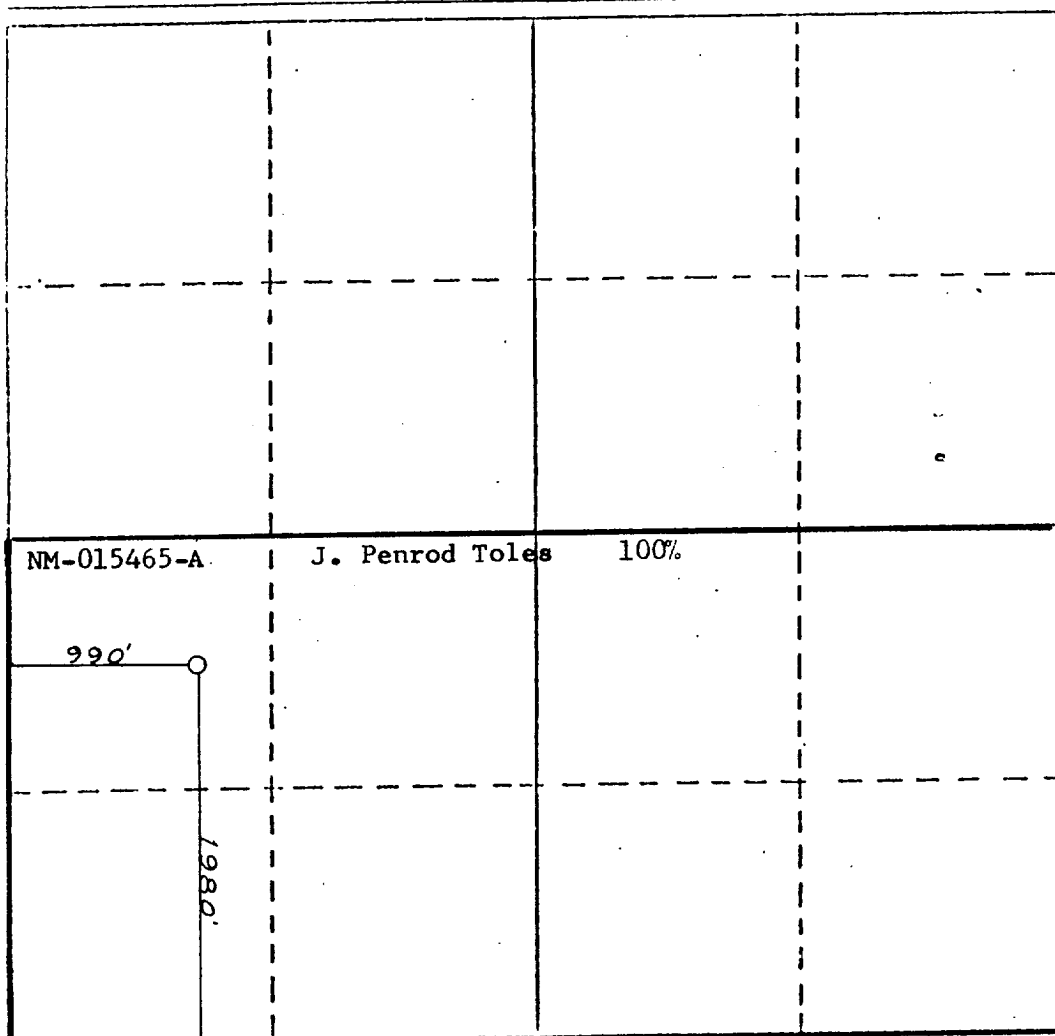
Operator <b>Read &amp; Stevens, Inc.</b>		Lease <b>Toles Federal</b>		Well No. <b>2</b>	
Init Letter	Section <b>24</b>	Township <b>15 South</b>	Range <b>27 East</b>	County <b>Chaves</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>South</b> line and <b>990</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3629</b>	Producing Formation <b>Atoka</b>		Pool <b>Buffalo Valley Penn</b>		Dedicated Acreage: <b>320</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Division.



## CERTIFICATION

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

*George R. Smith*

Name  
**George R. Smith**

Position  
**Agent for**

Company  
**Read & Stevens, Inc.**

Date  
**April 3, 1985**

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.

**March 5, 1985**

Date Surveyed  
**P. R. Patton**

Registered Professional Engineer  
and/or Land Surveyor

**8112**

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

SIERRA DRILLING CO. Rig # 2

6L to Floor 132"  
6L to Bottom of Rotary 116"

This Stack is 110.5"

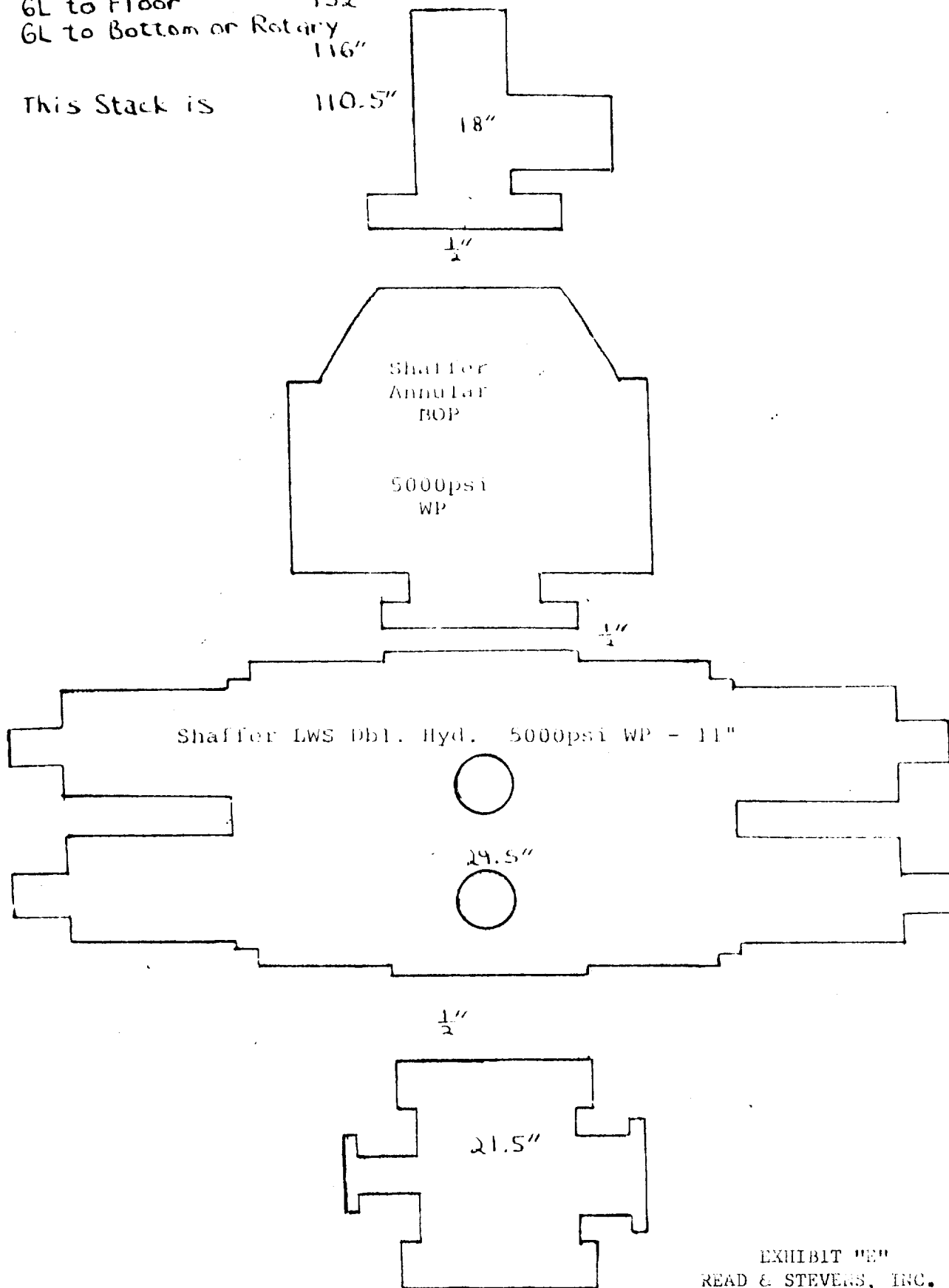


EXHIBIT "E"  
READ & STEVENS, INC.  
Toles Federal, Well No. 2  
BOP Diagram

APPLICATION FOR DRILLING

READ & STEVENS, INC.  
Toles Federal, Well No. 2  
1980' FSL & 990' FWL, Sec. 24-T15S-R27E  
Chaves County, New Mexico  
Lease No.: NM-0115465A  
(Development 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:

Queen	1036'	Cisco	7236'
San Andres	1537'	Canyon	7617'
Glorieta	2815'	Strawn	8202'
Tubb	4484'	Atoka	8614'
Abo	5265'	Chester	8994'
Wolfcamp	6434'	Total Depth	9100'
3. The estimated depth at which anticipated water, oil or gas formations are expected to be encountered:

Water: Possible surface water expected between 200 - 400 feet.

Gas: Atoka at approximately 8700'.

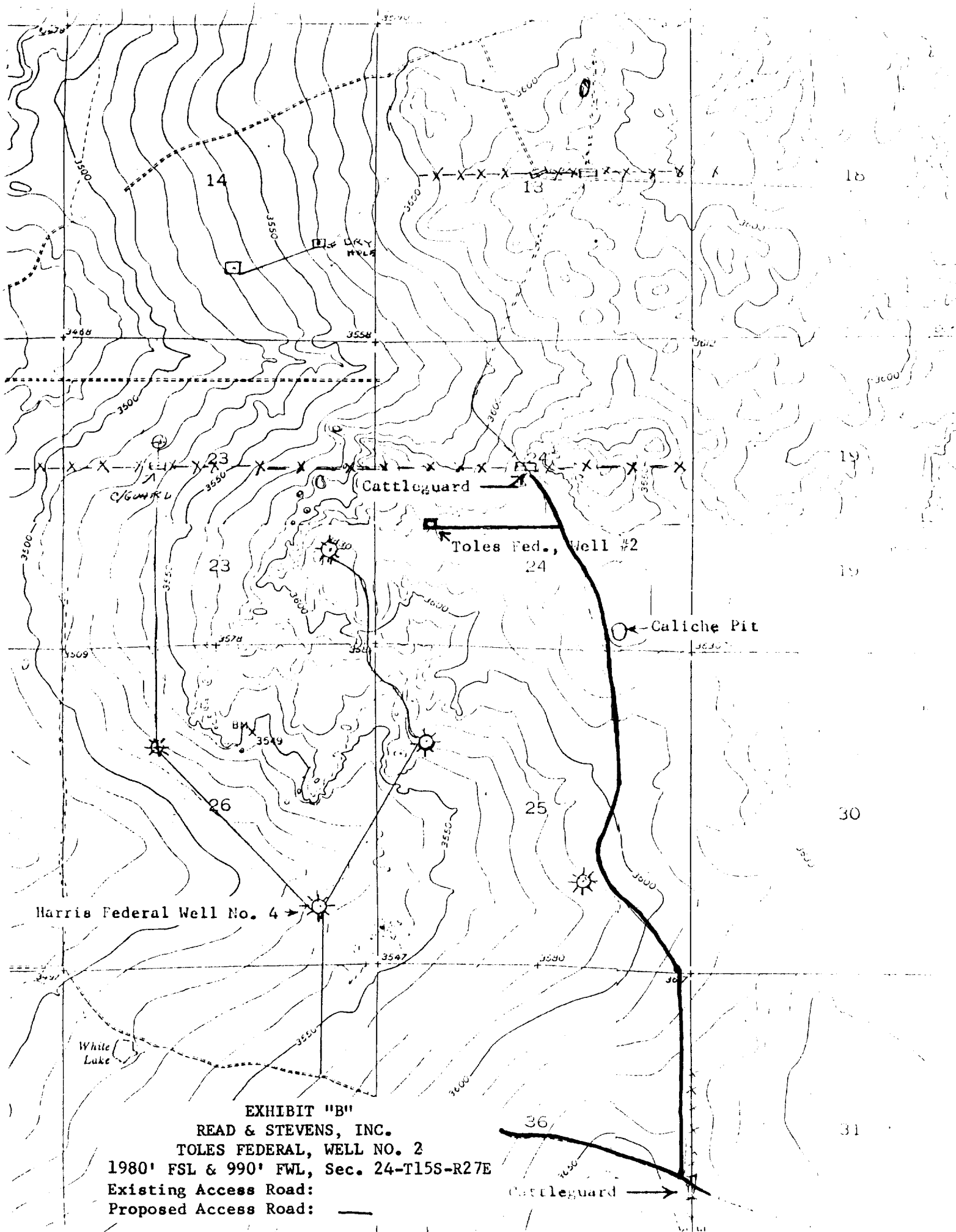
Oil: San Andres at approximately 1545'.
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit "E".
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Blowout preventer, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging and Coring Program:

Drill Stem Tests: One possible in each of the following:

Strawn	8202' - 8302'
Atoka	8614' - 8714'

Logging: Gamma Ray                      Surface to T. D.  
          FDC/CNL                        Int. Csg. to T. D.  
          Dual Ind. Laterolog           Int. 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: May 15, 1985.  
Anticipated completion of drilling operations: Approximately 35 days.



SIERRA Drilg. Co.  
Rig #2

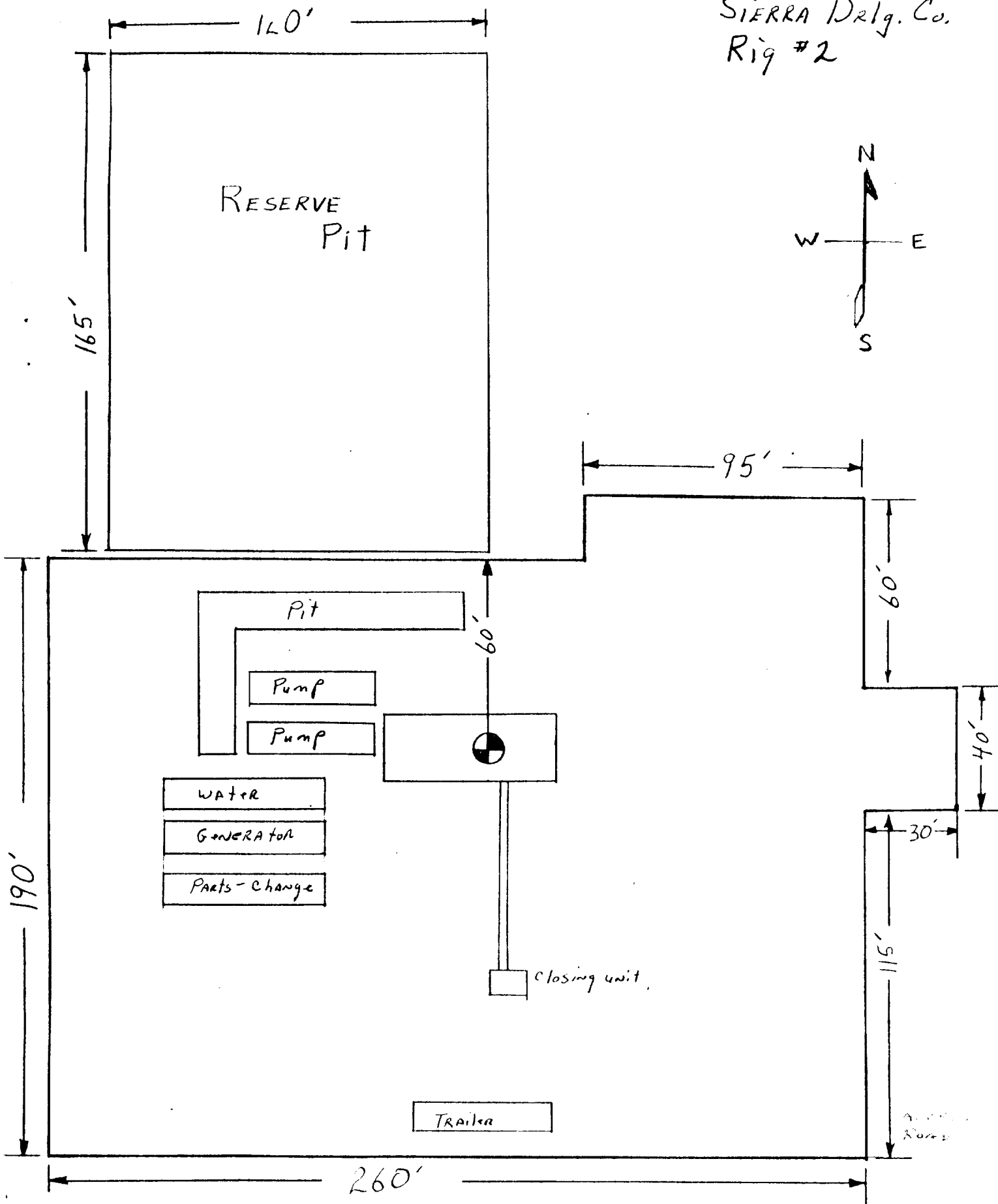


EXHIBIT "D"  
READ & STEVENS, INC.  
Toles Federal, Well No. 2  
Rig layout