N.M.O.C.D. COPY

Form 9-331 C
(May 1963)

SUBMIT IN T[illegible]ICATE*
(Other instru[illegible]ns on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

30-015-23611

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: NM 9987

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: --

7. UNIT AGREEMENT NAME: --

8. FARM OR LEASE NAME: Ryan Federal

9. WELL NO.: 1

10. FIELD AND POOL, OR WILDCAT: Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 30, T16S, R29E

1a. TYPE OF WORK: DRILL [XX] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [XX] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

RECEIVED
JAN 16 1981
O. C. D.
ARTESIA, OFFICE

2. NAME OF OPERATOR: Exxon Corporation

3. ADDRESS OF OPERATOR: P. O. Box 1600, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1980' FNL and 1175' FWL of Section
At proposed prod. zone:

12. COUNTY OR PARISH: Eddy — 13. STATE: New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 16.5 miles East of Artesia

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 1175' / 1175

16. NO. OF ACRES IN LEASE: 1448.11

17. NO. OF ACRES ASSIGNED TO THIS WELL: 262.4

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: None

19. PROPOSED DEPTH: 10,600'

20. ROTARY OR CABLE TOOLS: Rotary

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

22. APPROX. DATE WORK WILL START*: February 9, 1981

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	350	250 sx ± CIRCULATE
12 1/4"	8 5/8"	24#	1600	600 sx ±
7 7/8"	5 1/2"	14#,15.5,17 & 20#	10400	1500 sx ±

Gas is not dedicated to a purchaser.

NSP 1232

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JAN 9 1981
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

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 [signature] TITLE Proration Specialist DATE 1-7-81

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE JAN 26 1981

CONDITIONS OF APPROVAL, IF ANY:

Exxon Lse. No. _____

State Lse. No. _____

Federal Lse. No. _____

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

Operator	Lease	Well No.
Exxon Corporation	Ryan Federal	1

Unit Letter	Section	Township	Range	County
F	30	16 S	29 E	Eddy

Actual Footage Location of Well:
1980 feet from the North line and 1175 feet from the West line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
	Pennsylvanian	Wildcat	262.4 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

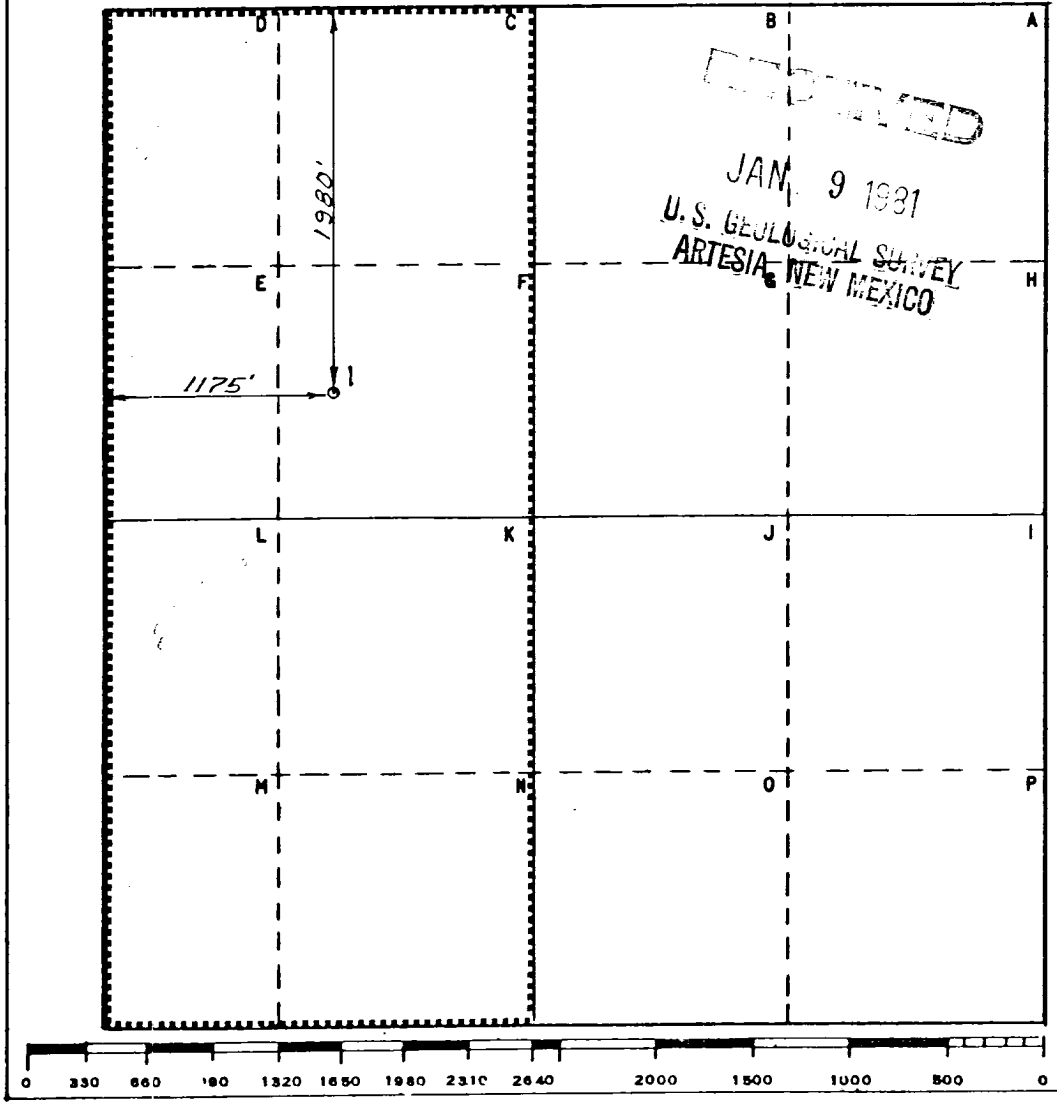
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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.

Name: Melba Kripling

Position: Proration Specialist

Company: Exxon Corporation

Box 1600 Midland, Texas

Date: 1-7-81

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: 1-6-81

Registered Professional Engineer and/or Land Surveyor

N. S. Westerfeld

Certificate No. 1382

STATE OF NEW MEXICO

ENERC AND MINERALS DEPA. TMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

January 13, 1981

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

RECEIVED

JAN 15 1981

O. C. D.
ARTESIA, OFFICE

Exxon Company, U.S.A.
P. O. Box 1600
Midland, Texas 79702

Attention: Melba Knipling

Administrative Order NSP-1232

Gentlemen:

Reference is made to your application for a 262.4-acre non-standard proration unit consisting of the following acreage in the Pennsylvanian formation:

EDDY COUNTY, NEW MEXICO
TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 30: W/2

It is my understanding that this unit is to be dedicated to your Ryan Federal Well No. 1 located 1980 feet from the North line and 1175 feet from the West line of said Section 30.

By authority granted me under the provisions of Rule 104 D II, the above non-standard proration unit is hereby approved.

Sincerely,

JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Artesia
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Artesia

BLOWOUT PREVENTER SPECIFICATION
EQUIPMENT DESCRIPTION

TYPE II-C

All equipment should be at least 3000 psi WP or higher unless otherwise specified.

1. Bell nipple.
2. Hydril or Shaffer bag type preventer.
3. Ram type pressure operated blowout preventer with blind rams.
4. Flanged spool with one 4-inch and one 2-inch (minimum) outlet.
5. 2-inch (minimum) flanged plug or gate valve.
6. 2-inch by 2-inch by 2-inch (minimum) flanged tee.
7. 4-inch pressure operated gate valve.
8. 4-inch flanged gate or plug valve.
9. Ram type pressure operated blowout preventer with pipe rams.
10. Flanged type casing head with one side outlet (furnished by Exxon).
11. 2-inch threaded (or flanged) plug or gate valve (furnished by Exxon). Flanged on 5000# WP, threaded on 3000# WP or less.
12. Needle valve (furnished by Exxon).
13. 2-inch nipple (furnished by Exxon).
14. Tapped bull plug (furnished by Exxon).
15. 4-inch flanged spacer spool.
16. 4-inch by 2-inch by 2-inch by 2-inch flanged cross.
17. 2-inch flanged plug or gate valve.
18. 2-inch flanged adjustable choke.
19. 2-inch threaded flange.
20. 2-inch XXH nipple.
21. 2-inch forged steel 90° Ell.
22. Cameron (or equal.) threaded pressure gage.
23. Threaded flange.

35. 2-inch flanged tee.
36. 3-inch (minimum) hose. (Furnished by Exxon).
37. Trip tank. (Furnished by Exxon).
38. 2-inch flanged plug or gate valve.
39. 2-1/2-inch pipe, 300' to pit, anchored.
40. 2-1/2-inch SE valve.
41. 2-1/2-inch line to steel pit or separator.

NOTES:

1. Items 3, 4 and 9 may be replaced with double ram type preventer with side outlets between the rams.

2. The two valves next to the stack on the fill and kill line to be closed unless drill string is being pulled.

3. Kill line is for emergency use only. This connection shall not be used for filling.

4. Replacement pipe rams and blind rams shall be on location at all times.

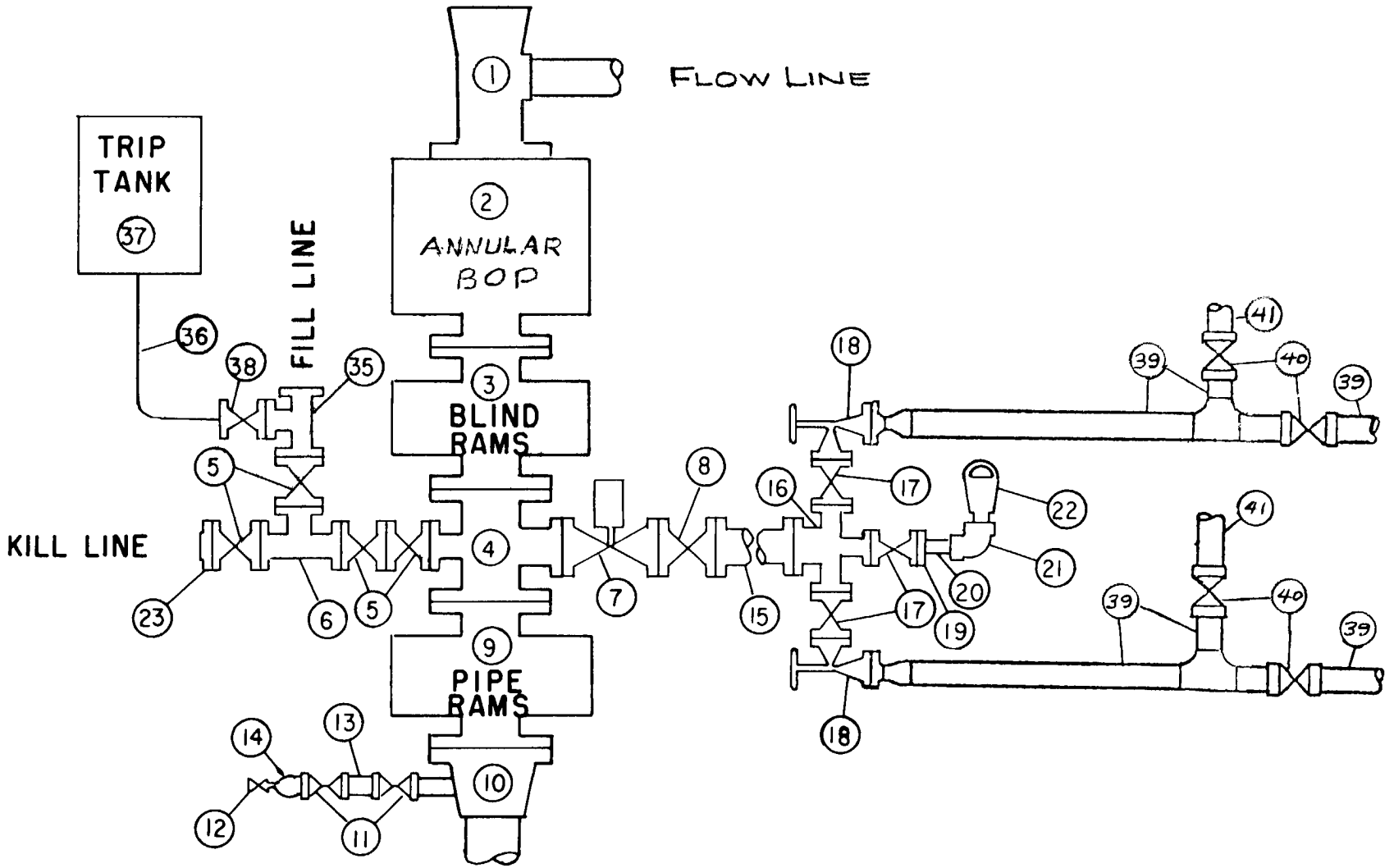
5. Only type U, LWS and QRC ram type preventers with secondary seals are acceptable for 5000 psi WP and higher BOP stacks.

6. Type E ram-type BOP's with factory modified side outlets may be used on 3000 psi or lower WP BOP stacks.

MIDLAND DRILLING ORGANIZATION

BLOWOUT PREVENTER SPECIFICATION

TYPE II - C



9/15/73

Exxon Corporation #1 Ryan Federal
1175' FWL and 1980' FNL of Section 30, T16S, R29E
Federal Lease No. NM 9987, Eddy County, New Mexico

1. The geologic name of the surface formation: Recent

2. The estimated tops of important geologic markers:

Queen	1100'
San Andres	2375'
Abo	5890'
Bough (Wolfcamp)	7135'
Penn (Cisco)	8762'
Morrow	9565'
Morrow Clastics	9765'

3. The estimated depths at which anticipated water, oil, gas, or other mineral bearing formations are expected to occur:

Water		60'
Oil	Queen	1100'
	Abo	7135'
	Wolfcamp	8762'
Gas	Morrow	9565'

4. Proposed Casing Program:

String	Size	Weight/Grade	Condition	Depth Interval
Surface	13 3/8"	48#/H-40	New or used	0- 350' ±
Intermediate	8 5/8"	24#/K-55	New or used	0-1600' ±
Production	5 1/2"	14#, 15.5#, 17#, 20#/ K-55 & N-80	New or used	0-10,400 ±

5. Minimum specifications for pressure control equipment.

   a. Wellhead Equipment - Flanged type 3000 psi WP for 13 3/8" x 8 5/8" x 5 1/2" casing program and 2 7/8" tubing.

   b. Blowout Preventers - Refer to attached drawings and lists of equipment titled "Type V", "Type VI" and "Type II-C" for description of BOP stacks and choke manifold.

   c. BOP Control Unit - Unit will be hydraulically operated and have at least 3 control stations.

   d. Testing - When installed on 8 5/8" Intermediate casing the "Type II-C" BOP stack will be tested to a low pressure (200-300 psi) and to 1500 psi. Casing rams will be tested in like manner when installed prior to running production casing. An operational test of the blowout preventers will be performed on each round trip (but not more than once each day); the annular and pipe ram preventers will be closed on drill pipe, and the blind rams will be closed while pipe is out of the hole.

6. Type and Anticipated Characteristics of Drilling Fluid:

Depth Interval (Feet)	Mud Type	Weight (ppg)	Funnel Visc. (Sec/Qt)	WL (cc)	pH
0-5000	FW	8.6-9.0	30-33	--	10.5
5000-TD	Cut Brine	8.8-9.2	35-40	10-12	10.5

7. Auxiliary Control Equipment:

   a. Kelly Cocks: Upper and lower installed on kelly.

   b. Safety Valve: Full opening ball type to fit each type and size of drill pipe in use will be available on rig floor at all times, in open position for stabbing into drill pipe when kelly is not in the string.

   c. Trip tank to insure that hole is full and takes proper amount of fluid on trips. Will be used during drilling of intermediate and production hole.

   d. Mud system monitoring equipment and floats at the bit will not be used unless conditions dictate.

8. Testing, Logging, and Completion Programs.

   a. Logging: Surface casing-TD FDC/DLL/CNL
   Surface-TD Gamma Ray

   b. Mud Logger from surface casing shoe to TD.

   c. Completion - Formation: Morrow 9765± - 10,000±

   Proposed Completion Procedure: Spot acid across pay zone. Run GR-CCL and perforate. Acidize with 1500 gals. 15% gelled NE HCl.

   d. Production Method: Run packer on 2 7/8" tubing and set above Morrow perforations. Produce Morrow gas up the tubing.

9. Abnormal Pressure or Other Possible Hazards:

   a. No abnormal pressure is anticipated.

   b. No H_2S problem is expected.

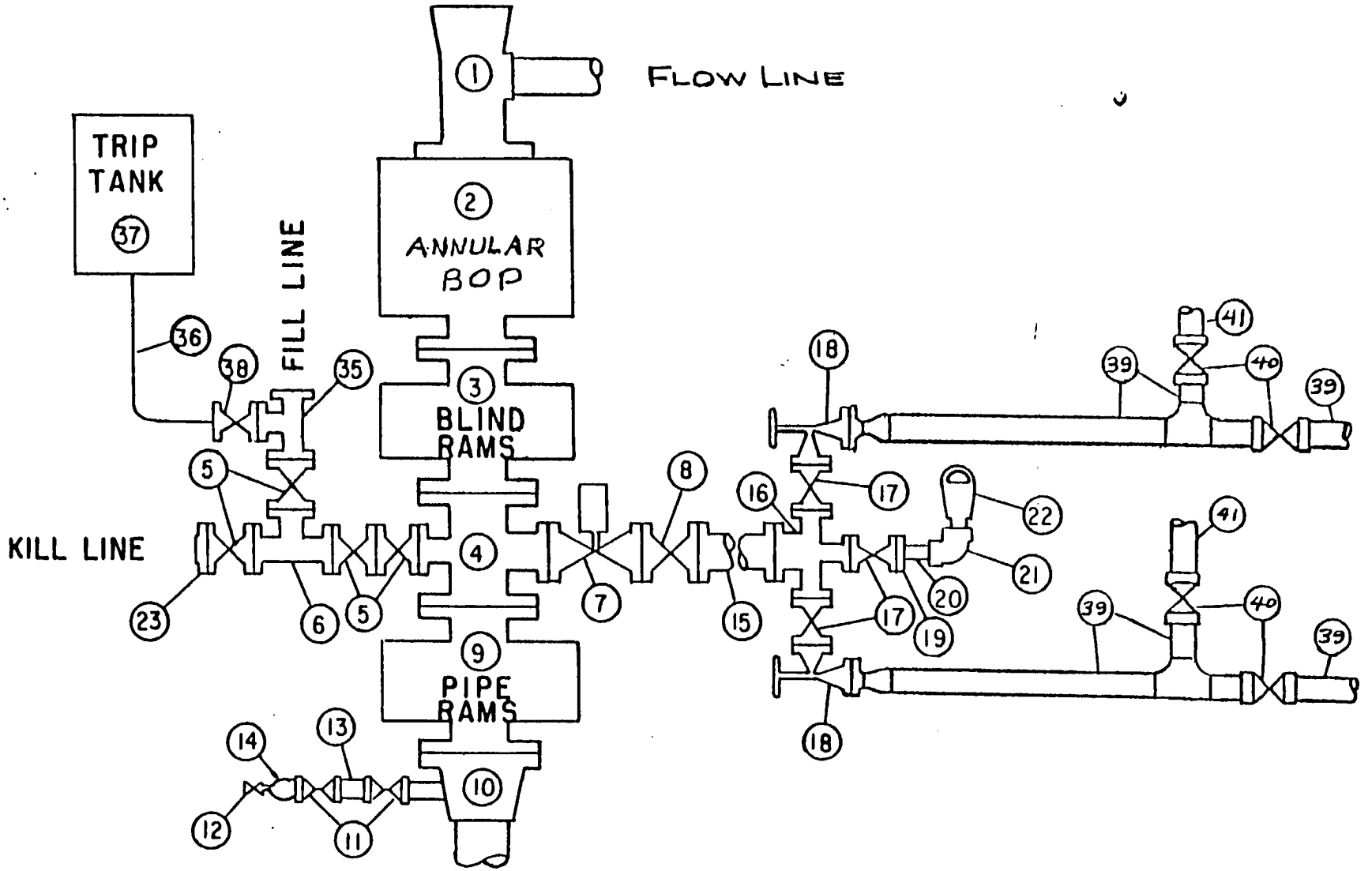
10. It is anticipated that the drilling and completion operations will begin about February 9, 1981 and be finished in approximately 12 weeks.

HAE/ch

MIDLAND DRILLING ORGANIZATION

BLOWOUT PREVENTER SPECIFICATION

TYPE II - C

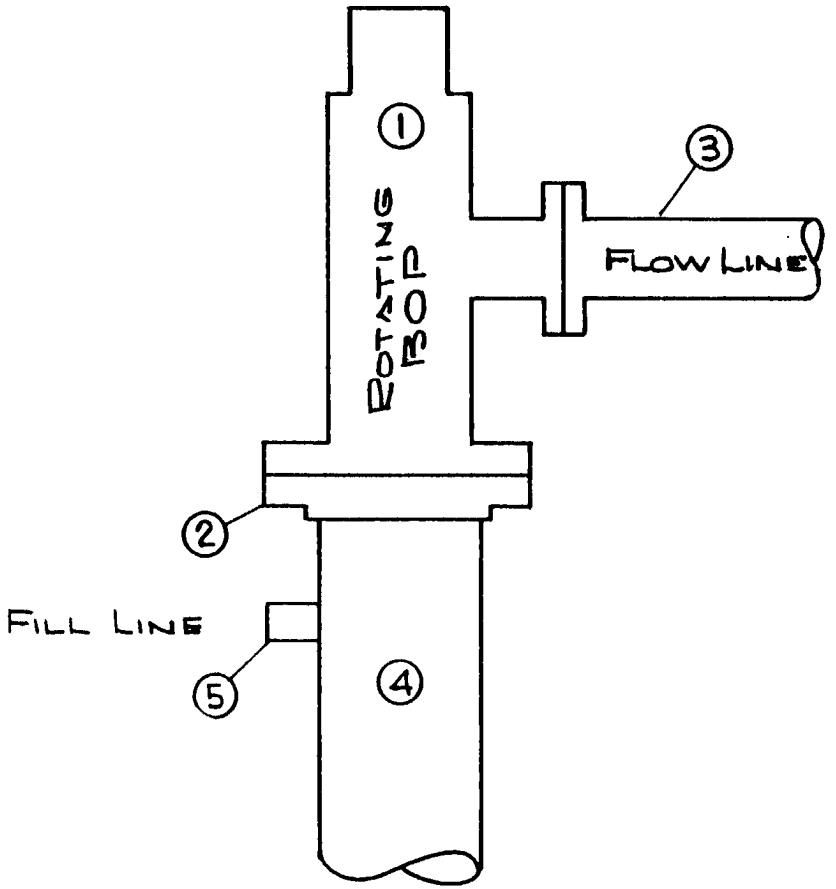


9/15/73

MIDLAND DRILLING ORGANIZATION

BLOWOUT PREVENTER SPECIFICATION

TYPE V

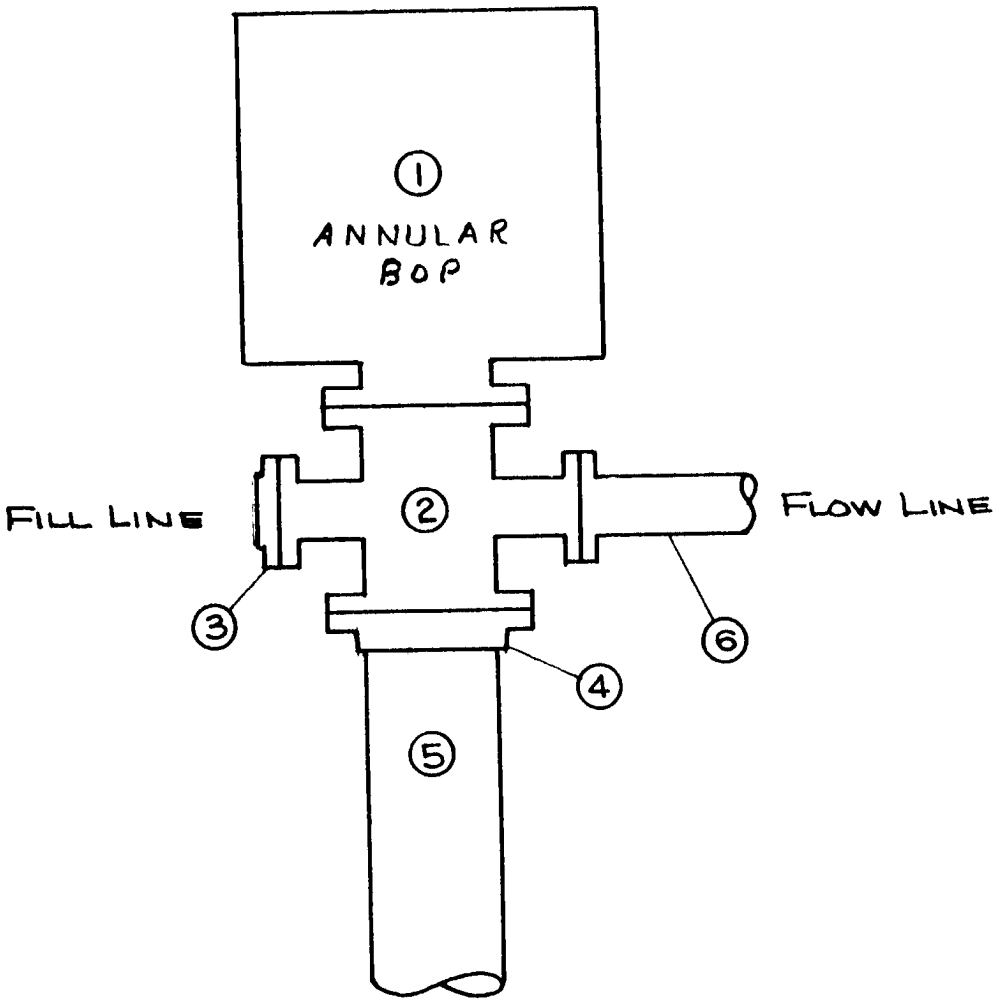


EQUIPMENT FOR FLOW DIVERSION

1. ROTATING TYPE BOP
2. SLIP-ON OR THREADED FLANGE
3. FLOWLINE
4. CONDUCTOR PIPE
5. COUPLING WELDED TO CONDUCTOR

REV. 9/15/73

MIDLAND DRILLING ORGANIZATION
BLOWOUT PREVENTER SPECIFICATION
TYPE VI



EQUIPMENT FOR FLOW DIVERSION

1. HYDRIL OR SHAFFER
2. FLANGED SPOOL
3. THREADED FLANGE
4. SLIP-ON OR THREADED FLANGE
5. CONDUCTOR
6. FLOWLINE

9/15/73

SURFACE USE PLAN

Exxon Corporation #1 Ryan Federal
1175' FWL and 1980' FNL of Section 30, T16S, R29E
Federal Lease No. NM 9987, Eddy County, New Mexico
(Exploratory Well)

1. EXISTING ROADS - Detailed map showing drillsite location and all existing roads within a 3-mile radius of the wellsite are shown on Exhibit "A".

   From Loco Hills, New Mexico, go west 9.5 miles to a gravel road heading north, at approximately milepost 122.5 on U. S. Highway 82. From U. S. 82, travel northeasterly 7.5 miles in all to the location, at 2.5 miles past road intersection, taking left fork, at 4.9 miles turn right at a road intersection and tank battery, at 5.6 miles go straight ahead at road intersection, at 6.9 miles, cross cattleguard and turn left at road intersection, at 7.4 miles go straight across pipeline and road intersection and at 7.5 miles the road crosses the well pad.

2. PLANNED ROADS - There are no new planned roads required.

3. LOCATION OF EXISTING WELLS WITHIN TWO-MILE RADIUS -

   1. Water Wells - There are no water wells within a two-mile radius.

   2. Abandoned Wells - Abandoned wells are shown on Exhibit "A".

   3. Temporarily Abandoned Wells - None.

   4. Disposal Wells - None.

   5. Drilling Wells - None.

   6. Producing Wells - Shown on Exhibit "A".

   7. Shut-in Wells - None.

   8. Injection Wells - None.

   9. Monitoring or observation wells for other resources - None.

4. TANK BATTERIES, PRODUCTION FACILITIES AND LEASE PIPELINES -

   A. No production facilities owned or controlled by the operator are within a one-mile radius.

   B. In the event of production, new facilities are shown on Exhibit "B".

      (1) Proposed location and attendant lines by flagging if off of well pad shown on Exhibit "B".

      (2) Dimensions of facilities are shown on Exhibit "B".

      (3) Production facilities will be constructed on drillsite pad.

(4) Equipment and pit will be fenced and flagged to protect livestock and wildlife, if necessary.

C. Rehabilitation will be done on any disturbed areas no longer needed for operations after completion of the production facilities. This will consist of reshaping the existing surface and seeding as specified.

5. LOCATION AND TYPE OF WATER SUPPLY -

A. Water will be pumped from a water well drilled on the pad, or trucked from an existing well in the area upon receiving owner's permission, over existing roads.

B. If it is feasible to drill a water well at the site, this would be the preferred source.

6. SOURCE OF CONSTRUCTION MATERIALS -

A. It is not anticipated that there will be any construction materials or road topping required, other than the soil available at the drill pad.

7. WASTE DISPOSAL -

a. Drill cuttings will be disposed of in the reserve pit.

b. Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.

c. Trash, waste paper, garbage and junk will be burned or buried with a minimum of 24" cover. Oil produced will be stored in tanks until sold, at which time it will be hauled from location.

d. Any produced water will be contained in tanks and be disposed of in an approved manner. Oil produced will be stored in tanks until sold, at which time it will be hauled from location.

e. Current laws and regulations pertaining to disposal of human waste will be complied with.

f. If productive, maintenance waste will be placed in special containers and buried or hauled away periodically.

8. ANCILLIARY FACILITIES - No camps, airstrips, etc., will be constructed.

9. WELLSITE LAYOUT -

a. Refer to Exhibit "B" for wellsite layout.

b. Dimensions may vary depending on size of drilling rig available.

c. Terrain at the wellsite will require some cut and fill.

d. The pad will be topped with material obtained from the reserve pit or material hauled in from private property traversed by the access road.

e. The reserve pit will be approximately 200' x 150' top width and will be lined with plastic.

10. RESTORATION OF SURFACE -

1. At the time of completion and abandonment of the well, the pits will be backfilled and the entire disturbed area will be sloped to coincide with the adjacent undisturbed area. The top soil will be distributed over the entire disturbed area. Prior to leaving the drillsite upon rig move out and before reshaping, any pit that is to remain open for drying will be fenced until backfilling and reshaping can be done.

2. No new road is planned.

3. Any vegetation of the drill pad will comply with BLM specifications.

4. Any oil on pits will be removed or otherwise disposed of to USGS and BLM approval.

5. Rehabilitation operations will be completed as soon as practical after abandonment of the well and no later than the Fall after abandonment.

11. OTHER INFORMATION -

A. Terrain - Caprock, gentle slope.

B. Soil - Rocky and sandy.

C. Sparse vegetation - greasewood and some native grasses.

D. There are no buildings, surface water or water wells within a one-mile radius. There are no archeological, historical or cultural sites in the area.

E. Surface use is grazing.

F. Effect on Environment - Drillsite, which is in nearly flat semi-arid, desert country, is in a low environmental risk area. The total effect of drilling and producing in this area would be minimal. No known archeological, historical, or cultural sites exist in the drill or road areas.

G. Surface Ownership - the drillsite and new access road is located on Federal lands.

H. Open Pits - All unattended pits containing mud or other liquids will be fenced.

I. Well Sign - Sign identifying and locating well will be maintained at drillsite commencing with the spudding of the well.

12. OPERATOR'S REPRESENTATIVE - Field representative who can be contacted concern-

ing compliance of the Surface Use Plan is:

H. G. Davidson
P. O. Box 1600
Midland, TX 79702
Office Phone: 915/685-9355
Home Phone: 915/694-5324

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 operations proposed herein will be performed by Exxon Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. A copy of this plan will be posted at the wellsite during the drilling of the well for reference by all contractors and subcontractors.

Date January 8, 1980

H. G. Davidson
Division Drilling Manager

MK/ch