NM OIL CONS.
Drawer DD
Artesia, NM 88210

SF / file

Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425

30-015-24165

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: NM 05186

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Joe

9. WELL NO.: #1

10. FIELD AND POOL, OR WILDCAT: Bunker Hill

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Section 23, Tshp, 16S, Range 31E

12. COUNTY OR PARISH: Eddy

13. STATE: New Mex

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

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

RECEIVED
JUN 4 1982
O. C. D.
ARTESIA, OFFICE

2. NAME OF OPERATOR: C.E. LaRue and B.N. Muncy, Jr.

3. ADDRESS OF OPERATOR: PO Box 196 Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 660' FNL & 1980 FEL Section 23, T-16S, R-31E
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 10 Miles Northwest of Maljamer, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
660'	160	40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
	3750'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 4387.3 GL

22. APPROX. DATE WORK WILL START*: June 1, 1982

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" New	24#	1300'	450 Sacks-Class C Circulated
7 7/8"	4 1/2" New	10½#	3500'	300 Sacks-60/30 Poz w/2% Cacl

Surface formation is Permian. Surface casing to be set on top of salt and circulated. Estimated formation tops; Salt 1200, Yates 2400, Queen 3250 with possible oil and gas, San Adres 3900. Regan Type 8", 3000# BOP will be used, with rams closed and pressure tested prior to drilling known oil and gas zones. Drilling mud will be fresh water gel with viscosity of approximately 34. Logs will be Sidewall Neutron Porosity and Dual Laterolog Micro-SFL. No testing will be done until after pipe has been cemented and well fractured. There have been no water flows, abnormal pressures, or H_2S encountered anywhere in this area.

RECEIVED
MAY 19 1982
U.S. GEOLOGICAL SURVEY
ROSWELL, 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: Operator DATE: 5/12/82

(This space for Federal or State office use)

PERMIT NO. (Orig. Sgd.) GEORGE H. STEWART APPROVAL DATE

APPROVED BY MAY 27 1982 TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

JAMES A. GILLHAM
DISTRICT SUPERVISOR

Posted ID-1
N. Fee Book
API Book
6-11-82

*See Instructions On Reverse Side

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.
C E La Rue and B N Muncy Jr.	Joe	1

Unit Letter	Section	Township	Range	County
B	23	16 South	31 East	~~Chaves~~ EDDY

Actual Footage Location of Well:
660 feet from the North line and 1980 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage
4387.3	PENROSE	BUNKER HILL Penrose	40 Acres

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

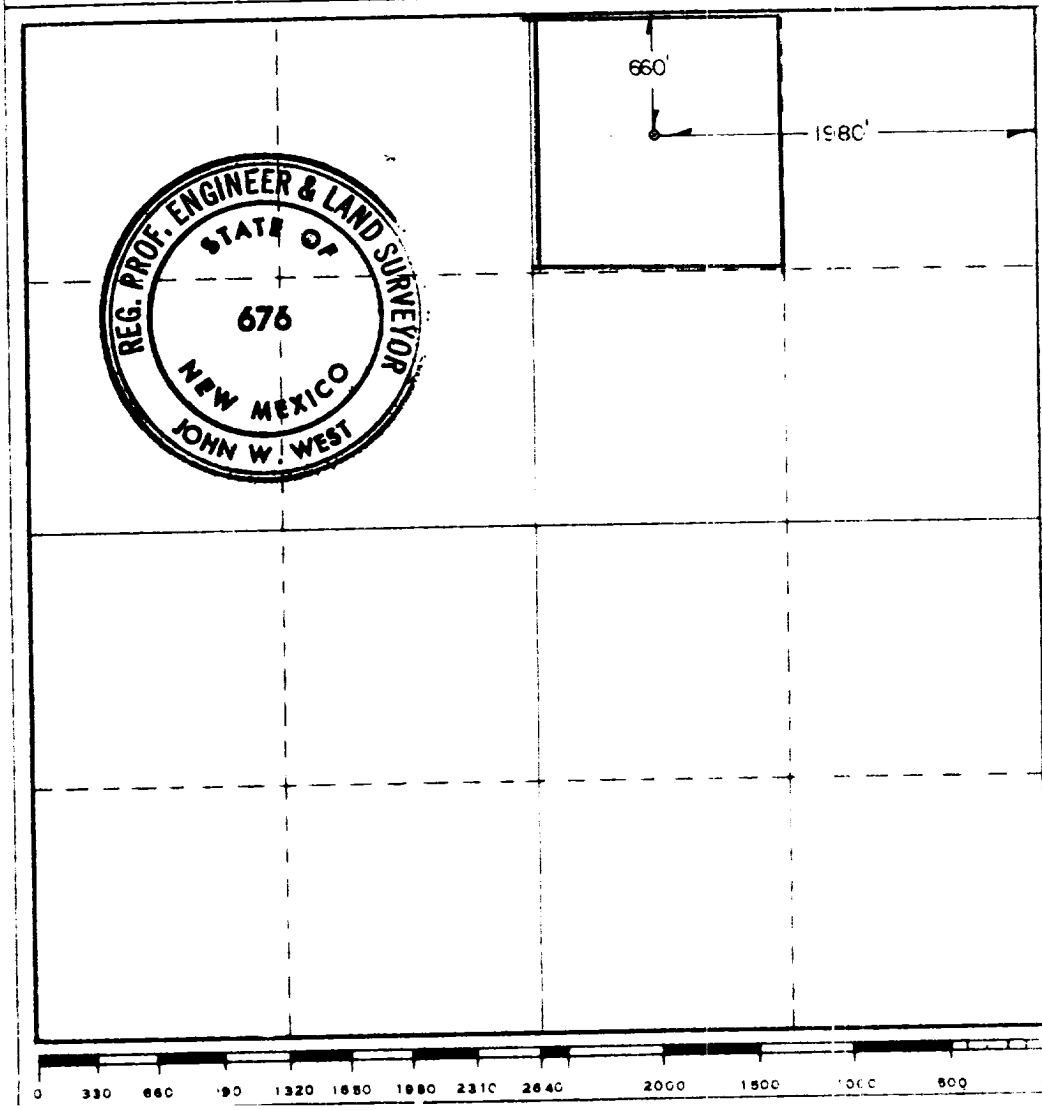
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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: B N Muncy Jr.

Position: Operator

Company: C.E. LaRue and B.N. Muncy, Jr.

Date: December 11, 1981

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.

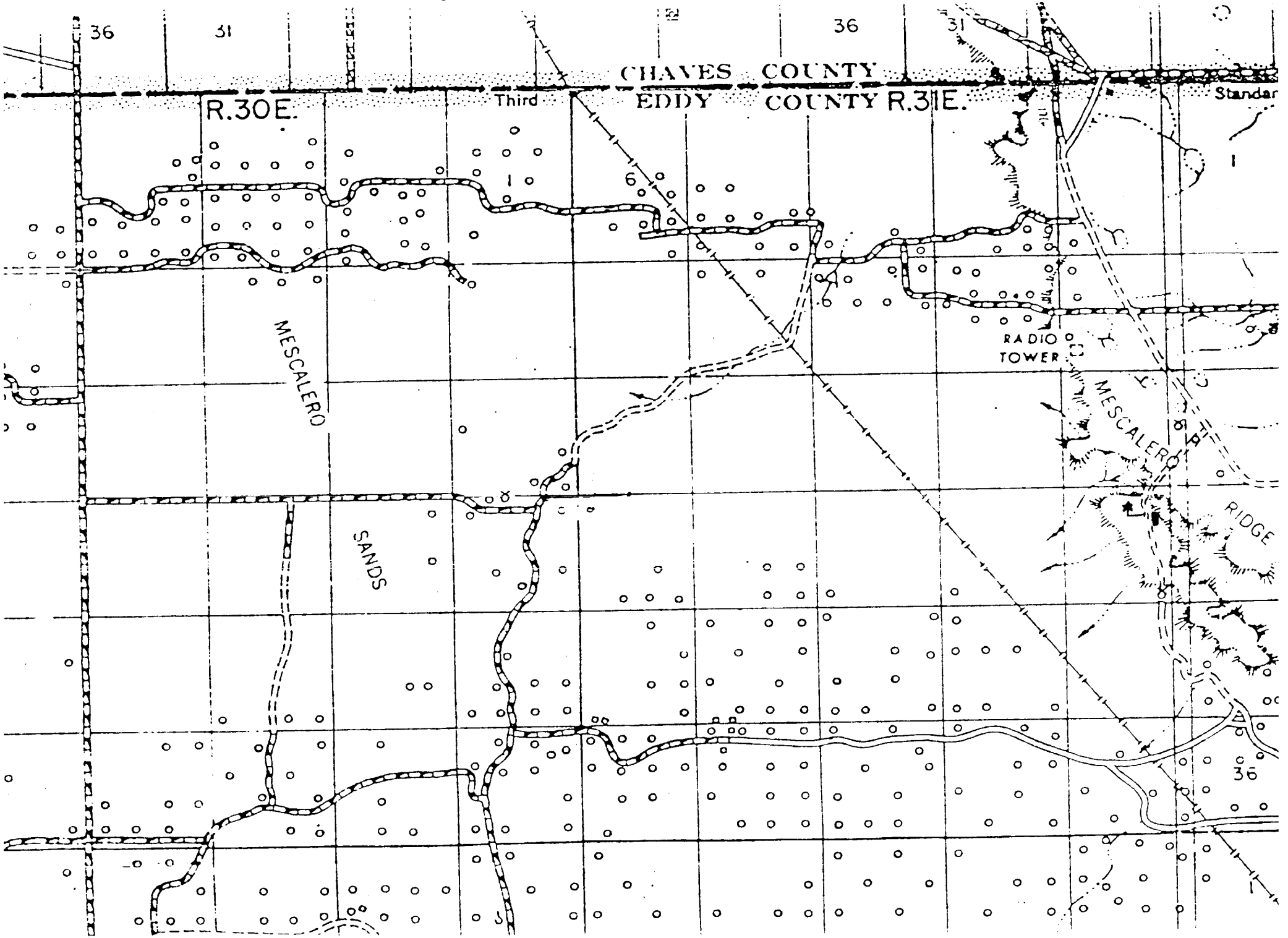
Date Surveyed: 12/9/81

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. JOHN W. WEST 676
PATRICK A. ROMERO 6668
Ronald J. Eidson 3239

C.E. LaRue and B.N. Muncy, Jr. EXHIBIT A JOE FEDERAL #1



REGAN BLOWOUT PREVENTERS

The Regan Torus Blowout Preventer is used primarily on production and workover rigs for well control up to 3000 PSI working pressure

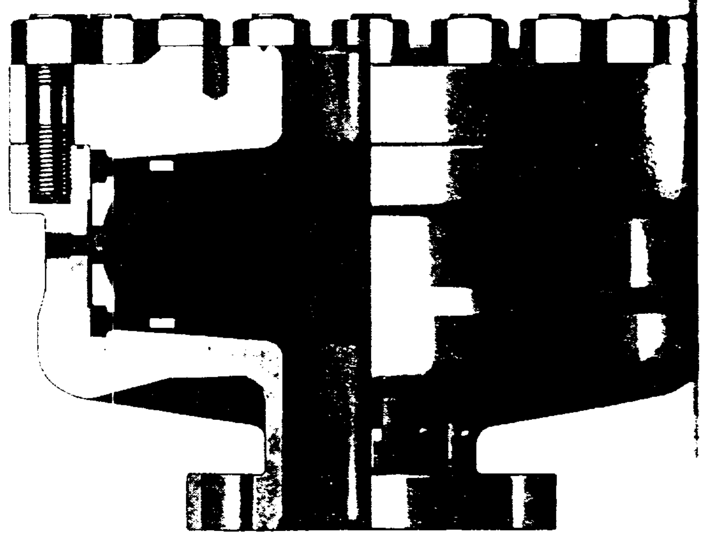
DESIGN FEATURES

a. The Torus Preventer is designed for minimum height to facilitate its use with production and workover rigs.

b. The rubber packer will conform to any object in the well bore. Sealing ability is not affected by minor damage to the inner bore.

c. The packer will seal on open hole at full working pressure.

d. The dual packer design increases the reliability of the preventer since the outer rubber is never exposed to the well bore. Under ordinary service, the outer packer is rarely replaced.



TORUS BLOWOUT PREVENTER
PATENTED

SPECIFICATIONS

Nominal Size	Test Pressure (psi)	DIMENSIONS (In.) Outside Diameter	Thru Bore	Overall Height	Weight (lb.)	End Flanges (1)	R/RX Ring Grooves	Side Outlet
6	3000	[illegible]	7 1/16	19 [illegible]	[illegible]	Nom. 6	45	None
	6000	[illegible]	7 1/16	21 [illegible]	[illegible]	Nom. 6	45	[illegible]
8	3000	[illegible]	9	25	[illegible]	Nom. 8	[illegible]	[illegible]

1. Bottom flange [illegible] for use with either [illegible] psi API-6B flange [illegible] used with obsolete [illegible] flange. Top [illegible] studded for 300[illegible] flange unless other[illegible]fied.

C.E. LaRue and B.N. Muncy, Jr.

VOE #1

C.E. LARUE and B.N. MUNCY, JR.

Joe #1

1. All water used in drilling well will be transported by truck from existing wells in Maljamar, N.M. over existing roads and road to be constructed.

2. Road to be constructed will be approximately 600' in length and 12' in width as shown on Exhibit A. Existing roads to be used are shown on County Road Map, Exhibit A. Constructed road and pad for rig will be covered with sufficient caliche for all weather operation, no turnouts or drainage will be necessary.

3. There are no producing wells on this lease, or within a one mile radius of this location, owned or controlled by operator. All flow lines, tank batteries and other production equipment will be located on the well site.

4. Location of caliche pit to be used for road and location construction is shown on Exhibit A, will be hauled over existing and to be constructed roads.

5. All waste will be disposed of in a pit on location for this purpose. If well is completed as a producer the waste pit, reserve pit, and working pits will be filled and levelled. If well is completed as a dry hole the pad and access road will be ripped and levelled in accordance with requirements, and surface will be reseeded in accordance with present requirements. The commencement date of all operations will be as soon as pits are dry and in condition to handle rehabilitation process.

6. The field representative responsible for assuring compliance with the approved surface use plan is:

   Eddie C. LaRue, Drilling Superintendent, Artesia,NM Phone: 746-4405

7. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site 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 LaRue & Muncy and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

May 13, 1982
Date

Operator