30-015-24495

Form 9-331 C
(May 1963)

SUBMIT IN [illegible]PLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

4/87

NM OIL CONS. COMMISSION
Drawer DD
Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: N.M. 16820

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

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

RECEIVED
MAR 16 1983
O. C. D.
ARTESIA, OFFICE

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Amoco Federal

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

9. WELL NO.: 2

3. ADDRESS OF OPERATOR: P.O. Box 196 Artesia, NM 88210

10. FIELD AND POOL, OR WILDCAT: Bunker Hill Penrose

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 940' FSL & 2050' FEL Section 23, T16S, R31E
At proposed prod. zone

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Section 23, T16S, R31E

12. COUNTY OR PARISH: Eddy

13. STATE: NM

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 380'

16. NO. OF ACRES IN LEASE: 120

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.:

19. PROPOSED DEPTH: 3600'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 4217'GL

22. APPROX. DATE WORK WILL START*: March 15, 1983

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
13 3/4"	8 5/8"	24#	1100'	500 Sacks Circulated
7 7/8"	5 ½"	15½#	3600'	300 Sacks

Surface formation is Permian. Surface casing to be set on top of Salt and circulated. Estimated formation tops: Salt 1100', Yates 2250', Queen 3150', Penrose 3550', with possible oil and gas shows, Grayburg 3570', Regan Type 8" 3000# BOP will be used, with rams closed and pressure tested prior to drilling known oil or 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
MAR 9 1983
OIL CON. DIV.
MINERALS MANAGEMENT SERVICE
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 March 3, 1983

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED
(ORIG. SGD.) DAVID R. GLASS
MAR 10 1983
JAMES A. GILLHAM
DISTRICT SUPERVISOR

APPROVED BY TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

*See Instructions On Reverse Side

Posted APD
10-14-83
3-14-83

NE MEXICO OIL CONSERVATION COMMISSI

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

C.E. LaRue & B.N. Muncy		Lease: Amoco-Federal		Well No.: 2
Unit Letter: O	Section: 23	Township: 16 South	Range: 31 East	County: Eddy
Actual Footage Location of Well: 940 feet from the south line and 2050 feet from the east line				
Ground Level Elev.: 4217.0'	Producing Formation: PENROSE	Pool: BUNKER HILL PENROSE Assoc.		Dedicated Acreage: 40 Acres

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

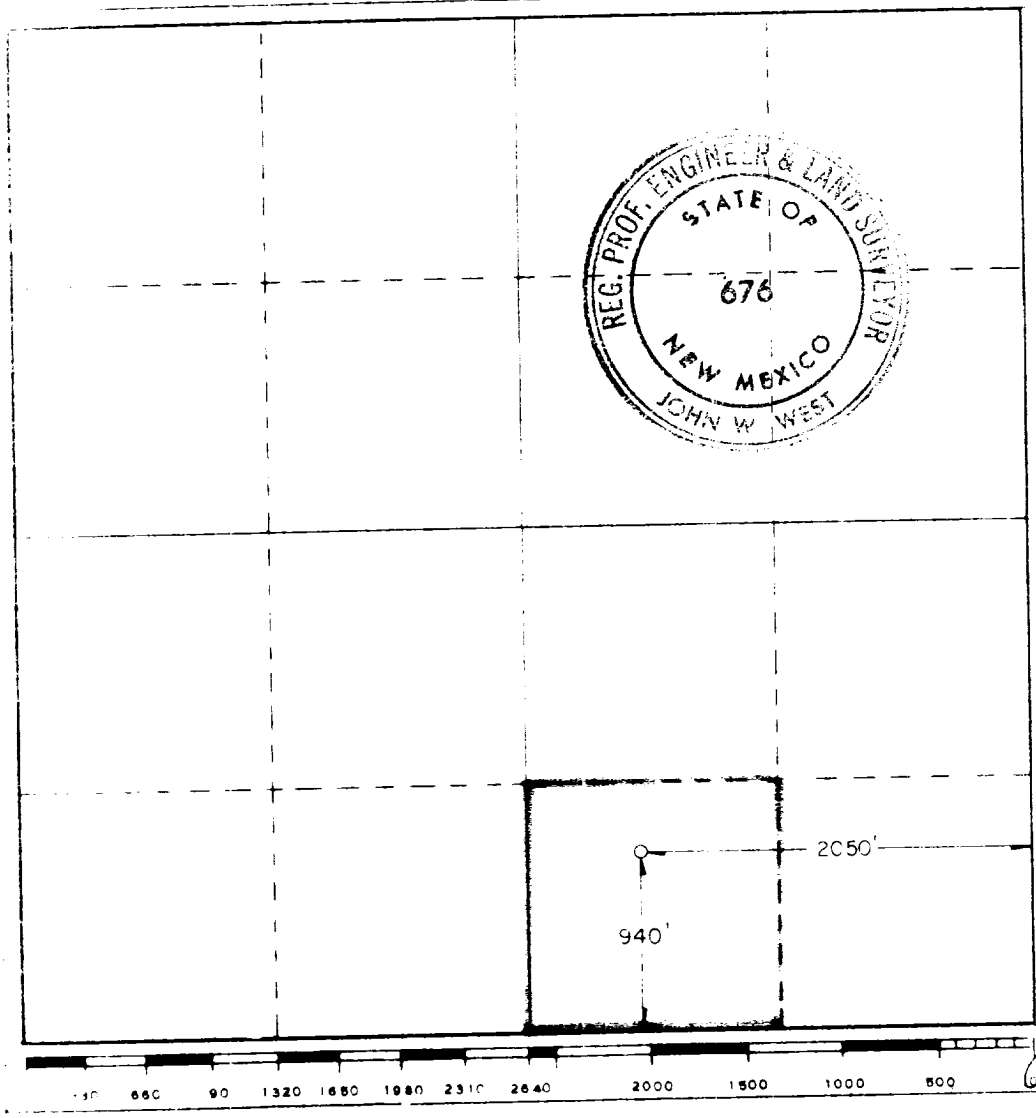
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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: [signature]

Position: Operator

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

Date: March 3, 1983

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: March 1, 1983

Registered Professional Engineer and/or Land Surveyor: [signature]

Certificate No: John W. West, NM L.S. 676

6286

REGAN OFFSHORE INTERNATIONAL, INC. Torrance,

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

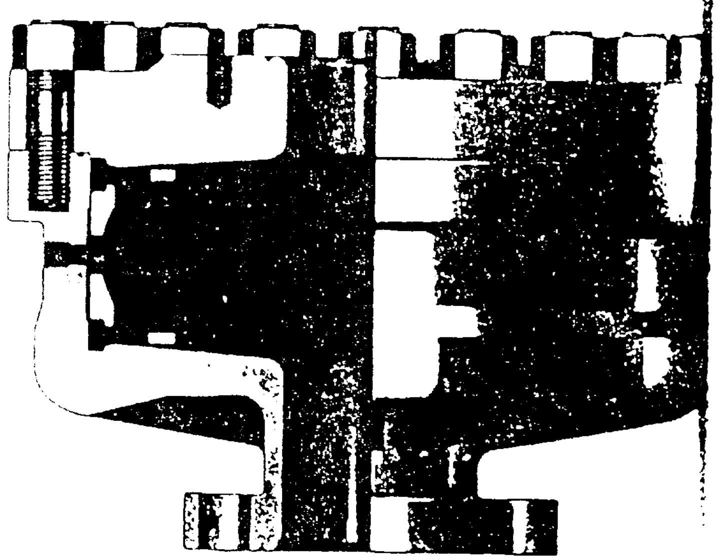
DESIGN FEATURES

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.

The packer will seal an 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

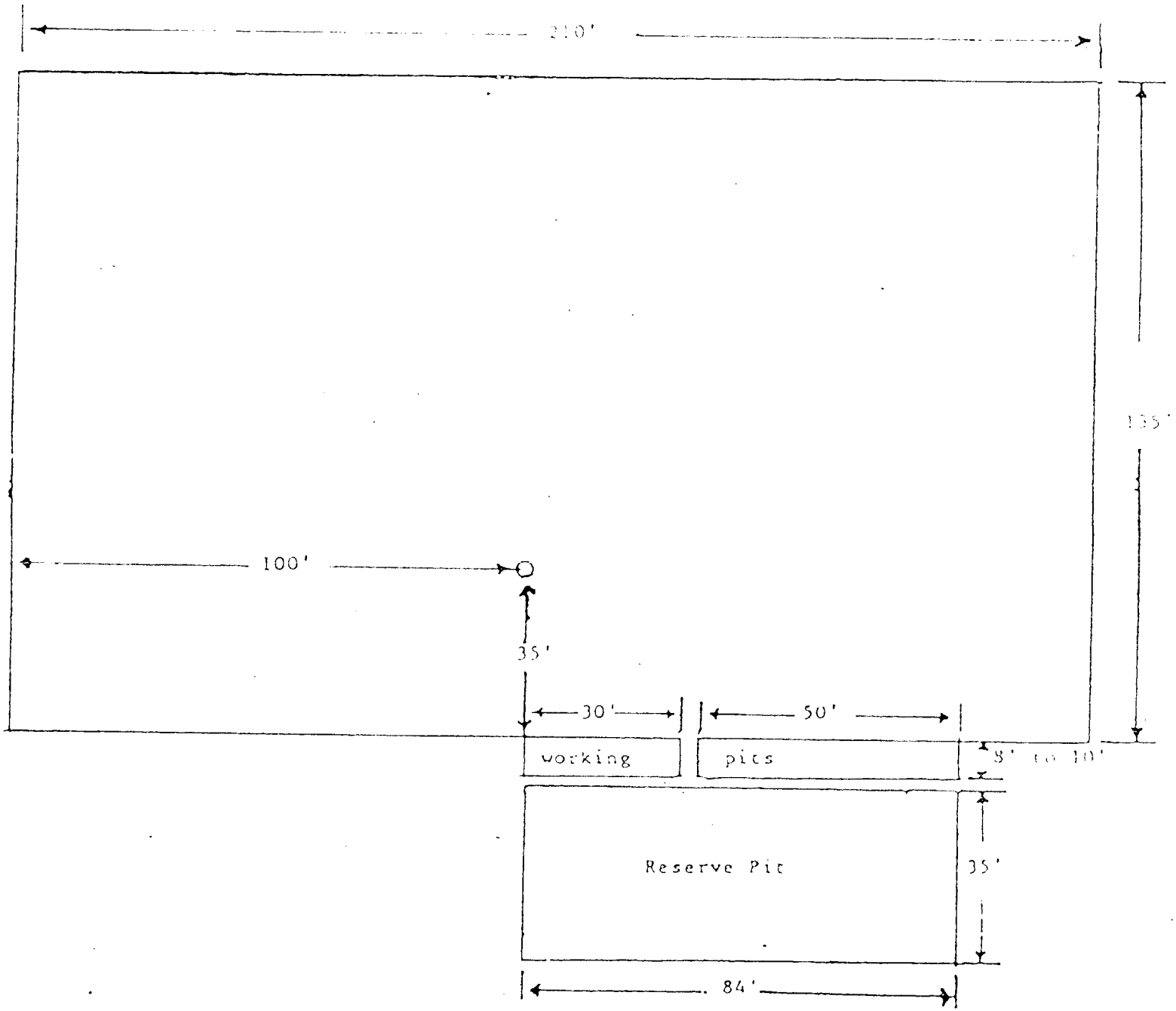
SPECIFICATIONS

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	[illegible]	[illegible]	[illegible]	[illegible]	1360	Nom. 6	45	None
	[illegible]	[illegible]	[illegible]	[illegible]	1550	Nom. 6	45	2" L.P.
8	[illegible]	[illegible]	[illegible]	35	2625	Nom. 8	49	None

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

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

AMOCO FEDERAL #2



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

AMOCO FEDERAL #2
EXHIBIT C