30-015-24530
C/S 7

Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

NM OIL CONS. COMMISSION
Drawer DD
Artesia, NM

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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 11 1983
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, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
1650' FNL & 990' FEL Sec. 22, T16S, R31E
At proposed prod. zone

Ut. H

5. LEASE DESIGNATION AND SERIAL NO.
NM42810

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Rutter Federal

9. WELL NO.
3

10. FIELD AND POOL, OR WILDCAT
Bunker Hill Penrose

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 22, T16S, R31E

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

12. COUNTY OR PARISH: Eddy
13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 990'

16. NO. OF ACRES IN LEASE: 160

17. NO. OF ACRES ASSIGNED TO THIS WELL: ~~160~~ 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 2970'

19. PROPOSED DEPTH: 4100'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
4161.5 GL

22. APPROX. DATE WORK WILL START*
July 5, 1983

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"	24#	1200'	450 Sacks Circulated
7 7/8"	5 1/2"	15 1/2#	4100'	350 Sacks

Surface formation is Permian. Surface Casing to be set on top of salt and circulated. Estimated formation tops: Salt 1200', Yates 2150', Queen 3055', Penrose 3325', with possible oil and gas shows, Grayburg 3780' with possible oil and gas shows, San Andres 4100'. 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.

Gas Is Not Dedicated.

Posted ID-1 NL & API 7-8-83

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 June 25, 1983

(This space for Federal or State office use)

PERMIT NO. ______ APPROVAL DATE ______

APPROVED BY James A. Gillham TITLE ADM, MINERALS DATE July 7, 1983

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

*See Instructions On Reverse Side

N. MEXICO OIL CONSERVATION COMMISS

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. LaRue and B. N. Muncy	Rutter	3

Unit Letter	Section	Township	Range	County
H	22	16 South	31 East	Eddy County

Actual Footage Location of Well:
1650 feet from the North line and 990 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
4161.5	PENROSE	Undi. BUNKER HILL PENROSE Assoc.	~~160~~ 40 Acres

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

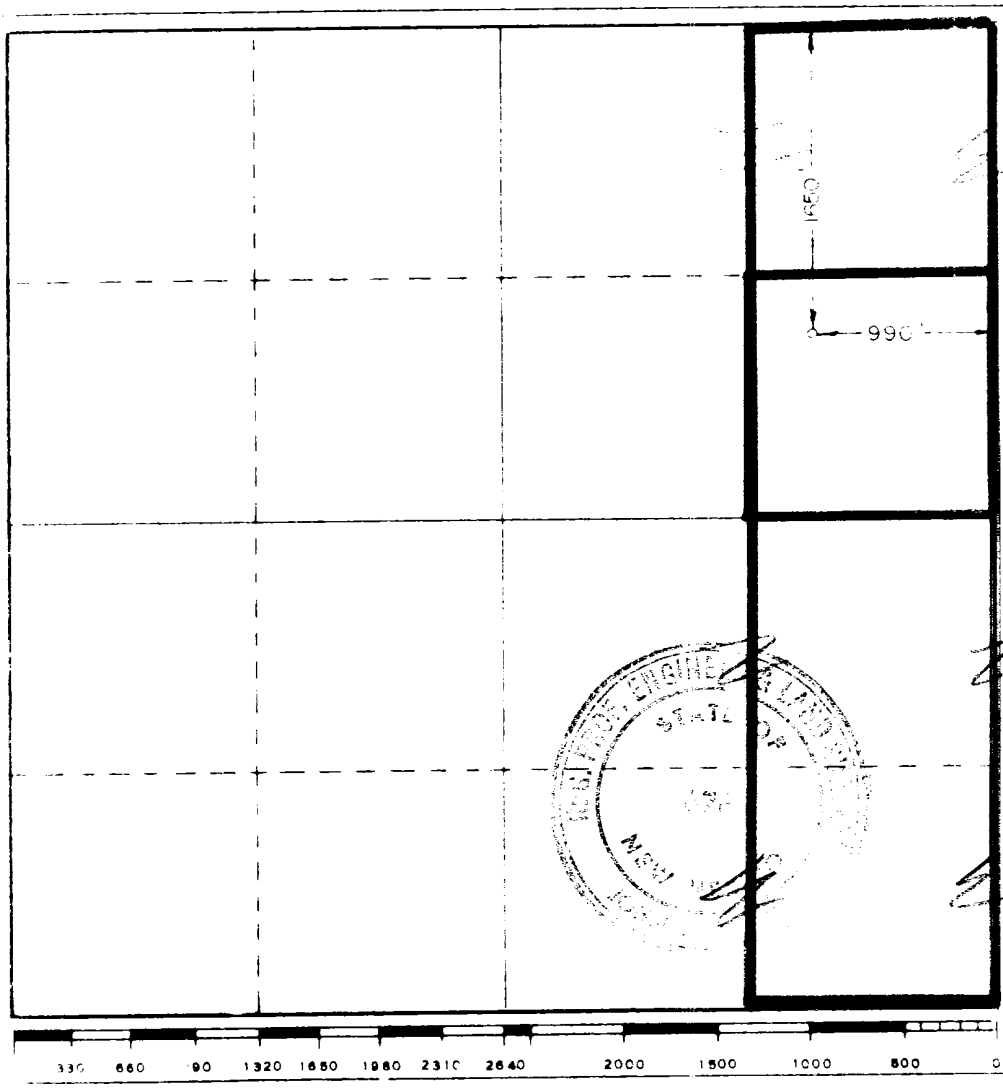
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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: June 20, 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: June 15, 1983

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

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239

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

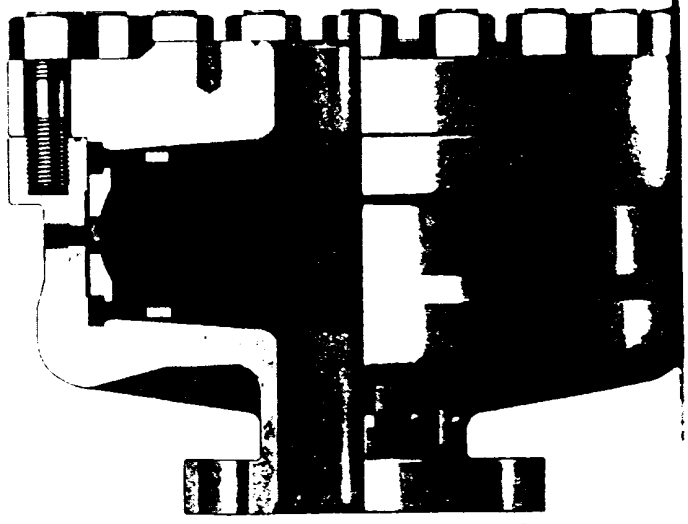
DESIGN FEATURES

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.

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.

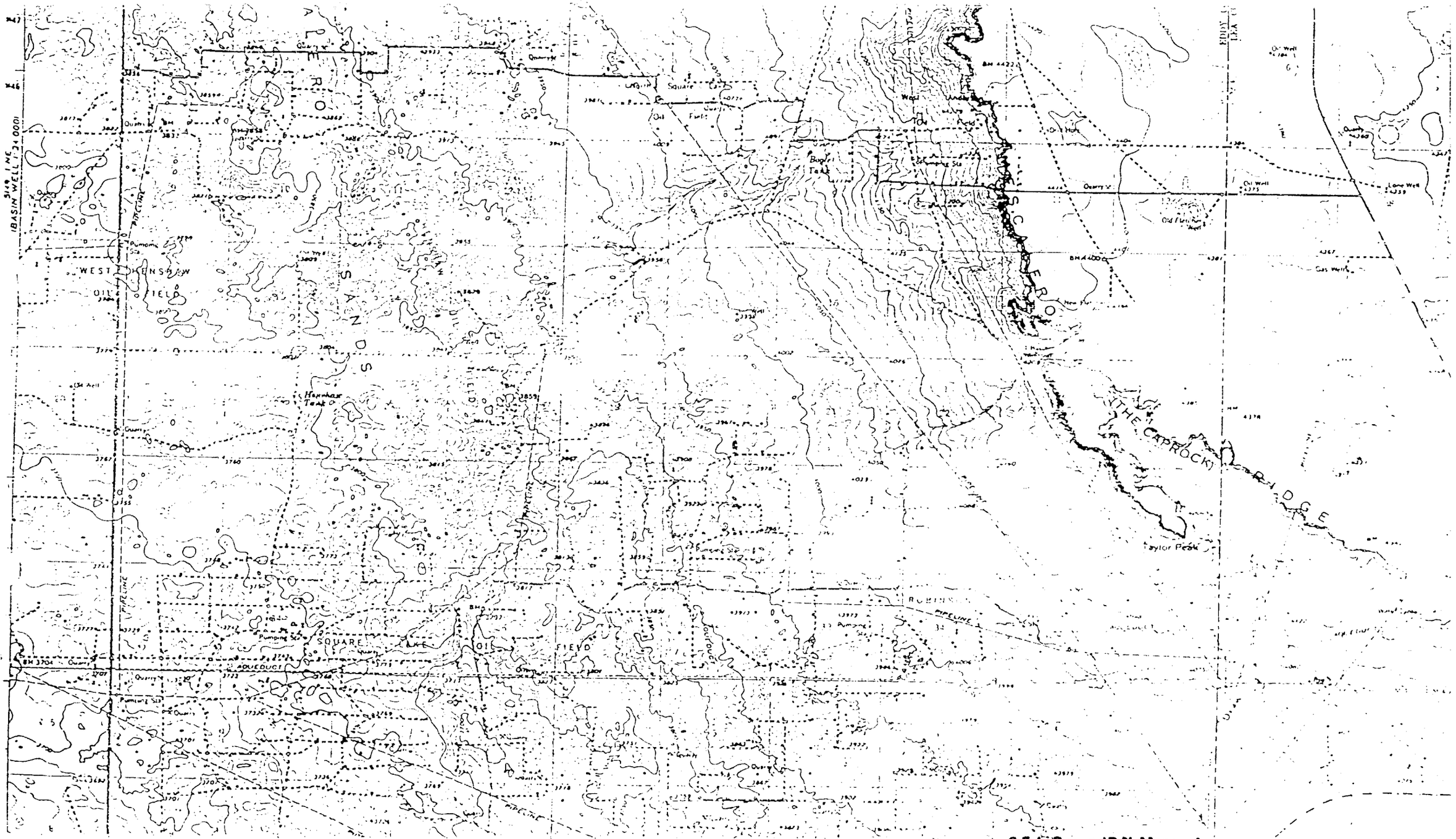


TORUS BLOWOUT PREVENTER
PATENTED

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 6000	47 53⅛	7⅛ 7⅛	19⅛ 21⅛	1750 1950	Nom. 6 Nom. 6	45 45	None 2" L.P.
8	3000	34¼	9	25	2625	Nom. 8	53	None

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



RUTTER FEDERAL #3 ★

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