Form 9-331 C
(May 1963)

N. M. O. C. C. SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Copy to SF

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK: DRILL ☐ DEEPEN ☒ PLUG BACK ☐

b. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ OTHER Re-entry SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR: FRANKLIN, ASTON & FAIR INC.

3. ADDRESS OF OPERATOR: P. O. Box 1090 Roswell, New Mexico 88201

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 990 FWL & 2100 FSL
At proposed prod. zone: Sec. 22 - T17S - R30E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 1 mile east

5. LEASE DESIGNATION AND SERIAL NO.: NM 0467930

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME: ~~Loco Hills Morros~~

8. FARM OR LEASE NAME: Sinclair

9. WELL NO.: #1 ~~Re-entry~~

10. FIELD AND POOL, OR WILDCAT: ~~South Loco Hills Morrow~~

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 22 - T17S - R30E

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): 780

16. NO. OF ACRES IN LEASE: 320

17. NO. OF ACRES ASSIGNED TO THIS WELL: 320

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

19. PROPOSED DEPTH: 11400

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3647 GR

22. APPROX. DATE WORK WILL START*: September 15, 1975

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24	1559	500 Circulated
7 7/8"	5 1/2"		11400	500 Sacks

Formerly Chambers & Kennedy Sinclair Federal #1

This well was plugged and abondoned at 7060' in Abo. The 8 5/8" casing, as indicated above, was set at 1559' with 500 sacks cement circulated. About September 15, 1975, we plan to re-enter this well, and pressure test the 8 5/8" casing to 800 PSI. If the pressure holds, the cement plugs will be drilled and the hole deepened to 11400' to test the Pennsylvanian Morrow sand. If the 8 5/8" casing should not hold pressure, we will squeeze cement before drilling out. If production is indicated, 5 1/2" casing will be run for completion.

RECEIVED
AUG 26 1975
O. C. C.
ARTESIA, OFFICE

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 Grant M Smith TITLE Geologist DATE August 7, 1975

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE Subject to Communitization Agreement prior to Production

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
AUG 22 1975
H. L. BEEKMAN
ACTING DISTRICT ENGINEER

SUBJECT TO ATTACHED DEEP WELL CONTROL REQUIREMENTS DATED JUN 22 1973

*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.
FRANKLIN, ASTON & FAIR, INC.	SINCLAIR	#1 Re-entry

Unit Letter	Section	Township	Range	County
L	22	17	30	Eddy

Actual Footage Location of Well:
990 feet from the West line and 2100 feet from the South line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
3648 GR.	Pennsylvania Morrow	South Loco Hills Morrow	320 Acres

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

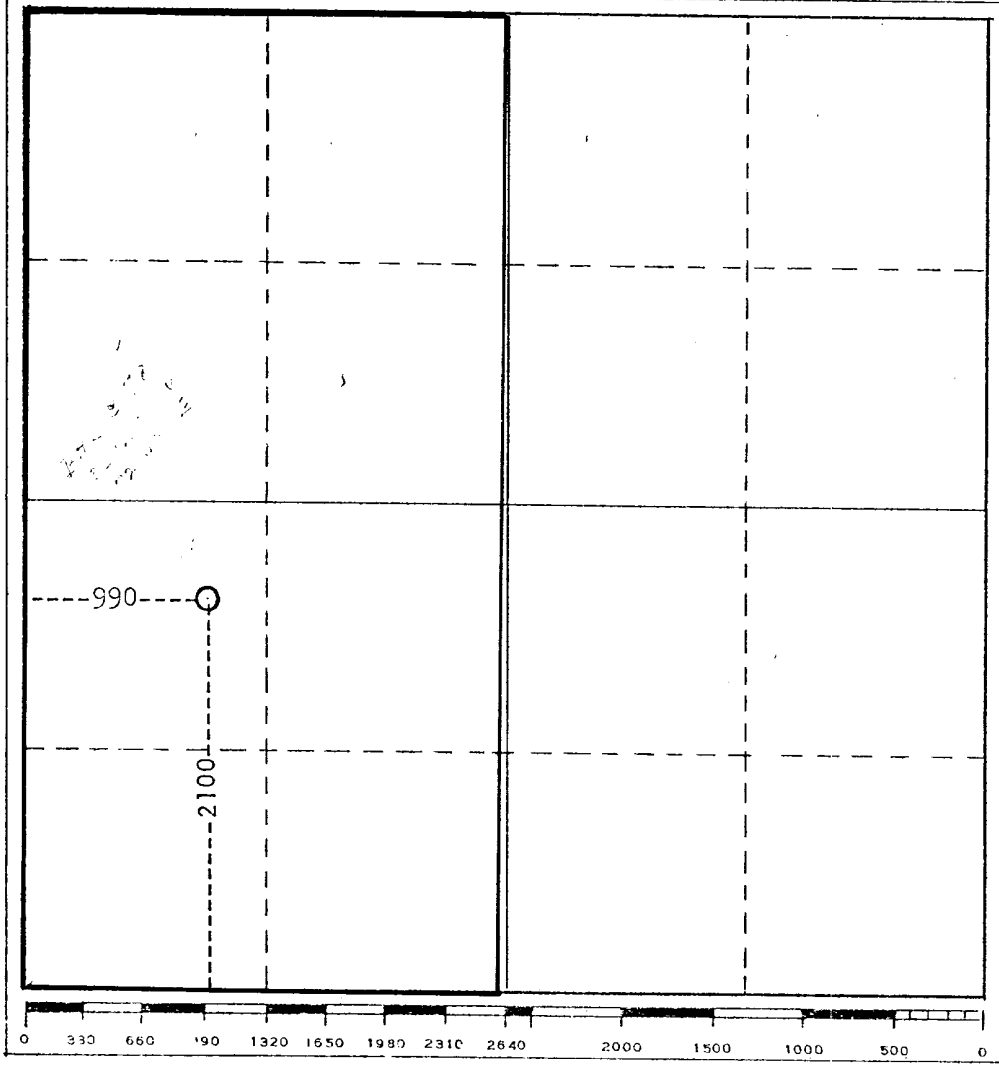
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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?

[X] Yes [ ] No If answer is "yes," type of consolidation Unitization

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.

Grant M. Smith

Name: Grant M. Smith

Position: Geologist

Company: Franklin, Aston & Fair, Inc.

Date: August 7, 1975

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: (Approximate) 3-24-71

Registered Professional Engineer and/or Land Surveyor

Certificate No.

SURFACE USE PLAN

FRANKLIN, ASTON & FAIR, INC.
Sinclair #1 Re-entry
990 FWL & 2100 FSL
Section 22-T17S-R30E

1. AREAL ROAD MAP - See Exhibit A. This is a well location and ownership map. Highway 82 from Artesia to Lovington crosses the location.

2. LOCATION OF EXISTING WELLS - See Exhibit A

3. PROPOSED WELL MAT AND IMMEDIATE AREA - See Exhibit B. We plan to repair and use the existing drilling pad.

   a. MAT SIZE - See Exhibit B

   b. SURFACED - Caliche

   c. RESERVE PIT - See Exhibit B. The pits will be plactic lined.

   d. CUT & FILL - As we are using an existing location, very little cut and fill work is needed.

   e. DRILL SITE LAYOUT - See Exhibit B. Layout plan for Mc Vay Rig #

   f. SETTING AND ENVIRONMENT
      (1) TERRAIN - Sand hills

      (2) SOIL - Red sandy soil

      (3) VEGETATION - Sparse vegetation comprising shinnery and other desert vegetation.

      (4) SURFACE USE - Grazing

      (5) OTHER -

   g. DISTANCES TO:
      (1) PONDS AND STREAMS - None within $\frac{1}{2}$ mile

      (2) WATER WELLS - None within $\frac{1}{2}$ mile

(3) RESIDENCES AND BUILDINGS - None within $\frac{1}{2}$ mile

(4) ARROYOS, CANYONS, HILLS, ETC. - None within $\frac{1}{2}$ mile

h. WELL SIGN - There is a well marker on the old dry hole that we plan to re-enter.

i. OPEN PITS - All pits will be fenced or guarded.

4. ROADS

a. EXISTING ROADS - Existing roads are highways and base roads.

b. PLANNED ROADS - None

c. FENCES, GATES AND CATTLE GUARDS - A cattle guard at the fence and an approach built from the highway to location is all that is planned (See Exhibit A)

5. TANK BATTERY - If the well is productive a tank battery will be built at the location.

6. LEASE PIPELINES

a. EXISTING - There is an oil line and a water line crossing the location.

b. PLANNED - Connections only for drilling water for rig.

7. WASTE DISPOSAL - All waste will be disposed of in sludge pit and buried.

8. WATER SUPPLY - From existing water line crossing location.

9. ARCHAEOLOGICAL RESOURCES - None observed.

10. RESTORATION OF SURFACE - If well productive, the pits will be backfilled and leveled as soon as possible.

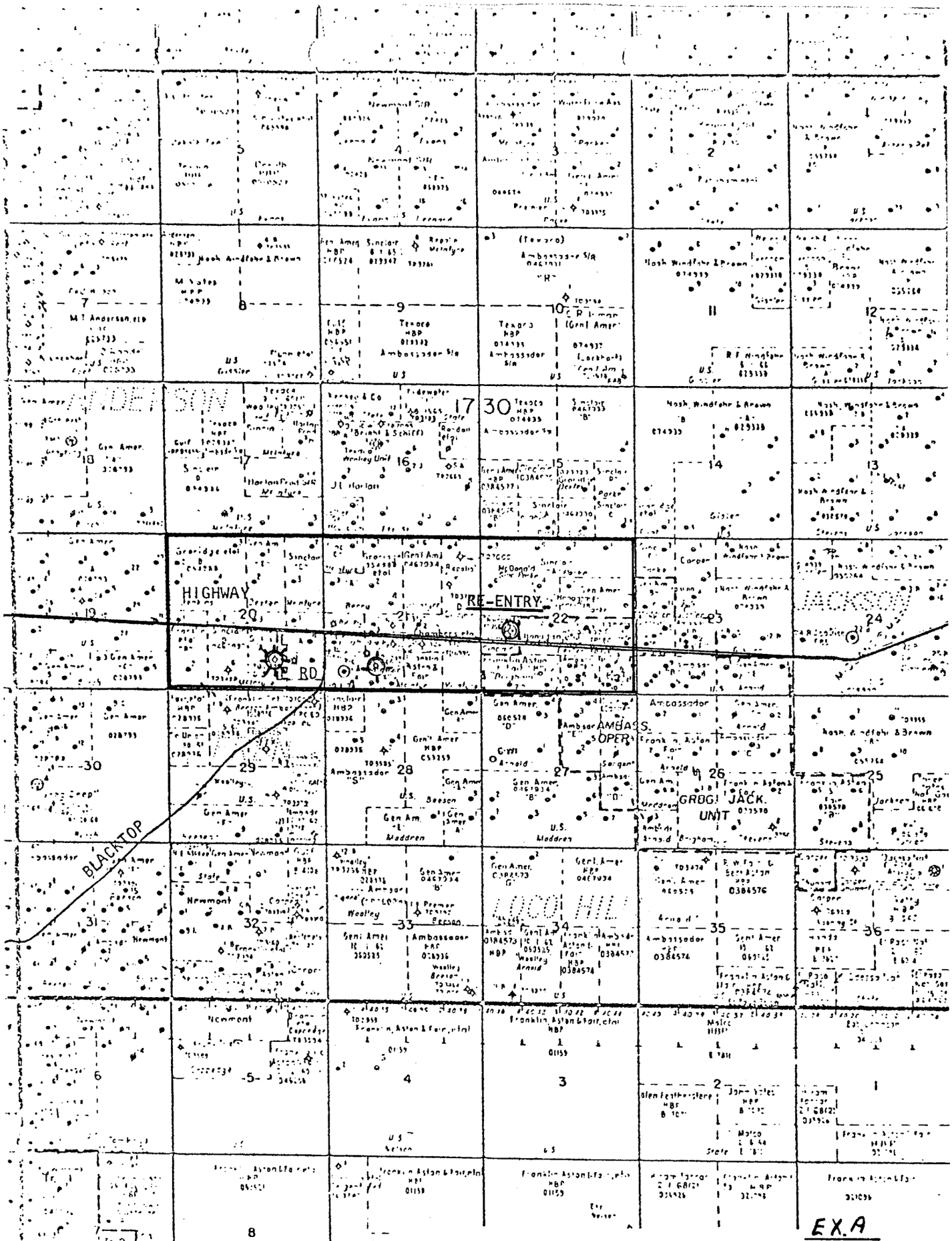
11. OPERATOR'S REPRESENTATIVES - Upon final abondonment, the location will be leveled and chained and the land returned as near practical to original contour.

12. CERTIFICATION

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 as they actually exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the proposed work performed by Mc Vay and its contractors and sub-contractors will conform to this plan.

August 8, 1975
DATE

Grant M. Smith
Grant M. Smith, Geologist



EX. A

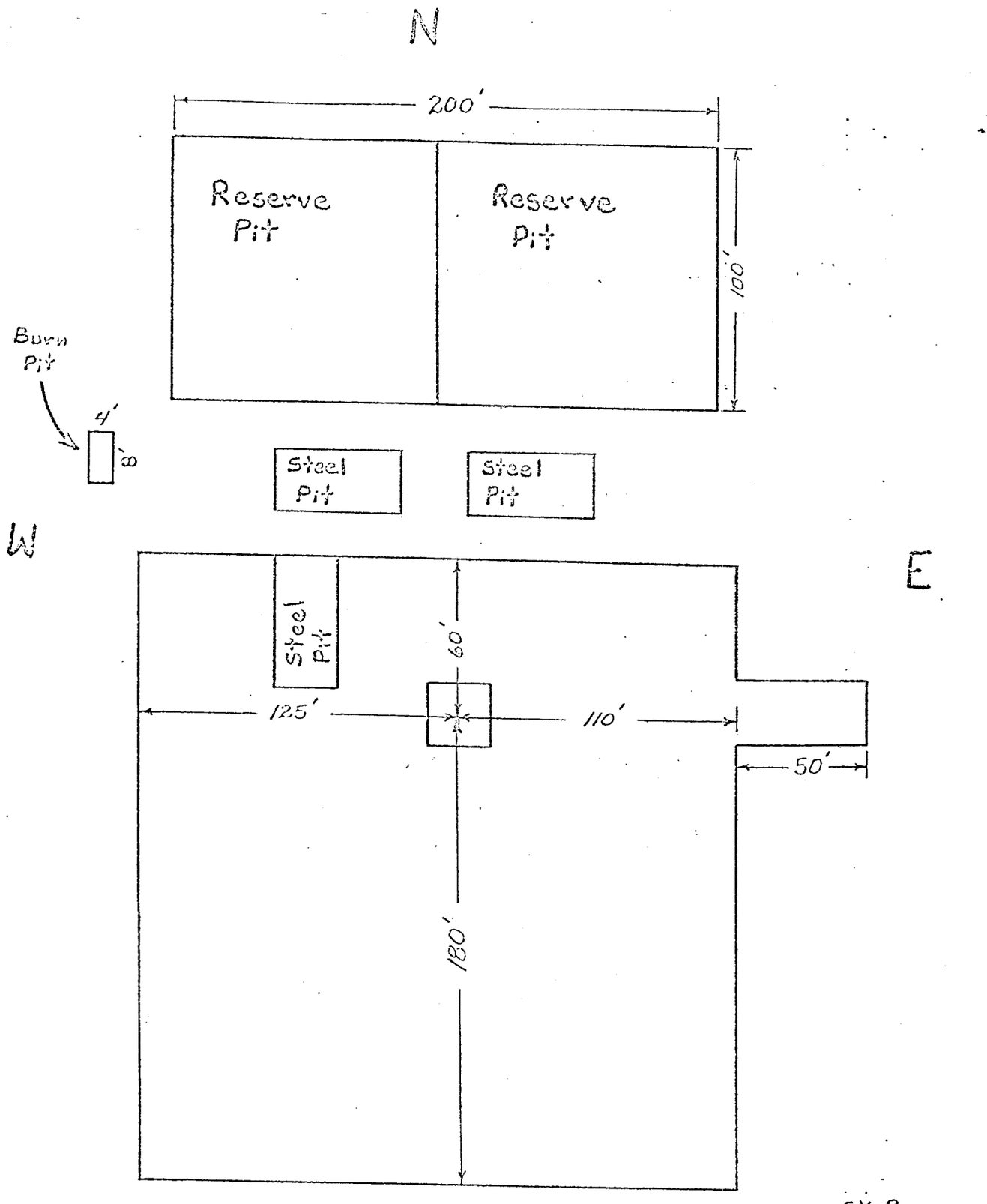
Points 1-5 of 12-Point Plan

Development Plan for Surface Use
Application for Permit to Drill

Franklin, Aston & Fair, Inc.
Sinclair #1 Re-entry
Sec. 22 T17S R30E
Eddy County, New Mexico

TANK BATTERY WILL BE AT WELL SITE

Existing roads are black top or compacted caliche, no new roads are planned.



EX. B

McVay Rig No.

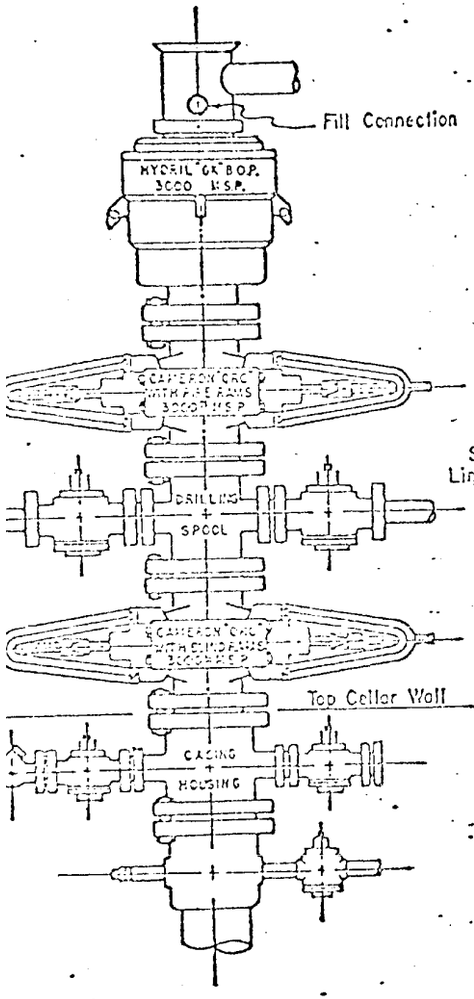
Points 6-12 of 12-Point Plan

Development Plan

Franklin, Aston & Fair, Inc.
Sinclair #1 Re-entry
Section 22-T17S-R30E
Eddy County, New Mexico

Topography includes sand dunes with desert type vegetation.
Improvements are lease roads. Highways and black top roads.
Waste material from rig will be buried in slush pit.
No camp will be built.
Produced salt water will be disposed of according to State requirements.

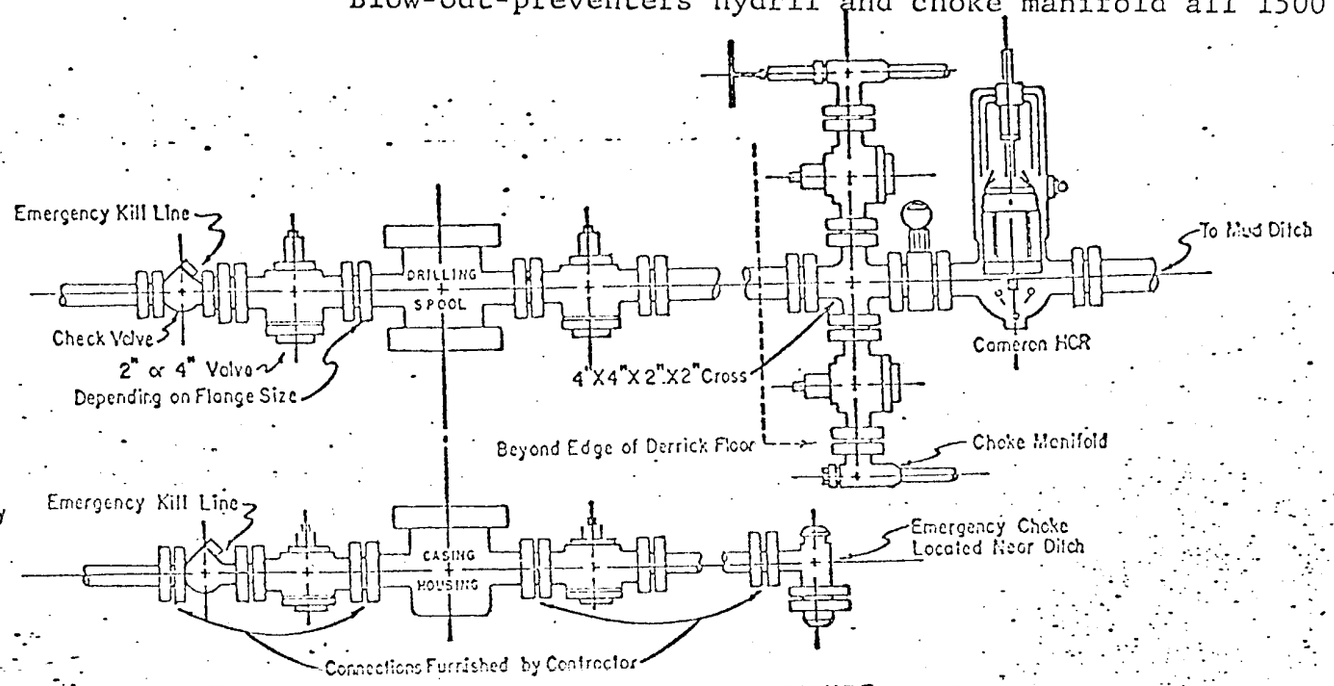
Blow-out-preventers hydril and choke manifold all 1500 Series.



See Detail of 4" Flow Line and Choke Assembly

0 ~~5,000~~ PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

Series 900 Flanges, or Better



5,000 ~~0,000~~ PSI WORKING PRESSURE
KILL, CHOKE, AND FILL CONNECTIONS

API Series 900 Flanges or Better

DETAIL OF 4" FLOW LINE CHOKE ASSEMBLY

Minimum assembly for 5000 ~~10,000~~ PSI working pressure will consist of three preventers. The bottom and middle preventers may be Cameron