

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-26309

5. LEASE DESIGNATION AND SERIAL NO.

LC-028731-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Delta Wing Federal

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

Grayburg-Morrow

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

15. T-17-S, R-29-E

12. COUNTY OR PARISH 13. STATE

Eddy New Mexico

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

SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Oryx Energy Company

3. ADDRESS OF OPERATOR

P. O. Box 1861, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface

B, 1980' FEL & 810' FNL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

3 Miles West & 1/2 Mile North of Loco Hills

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

1830

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

16. NO. OF ACRES IN LEASE

1600 1720

19. PROPOSED DEPTH

11,200

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

20. ROTARY OR CABLE TOOLS

Rotary

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

3590.8' GR

22. APPROX. DATE WORK WILL START*

Upon Approval

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"	54.5#	400'	425	Surf TOC CIRCULATE
11"	8-5/8"	32#	4,000' 4,500'	1500/632	Surf TOC CIRCULATE
7-7/8"	5-1/2"	17#	10,950 or @ T.D.	1025	6800' TOC

SJS

Part ID-1
3-23-90
New Loc & APIAPPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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

Maria L. Perez

TITLE Proration Analyst

DATE 1-24-90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

AREA MANAGER
CAPTLEAD RESOURCE ANAPPROVED BY Andrew Poente
CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE 3/14/90

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Oryx Energy Company			Lease Delta Wing Federal		Well No. 1
Unit Letter B	Section 15	Township 17 South	Range 29 East	County Eddy	
Actual Footage Location of Well: 810 feet from the North line and 1980 feet from the East line					
Ground level Elev. 3590.8	Producing Formation Morrow		Pool Grayburg-Morrow		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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).

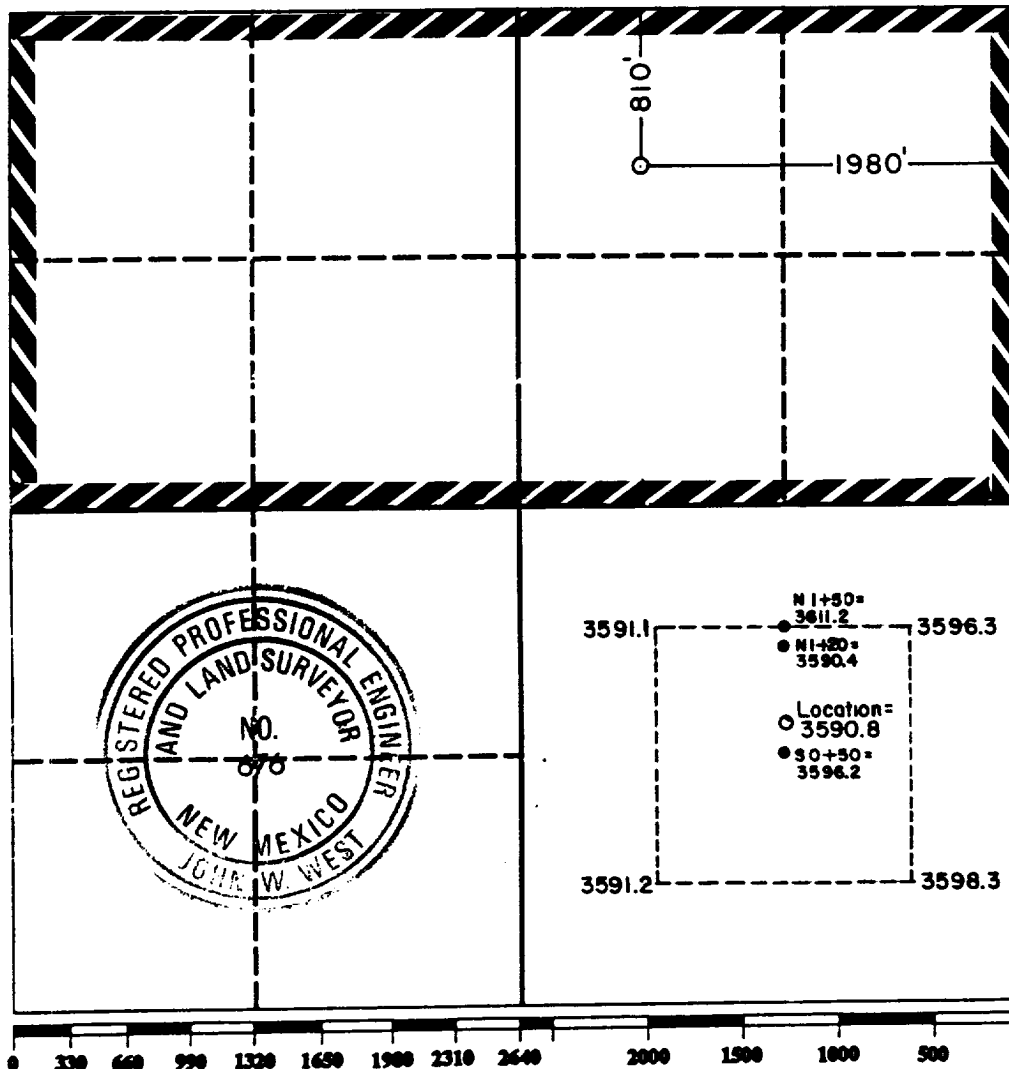
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?



If answer is "yes" type of consolidation LC-028731-B + NM-E4200

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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Maria L. Perez

Position

Proration Analyst

Company

Oryx Energy Company

Date

2-12-90

SURVEYOR CERTIFICATION

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

January 12, 1990

Signature & Seal of
Professional Surveyor

Certificate No. JOHN W. WEST, 676

RONALD J. EIDSON, 3239

TEN POINT DRILLING PLAN
ORYX ENERGY COMPANY

DELTA WING FEDERAL #1
810' FNL & 1980' FEL
SECTION 15 - T17S - R29E
EDDY COUNTY, NEW MEXICO

1. Geologic Surface Formation: Quaternary

2. Estimated Tops of Important Geologic Markers:

Queen*	1700	Atoka Shale	10,250
San Andres*	2500	Atoka "C" Sand*	10,450
Abo	6100	Middle Morrow*	10,720
Wolfcamp*	7290	Lower Morrow*	10,820
Strawn*	10,000	Barnett	10,885
		T.D.	10,950

3. Estimated Depth of Anticipated Water, Oil, Gas or Minerals:

Possible hydrocarbon-bearing formations are indicated with an asterisk above.

4. Proposed Casing Program:

<u>Size</u>	<u>Csg Seat</u>	<u>Footage</u>	<u>Weight</u>	<u>Grade</u>	<u>Connection</u>
13-3/8	400	400	54.5#	K-55	STC
8-5/8	4,000 4,500	4,000 4,500	32.0#	K-55	STC
5-1/2	10,950	950	17.0#	K-55	BTC
		8,300	17.0#	K-55	LTC
		1,700	17.0#	N-80	LTC
2-7/8		10,700	6.5#	N-80	EUE

5. Proposed Cementing Program:

13-3/8" Cement to surface 400' of 13-3/8" casing in a 17-1/2" hole w/ 425 sacks Class 'C' + 1/4#/sx cellophane flakes + 2% CaCl₂.
Cement Properties: Weight 14.8 ppg, Yield 1.32 cu.ft./sx
Per Cent Excess: 100% over theoretical fill for 13-3/8" x 17-1/2" annulus

5. Proposed Cementing Program: (cont'd)

- 8-5/8" Cement to surface with ¹³³²1200 sx 65:35:6 'C' lite + 10% BWOW salt + 10#/sx gilsonite, tail in with 300 sx Class 'C'.
 Top of tail cement to be at ~~3500'~~ 4000'
 Cement Properties: Lead slurry; 12.2 ppg, 2.29 cu.ft./sx
 Tail slurry; 14.8 ppg, 1.32 cu.ft./sx
 Per Cent Excess: 200% over theoretical fill for 8-5/8" x 12-1/4" annulus. Actual volume to be adjusted by fluid caliper + 15%.
- 5-1/2" Cement to 6800' with 1025 sx 50:50:2 'H' pozmix + fluid loss additives + dispersants.
 Cement Properties: 14.2 ppg, 1.26 cu.ft./sx
 Per Cent Excess: 80% over theoretical fill for 5-1/2" x 7-7/8" annulus. Actual volume to be adjusted by electric caliper + 15%.

6. Mud System and Characteristics:

<u>From</u>	<u>To</u>	<u>Type</u>	<u>Wt.</u>	<u>Vis</u>	<u>WL</u>
0	400	Fresh Water w/Gel & Lime sweeps	8.3-8.6	28	NC
400	4,000	Sat. Brine w/Lime & Paper sweeps	10.0-10.3	28	NC
4,000	9,000	Fresh Water w/Paper & Lime sweeps	8.4-8.5	28-30	NC
9,000	10,950	Cut Brine + 2% KCL & Drispac	8.8-9.3	32-36	10-12

7. Blowout Preventer and Auxillary Equipment:

B.O.P. and Choke Manifold will be set up as in Exhibit 'D'.

Accumulator volume will be sufficient to function annular preventer and rams with a 50% reserve.

A full-opening safety valve to fit all drill pipe connections in use will be kept on the floor in the open position at all times.

An Upper and Lower Kelly Cock will be used.

PVT, Hydraulic Choke, and Mud Gas Separator will be installed and in service by 8000'. Flow Sensors will be installed by 6100'.

8. Test Procedures and Drills:

Ram type preventers will be tested to working pressure, or 80% of burst rating of casing, whichever is less. Annular preventer will be tested to 50% of working pressure. Pipe rams will be function tested daily. Blind rams will be function tested on trips. Approved shut-in procedure will be posted on the rig floor. Weekly B.O.P. drills will be held with each crew.

9. Testing Program:

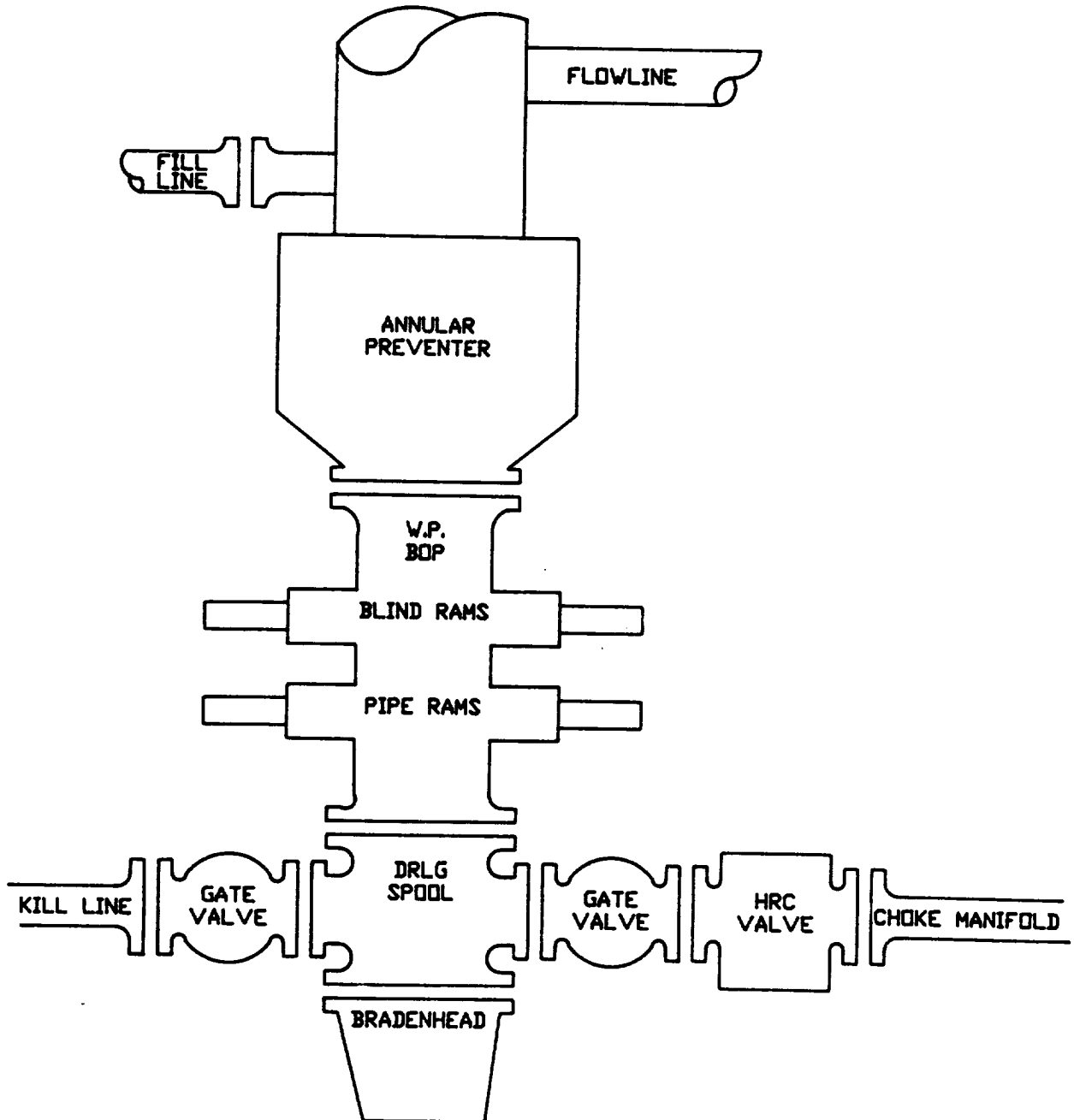
Drillstem Tests may be run from 7500' to total depth as dictated by shows. Such tests, if performed, will be conducted using prudent industry practices.

Openhole Logging Program: Dual Laterolog/MSFL from TD to 4000',
Density/Neutron Porosity from TD to 8000',
Wireline Formation tests, Sidewall Cores,
and Sonic Logs may be run.

10. Potential Hazards:

No H₂S or abnormal pressures are anticipated at this location.
Maximum anticipated pore pressures are 9.0 ppg equivalent mud weight.

MINIMUM STACK TO BE EMPLOYED FROM 400' TO T.D.
ALL COMPONENTS 3000 PSI WORKING PRESSURE



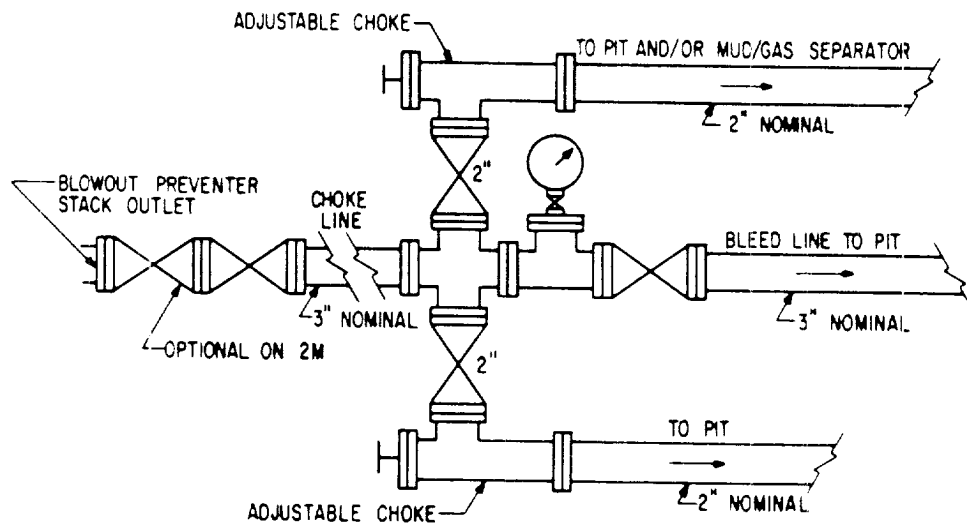


FIG. 3.A.1
TYPICAL CHOKE MANIFOLD ASSEMBLY
FOR 2M AND 3M RATED WORKING
PRESSURE SERVICE — SURFACE INSTALLATION

MULTI-POINT USE AND SURFACE OPERATIONS
ORYX ENERGY COMPANY

DELTA WING FEDERAL #1
810' FNL & 1980' FEL
SECTION 15 - T17S - R29E
EDDY COUNTY, NEW MEXICO

1. Existing Roads:

The proposed wellsite, existing roads to the proposed location and a topographical map indicating the proposed location are shown in Exhibits #1 and #2.

Directions are as follows: From Loco Hills, New Mexico, go west approximately 4 miles on Highway 82; then North approximately 1-1/2 miles on an Improved Road; then West approximately 1/2 mile; then turn South into the location.

2. Planned Access Roads:

Access to location will be via an existing access road to the M. Dodd #16.

3. Location of Existing Wells:

Existing wells within a one mile radius are shown in Exhibit #3.

4. Location of Existing and or Proposed Facilities:

A. This wellsite is in an existing waterflood. Numerous facilities are located within a one mile radius. Their exact location cannot be determined from available maps. A Battery is located in the NW/4 of the SW/4 of Section 14 T-17-S R-29-E.

B. If the proposed well is productive, plans are to construct a tank battery at the well pad. No additional surface disturbance will occur.

5. Location and Type of Water Supply:

Fresh water will be purchased from the City of Carlsbad, New Mexico. A tap will be made into their line at Kewanee Road, and a plastic line will be laid along the roadbed on the northern portion of Sections 14 and 15, and along the access road into the location.

6. Source of Construction Materials:

Caliche will be obtained from a pit located in Section 14 T-17-S R-29-E.

7. Methods of Handling Waste Disposal:

- A. Drill cuttings will be disposed of in the reserve pit.
- B. Drilling fluids in the pit will be allowed to evaporate in the reserve pit until the pits are dry.
- C. Water produced during tests will be disposed of in the reserve pit. Oil produced during tests will be stored in a test tank and sold. Gas produced during tests will be flared.
- D. Salts and chemicals will be deposited in the reserve pit.
- E. A septic borehole will be constructed for the disposal of human waste.
- F. Trash, waste paper, garbage and junk will be buried in a separate trash pit (see Burn Pit on Exhibit #4) and covered with a minimum of 24 inches of soil.
- G. All trash and debris will be buried or removed from the wellsite after drilling and completion activities are finished.

8. Ancillary Facilities:

None anticipated.

9. Wellsite Layout:

- A. Exhibit #4 shows the general location and dimensions of the Well Location, Mud Pits, Reserve Pit, Burn Pit, and the location of major rig components.
- B. No significant cuts or fills will be required. Some levelling may be necessary.
- C. The Reserve Pit will be plastic lined.

10. Surface Reclamation Plans:

- A. Upon completion of drilling and testing operations, all equipment and other materials not needed for operations will be removed. Pits will be filled and location cleared of trash and junk.
- B. Any unguarded pits containing fluids will be fenced until they are dry and filled.
- C. Any agreement between the B.L.M. and drilling contractor regarding stacking the rig on location will be the responsibility of the drilling contractor.
- D. After abandonment of the well, surface restoration will be in accordance with the requirements of the surface management agency. Pits will be filled and the location will be cleaned. The pit area and surface locations will be ripped to promote revegetation.

11. Surface Ownership:

Surface Lessee:

Bogle Farms
1206 Pecan
Artesia, NM 88210
Attn: Lewis Derrick

Mineral Ownership:

Bureau of Land Management
P. O. Box 1778
Carlsbad, NM 88220

12. Other Information:

- A. Topography: Stabilized and Coppice sand dunes or mesquite anchored hummocks covered with shin oak, mesquite, yucca, broom snakeweed and various grasses. Ground level elevation at the wellsite is 3591'.
- B. Soil: Loamy sands with inclusions of chert and quartzite gravel.
- C. Ponds and Streams: There are no rivers, streams, lakes or major ponds in the area. Bear Grass Draw is located approximately 3/4 mile west.
- D. Archeological Survey: An archaeological clearance survey was conducted on January 22, 1990 by Pecos Archeological Consultants. The clearance report is Exhibit #5. A minor site was found in the northeast corner of the 400' x 400' site. The pad will be slightly skewed to the northwest, and constructed to avoid intrusion into the site.
- E. Land Use: Grazing

13. Compliance:

The company representatives responsible for assuring compliance with the approved Surface Use and Operations Plan are as follows:

Steve Limke
(915) 688-0494 (Office)
(915) 684-9791 (Home)
Midland, Texas

Rick Sievert
(915) 688-0448 (Office)
(915) 682-6068 (Home)
Midland, Texas

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 currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Oryx Energy Company and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

9-9-90
Date

Steve Limke
Steve Limke
Drilling Supervisor

/jr



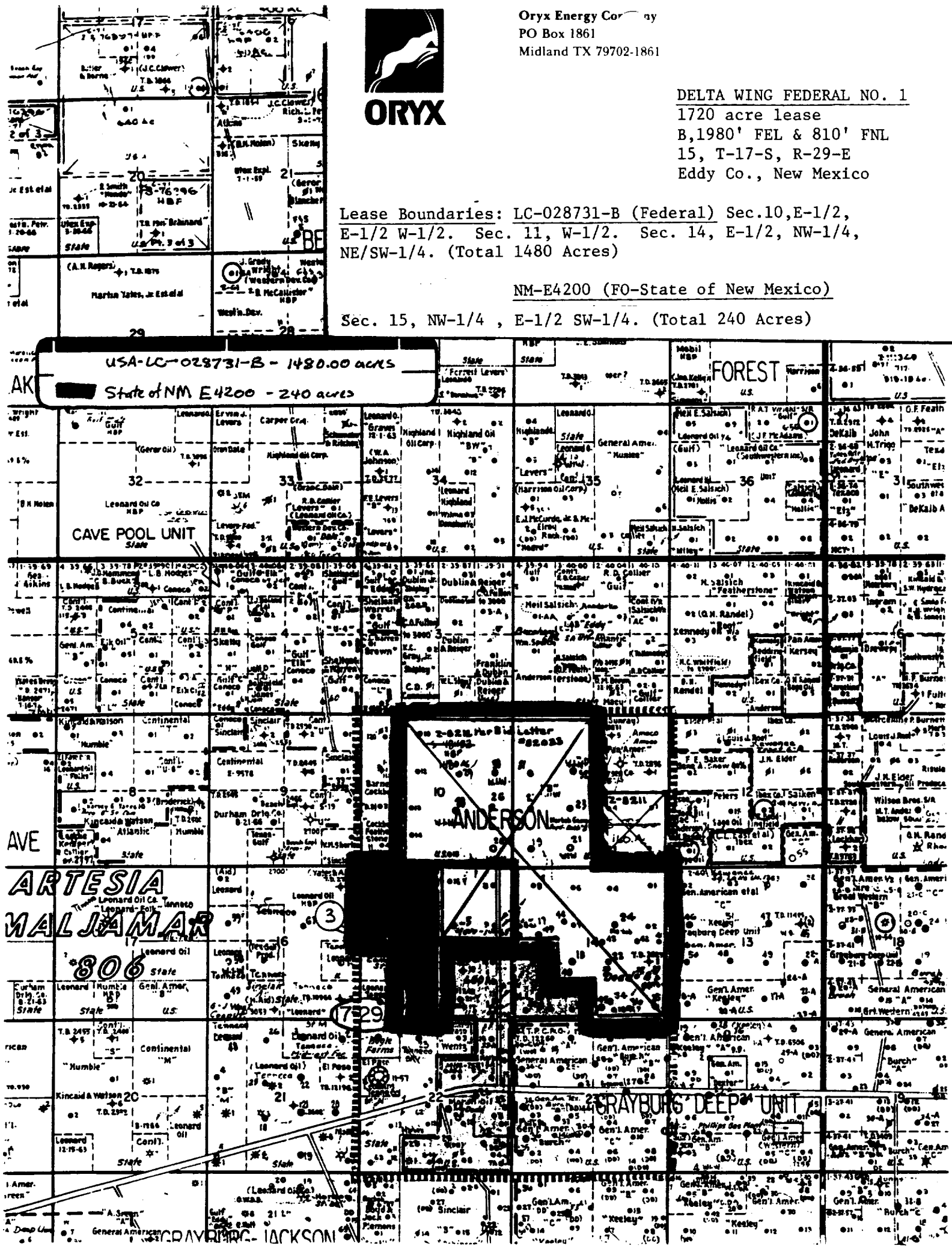
Oryx Energy Company
PO Box 1861
Midland TX 79702-1861

DELTA WING FEDERAL NO. 1
1720 acre lease
B,1980' FEL & 810' FNL
15, T-17-S, R-29-E
Eddy Co., New Mexico

Lease Boundaries: LC-028731-B (Federal) Sec.10,E-1/2,
E-1/2 W-1/2. Sec. 11, W-1/2. Sec. 14, E-1/2, NW-1/4,
NE/SW-1/4. (Total 1480 Acres)

NM-E4200 (FO-State of New Mexico)

Sec. 15, NW-1/4 , E-1/2 SW-1/4. (Total 240 Acres)



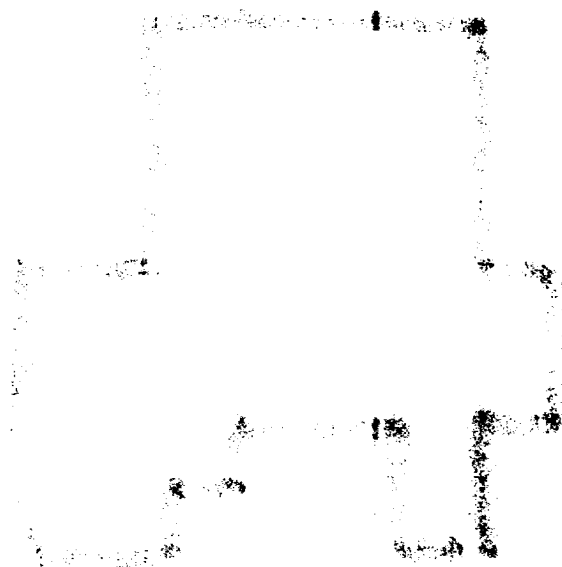


EXHIBIT 1

