

N. M. C. 1004-0126  
ARTESIA, NM 87003-2504

Form 3160-3  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0126  
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-14847
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator CLAYTON WILLIAMS ENERGY, INC. 25706		7. If Unit or CA Agreement, Name and No. 26582
3a. Address SIX DESTA DR., #3000, MIDLAND TX 79705		8. Lease Name and Well No. PHILLIPS-19-FEDERAL #11
3b. Phone No. (include area code) (915) 682-6324		9. API Well No. 30-015- 31554
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 985' FNL & 565' FWL; UL/Lot #1 At proposed prod. zone		10. Field and Pool, or Exploratory EMPIRE, (YES0)
14. Distance in miles and direction from nearest town or post office* 7 miles west from Loco Hills		11. Sec., T., R., M., or Blk. and Survey or Area SECT. 19; T-17S; R-29E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 565'	16. No. of Acres in lease 294.64	12. County or Parish EDDY
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 802' from Phillips-19-Federal #10	17. Spacing Unit dedicated to this well 40	13. State NM
19. Proposed Depth 5000'	20. BLM/BIA Bond No. on file NM2787	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3701' GL	22. Approximate date work will start* upon approval	23. Estimated duration ±10 days

24. Attachment **ROSWELL CONTROLLED WATER BASIN**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Betsy Luna</i>	Name (Printed/Typed) BETSY LUNA	Date 11/21/00
Title ENGINEERING TECHNICIAN		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) [Signature]	Date [Signature]
Title [Signature]	Office ROSWELL FIELD OFFICE	

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

NSP-

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
SPECIAL STIPULATIONS  
ATTACHED

## INSTRUCTIONS

**GENERAL:** This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

**ITEM 1:** If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

**ITEM 4:** Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

**ITEM 14:** Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

**ITEMS 15 AND 18:** If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

**ITEM 22:** Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

## NOTICE

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

**PRINCIPAL PURPOSES:** The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

**ROUTINE USE:** Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

**EFFECT OF NOT PROVIDING INFORMATION:** Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

## BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (WO-630) MS 401 LS, 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Interior Desk Officer (1004-0136), Washington, D.C. 20503.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease.

• 9211

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015	Pool Code 96610	Pool Name Empire, East (Yeso)
Property Code 26582	Property Name PHILLIPS 19 FEDERAL	Well Number 11
OGRID No. 25706	Operator Name CLAYTON WILLIAMS ENERGY, INC.	Elevation 3701

Surface Location

UL or lot No. 1	Section 19	Township 17 S	Range 29E	Lot Idn	Feet from the 985	North/South line NORTH	Feet from the 565	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 1 27.36 ACRES SEE DETAIL	3702.2' 3705.3' 3696.0' 3702.2' DETAIL								
LOT 2 27.28 ACRES									
LOT 3 27.40 ACRES									
LOT 4 27.50 ACRES									

**OPERATOR CERTIFICATION**

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

Betsy Luna  
Signature

Betsy Luna  
Printed Name

Engineering Technician  
Title

11/21/00  
Date

**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 belief.

SEPTEMBER 8, 2000

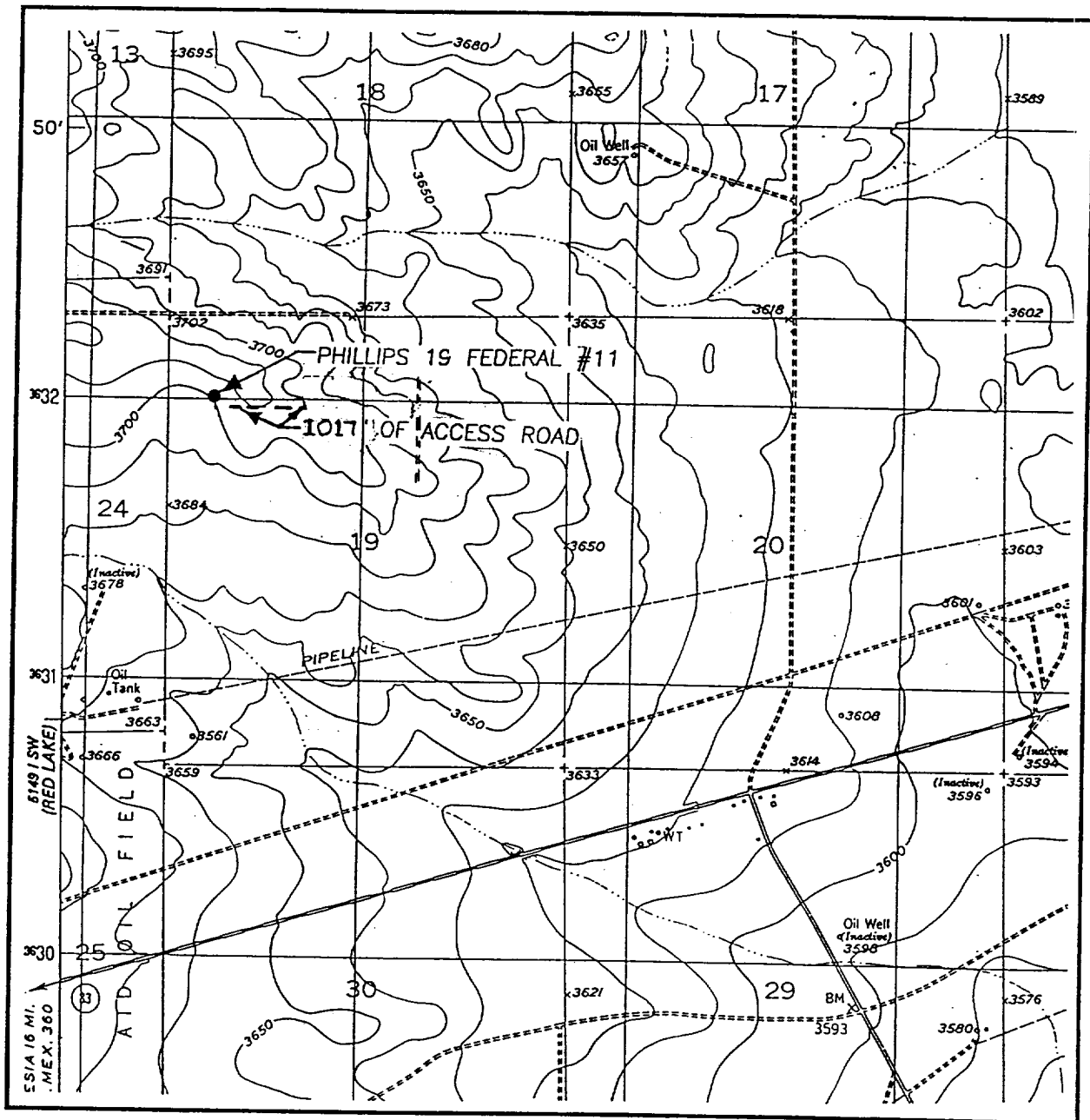
Date Surveyed LMP

Signature & Seal of Professional Surveyor

Ronald J. Eidson 9/13/00  
00-11-1070

Certificate No. RONALD J. EIDSON 3239  
GARY EIDSON 12641  
MACON McDONALD 12185

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
RED LAKE SE, N.M. - 10'

SEC. 19 TWP. 17-S RGE. 29-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 985' FNL & 565' FWL

ELEVATION 3701

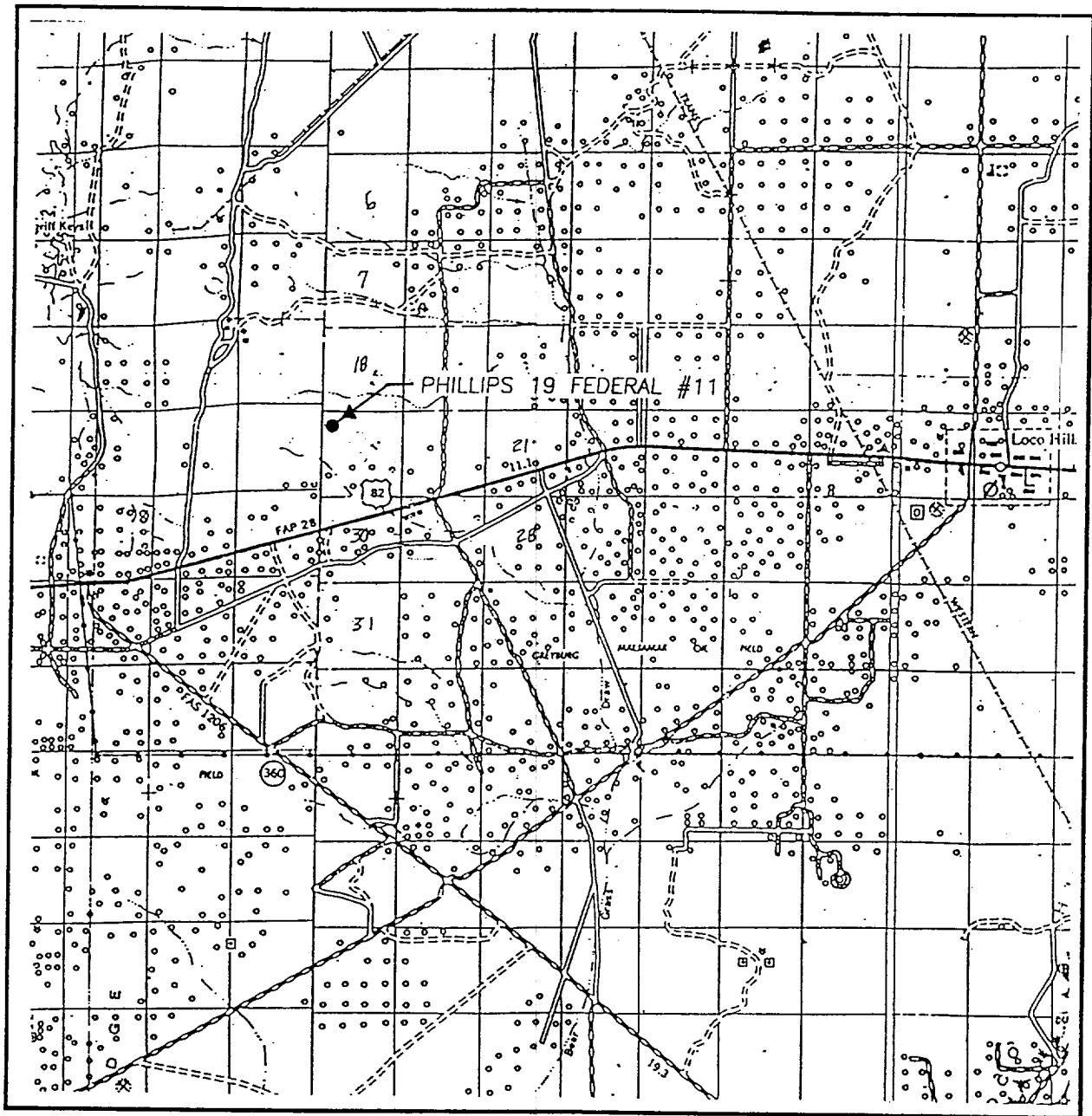
OPERATOR CLAYTON WILLIAMS  
ENERGY, INC.

LEASE PHILLIPS 19 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP  
RED LAKE SE, N.M.

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117

# VICINITY MA.



SCALE: 1" = 2 MILES

SEC. 19 TWP. 17-S RGE. 29-E

SURVEY N.M.P.M.

COUNTY EDDY

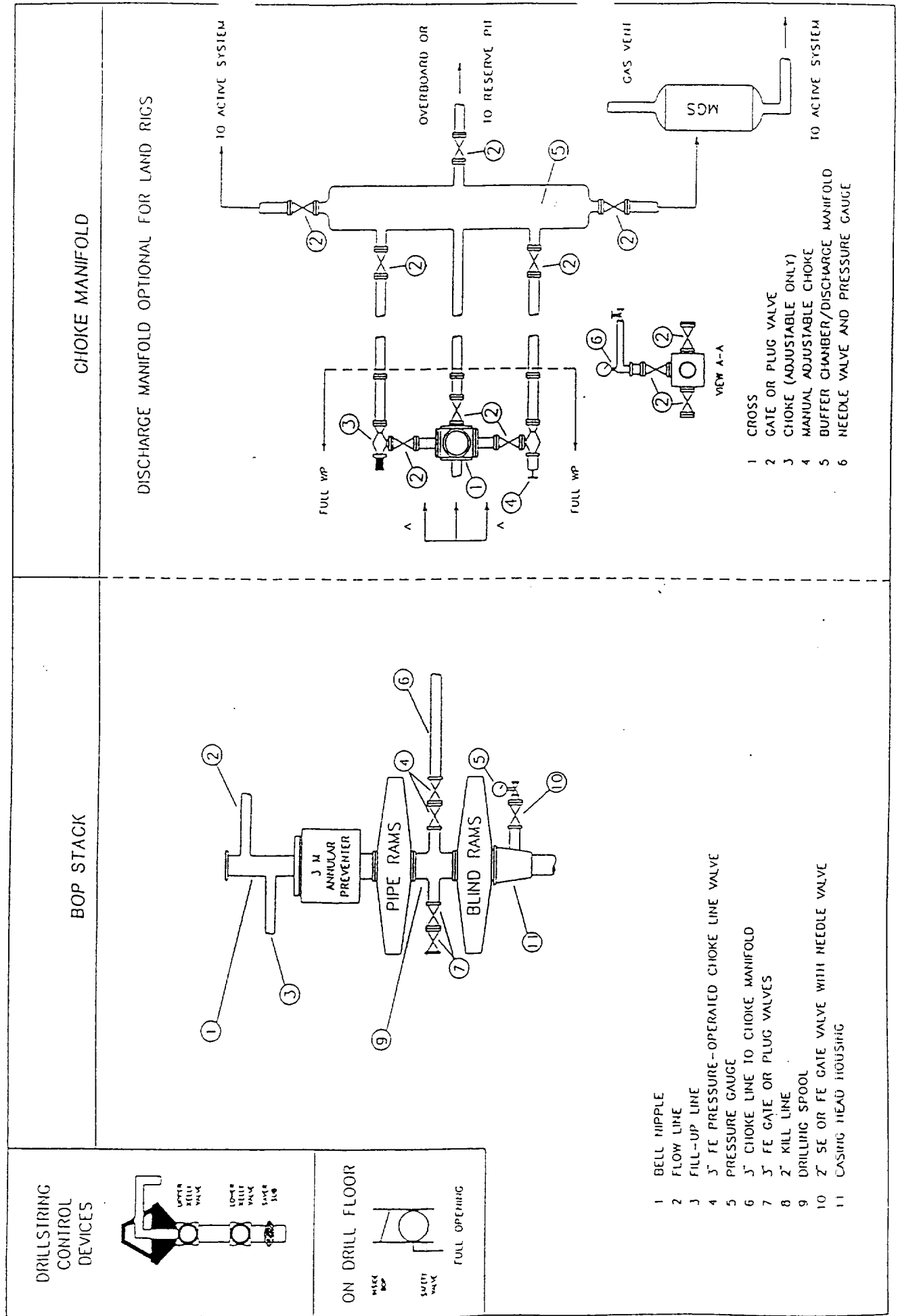
DESCRIPTION 985' FNL & 565' FWL

ELEVATION 3701

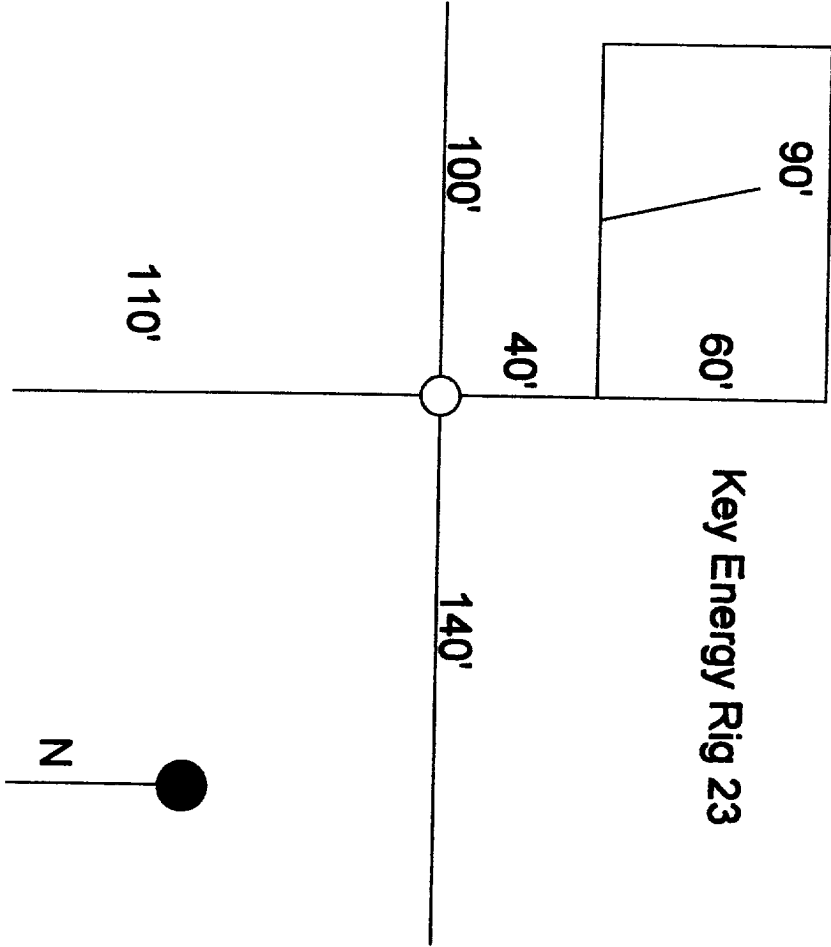
OPERATOR CLAYTON WILLIAMS  
ENERGY, INC.

LEASE PHILLIPS 19 FEDERAL

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117



Clayton Williams Energy, Inc.  
Phillips 19 Fed No. 11  
Sec. 19 - T17S - R29E  
Eddy County, NM



**CLAYTON WILLIAMS ENERGY, INC.**  
**DRILLING PROGRAM**

Attached to BLM form 3160-3

**Lease Name:** Phillips -19-Federal

**Well No.:** 11

**Location:** 985' FNL & 565' FWL, UL/Lot #1

Sec. 19, T-17-S, R-29-E

Eddy Co., NM

1. Geological name of surface location: Triassic
2. Estimated tops of important geological markers:

<u>Name</u>	<u>Depth</u>
Yates	825'
Seven Rivers	1090'
Queen	1666'
Grayburg	2045'
San Andres	2353'
Glorieta	3794'

3. Estimated name of anticipated fresh water, oil, and gas:

<u>Formation</u>	<u>Depth</u>	<u>Fresh Water/Oil/Gas</u>
Seven Rivers	1090'	Oil
Queen	1666'	Oil
Grayburg	2045'	Oil
San Andres	2353'	Oil
Glorieta	3794'	Oil

4. CASING PROGRAM

<u>Hole Size</u>	<u>Interval</u>	<u>OD Csg</u>	<u>Weight, Grade, Type.</u>
11"	<del>300'</del> 385'	8-5/8	24#, J-55, ST&C
7-7/8"	5000'	5-1/2"	17#, J-55, LT&C

CEMENT PROGRAM

Conductor Casing: N/A

8-5/8" Surface Casing:

300 SX CI "C" + 2% CaCl<sub>2</sub> + 1/4#/sx Flocele

**CEMENTED**

5-1/2" Production Casing:

Stage tool @ +/- 2600'

1<sup>st</sup> Stage: 400 sx. 35:65 Poz:C + 6% gel + 2% CaCl<sub>2</sub> + 1/4 pps Cello-flake  
150 sx. Class "C" Neat

2<sup>nd</sup> Stage: Lead: 800 sx 61:15:11 Lite + 1 pps salt + 4 pps Kolite + 0.2% D-65 + 0.3# D-167 + 0.2% D-46  
+ 0.25% D-13



5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) schematic attached will consist of a double ram-type (3000 psi WP) preventer and/or a bag-type (hydril) preventer (3000 psi WP). BOP will be hydraulically operated and the ram-type preventer will be equipped with blind rams and appropriate pipe rams. The BOP will be nipped up on the surface casing and used continuously until TD is reached. All BOP's and accessory equipment will be tested to 1000 psi before drilling out of surface casing. Before drilling out of intermediate casing, the ram-type BOP and accessory equipment will be tested to 3000 psi and the hydril to 50% of rated working pressure (1500 psi). Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A 2" kill line and 3" choke line will be attached to a drilling spool or BOP side outlets. Other accessories to the BOP equipment will include a kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold with 3000 psi WP rating.

6. Type & Characteristics of the Proposed Mud System:

The well will be drilled to TD with a combination of Fresh Water Gel/Brine System.

The applicable depths and properties of this system are as follows:

<u>Depth</u>	<u>Type</u>	<u>Weight (ppg)</u>	<u>Viscosity (sec)</u>	<u>Water Loss (cc)</u>
<del>300'</del> 385'	FW Gel	8.6-9.0	34-45	N/C
5000'	Brine	9.8-10.1	28-30	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the well site at all times.

7. Auxiliary Well Control and Monitoring Equipment:

- A. A Kelly cock will be kept in the drill string at all times.
- B. A full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- C. The drilling fluids system will be visually monitored at all times.
- D. A mudlogging unit will be continuously monitoring drilling penetration rate and hydrocarbon shows from surface casing to TD.
- E. A fixed electronic H2S monitoring system, including alarms with monitors at the shaker and the bell nipple, will be in operation from surface to TD.

8. Logging, Testing, & Coring Program:

- A. Drill stem tests: None anticipated
- B. Electronic logging program: DSN, MSFL, DLL, FMI (optional)
- C. Coring: None

9. Abnormal Conditions, Pressures, Temperatures & Potentials Hazards:

Possible sulfur water in flow in the Queen/Grayburg intervals

10. Anticipated Starting Date & Duration of Operations:

Road and location work will not begin until approval has been received from the BLM. The anticipated spud date is upon approval of APD. Once commenced, the drilling operations should be finished within approximately 10 days. If the well is productive, an additional 10 days will be required for completion and testing.

**CLAYTON WILLIAMS ENERGY, INC.**  
**HYDROGEN SULFIDE DRILLING OPERATIONS PLAN**

**I. HYDROGEN SULFIDE TRAINING**

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well.

1. The hazards and characteristics of hydrogen sulfide (H<sub>2</sub>S).
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H<sub>2</sub>S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H<sub>2</sub>S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H<sub>2</sub>S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H<sub>2</sub>S zone (within 3 days or 500 feet) and weekly H<sub>2</sub>S and well control drills for all personnel in each crew. The initial training session shall include a review of the site, specific H<sub>2</sub>S Drilling Operations Plan, and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

**II. H<sub>2</sub>S SAFETY EQUIPMENT AND SYSTEMS**

NOTE: All H<sub>2</sub>S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H<sub>2</sub>S.

1. Well Control Equipment:
  - A. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
  - B. Auxiliary equipment to include: annular preventer
2. Protective Equipment for Essential Personnel:

Five – 30 minute self – contained breathing apparatuses (Scott).
3. H<sub>2</sub>S Detection and Monitoring Equipment:
  - A. Fixed electronic monitoring system and alarms with two monitors:  
one at shaker and one at bell nipple.

**4. Visual Warning Systems:**

- A. Two windsocks with frames and extension poles.**
- B. One entrance sign with flags (with "CAUTION" and present well condition).**
- C. Two briefing area signs.**

**5. Mud Program:**

- A. The mud program has been designed to minimize the volume of H<sub>2</sub>S circulated to the surface. Proper mud weight, safe drilling practice, and the use of H<sub>2</sub>S scavengers will minimize hazards when penetrating H<sub>2</sub>S bearing zones.**

**6. Metallurgy:**

- A. All drill strings, casing, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H<sub>2</sub>S service.**

**7. Communication:**

- A. Cellular telephones in Company vehicles and at rig.**

**8. Well Testing:**

- A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity which is necessary to safely and adequately conduct the test. All drill stem testing operations conducted in an H<sub>2</sub>S environment will use the closed chamber method of testing.**

**CLAYTON WILLIAMS ENERGY, INC.  
SURFACE USE PLAN**

Attached to form 3160-3

**Lease Name:** Phillips-19-Federal

**Well No.:** 11

**Location:** 985' FNL & 565' FWL; UL/Lot #1  
Sec. 19, T-17-S, R-29-E

**1.        Existing Roads:**

- A.        The well site and elevation for the proposed well are shown on the attached plat.
- B.        Existing roads are indicated on attached map. Existing roads are adequate for travel during drilling and production operations. Upgrading of the road prior to drilling well will be done when necessary as determined during the onsite inspection.
- C.        Direction to location:  
Phillips-19-Federal wells: On Hwy. 82 approximately 6 miles West of Loco Hills, NM, turn North 1.5 mile on Old Loco Hills Rd. Turn left 1/2 mile to enter lease.  
Phillips-17-Federal Wells: On Hwy. 82 approximately 6 miles West of Loco Hills, NM, turn North 1/2 mile on Old Loco Hills Rd.
- D.        Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

**2.        Proposed access Roads:**

Attached map indicates the proposed new access road to be constructed. The road will be constructed as follows:

- A.        The maximum width of the running surface will be 20'. The road will be crowned and ditched and constructed of 6" rolled and compacted caliche. Ditches will be 3:1 slope and 4 feet wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns. BLM may specify any additions or changes during the onsite inspection.
- B.        The average grade will be less than 1%
- C.        No turnouts are planned
- D.        Culverts, cattle guards, low-water crossing, fence cuts:
- E.        Surface material will consist of native caliche. Caliche will be obtained from nearest BLM approved pit. Any additional materials required will be purchased from the dirt contractor.
- F.        The proposed access road will be centerlined flagged.

**3.        Location of Existing Wells :**

Phillips-17-Federal, well #1: Sec. 17, T-17-S, R-29-E, UL P, 990' FSL & 990' FEL  
Phillips-17-Federal, well #2: Sec. 17, T-17-S, R-29-E, UL O, 990' FSL & 2310' FEL  
Phillips-19-Federal, well #1: Sec. 19, T-17-S, R-29-E, UL A, 990' FNL & 330' FEL  
Phillips-19-Federal, well #2: Sec. 19, T-17-S, R-29-E, UL H, 2310' FNL & 330' FEL  
Phillips-19-Federal, well #5: Sec. 19, T-17-S, R-29-E, UL B, 990' FNL & 1650' FEL  
Phillips-19-Federal, well #6: Sec. 19, T-17-S, R-29-E, UL G, 2310' FNL & 1650' FEL

4. **Location of Existing Wells and/or Proposed Facilities:**

A. **Tank Battery:**

Sec. 19 wells: Sec. 19, T-17-S, R-29-E, UL G, 1980' FNL & 2310' FEL (Green B Federal #9 location)

Sec. 17 wells: Sec. 17, T-17-S, R-29-E, UL P, 990' FSL & 990' FEL

B. **Flowlines:** See attached Property Line & Road Diagram.

5. **Location and type of Water Supply:** To be hauled by contract company.

6. **Source of Construction Materials:**

All caliche required for construction of the drill pad and the proposed new access road will be obtained from a BLM approved caliche pit.

7. **Methods of Handling Waste Disposal:**

A. Drill cuttings not retained for evaluation purposes will be disposed of into the reserve pit.

B. Drilling fluids will be contained in steel mud tanks. The reserve pit will contain any excess drilling fluids or flow from the well during drilling, cementing, and completion operations. The reserve pit will be an earthen pit, approximately 60'X 90'X10' deep and fences on three sides prior to drilling. It will be fenced on the fourth side immediately following rig removal. The reserve will be plastic-lined to minimize loss of drilling fluids and saturations of the ground with brine water.

C. Water produced from the well during completion may be disposed into the reserve pit or steel tank. After the well is permanently placed on production, produced water will be collected in tanks until hauled by transport to an approved disposal system or separate disposal application will be submitted for appropriate approval. Produced oil will be collected in steel tanks until sold.

D. A portable chemical toilet will be provided on the location for human waste during the drilling and completion operations.

E. Garbage and trash produced during drilling and completion will be put in trash trailer. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. All waste material will be contained to prevent scattering by the wind. No toxic waste or hazardous chemicals will be produced by this operation.

F. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned-up within 30 days. No adverse materials will be left on the location. The reserve pit will be completely fenced and kept closed until it has dried. When the reserve pit is dry enough to break out and fill and, as weather permits, the unused portion of the well site will be leveled and re-seeded as per BLM specifications. Only the part of the pad required for production will be kept in use. In the event of a dry hole, only a dry hole marker will remain.

8. **Ancillary Facilities:**

No airstrip, campsite, or other facilities will be built as a result of the operations of this well.

9. **Well Site Layout:**

- A. **Drill pad:** Per attached plat.
- B. Attached plat shows planned orientation for the rig and associated drilling equipment, reserve pit, pipe racks, turnaround and parking areas, and access road. No permanent living facilities are planned, but a temporary foreman/tool pusher's trailer will be on location during the drilling operations.
- C. The reserve pit will be lined with high-quality plastic sheeting.

10. **Plans for Restoration of the Surface:**

- A. Upon completion of the proposed operations, if the well is to be abandoned, the caliche will be removed from the location and road and returned to the pit from which it was taken. The pit area, after allowing to dry, will be broken out and leveled. The original topsoil will be returned to the entire location, which will be leveled and contoured to as nearly to the original topography as possible.

All trash, garbage, and pit lining will be buried or hauled away in order to leave the location in an aesthetically pleasing condition. All pits will be filled and the location leveled within 120 days after abandonment.

- B. The disturbed area will be re-vegetated by re-seeding during the proper growing season with a seed mixture of native grasses as recommended by the BLM.
- C. Three sides of the reserve pit will be fenced prior to and during drilling operations. At the time the rig is removed, the reserve pit will be fenced on the rig (fourth) side to prevent livestock or wildlife from being entrapped.

The fencing will remain in place until the pit area is cleaned up and leveled. No oil will be left on the surface of the fluid in the pit. The entire reserve pit will be netted until the fluid has completely evaporated.

- D. Upon completion of the proposed operations, if the well is completed, the reserve pit area will be treated as outlined above within the same prescribed time. Topsoil removed from the drill site will be used to re-contour the pit area; any uncased portions of the drill pad to the original natural level and re-seeded as per BLM specifications.

11. **Surface Ownership:**

The wellsite and lease is located entirely on Federal surface.

**Other Information:**

- A. **Terrain:** See Archaeological Report
- B. **Soil:** See Archaeological Report
- C. **Vegetation:** See Archaeological Report
- D. **Surface Use:** See Archaeological Report
- E. **Ponds and Streams:** None
- F. **Water Wells:** None
- G. **Residences and Buildings:** None
- H. **Arroyos, Canyons, Etc.:** None
- I. **Well Sign:** To be installed at the wellsite
- J. **Archaeological Resources:** None reported. References archaeological report.

12. **Lessee's and Operator's Representative:**

The Clayton Williams Energy, Inc. representatives responsible for assuring compliance with the Surface Use Plan are:

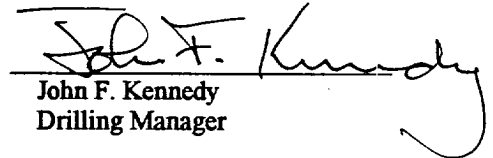
John Kennedy  
Clayton Williams Energy, Inc.  
Six Desta Drive, Ste. 3000  
Midland, TX 79705  
(915) 682-6324

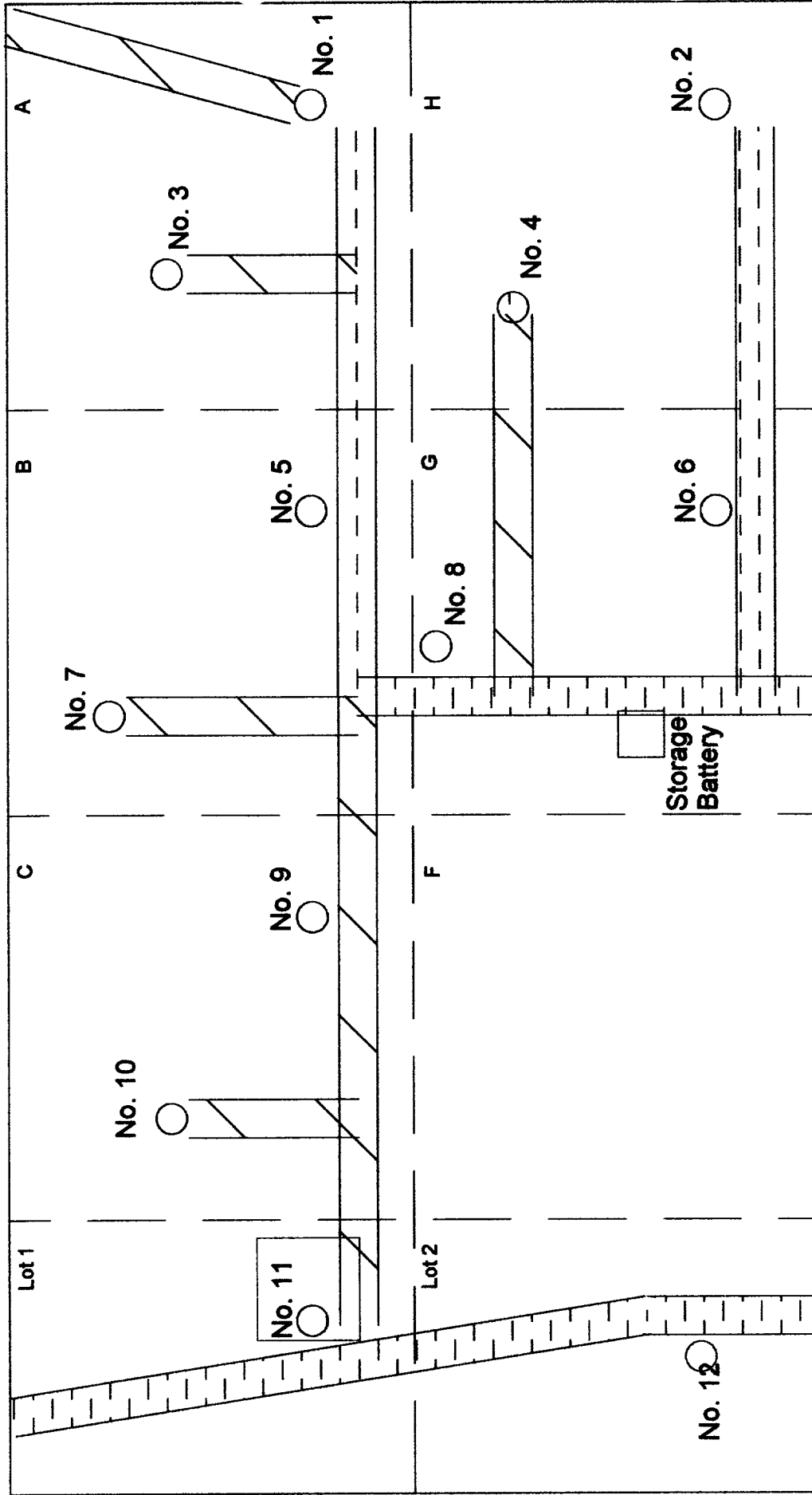
or

Matt Swierc  
Clayton Williams Energy, Inc.  
Six Desta Drive, Ste. 3000  
Midland, TX 79705  
(915) 682-6324

**Certification:**

I hereby certify that I, or persons under my direct supervision, have inspected the 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 Clayton Williams Energy, Inc. and its contractors in conformity with this plan and the terms and conditions under which it is approved.

  
John F. Kennedy  
Drilling Manager



Clayton Williams Energy, Inc.  
 Phillips 19 Federal  
 Sec. 19 - T17S - R29E  
 Eddy County, NM

Phillips 19 Fed No. 11 Detail

Proposed Road Symbol  
 Existing Road Symbol

Flowlines will be laid on surface and follow lease roads to battery

November 2000



## BLM/CFO

BLM/CFO

For the Phillips "19" Fed. No. 12 well: T17S, R29E, Section 19 (irregular section: used SW corner) SW¼ SW¼ NW¼

**Well Pad Footages:** For the Phillips "19" Fed. No. 4: 1,700 ft from the north line and 990 ft from the east line

For the Phillips "19" Fed. No. 8: 1,395 ft from the north line and 2,092 ft from the east line

For the Phillips "19" Fed. No. 11: 985 ft from the north line and 565 ft from the west line

For the Phillips "19" Fed. No. 12: 2,252 ft from the north line and 445 ft from the west line

**f. 7.5' Map Name(s) and Code Number(s):** Red Lake SE, NM, 1955 (32104-G1)

**g. Area:**

**Block:**

For the Phillips "19" Fed. No. 4: Impact: 400 ft x 400 ft  
Surveyed: 400 ft x 400 ft

For the Phillips "19" Fed. No. 8: Impact: 400 ft x 400 ft  
Surveyed: 400 ft x 400 ft

For the Phillips "19" Fed. No. 11: Impact: 400 ft x 400 ft  
Surveyed: 400 ft x 400 ft

For the Phillips "19" Fed. No. 12: Impact: 400 ft x 400 ft  
Surveyed: 400 ft x 400 ft

**Linear:**

For the Phillips "19" Fed. No. 4 access road: Impact: 1,038 ft x 20 ft  
Surveyed: 1,038 ft x 100 ft

For the Phillips "19" Fed. No. 11 access road: Impact: 1,017 ft x 20 ft  
Surveyed: 1,017 ft x 100 ft

#### **14. a. Records Search:**

**Location:** Carlsbad Field Office and ARMS (via modem)

**Date:** November 2, 2000 by Jennifer Bowden

**List by LA # All sites within .25 miles of the project: (Those sites within 500' are to be shown on the project map):** No sites are located within 0.25 miles of the project area.

**b. Description of Undertaking:** A Class III archaeological survey was conducted for the proposed well pads Phillips "19" Federal Nos. 4, 8, 11, and 12. These well pads are all located in the northern portion of T17S, R29E, Section 19. Associated access roads were surveyed for wells No. 4 and 11; Wells No. 8 and 12 are located on existing caliche capped roads.

**c. Environmental Setting (NRCS soil designation; vegetative community; etc):** The project area is located northwest of Loco Hills on a gently rolling plain. Vegetation is consistent with Chihuahuan Desert Scrub, including honey mesquite, buckthorn, prickly pear, and grasses. Average surface visibility is 40 to 70 percent. The elevations of the project area range from 3,670 ft to 3,710 ft. Soils in the project area are light brown silty sands of the Simona-Pajarito and Kimbrough-Stegell associations. Some caliche nodules and gravels of chert and quartzite are present on the surface of deflated areas.

#### **d. Field Methods:**

**Transect Intervals:** 15 m

**Crew Size:** 2

**Time in Field:** 8.0 hours

**Collections:** None

**15. Cultural Resource Findings:**

**a. Identification and description: (Location shown on Project map):** Three isolated manifestations (IMs) were encountered and recorded.

IM 1 consists of a core-reduction flake made out of purple quartzite and a deflated scatter of 12 pieces of burned caliche. (Zone 13, E 583180/ N 3631747)

IM 2 consists of four core-reduction flakes, two biface-thinning flakes, and one core. Material types include quartzite, limestone, jasper, and chert. (Zone 13, E 583425/ N 3631772)

IM 3 consists of one core and one core-reduction flake. Both are made of chert. (Zone 13, E 582552/ N 3631944)

**16. Management Summary (Recommendations):** The very nature of IMs makes them ineligible for the National Register of Historic Places. No further action needs to be taken regarding these cultural resources. Because no significant cultural resources were encountered archaeological clearance is recommended for each of the four well pads and the two access roads. However, if cultural resources are encountered, work at that location should stop and archaeologists at the BLM – Carlsbad Field Office and HPD should be notified.

I certify that the information provided above is correct and accurate and meets all appreciable BLM standards.

Responsible Archaeologist: Signature

 Date Nov 20, 2020

THE ABOVE COMPLETES A NEGATIVE REPORT. IF ELIGIBLE OR POTENTIALLY ELIGIBLE PROPERTIES ARE INVOLVED, THEN THE ABOVE WILL BE THE TITLE PAGE AND ABSTRACT FOR A COMPLETE REPORT.

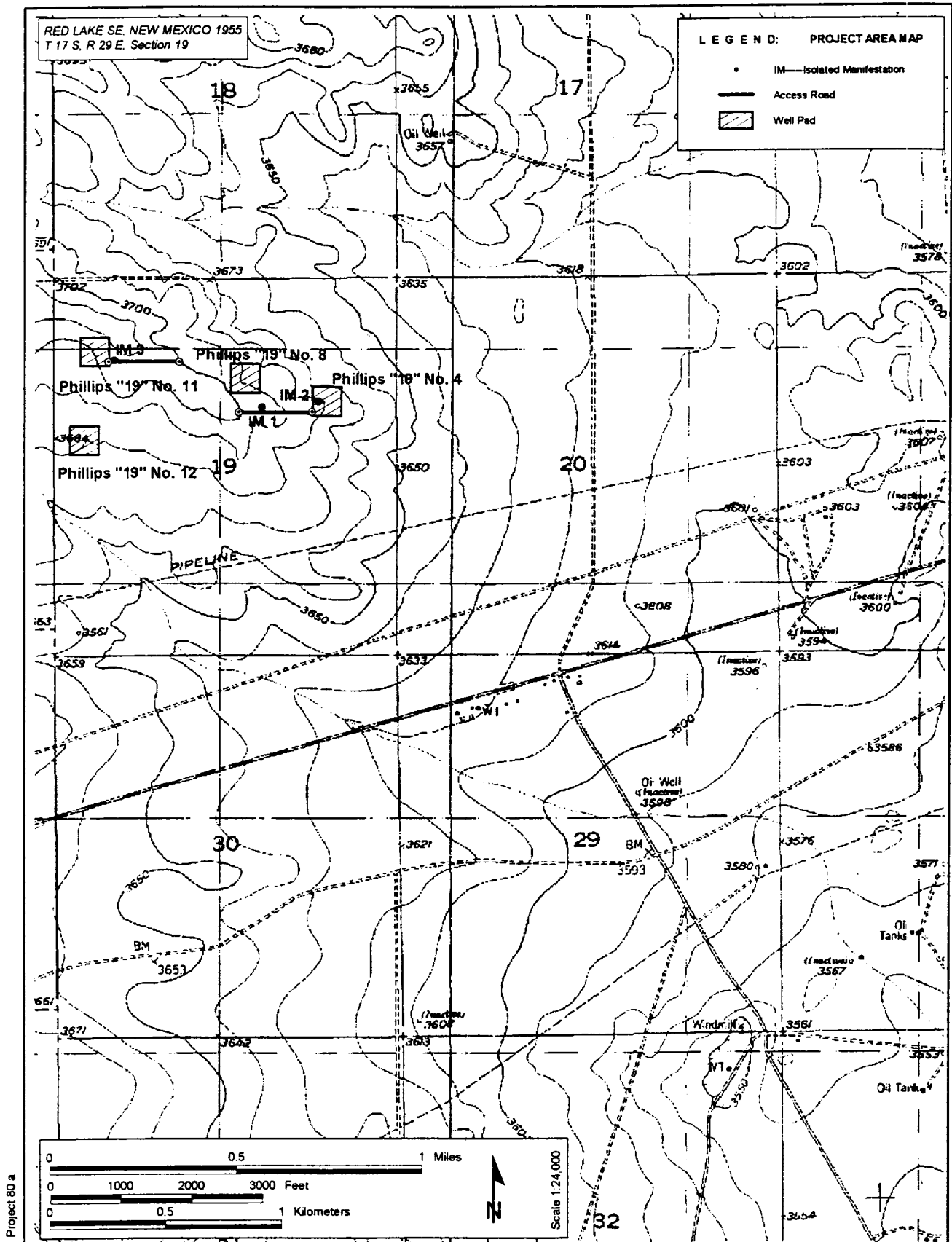


Figure 1. Project Area Map.

Mesa Field Services

UNITED STATES DEPARTMENT OF THE INTERIOR  
Bureau of Land Management  
Roswell Field Office  
2909 West Second Street  
Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name: **Clayton Williams Energy, Inc.**  
Street or Box: **Six Desta Drive, Suite 3000**  
City, State: **Midland, Texas**  
Zip Code: **79705**

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: **NM-14847**

Legal Description of Land: **Well No. 11 – Phillips –19-Federal  
Lot #1, Sec. 19, T-17-S, R-29-E  
985' FNL & 565' FWL  
Eddy Co., New Mexico**

Formation(s) if applicable: **Empire, East (Yeso)**

Bond Coverage: **\$25,000.00 SW (copy attached)**

BLM Bond File No.: **NM2787 (Surety Bond No. RLB0002027)**

Authorized Signature: *Matt Swierc*

Name: **Matt Swierc**

Title: **Production Superintendent**

Phone No.: **(915) 682-6324**

Fax No.: **(915) 688-3225**

Date: **October 27, 2000**



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON  
Governor

Jennifer A. Salisbury  
Cabinet Secretary

January 2, 2001

Lori Wrotenbery  
Director  
Oil Conservation Division

Clayton Williams Energy, Inc.  
Six Desta Drive - Suite 3000  
Midland, Texas 79705  
Attention: Matt Swierc

Telefax No. (915) 688-3225

*Administrative Order NSP-1838*

Dear Mr. Swierc:

Reference is made to your application dated December 13, 2000 for a non-standard 27.36-acre oil spacing and proration unit consisting of the following acreage in the Undesignated Empire-Yeso Pool:

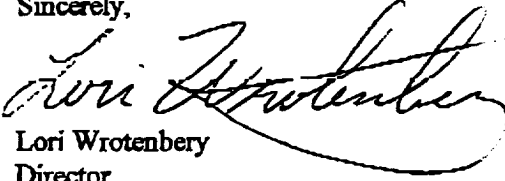
EDDY COUNTY, NEW MEXICO  
TOWNSHIP 12 SOUTH, RANGE 29 EAST, NMPM  
Irregular Section 19: Lot 1 (NW/4 NW/4 equivalent).

It is our understanding that this unit is to be dedicated to Clayton Williams Energy, Inc.'s proposed Phillips "19" Federal Well No. 11, to be drilled at a standard oil well location 985 feet from the North line and 565 feet from the West line (Unit D) of irregular Section 19.

This application has been duly filed under the provisions of Division Rule 104.D (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.D (2) (b), the above-described 27.36-acre non-standard oil spacing and proration unit is hereby approved. Further, Clayton Williams Energy, Inc. is permitted to produce the allowable assigned this 27.36-acre unit in accordance with Division Rule 104.G (1) from this well.

Sincerely,

  
Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia  
U. S. Bureau of Land Management - Carlsbad