

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 ☐
2. NAME OF OPERATOR
Socorro Petroleum Company
3. ADDRESS OF OPERATOR
P.O. Box 38, Loco Hills, NM 88255
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1385' FNL & 1345' FWL
At proposed prod. zone
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
5 miles east of Loco Hills, NM
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 1345'
16. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 870'
17. NO. OF ACRES IN LEASE 640
18. PROPOSED DEPTH 4000'
19. ROTARY OR CABLE TOOLS Rotary
20. APPROX. DATE WORK WILL START
21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3660' GR
22. APPROX. DATE WORK WILL START
23. PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	H-40 J-55	8 R	625'	300 sx. Class C
7 7/8"	5 1/2"	15.5#	K-55	8 R	4000'	200 sx. Class C + 600 sx. Lite

Mud Program:

0 - 625' Drill with fresh water.
625 - 4000' Drill with brine water.

BOP Program:

Will install on the 8 5/8" surface casing a 10" Series 900 Type "E" Shaffer Double Hydraulic BOP and will test before drilling into the Queen formation.

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.

SIGNED John J. Kneel TITLE Manager DATE 5/15/90
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE 6-6-90
CONDITIONS OF APPROVAL, IF ANY:

SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

*See Instructions On Reverse Side

STAKED: 5/9/90

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

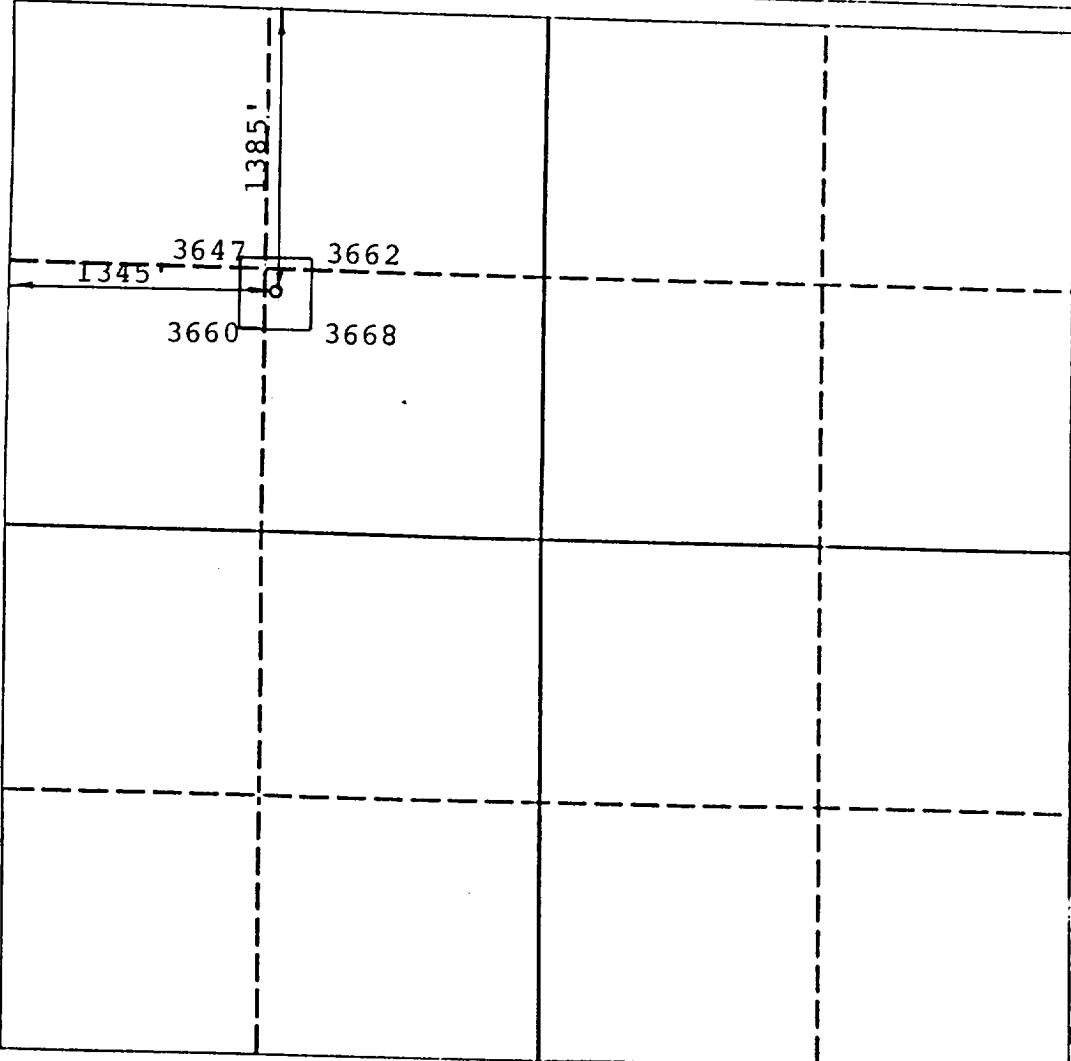
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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 Socorro Petroleum Company			Lease Turner "B" Federal		Well No. 83
Unit Letter F	Section 29	Township 17 South	Range 31 East	County Eddy	
Actual Footage Location of Well: 1385 feet from the North line and 1345 feet from the West line					
Ground level Elev. 3660		Producing Formation Grayburg	Pool Grayburg Jackson	Dedicated Acreage: 40 20 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.?
☐ 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 interest, has been approved by the Division.

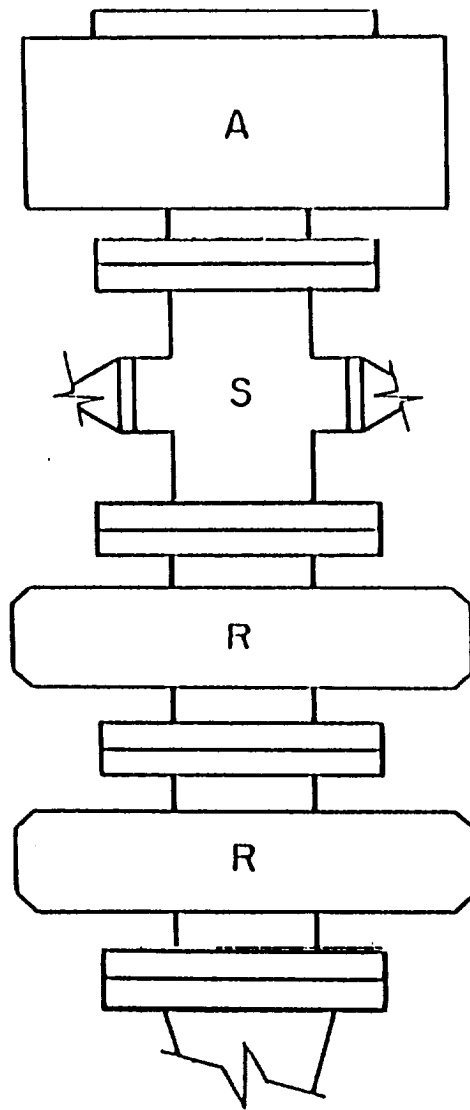


OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *John Gould, Jr.*
Printed Name: **John Gould, Jr.**
Position: **Manager**
Company: **Socorro Petroleum Co.**
Date: **5/14/90**

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: **May 9 1990**
Signature: *[Signature]*
Professional Surveyor
P.R. 1-1-89
8112



A - Stripping Rubber

R - Blind and Pipe
Rams

EXHIBIT "E"
Socorro Petroleum Company
Turner "B" #83
BOP Diagram

APPLICATION FOR DRILLING

SOCORRO PETROLEUM COMPANY
TURNER "B" Well No. 63
1385' FNL & 1345' FWL
Eddy County, New Mexico
Lease No.: LC-019345-B

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Socorro Petroleum Company submits the following items of pertinent information in accordance with BLM requirements:

1. The geological surface formation is recent Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geological markers are as follows:

Rustler Anhydrite	625'	Grayburg	3260'
Top of Salt	795'	Premier Sand	3420'
Base of Salt	1775'	San Andres	3550'
Yates	1925'	Lovington Sand	3665'
Seven Rivers	2235'	Lower S.A. "M"	3750'
Queen	2850'	T. D.	4000'

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: There is no surface water in area. Water flow from injection wells possible at 2800'.

Oil: Grayburg at approximately 3260' or below.

Gas: None anticipated.

4. Proposed Casing Program: See Form 3160-3.
5. Proposed Control Equipment: See Form 3160-3.
6. Mud Program: See Form 3160-3.
7. Auxiliary Equipment: Blowout preventer, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging and Coring Program:

Drill Stem Tests: None planned.

Logging: LDT/CNL	T.D. - 1775'
DLL RXO NGT.	T.D. - 1775'
GRN	T.D. - Surface

Coring: None planned.

9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered, the proposed mud program will be modified to increase the mud weight.

APD
Socorro Petroleum Company
Turner "B", Well No. 83
Page -2-

10. Anticipated starting date:
Anticipated completion of drilling operations:

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

SOCORRO PETROLEUM COMPANY
TURNER "B", Well No. 83
1385' FNL & 1345' FWL
Eddy County, New Mexico
Lease No.: LC-029395-B

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities, and the operations plan to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operations.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a BLM Quad map showing the location of the proposed well as staked, in relation to existing roads and U.S. Highway 82. The well is approximately 5.5 miles ESE of Loco Hills, New Mexico, with most of the distance paved.
- B. Directions: From Loco Hills go east on U.S. 82 5.7 miles to SH 222. Turn south on 222 and go 0.6 miles to existing lease road. Go west on lease road 3/4 of a mile, then north 1/4 of a mile to location. (See Exhibit "B".)

2. PLANNED ACCESS ROAD:

- A. Length and Width: A 1320' road 12' wide will be constructed from the existing access road north to the proposed wellsite.
- B. Construction: The new road will be 12' wide with a center crown, with 4 inches compacted caliche. The existing roads will be graded and topped with compacted caliche as needed.
- C. Turnouts: None required.
- D. Culverts: None required.
- E. Cut and Fill: The area has 8 to 15 foot sand dunes and deflation basins to be leveled.
- F. Gates, Cattleguards: None required.

3. LOCATION OF EXISTING WELLS:

- A. Existing wells within a two miles radius are shown on Exhibit "C".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. There are production facilities on the lease at this time.

See Exhibit "C".

- B. If the oil well proves to be commercial, the necessary production facilities will be installed on the drilling pad and flow lines will be installed along the proposed and existing access roads to the storage tanks.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is planned to drill the proposed well with fresh and brine water which will be obtained from commercial sources. The water will be transported over proposed and existing access roads.

6. SOURCES OF CONSTRUCTION MATERIALS:

- A. Caliche for surfacing access roads and the wellsite pad will be obtained from a Federal pit in the SE/4 of Section 7-T17S-R31E. The pit has been staked and cleared by the archaeologist. The topsoil from the location will be stockpiled near the location for future rehabilitation use. No surface materials will be disturbed except those necessary for actual grading and leveling of the drill site and access roads.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing materials to prevent livestock from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the BLM for approval.
- E. Oil produced during operations will be stored in tanks until sold.
- F. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- G. Trash, waste papers, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste materials will be contained to prevent scattering by the wind.
- H. All trash and debris will be buried or removed from the well-

site within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

A. None required.

9. WELLSITE LAYOUT:

- A. Exhibit "D" shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The pad and pit area has been staked and flagged.
- B. Mat Size: 140' x 210' plus reserve pits.
- C. Cut & Fill: The area has 5 to 12 foot sand dunes and deflation basins to be leveled.
- D. The surface will be topped with compacted caliche and the reserve pits will be plastic lined.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.

11. OTHER INFORMATION:

- A. Topography: The wellsite and access road are located in the Querecho Plains, c. a. 2.2 miles ENE of Cedar Lake, c. a. 1.4 miles northwest of Taylor Draw and c. a. 1.0 miles east of Cedar Lake Draw. The area drains to the west toward Cedar Lake Draw. The project area consists of a sloping area with immediate drainage into an arroyo to the north.
- B. Soil: The topsoil at the wellsite is Kermit-Berino fine sands.
- C. Flora and Fauna: The vegetative cover is one of a grassland environment and a scrub-grass scrub disclimax community. The

wildlife consists of rabbits, coyotes, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.

- D. Ponds and Streams: None in the area.
- E. Residences and Other Structures: None in the area.
- F. Land Use: Cattle grazing.
- G. Surface Ownership: The proposed wellsite and existing access road are on Federal surface and minerals.
- H. Archaeological survey revealed the occurrence of

12. OPERATOR'S REPRESENTATIVE:

- A. The field representative responsible for assuring compliance with the approved surface use and operations plan is as follows:

Ben D. Gould
Socorro Petroleum Company
P. O. Box 38
Loco Hills, New Mexico 88255
(505) 677-2360

13. CERTIFICATION:

I hereby certify that I have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the 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 Socorro Petroleum Company and its contractors and subcontractors in conformity with this plan and their terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.


Socorro Petroleum Company

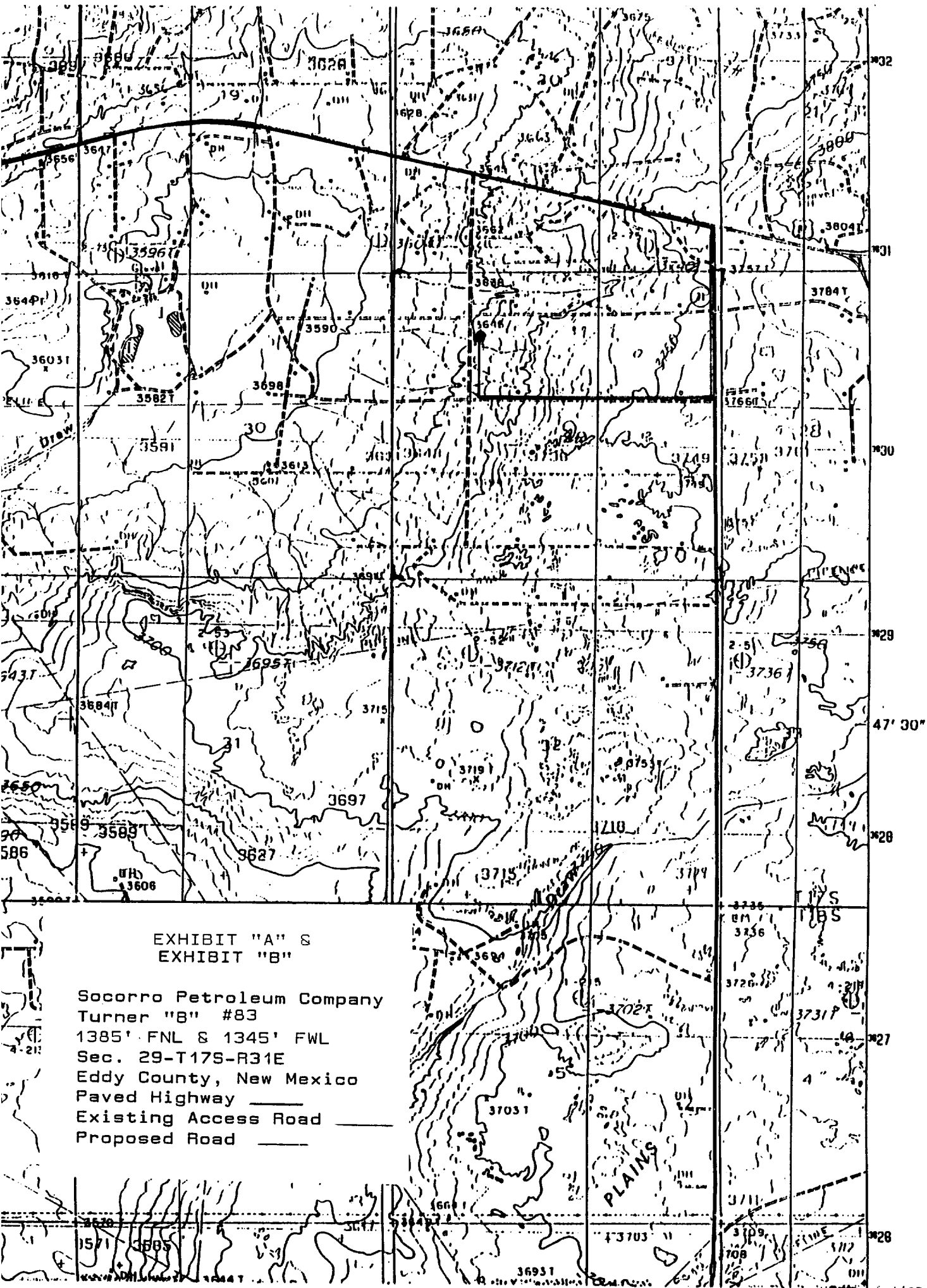


EXHIBIT "A" &
EXHIBIT "B"

Socorro Petroleum Company
Turner "B" #83
1385' FNL & 1345' FWL
Sec. 29-T17S-R31E
Eddy County, New Mexico
Paved Highway ———
Existing Access Road - - -
Proposed Road - - -

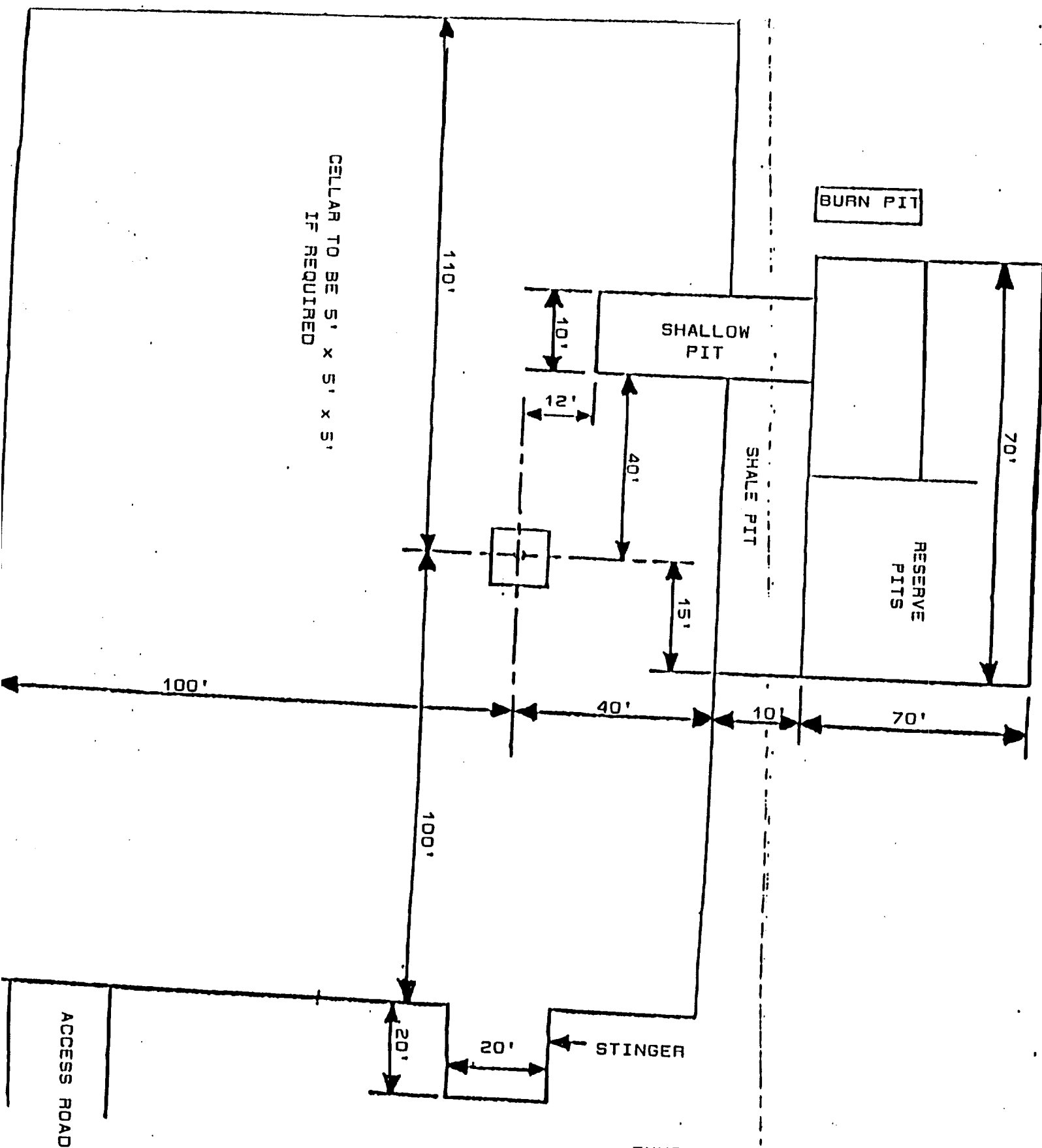


EXHIBIT "D"
Socorro Petroleum Company
Turner "B" #83
Rig Layout