

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Oil Cons. Division  
811 S. 16th St.  
ARTESIA, NM 87003-2834  
7/11/97 SP  
7-11-97 AMM

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER ☐

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

ARCO Permian

990

3. ADDRESS AND TELEPHONE NO.

P.O. Box 1610, Midland, TX 79702

915-688-5570

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

At surface

2005' FNL, 990' FWL

At proposed prod. zone

SAME

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

9 MILES SOUTHEAST FROM ARTESIA

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

990'

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

NA

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

3,567'

5. LEASE DESIGNATION AND SERIAL NO.

LC-028505-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

RED LAKE "3" FED 2

9. API WELL NO.

31-015-29802

10. FIELD AND POOL, OR WILDCAT

RED LAKE (Q-GB-SA)

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

3-T18S-R27E

12. COUNTY OR PARISH

EDDY

13. STATE

NM

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11	8-5/8	24	1100'	350 CIRCULATE
7-7/8	5-1/2	15.5	2500'	365 CIRCULATE

SUBJECT WELL IS PLANNED AS A 2500' STRAIGHT HOLE.  
3,000 PSI BOPE WILL BE USED FROM 1100' TO TD.

ATTACHMENTS ARE AS FOLLOWS:

1. CERTIFIED LOCATION PLAT.
2. DRILLING PLAN WITH ATTACHMENTS.
3. SURFACE USE PLAN WITH ATTACHMENTS.

Approval Subject to  
General Requirements and  
Special stipulations  
Attached

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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

*Elizabeth C. Casbee*

TITLE REGULATORY COMPLIANCE

DATE 7-8-97

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that 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:

APPROVED BY

ORIG. SGT. TONAL FERGUSON

TITLE

ADM, MINERALS

DATE

8-18-97

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

RECEIVED  
1997 JUL 11 A 9:02  
BUREAU OF LAND MGMT.  
ROSWELL OFFICE

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

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

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

DISTRICT IV  
P.O. Box 2088, Santa Fe, NM 87504-2088

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

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-29802</b>	Pool Code <b>51300</b>	Pool Name <b>Red Lake 3-6-SA</b>
Property Code	Property Name <b>RED LAKE "3" FEDERAL</b>	Well Number <b>2</b>
OGRID No.	Operator Name <b>ARCO PERMIAN</b>	Elevation <b>3567</b>

Surface Location

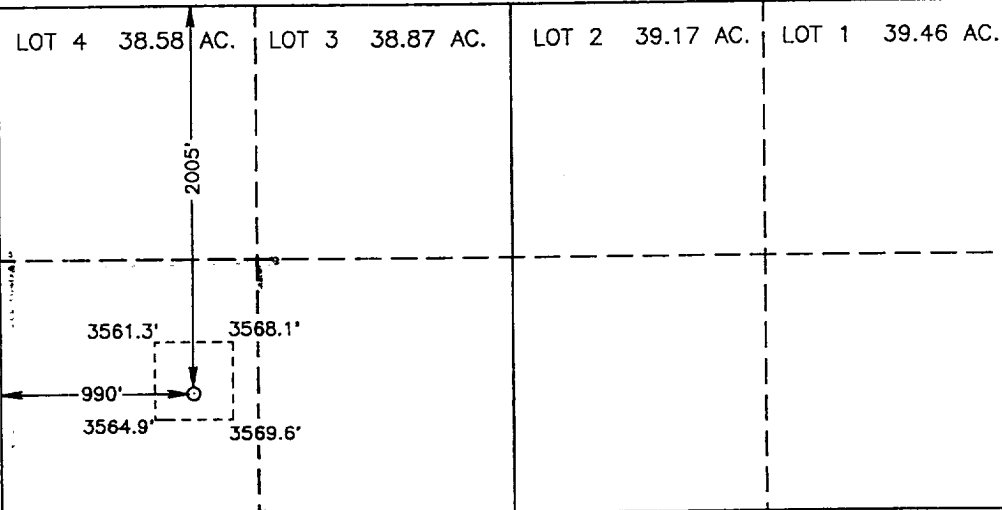
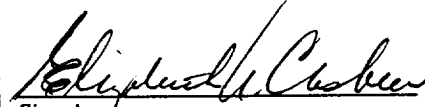

UL or lot No. <b>E</b>	Section <b>3</b>	Township <b>18 S</b>	Range <b>27 E</b>	Lot Idn	Feet from the <b>2005</b>	North/South line <b>NORTH</b>	Feet from the <b>990</b>	East/West line <b>WEST</b>	County <b>EDDY</b>
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres <b>40</b>	Joint or Infill	Consolidation Code	Order No.
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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 4 38.58 AC.	LOT 3 38.87 AC.	LOT 2 39.17 AC.	LOT 1 39.46 AC.
 <p>NAD 27 NME Y=646665.16 N X=519088.56 E</p>			
<b>OPERATOR CERTIFICATION</b> I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature <b>ELIZABETH A. CASBEER</b> Printed Name <b>REG/COMP. ANALYST</b> Title <b>7-10-97</b> Date			
<b>SURVEYOR CERTIFICATION</b> 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. <b>JUNE 24, 1997</b> Date Surveyed  Signature & Seal of Professional Surveyor <b>RONALD J. EIDSON</b> W.Q. Num. 97-137059 Certificate No. <b>JOHN W. WEST, 676</b> <b>RONALD J. EIDSON, 3239</b> <b>GARY G. EIDSON, 12641</b>			

## DRILLING OPERATIONS

CLASS - 1: NORMAL PRESSURE: < 10 PPG

OPTION - 1: ARCO STANDARD EOPE STACK

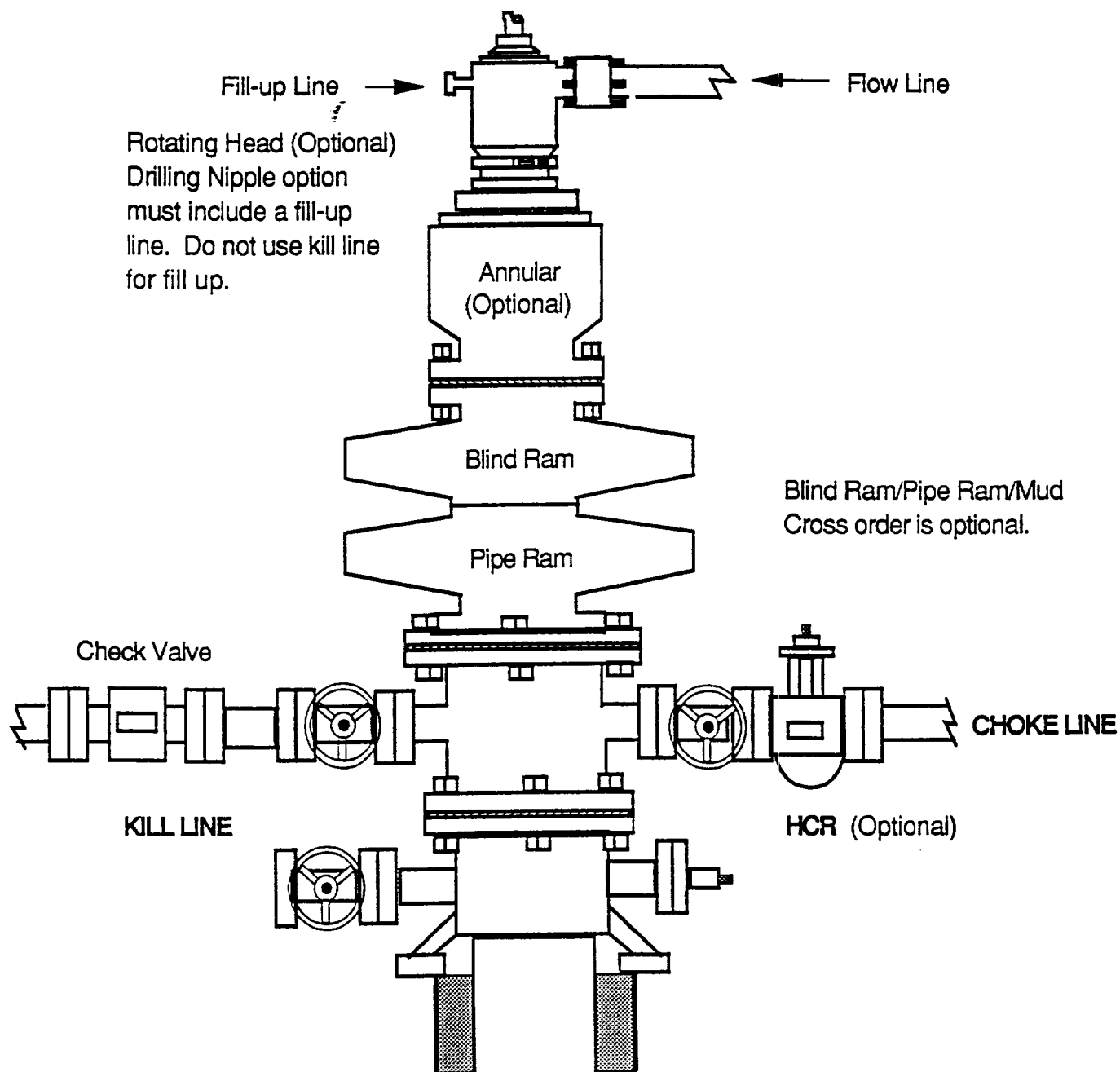
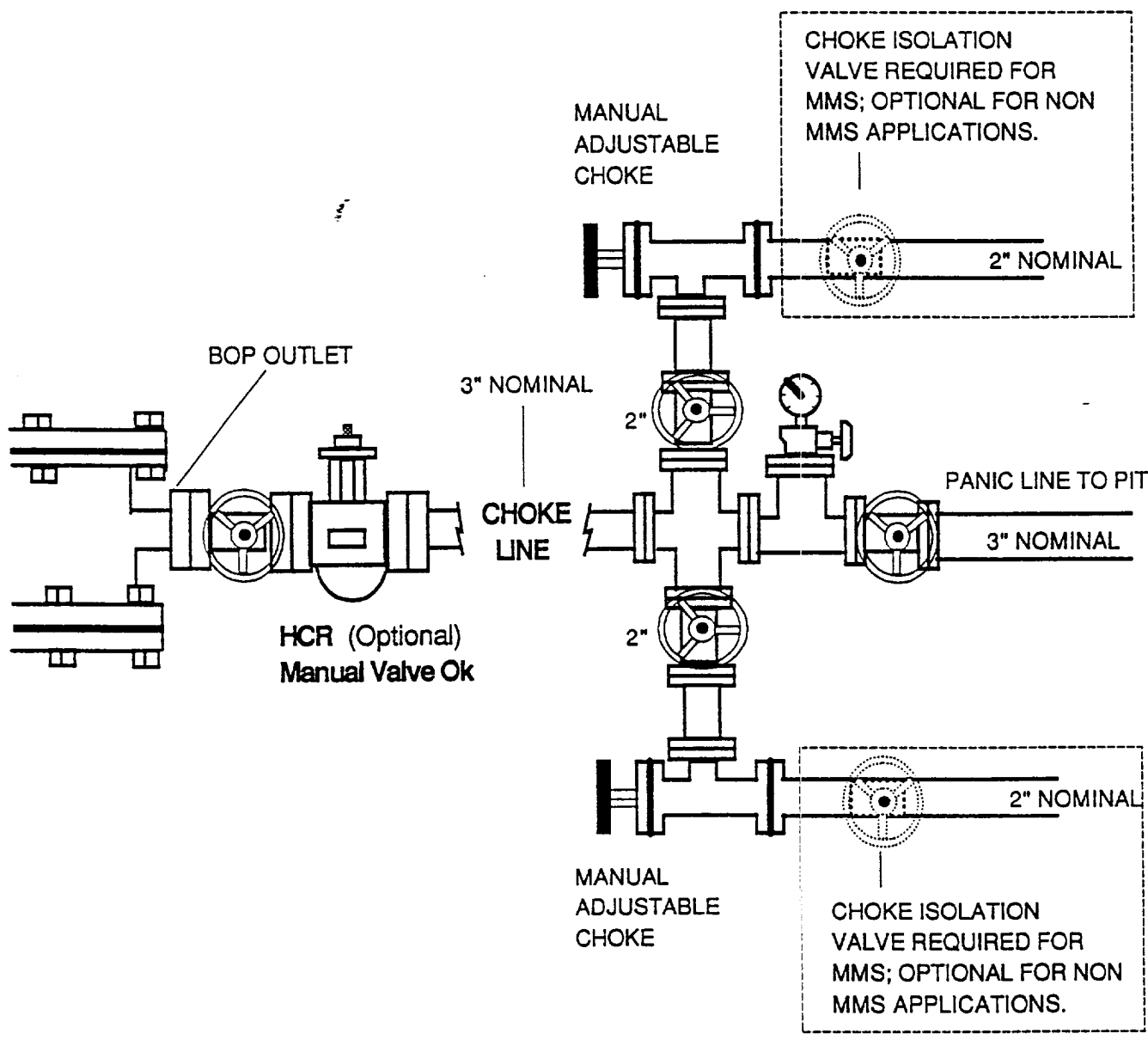


EXHIBIT 2

DRILLING OPERATIONS  
CHOKE MANIFOLD  
2M AND 3M SERVICE



# EXHIBIT 3

## BLOWOUT PREVENTION EQUIPMENT SPECIFICATIONS

1. All BOP equipment shall be fluid and/or mechanically operated.
2. BOP's and all fittings will be in good working condition.
3. Equipment through which the bit must pass shall be at least as large as the casing size being drilled.
4. The nipple above the BOP shall be at least the same size as the last casing set.
5. The upper kelly cock with handle and lower kelly cock shall be rated at the BOP working pressure.
6. A floor safety valve (full opening) or drill string BOP with appropriate pressure ratings shall be available on the rig floor with connections or subs to fit any tool joint in the string.
7. The minimum size choke line shall be 3 inches nominal diameter, with a minimum size for vent lines downstream of chokes of 2 inches nominal, and vent lines which by-pass shall be a minimum of 3 inches nominal and as straight as possible.
8. All valves, fittings and lines between the closing unit and the blowout preventer stack should be of steel construction with rated working pressure at least equal to working pressure rating of the stack. Lines shall be bundled and protected from damage.
9. Minimum size for kill line is 2 inches nominal.
10. Ram type preventers shall be equipped with extension hand wheels or hydraulic locks.