Form 3160-3 (July 1992)	N. M. Oil Cons. Division 811 S. 1ST ST. SUBMIT IN TRIE. ATE* UNITED STATES, NM 68210-2834 reverse side) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT S. LEASE DESIGNATION AND SERIAL NO. MEED STATES OF CONSTRUCTION OF CONSTRUC							o. 178-A
APPLI	APPLICATION FOR PERMIT TO DRILL OR DEEPEN 7. UNIT AGREEMENT NAME							
1a. TYPE OF WORK			٦		'	. UNIT AGREEM		
b. TYPE OF WELL	GAS OTHER J					B. FARM OR LEA WEST RED	ASE NAME, WELL NO.	#2
2. NAME OF OPERATOR	F					FEDERAL	22950	2
ARCO Permian 3. ADDRESS AND TELEPHONE B						30-0	15-301	86
P.O. Box 1610. Mic	Midland, TX 79702			TIAN	88-5570		COOL, OR WILDCAT	
4. LOCATION OF WELL (Report At surface	4. LOCATION OF WELL (Report location clearly and in accordance and							
330'FNL, 1550'FWL At proposed prod. zone	utC	BY STATE	- CP CAX	INCATION		11. SEC., T., R., AND SURVEY 4-T185-F	OR AREA	
SANE 14. DISTANCE IN MILES AND D	IRECTION FROM NEAREST TOW	N OR FOST OFFICE	//// /	-100		12. COUNTY OR EDDY	PARISH 13. STAT	
9 MILES SE OF ART	ESIA		16 10	OF ACRES IN LEASE	17. NO. OF A	CRES ASSIGNED		·
13. DISTANCE PROM PROPOSEI LOCATION TO NEAREST PROPERTY OR LEASE LINE			10. NO. 80	OF ACKES IN LEASE	TO THIS W	HIS WELL 40		
PROPERTY OR LEASE LINE (Also to nearest drig, unit) 18. DISTANCE PROM PROPOSEI	line, if any JUV			POSED DEPTH	20. ROTARY	OR CABLE TOOL	S	
TO NEAREST WELL, DRILL OR APPLIED FOR, ON THIS	ING, COMPLETED,		380)0	ROTAR			
21. ELEVATIONS (Show wheth							DATE WORK WILL STA	ART*
3575' 3/98								
23.	P	ROPOSED CASING	AND C	EMEN ROSWELL CO	INIKUL			
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER POO		SETTING DEPTH	fai C 1	QUANT	WITNESS-	<u>_</u>
<u> </u>	8-5/8" J-55 5-1/2" K-55	<u>24</u> 15. <u>5</u> #		1150' 1100 ' # R.H. 3800	1300 F	· ^{- 3}		
SUBJECT WELL 3,000 PSI BOP	IS PLANNED AS A 38 E WILL BE USED FRO	00' STRAIGHT M 1 100 ' TO T 1150'		APPROVA GENERAL SPECIAL S ATTACHE	REQUIE	REMENTS	Poster N/L dr SAND H-12	15D-1 1407 1-98
ATTACHMENTS ARE AS FOLLOWS: 1. CERTIFIED LOCATION PLAT 2. DRILLING PLAN WITH ATTACHMENTS 3. SURFACE USE PLAN WITH ATTACHMENTS 425 Plan 425 Plan FB 17 38							i.	
				+25 Plan A TJAChur 2-27-98		Roe	BLM WELL MAR	/
IN ABOVE SPACE DESCRI deepen directionally, give per 24.	BE PROPOSED PROGRAM: tinent data on subsurface locatio	ons and measured and	epen, giv I true ver	e data on present productive zo tical depths. Give blowout prev	enter program	, 11 any.	-	
SIGNED Elige	lunch Cas	ben .	TITLE R	EGULATORY COMPLIAN		DATI	<u>2/4/98</u>	
(This space for Federal	or State office use)							
	ot warrant or certify that the applicant	holds legal or equitable ti	ide to those	APPROVAL DATE	ld entitle the appl	icant to conduct op	perations thereon.	
CONDITIONS OF APPROVAL IF ANY: (ORIG. SGD.) ARMANDO A. LOPEZ TITLE ADM, MINERALS DATE 3-12-55						1		
APPROVED BY		*See Inst	ruction	s On Reverse Side			of the United State:	

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.

DISTRICT I P.D. Box 1980, Hobbs, NM 86841-1980

DISTRICT II P.O. Drawer DD, Artasia, NM 80211-0719

DISTRICT III 1000 Rio Branos Rd., Astac, NM 87410

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

LOT 16 38.85 AC. LOT 15 38.64 AC.

LOT 17 38.64 AC. LOT 18 38.43 AC.

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

CI AMENDED REPORT

- « بالله جمعة برامين المربعة المسياحة و المربعة المربع عليه في مربع و مربع و مربع مربع مربع و مربع و						Deal It						
▲ PI	Number		Pool Code 72E					ED LAKE (Q-GB-SA)				
Property	Code	Property Name WEST RED LAKE "4" FEDERAL							Well Number 2			
OGRID N	WESTR					Z. Rievation						
00099	Operator Name ARCO PERMIAN					3552						
	Surface Location											
UL or lat No.	Section	Township	Range	Lot Idn Feet fro		am the North/South lin		Feet from the	Bast/West lins	County		
7	4	18 S	27 E	33		30	NORTH	1550	WEST	EDDY		
L	k	<u></u>	Bottom	Hole Loc	eation I	f Diffe	rent From Su	face				
UL or lot No.	Section	Township	Range	Lot Idn	Feet fro	om the	North/South line	Feet from the	East/Wost line	County		
Dedicated Acre	s Joint o	r Infill Co	nsolidation (lode Or	der No.							
40												
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												
1	3554.8	61	3	NAD2/		<u> </u>		OPERATO	R CERTIFICAT	TION		
1550'				SPC		ľ			y certify the the inj			
	76.60			NME X=514362≕E				contained herein is true and complete to the best of my knowledge and belief.				
	3552.1	' 3546.	4 [•]	Y ≕648 38	36=N	ł		oest of my know	noqe and centr.			
	1		x3.			r }		LI.		1		
LOT 8 39	92 AC	101.7.3	9.37 AC	LOT 6	37.70	AC.	OT 5 37.73 AC	Signature)	but 4. Co	steen		
								ELIZABI Printed Nam	ETH A. MAS	BEER		
										Information of the Information o		
	ĺ					1		KEG COA	AP ANALYS	I		
						Ì		24	98			
								Date				
LOT 9 38.	93 AC.	LOT 10 38	3.43 AC.	LOT 11	37.23	AC. LC	DT 12 37.28 AC	SURVEYO	R CERTIFICAT	TION		
	1					1			, that the well locat as plotled from field	1		
	1					I			ne posited from field made by me or			
						İ			d that the some is a best of my bells			
	1					ŀ			/ Hold And	r		
11	1			1		ł		II NOVE	MBER 14. 199	7		

		NOVEMBER 14, 1997
LOT 14 37.82 AC.	LOT 13 37.61 AC.	Date Surreyed
	r	And 220 Marrie 11-17-97
		/ 10. Aum_ 97-1 1-1891
LOT 19 38.01 AC.	LOT 20 37.80 AC.	Certurine to No. Join WEST, 676 PROFESSION J EDSON, 3238 PROFESSION G. EIDSON, 12641

ELHIBIT 1

DRILLING OPERATIONS CLASS-1: NORMAL PRESSURE < 10PPG OFTION - 2: MMS STANDARD; SINGLE SIZE DRILL STRING



L-XHIBIT 2

DRILLING OPERATIC. AS CHOKE MANIFOLD 2M AND 3M SERVICE



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.