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SUBMIT IN T ICATE\*

Form approved.  
Budget Bureau No. 42-R1425.UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-015-23420

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

5. LEASE DESIGNATION AND SERIAL NO.

NM-12111

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Toga Federal

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

Wildcat - Grayburg

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

Sec. 15, T-19-S, R-27-E

12. COUNTY OR PARISH 13. STATE

Eddy

New Mexico

## b. TYPE OF WELL

OIL  
WELL ☒GAS  
WELL ☐

OTHER

SINGLE  
ZONE ☐MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

Collier Energy, Inc. ✓

## 3. ADDRESS OF OPERATOR

P. O. Box 798, Artesia, New Mexico 88210

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

At surface

1980' FSL &amp; 990' FWL

At proposed prod. zone

1980' FSL &amp; 990' FWL

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

10 miles southeast of Lakewood

## 15. DISTANCE FROM PROPOSED\*

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

.990'

## 16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

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

2640'

## 19. PROPOSED DEPTH

2200'

## 20. ROTARY OR CABLE TOOLS

Rotary

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

3461 GL

## 22. APPROX. DATE WORK WILL START\*

July 15, 1980

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24#	275'	150 sxs. Class C-circ. to surface
7 7/8"	4 1/2"	10.50#	2200'	250 sxs. Class C-circ. to surface

July 15, 1980: Plan to spud Wildcat well on July 15, 1980. Will run 275' of 8 5/8" casing and cement to surface with 150 sacks of Class C cement with 2% CaCl. If sufficient shows are encountered, will then run 2200' of 4 1/2" casing and cement to surface with 250 sacks of Class C cement with 2% CaCl. Will then log, perforate and complete well.

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ARTESIA, NEW MEXICO

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O. C. D.  
ARTESIA, OFFICE

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

*Timothy D. Collier*

TITLE President

DATE 7/1/80

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

*July 18, 1980*

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

NE' EXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

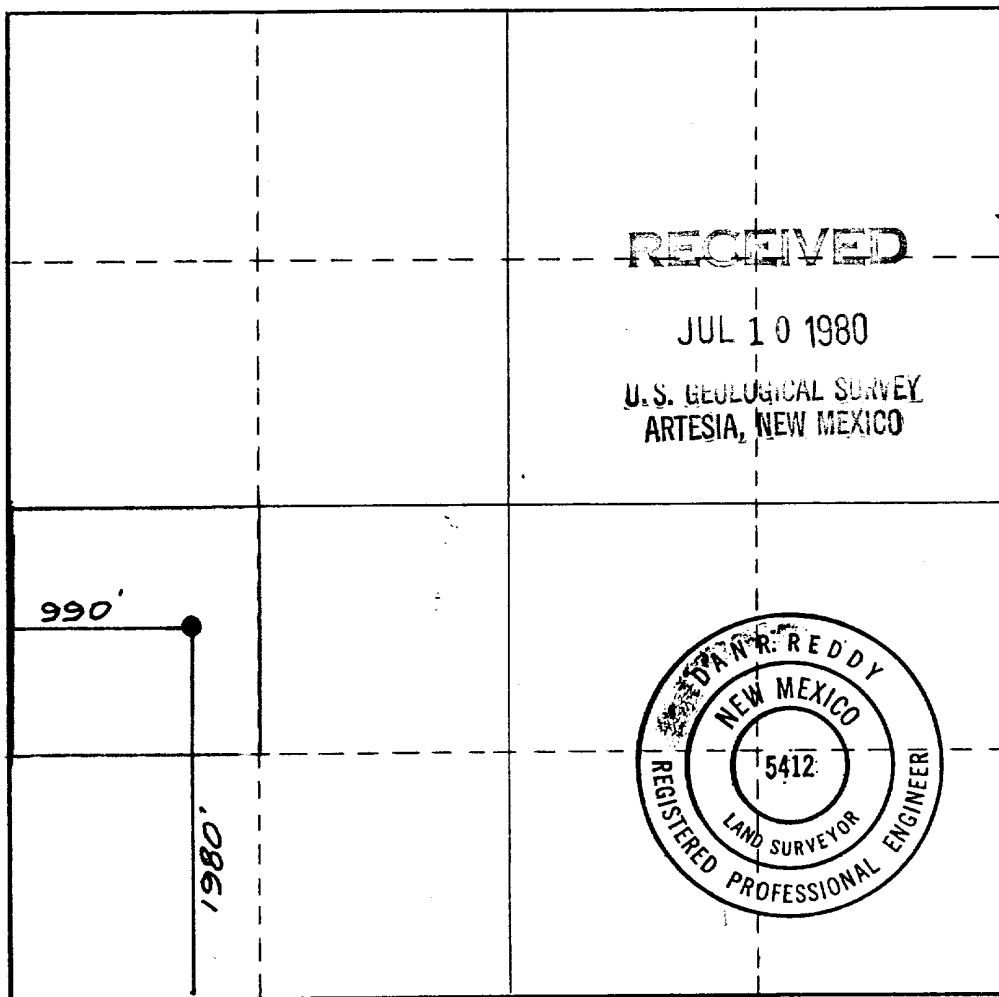
Operator <b>Collier Energy Inc</b>			Lease <b>Toga Federal</b>		Well No. <b>#1</b>
Unit Letter <b>L</b>	Section <b>15</b>	Township <b>19 South</b>	Range <b>27 East</b>	County <b>Eddy</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>South</b> line and <b>990</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3461</b>	Producing Formation <b>Grayburg</b>		Pool <b>Wildcat-Grayburg</b>	Dedicated Acreage: <b>40</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

*Timothy D. Collier*  
Name

**Timothy D. Collier**

Position

**President**

Company

**Collier Energy, Inc.**

Date

**July 1, 1980**

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

**June 25, 1980**

Registered Professional Engineer and/or Land Surveyor

*D. R. Reddy*  
Certificate No.

**NMPE&LS #5412**



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GEOLOGICAL SURVEY

P. O. Drawer U  
Artesia, New Mexico 88210

JUL 21 1980

O. C. D.  
ARTESIA, OFFICE  
JUL 18 1980

Collier Energy, Inc.  
Post Office Box 798  
Artesia, New Mexico 88210

COLLIER ENERGY, INC.  
Toga Federal No. 1  
1980 FSL 990 FWL Sec. 15, T.19S, R.27E.  
Eddy County Lease No. NM-12111

Gentlemen:

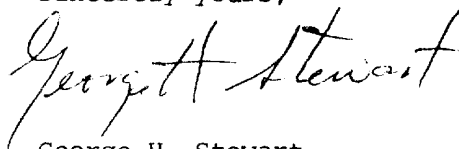
Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 2,200 feet to test the Grayburg formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and this approval including the GENERAL REQUIREMENTS.
3. All access roads will be limited to a 12 foot wide driving surface, excluding turnarounds. Surface disturbance associated with road construction will be limited to 20 feet in width.
4. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
5. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate Sandstone Brown (Federal Standard No. 595A, color 20318 or 30318).
6. Notify the Survey by telephone 24 hours prior to spudding well.
7. Cement behind the 8-5/8" and 4 1/2" casing must be circulated.

8. Notify Survey in sufficient time to witness the cementing of the 4½" casing.
9. Special Stipulations: For the protection of livestock and wildlife all pits containing toxic liquids will be fenced and covered with a fine mesh netting (i.e., Hardware Cloth) with openings being ½ inch or less.
10. Please have anyone contacting the Survey in regard to this well to identify the well with all of the information required above for the well sign.

Sincerely yours,

A handwritten signature in cursive script, reading "George H. Stewart". The signature is written in dark ink and is positioned above the typed name.

George H. Stewart  
Acting District Engineer

Supplement  
APPLICATION FOR DRILLING

COLLIER ENERGY, INC.  
Toga Federal #1  
NM-12111  
1980' FSL & 990' FWL  
Section 15, T-19-S, R-27-E  
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Toga Fed #1 Collier Energy Inc., submits the following ten items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is Cretaceous limestone.
2. The estimated tops of geologic markers are as follows:

Yates	300'
Seven Rivers	560'
Queen	1150'
Grayburg	1480'
San Andres	2000'

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

Water: Approximately 200 feet  
Oil or gas: San Andres 2000'

4. Proposed Casing Program: The proposed casing program including size grade and weight per foot at each string has been indicated on Form 9-331C. All strings will be J-55 new or grade #1 used.
5. Pressure Control Equipment; See exhibit D.
6. Mud Program: Viscosity of 32. Mud will be used to maintain adequate circulation.
7. Auxiliary Equipment: See exhibit E.
8. Testing, Logging and Coring Programs:

No Drill Stem test is planned  
No coring is planned

Logging:

Electric Log Program:

Gamma Ray Neutron  
Sidewall Neutron

9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: July 15, 1980.

## SURFACE USE PLAN

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Toga Federal #1  
NM-12111  
1980' FSL & 990' FWL  
Section 15, T-19-S, R-27-E  
Eddy County, New Mexico

JUL 10 1980

U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

This plan is submitted with the application for permit to drill the above described well. Purpose is to describe the location of proposed well, construction activities, operations and magnitude of surface disturbance along with rehabilitation plan of impacted surface upon completion of operations. Trust complete appraisal of effects associated with operation can be made with information contained herein:

1. Existing Roads:

- A. Exhibit "A" is a portion of map showing the location of proposed well as staked, outlining existing roads in a one (1) mile radius.

2. Planned Access Roads:

- A. Access will be made to well site area on a new road to the north of an existing ranch road. The new road will be approximately 50 feet in length. Collier Energy, Inc. will upgrade approximately 3700 feet of existing ranch road on federal lands to accomodate movement of equipment and personnel.
- B. No culverts, cattleguards, gates will be installed.

3. Location of Existing Wells:

- A. Existing wells within a two (2) mile radius are shown on Exhibit "B".

4. Location of Existing and/or Proposed Facilities:

- A. Exhibit "C" outlines location of production equipment if well is commercial. Flowline and tank battery will be located on well site and no new surface disturbance will be involved.

5. Location and Type of Water Supply:

- A. Water for drilling well will be purchased from local water transportation company and/or hauled by company trucks transported to well site.

6. Source of Construction Materials:

- A. If caliche is encountered when digging cuttings pit as outlined in paragraph #7, it will be used in the immediate area of rig. No additional construction materials required.

7. Methods of Handling Waste Disposal:

- A. Drill cuttings will be disposed of in drilling pit. See Exhibit "C".
- B. Drilling fluids will be allowed to evaporate in drilling pit until dry. Pit will be closed upon drying.
- C. Produced water during any test will be placed in drilling pit. Oil produced during testing will be stored in test tanks until sold.
- D. Current laws and regulations pertaining to human waste will be complied with.
- E. Trash, garbage, junk and any debris buried in a separate pit covered with a minimum of 24" of dirt. All trash will be contained to prevent scattering. Location of trash pit is in Exhibit "C". All trash will be buried or removed within 30 days.

8. Auxiliary Facilities:

- A. None required.

9. Well Site Layout:

- A. Exhibit "C" shows the relative locations and dimensions of the well site, cuttings, pit, trash pit, and major components of drilling equipment.
- B. Leveling off well site can be done by a dozier. A minimum amount of dirt work will be required.
- C. "Pad" and pit area stated and flagged as outlined in Exhibit "C".

10. Plans for Restoration of Surface.

- A. After completion of drilling and/or completion of operations all equipment and other material not needed for operations will be removed. Pits will be filled and location cleaned to leave well site aesthetically pleasing as possible.

- B. Any pits containing fluids will be fenced until they are filled.
- C. Any special revegetation requirement of Surface Management Agency will be complied with and accomplished as expeditiously as feasible.

## 11. Other Information:

- A. Land surface is relatively flat. Elevation is 3461' GL at well site. Location will be situated on a prominent ridge overlooking the Pecos River to the west.
- B. Soil: Soil is sandy and rocky.

### Flora and Fauna:

- A. Vegetative cover is relatively sparse consisting mainly of broom weed and perennial native range grasses dotted with mesquite and greasewood. Wildlife is typical of our semi-arid desert in New Mexico; rabbits, rodents, reptiles, dove, quail, and an occasional coyote.

### Ponds and Streams:

- A. Location is approximately 2 miles to the West of the Pecos River.

### Residence and Other Structures:

- A. No occupied structures in three (3) mile radius.

### Land Use:

- A. Grazing and seasonal hunting.

### Surface Ownership:

- A. Well site and new road is on federal lands. Existing roads are on state and federal lands.

## 12. Operator's Representatives:

The field representatives responsible for assuring compliance with approved surface use and operations plan are as follows:

Tim Collier  
P. O. Box 798  
Artesia, New Mexico 88210  
Office Phone: 505-746-6520  
746-4531 Home: 505-748-1052

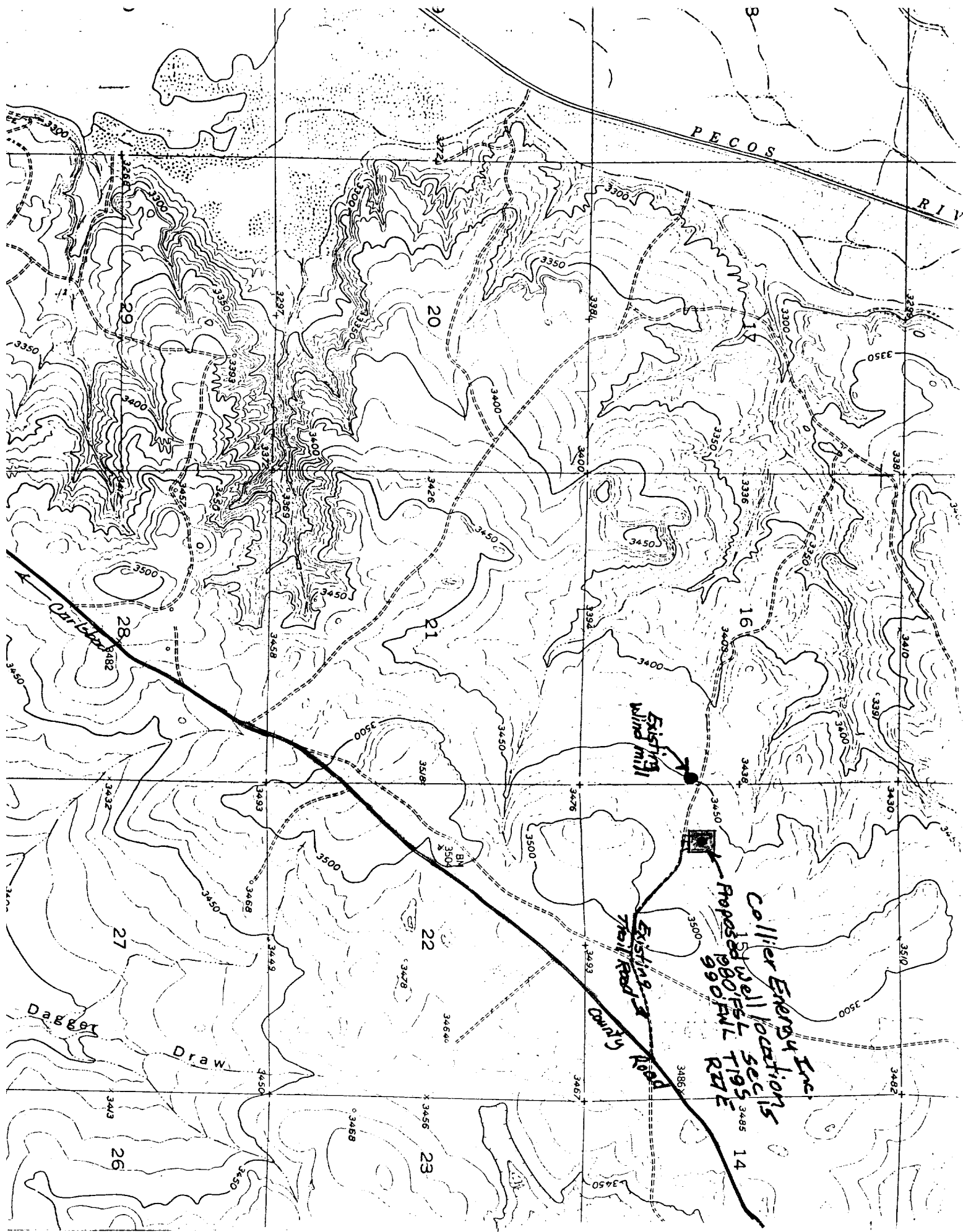
James W. (Pete) McGuire  
P. O. Box 798  
Artesia, New Mexico 88210  
Office Phone: 505-746-6520  
746-4531 Home: 505-746-4874

13. 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 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 Collier Energy, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

DATE:

July 10, 80 Timothy D. Collier  
TIMOTHY D. COLLIER  
Partner



- LEGEND
- Graveled or Paved County Road
  - Location
  - Existing Ranch Road (To be upgraded by Collier Energy, Inc.)
  - New Road Into Location

EXHIBIT "A"

Collier Energy, Inc.  
 Toga Federal #1  
 NM-12111  
 1980' FSL & 990' FWL  
 Section 15, T-19-S, R-27-E  
 Eddy County, New Mexico

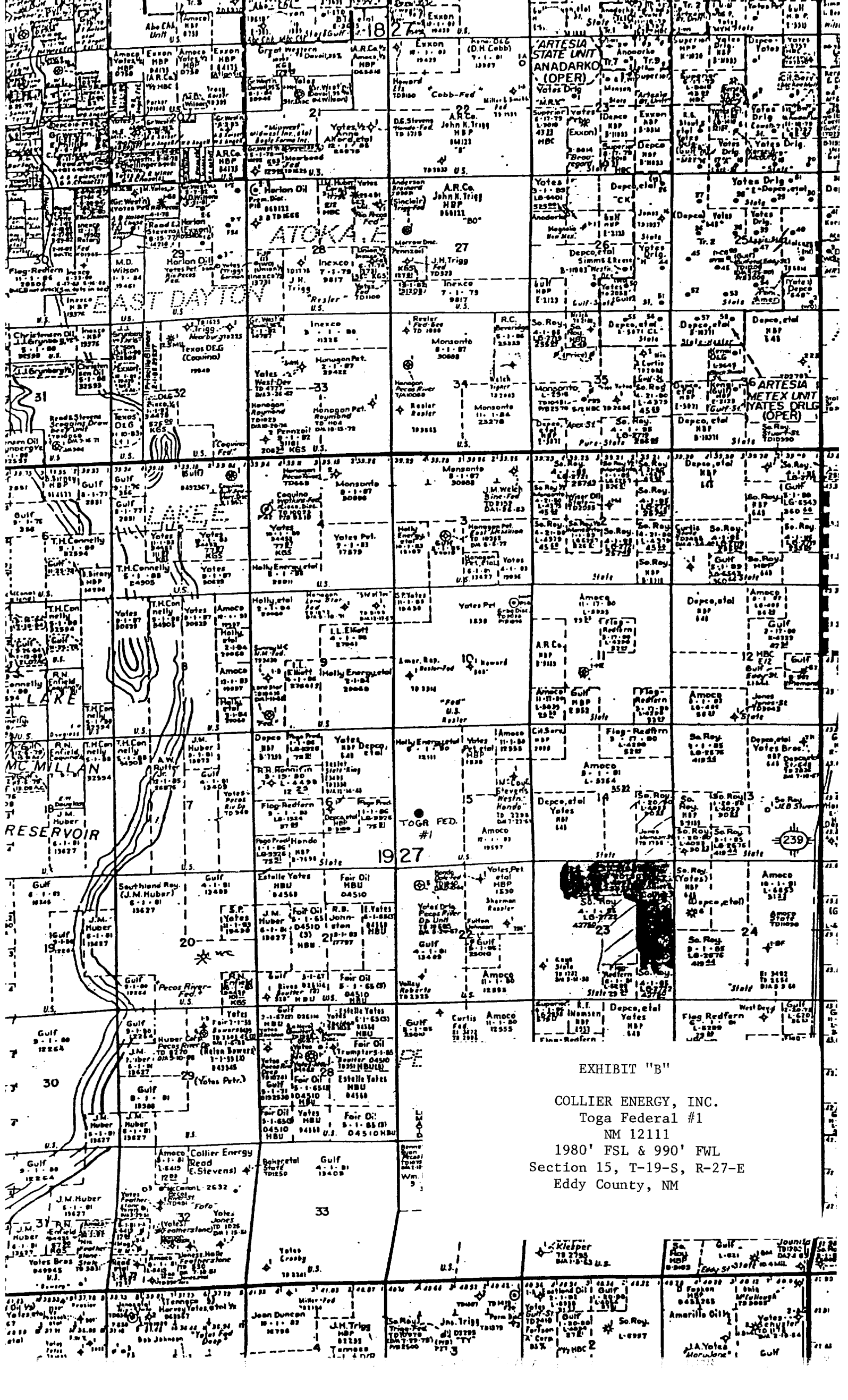


EXHIBIT "B"

COLLIER ENERGY, INC.  
Toga Federal #1  
NM 12111  
1980' FSL & 990' FWL  
Section 15, T-19-S, R-27-E  
Eddy County, NM

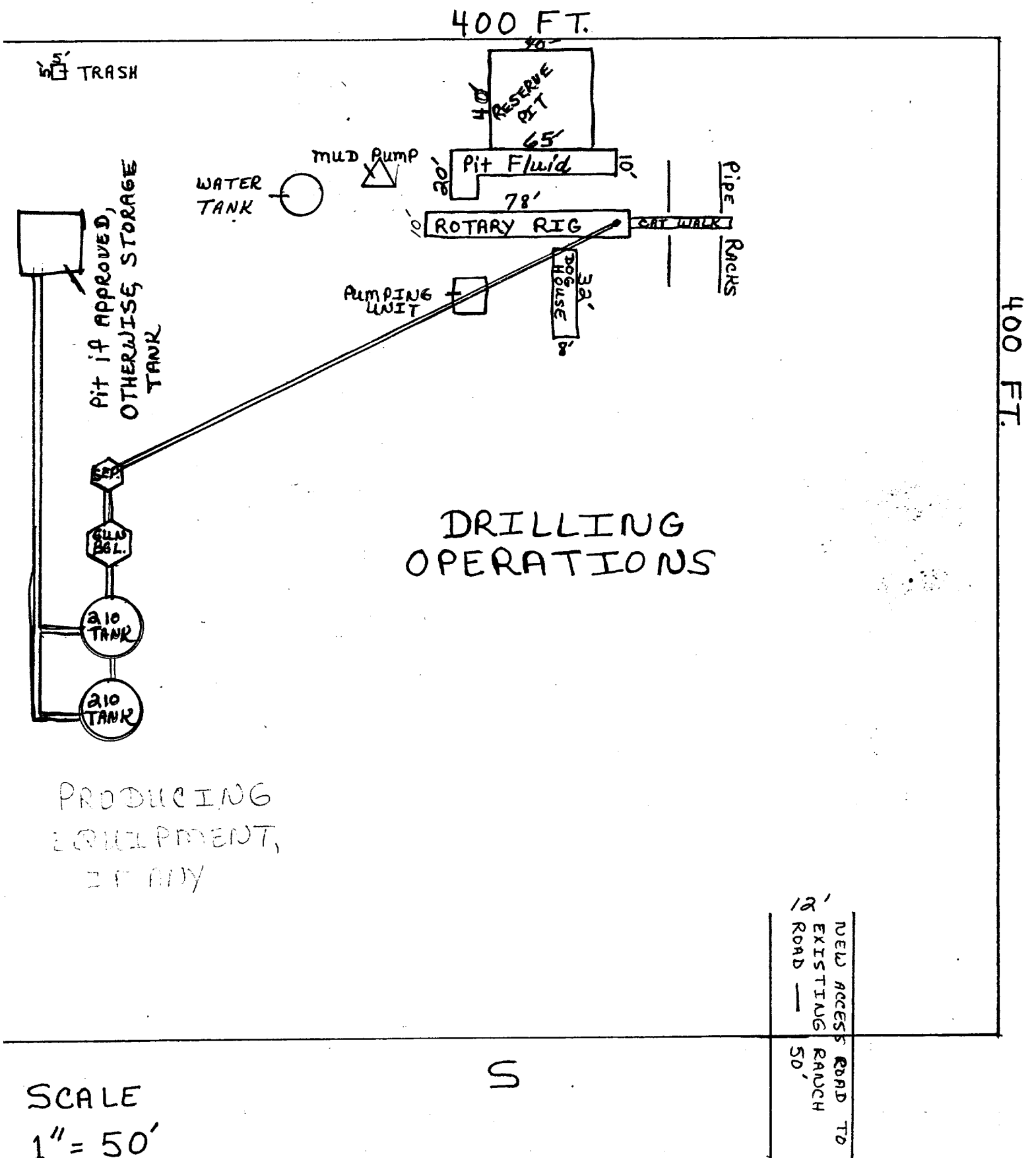


EXHIBIT "C"

COLLIER ENERGY INC.  
 TOGA FEDERAL #1  
 NM 12111  
 1980' FSL & 990' FWL  
 Section 15, T-19-S, R-27-E  
 Eddy County, NM

BLOWOUT PREVENTER

REGAN  
HYDRIL TYPE  
SERIES 900  
6000# TEST

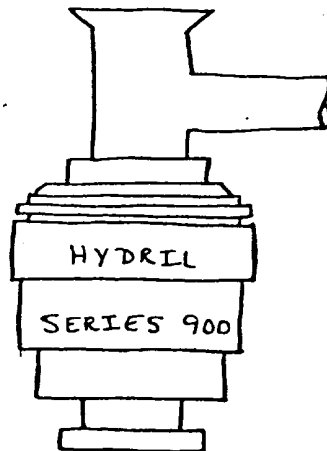


EXHIBIT "D"

COLLIER ENERGY, INC.  
Toga Federal #1  
NM 12111  
1980' FSL & 990' FWL  
Section 15, T-19-S, R-27-E  
Eddy County Federal

CHALLENGER CARRIER MODEL 320

RIG NO. 10

DRILLING CAPACITY: 5,000' with 3 1/2" drill pipe, 4,000' with 4 1/2" drill pipe, Maximum hook load capacity 150,000 lbs. using 6 lines. Depth range depends on drilling conditions and fluid method.

CARRIER: Steering Axles (2) 18,000 lbs. with 18.00" X 22.5 tires. Rear Bogie 44,000 lbs. double reduction tubular type axles with 11:00 X 20 tires. Optional: Floating third axle 20,000 lbs, with 11:00 X 20 tires. Maximum GVW 4 axle 80,000 lbs. Maximum GVW 5 axle 105,000 lbs. with 18" X 22.5 on steering axles.

DRIVE TRAIN : Engine 360 HP @ 2100 RPM Detroit Diesel 8V92N or equivalent. Optional: Engine may vary depending on options. Transmission Allison CLBT-5860

DRAWWORKS: Double drum stacked drawworks, Hoisting-10 1/2" X 24", Kelly-10 1/2" X 21 7/8", Maximum single line pull 28,000 lbs., Drum Clutches-2 plate 21", Drum brakes-8" X 32".

DERRICK: Challenger Model 150-64, Hookload 150,000 API rated, Height 64' (top of rotary table to bottom of crown sheaves). 17 crowns are grooved for 7/8" line, 6 lines, two double acting triple stage rams, Ladder safety climbing device. Derrick height 59'.

MUD PUMP: D-500 EMSCO mud pump powered by cat. D-379.

ROTARY TABLE: 18" right hand rotation, Transmission 5 speeds forward and one reverse, Speed range of 5 to 250 RPM. Optional equipment: Removable rotary table, Flip-up rotary table.

SWIVEL: 3 1/2" ID water course. Rated for 5,000' of 3 1/2" D.P.

HYDRAULIC LEVELING JACKS  
WITH MECHANICAL LOCKS: 2 front, 2 rear.

ROAD DIMENSIONS Length 74', Height 14' (13'6" by removing components), Width 8' depending on equipment overhang, Front 22', Rear 11'.

OPERATING EQUIPMENT: One 3-sheave 17", 75 ton hook hoisting line and one-3 sheave 17", 75 ton block integral with heavy duty swivel Kelly line. Wireline-7/8", Kelly 4 1/4" X 40" sq.-Typical, Kelly drive bushing, Tongs-Manual SLF, Walkways, Stairways, Racking Board, Service Winch, Derrick lights, Racking sub structure, Tool boxes, Kelly saver sub, Kelly hose, Standpipe, Weight indicators.

OPTIONAL EQUIPMENT: Raised sub structure 7'6" ground to rotary table, Power tongs, Handling equipment, Drill pipe, Light plant 12 KW, Mud pump/air, Pull down, Injection pump, Water brake.

EXHIBIT "E"

COLLIER ENERGY, INC.  
Toga Federal #1  
NM 12111  
1980' FSL & 990' FWL  
Section 15. T-19-S R-27-W