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JUL 15 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ARTESIA OFFICE

NM OIL CONS. COMMISSION
Drawer DD
SANTA FE, NM 88210
SUBSTANTIAL APPLICATION
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

38-013-25329

5. LEASE DESIGNATION AND SERIAL NO.

L.C. 063622

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

TENNECO FEDERAL

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

North Hackberry-Y, SR (Ext.)

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

Sec. 21-19S-31E

12. COUNTY OR PARISH

Eddy

13. STATE

NM

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

CANTRO EXPLORATION, INC. ✓

(Bob Green)

(512-826-2981)

3. ADDRESS OF OPERATOR

909 N.E. Loop 410 (Suite 711), San Antonio TX 78029

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

790' 990' FSL & 2310' FEL of Section.

At proposed prod. zone

same

(Unit 0)

(SW 1/4 SE 1/4)

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

14 air miles south-southeast of Loco Hills, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, T.

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

1650'

(350')

16. NO. OF ACRES IN LEASE

1080

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.

1320'

19. PROPOSED DEPTH

2500'

20. ROTARY OR CABLE TOOLS

Rotary

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

3522' G.L.

22. APPROX. DATE WORK WILL START*

July 12, 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	23#	350'	Circulate to surface
7 7/8"	5 1/2"	14#	2500'	Circulate back into 8 5/8" csg.

Pay zone will be selectively perforated and stimulated as needed for optimum production.

Attached are: 1. Well Location & Acreage Dedication Plat
2. Supplemental Drilling Data
3. Surface Use Plan

Operator's Authority: Designation of Operator from Tenneco Oil Company,
record lessee, is being mailed to BLM, Carlsbad NM

Bond Coverage: Lessee's \$150,000 nationwide bond.

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

James A. Knauf

TITLE

Agent

DATE

June 20, 1985

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

Mark Hall

TITLE

Carlsbad Resource Area

DATE

7-12-85

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

**NEW MEXICO 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

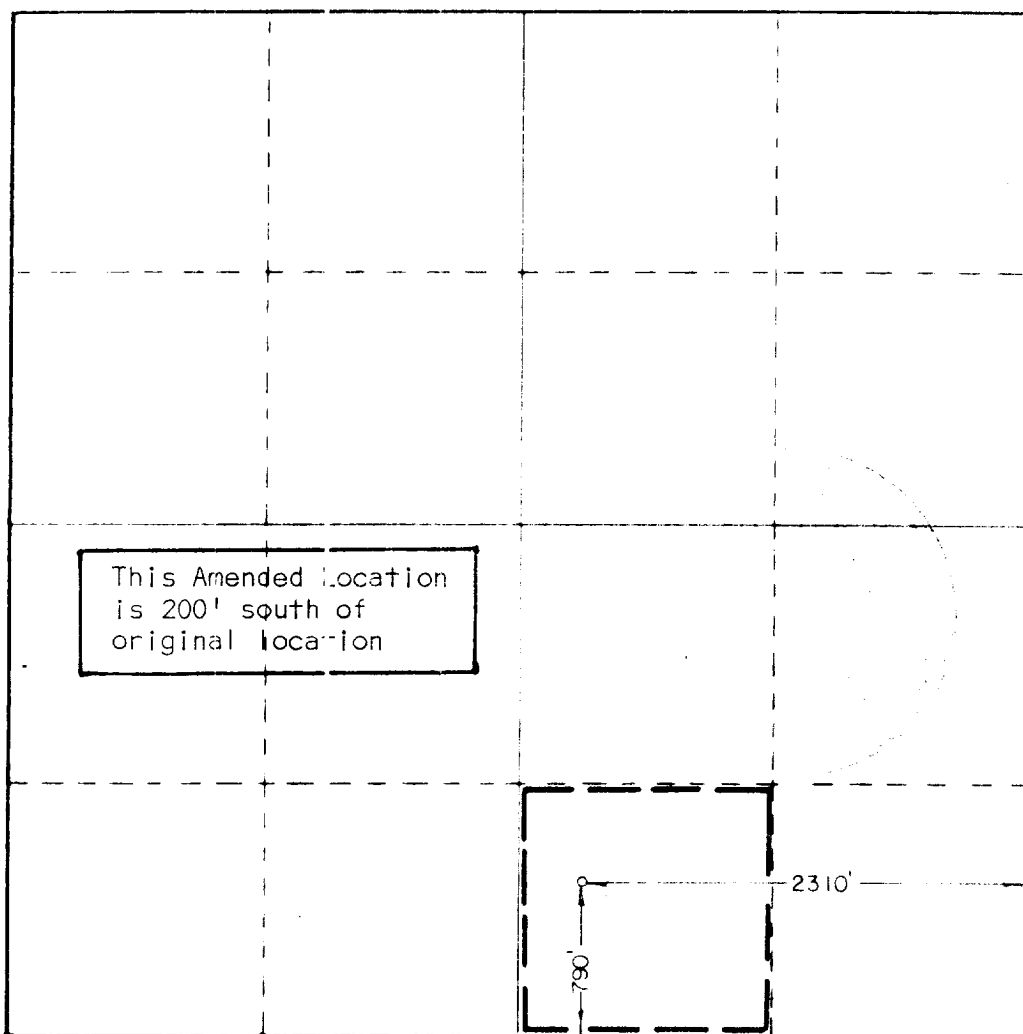
Operator CANTRO EXPLORATION, INC.			Lease TENNECO FED.			Well No. 2		
Section 21	Township 19S	Range 31E	County EDDY					
Actual Wellbore Location of Well								
310 feet from the EAST line and			790 feet from the SOUTH line					
Ground Level Elev. 9,10	Producing Formation Yates & Seven Rivers		Foot North Hackberry (Ext.)			Section Acres 40		

- 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.

James A. Knauf
James A. Knauf

Agent

Company
CANTRO EXPLORATION, INC.

Date
July 10, 1985

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
JULY 8, 1985

Registered Professional Engineer
and/or Land Surveyor

John W. West

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239



WELL LOCATION AND ACREAGE DEDICATION PLAT

Superseded L-128
Effective 1-1-85

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

Operator CANTRO EXPLORATION, INC.		Lease TENNECO FED.		Well No. 2
Unit Letter 0	Section 21	Township 19S	Range 31E	County EDDY

Actual Footage Location of Well:

2310 feet from the **EAST** line and **990** feet from the **SOUTH** line

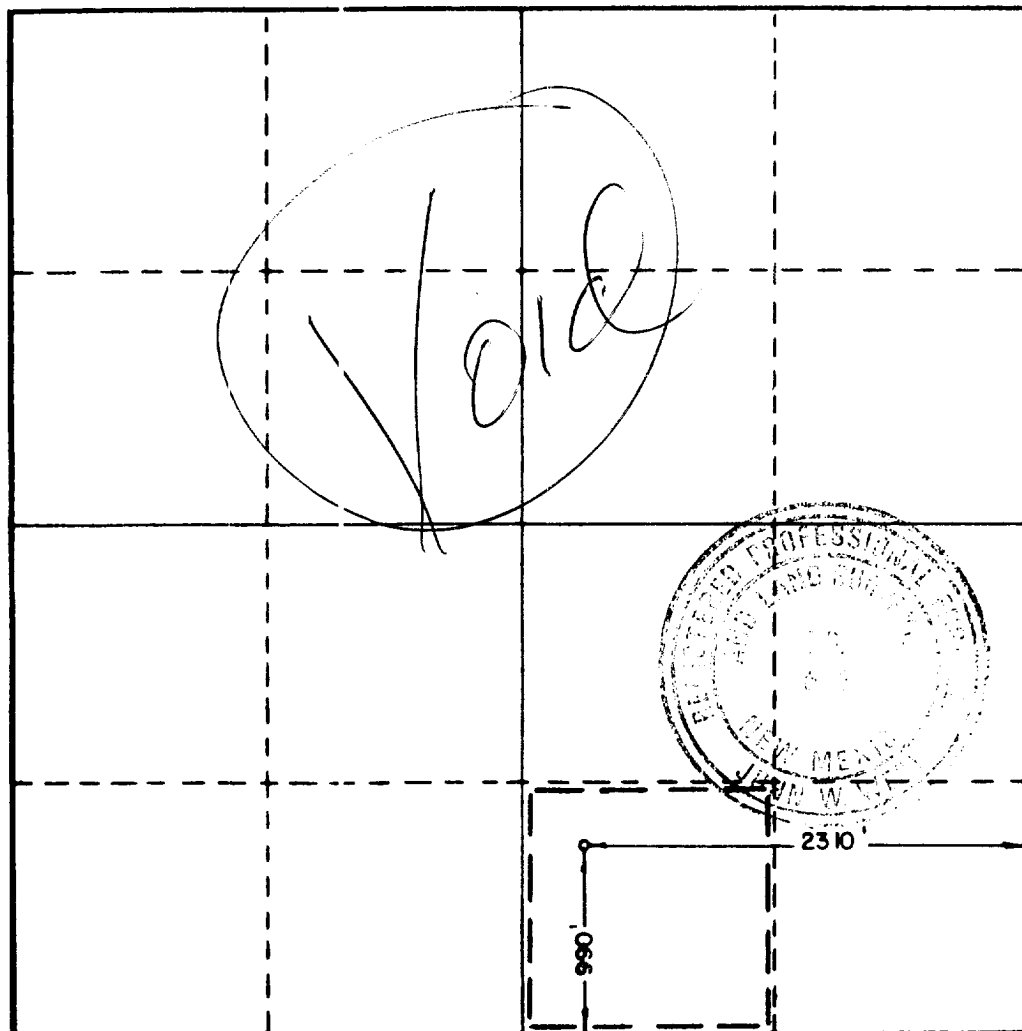
Ground Level Elev. 3521.5	Producing Formation Yates & Seven Rivers	Pool North Hackberry (Ext.)	Dedicated Acreage: 40 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one 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 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.

Name

James A. Knauf

Position

Agent

Company

CANTRO EXPLORATION, INC.

Date

June 22, 1985

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

6/17 & 6/18/85

Registered Professional Engineer and/or Land Surveyor

Certificate No. **JOHN W. WEST,**

676

RONALD J. EIDSON,

3239

SUPPLEMENTAL DRILLING DATA

CANTRO EXPLORATION, INC.
WELL #2 TENNECO FEDERAL
SW $\frac{1}{4}$ SE $\frac{1}{4}$ SEC. 21-19S-31E
EDDY COUNTY, NEW MEXICO

1. SURFACE FORMATION: Sandy soils of Quaternary Age.
2. ESTIMATED TOPS OF GEOLOGIC MARKERS (Ground Elevation - 3522'):

Tansill	2015'
Yates	2200'
Capitan Reef	2400'
3. ANTICIPATED POROSITY ZONES:

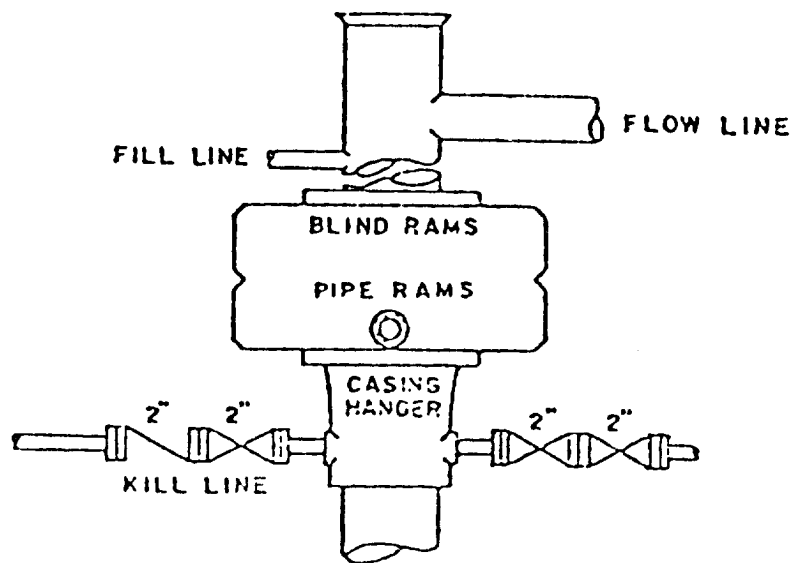
Water	- above 200'
Oil	- Yates
Oil	- Capitan Reef
4. CASING DESIGN:

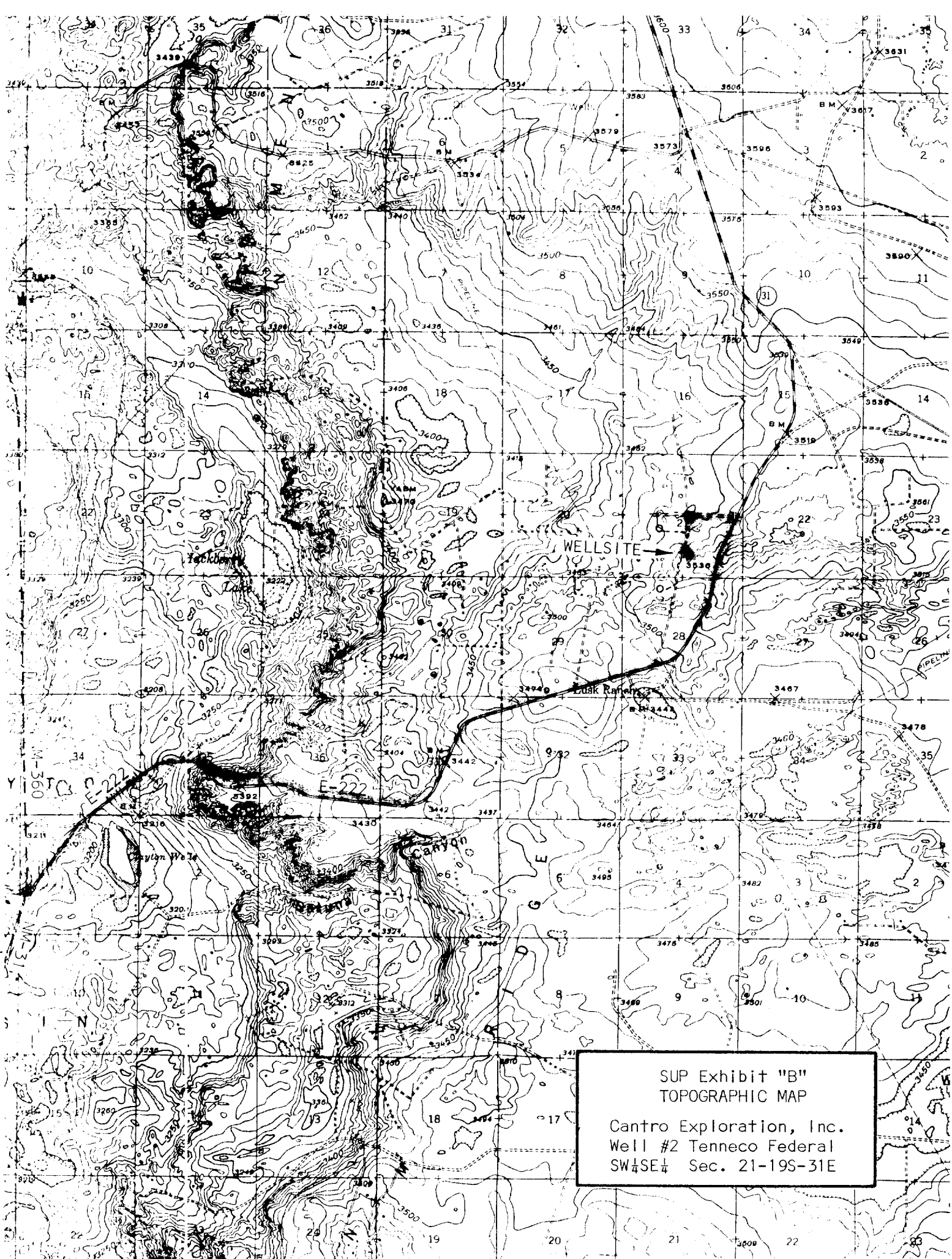
<u>Size</u>	<u>Interval</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>
8 5/8"	0 - 350'	24#	K-55	STC
5 1/2"	0 - 2500'	14#	K-55	STC
5. PRESSURE CONTROL EQUIPMENT: ~~An annular-type preventer~~ or a double ram-type preventer will be used.
6. CIRCULATING MEDIUM:

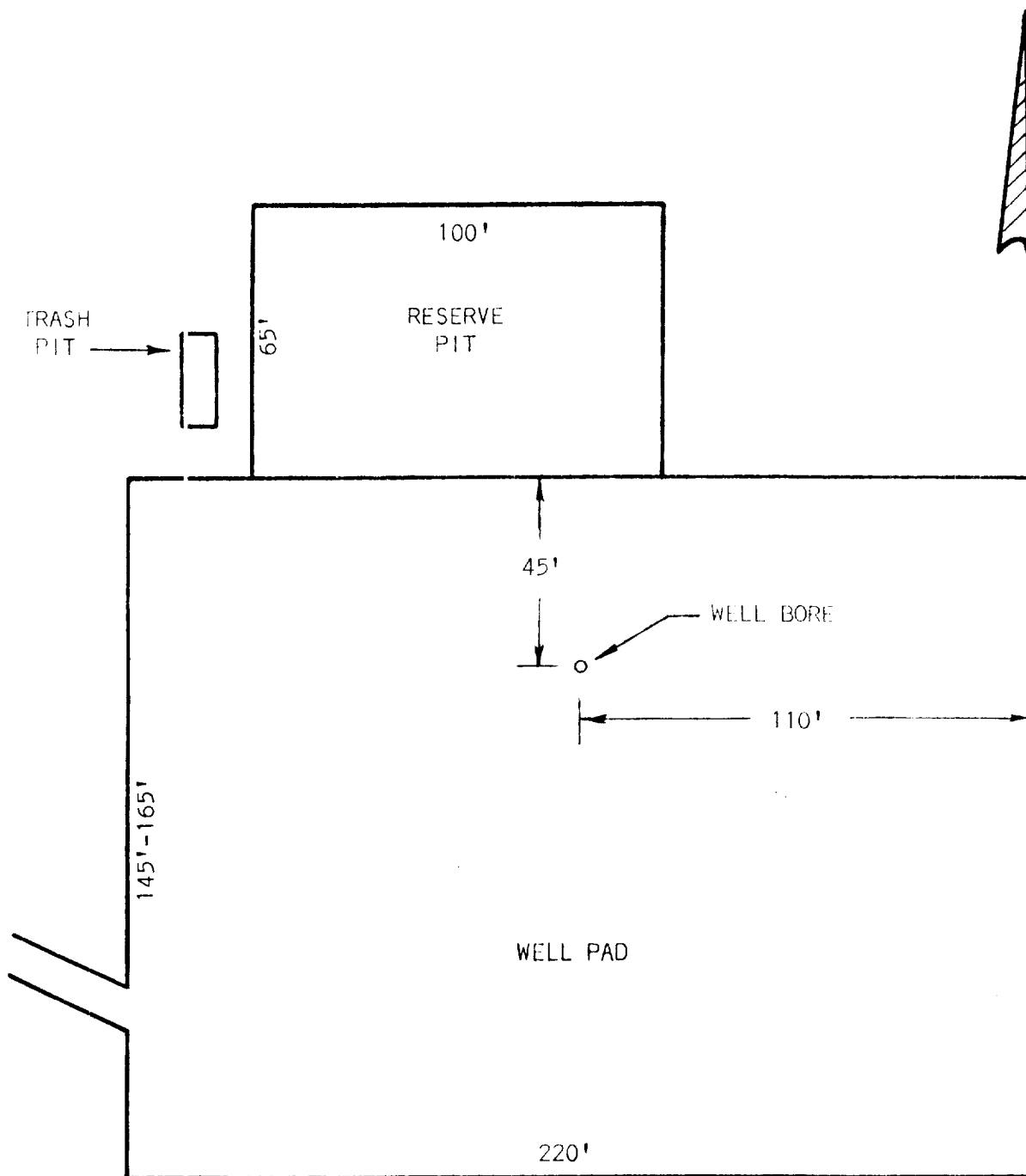
0 - 350'	Fresh water with gel added if needed for viscosity.
350 - 2500'	Salt water conditioned as necessary for control of viscosity and water loss.
7. AUXILIARY EQUIPMENT: Drill string safety valve.
8. TESTING, LOGGING AND CORING PROGRAMS: No coring or DST's are planned. Electric logs will include a Gamma Ray/Neutron log.
9. ABNORMAL PRESSURES, TEMPERATURES OR GAS: None anticipated.
10. ANTICIPATED STARTING DATE: It is planned that drilling operations will commence about July 12, 1985. Duration of drilling, testing, and completion operations should be two to six weeks.

BLOWOUT PREVENTER ARRANGEMENT

Cantro Exploration, Inc.
Well #2 Tenneco Federal
SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 21-19S-31E







SUP Exhibit "D"
SKETCH OF WELL PAD

Cantro Exploration, Inc.
Well #2 Tenneco Federal
SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 21-19S-31E