

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 ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Siete Oil & Gas Corporation ✓

3. ADDRESS OF OPERATOR

P.O. Box 2523, Roswell, New Mexico 88201

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

At surface

950' FNL, 2310' FWL

NE/4 NW/4 Unit

At proposed prod. zone

Same

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

15.10 miles Southeast of Loco Hills, New Mexico

15. DISTANCE FROM PROPOSED*

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

660'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1320'

16. NO. OF ACRES IN LEASE

320

19. PROPOSED DEPTH

4400'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

~~See Plat~~ 3710

22. APPROX. DATE WORK WILL START*

May 20, 1986

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"	24#	350'	250 sxs. Class "C" Circulated
7 7/8"	5 1/2"	15.5#	4400'	650 sxs. Class "C"

Selectively perforate and treat pay zone

Attachments:

Survey Plat (C-102)
Supplemental Drilling Data
Surface Use Plan

Posted API,
NL, ID-1,
5-29-86

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

Spring Logo

TITLE Vice President

DATE April 14, 1986

(This space for Federal or State office use)

PERMIT NO.

Orig. Sec. 1-10-86

APPROVAL DATE

APPROVED BY

TITLE

DATE

5-14-86

CONDITIONS OF APPROVAL, IF ANY:

*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.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-81

All distances must be from the outer boundaries of the Section

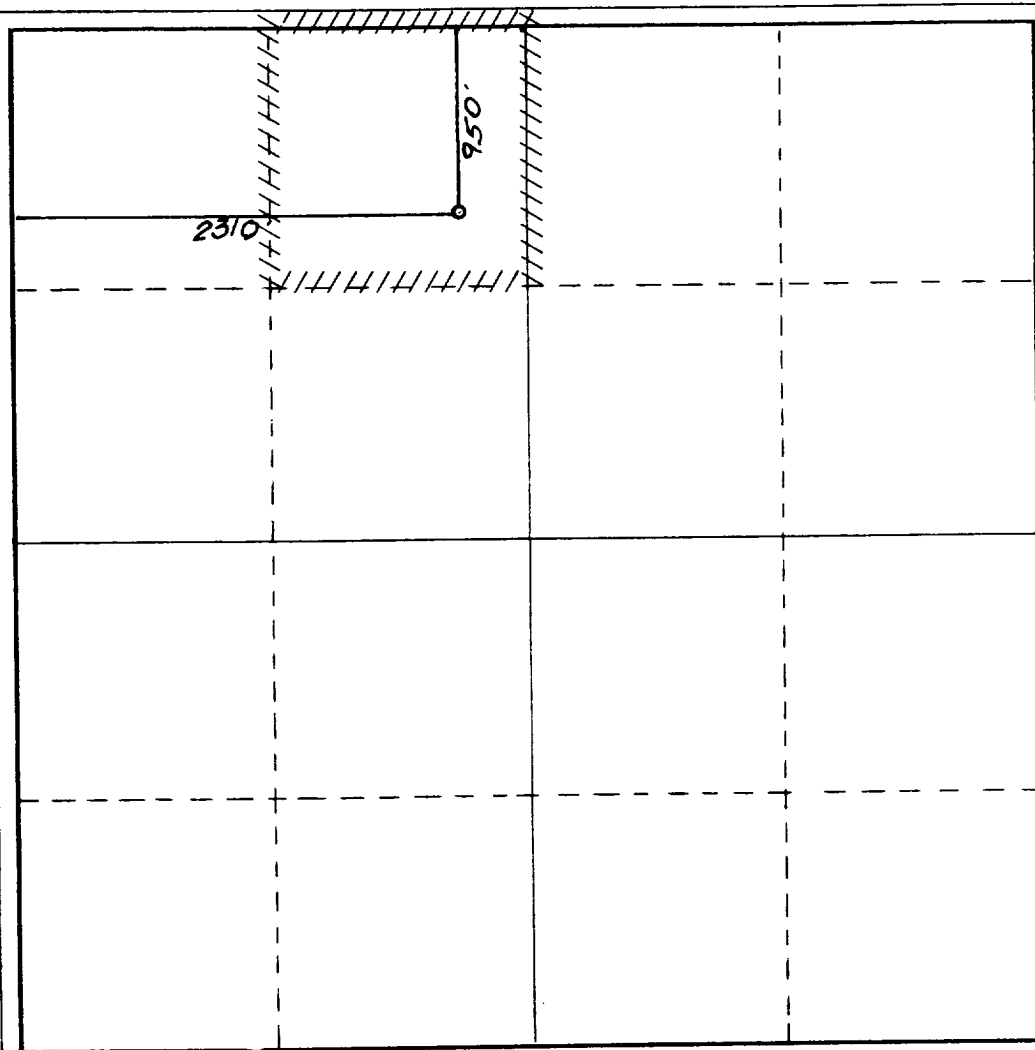
Operator SIETE OIL & GAS CORPORATION			Lease Arco Federal		Well No. 2
Unit Letter C	Section 24	Township 18 South	Range 31 East	County Eddy	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 950 feet from the North line and 2310 feet from the West line </div>					
Ground Level Elev. 3710.	Producing Formation Queen	Pool Shugart/Queen		Dedicated Acreage 40 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 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 *Sunny Lugo*
 Position Vice President
 Company SIETE OIL AND GAS CORP.
 Date 4/28/86

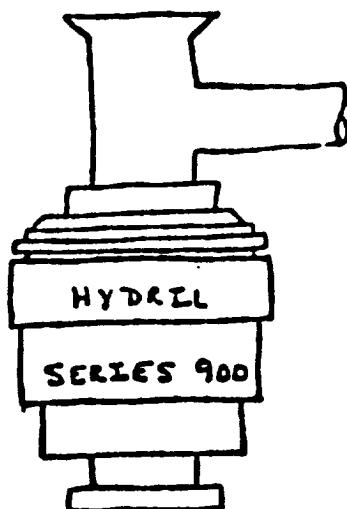


Date Surveyed
April 24, 1986
 Registered Professional Engineer
 and/or Land Surveyor
Dan R. Reddy
 Certificate No.
NM PE&LS NO. 3412



BLOWOUT PREVENTER

REGAN
HYDRIL TYPE
SERIES 900
60000 TEST



SUPPLEMENTAL DRILLING DATA
SIETE OIL AND GAS CORPORATION
ARCO FEDERAL NO. 2
1830 FNL & 660 FWL
Section 24: T18S, R31E
Eddy County, New Mexico
Lease Number - NM-2938

In conjunction with Form 9-331C, Application to Drill the subject well, Siete Oil and Gas Corporation submits the following ten items of pertinent information in accordance with U.S.G.S. requirements.

1. The geologic surface is Quaternary.
2. The estimated tops of geologic markers are as follows:

Rustler Anhydrite	875'
Salado	1075'
Base Salado	2200'
Yates	2475'
Seven Rivers	2565'
Queen	3535'
Grayburg	3960'
San Andres	4165'
Delaware Mtn.	4275'

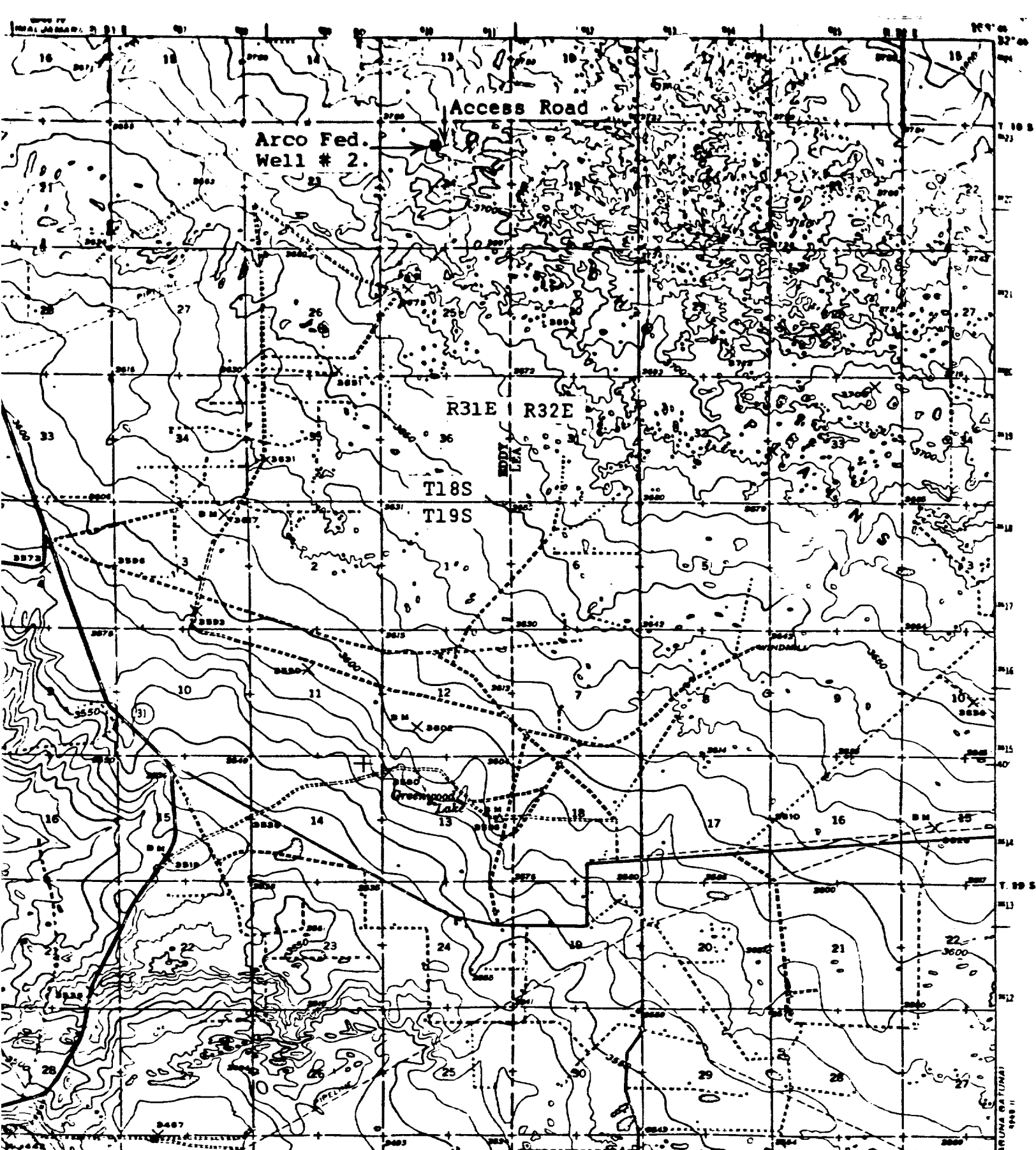
3. The anticipated depths at which water, oil or gas are expected to be encountered:

Water:	Approximately 200'
Oil or Gas:	Delaware Approximately 4160' - 5100'

4. The proposed casing program: See Form (9-331C)

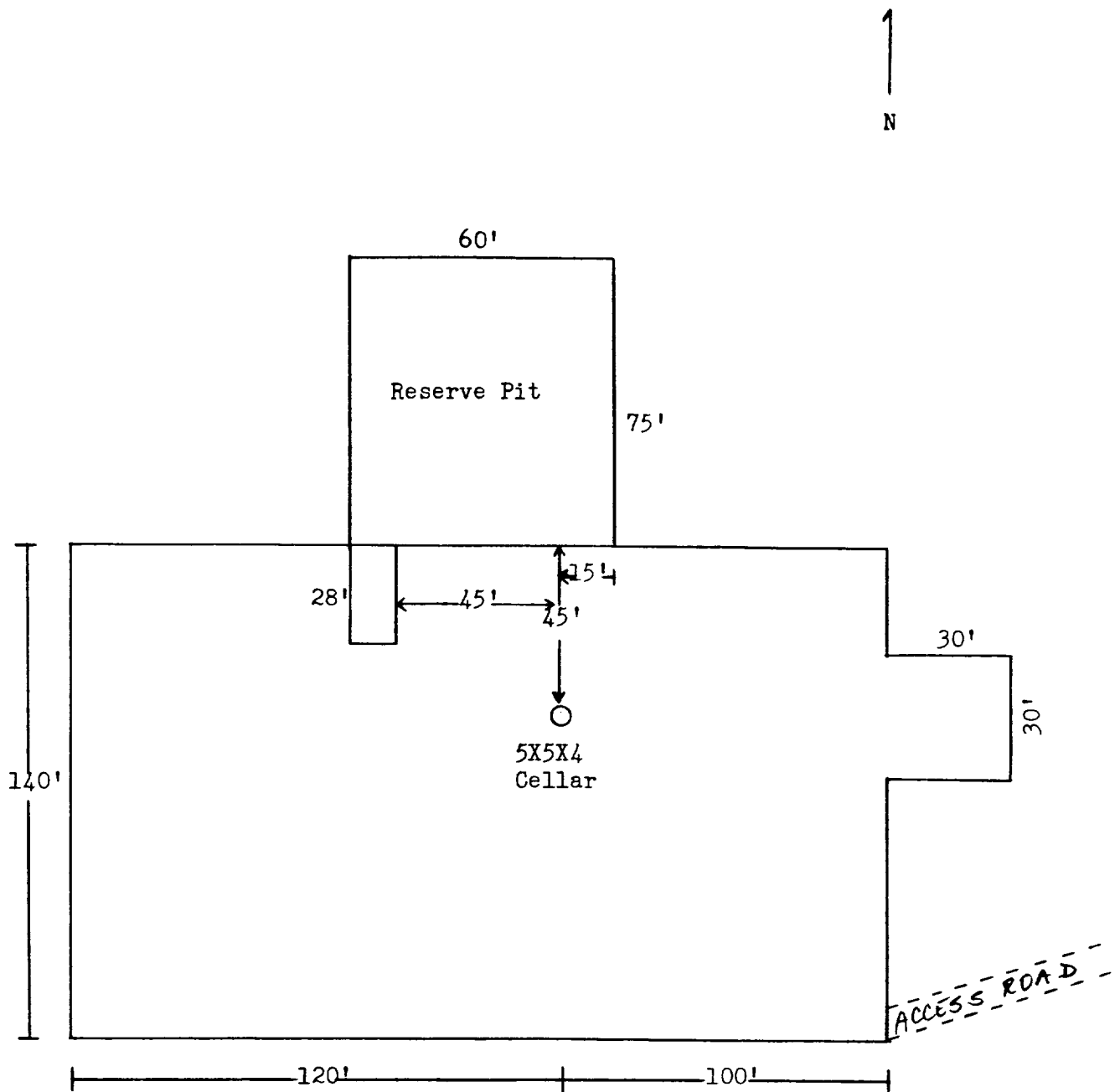
<u>Size</u>	<u>Interval</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>	<u>New or Used</u>
13 3/8"	0-350'	48#	J-55	S.T.&.C.	New
5 1/2"	0-4400'	15.5#	J-55	S.T.&.C.	New

5. Pressure Control Equipment: The blowout preventor will be a two-ram type preventor. A sketch is attached.
6. Mud Program: A copy of the mud program to be used is attached.
7. Auxiliary Equipment: Master valve on blowout preventor.



Map showing the location of the Siete Oil & Gas Corporation ARCO Federal Well No. 2 and Access Road, T18S, R31E, Section 24, SE1/4NE1/4NW1/4 [950 FNL, 2310 FWL], Eddy County, New Mexico. Black square shows location of well pad; solid line shows location of access road. U.S.G.S. 15 minute series, CLAYTON BASIN, NEW MEXICO, 1942, Photorevised 1965.





I&M Drilling Rig No. 1

Exhibit 'D'
 Siete Oil & Gas Corporation
 Arco Federal No. 2
 950' FNL & 2310' FWL
 Sec. 24, T18S, R32E
 Eddy County, N.M.