



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
ROSWELL DISTRICT OFFICE
P.O. BOX 1397
ROSWELL, NEW MEXICO 88201

NM-67102 (PD)
3162 (065)

RECEIVED

SEP 09 1988

SEP 13 '88

Siete Oil & Gas Corporation
P.O. Box 2523
Roswell, New Mexico 88202-2523

C. C. D.
ARTESIA, OFFICE

Gentlemen:

Your application for Permit to Drill well No. 1 Renegade Federal in the SE1/4 sec. 35, T. 19 S., R. 29 E., Eddy County, New Mexico, lease NM-67102, to a depth of 6000 feet to test the Delaware formation in the oil-potash area, is hereby approved as amended by stipulations attached to the application.

One copy of the application is returned herewith. Please notify the Bureau of Land Management Office checked on the attached special stipulation, in sufficient time for a representative to witness all cementing operations.

Sincerely,

Orig. Sgd. Francis R. Cherry, Jr.

Francis R. Cherry, Jr.
District Manager

1 Enclosure

cc:

NMOCD - 2 Artesia

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEE OIL COAL. CO. (Other instructions on reverse side)
88210

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 88202-2523
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1980' FNL & 1980' FWL, SE $\frac{1}{4}$ NW $\frac{1}{4}$, Unit Letter F
At proposed prod. zone Same
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
17 miles Northeast of Carlsbad, New Mexico
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'
16. NO. OF ACRES IN LEASE 120
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. N/A
19. PROPOSED DEPTH 6000'
20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3313' GL
22. APPROX. DATE WORK WILL START* ASAP

5. LEASE DESIGNATION AND SERIAL NO.
NM-67102
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
Renegade Federal
9. WELL NO.
1
10. FIELD AND POOL, OR WILDCAT
Und. Parkway Delaware
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 35: T19S, R29E
12. COUNTY OR PARISH
Eddy
13. STATE
NM

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 $\frac{1}{2}$ "	13 $\frac{3}{8}$ "	54.0#	350'	500 sks. <u>circ.</u>
12 $\frac{1}{2}$ "	8 $\frac{5}{8}$ "	24.0#	2500'	1200 sks. <u>circ.</u>
7 $\frac{7}{8}$ "	5 $\frac{1}{2}$ "	17.0#	6000'	1500 sks.

Selectively perforate and treat pay zones.

Attachments:

Survey plat (C-102)
Supplemental drilling data
Surface use plan

RECEIVED
AUG 22 8 11 AM '88
Post ID #1
NLLAPI
9-16-88

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 [Signature] TITLE V.P. Drilling/Production DATE August 18, 1988
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*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

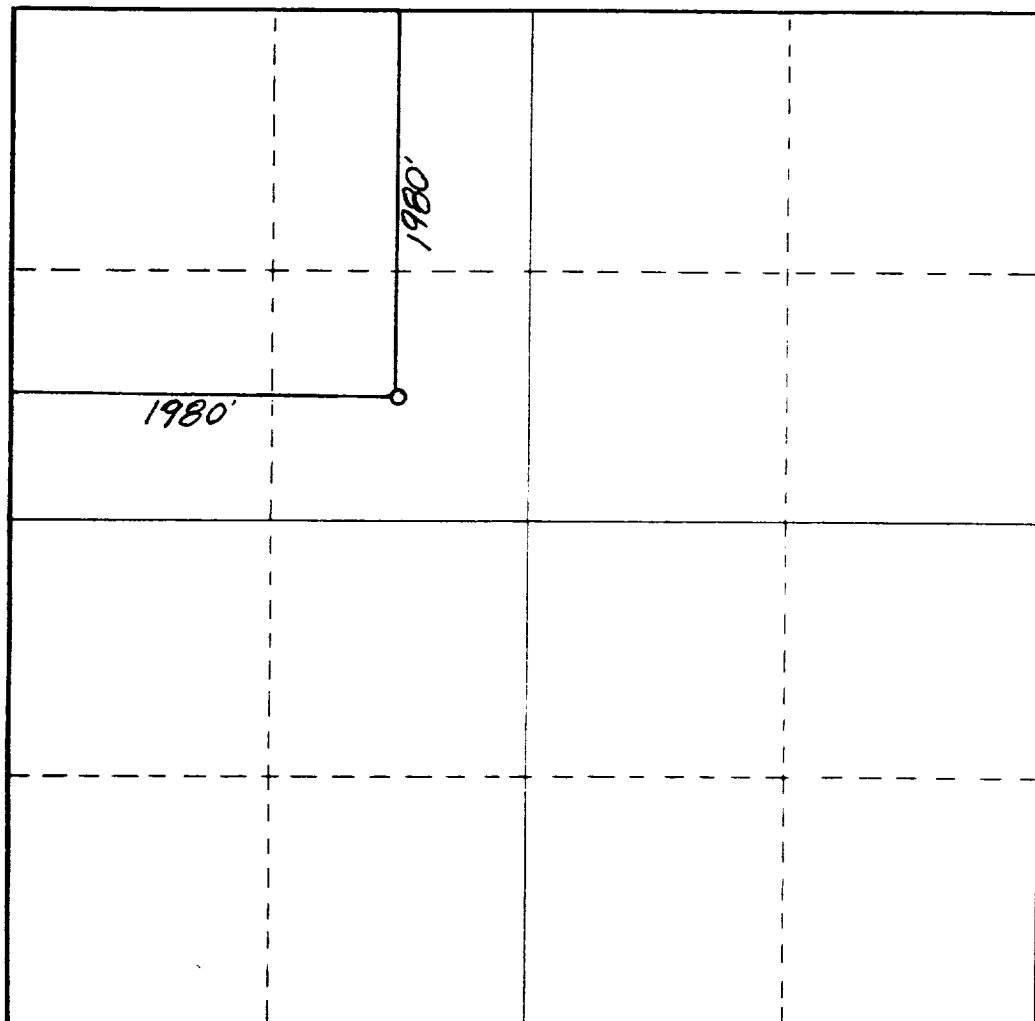
Operator SIETE OIL & GAS CORPORATION			Lease Renegade Federal		Well No. 1
Unit Letter F	Section 35	Township 19 South	Range 29 East	County Eddy County, New Mexico	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 1980 feet from the North line and 1980 feet from the West line </div>					
Ground Level Elev. 3313.	Producing Formation Delaware	Pool Undesignated Parkway	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.

[Signature]

Name

Harold D. Justice

Position

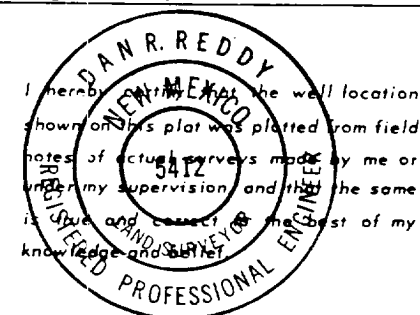
V.P. Drilling & Production

Company

Siete Oil & Gas Corporation

Date

August 19, 1988



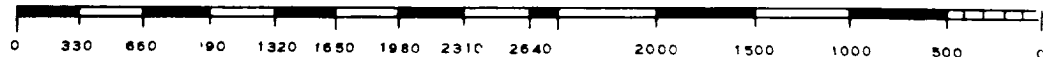
Date Surveyed

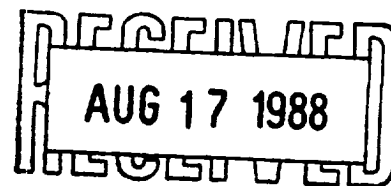
August 9, 1988

Registered Professional Engineer
and/or Land Surveyor

[Signature]
Certificate No.

NM PE&LS NO. 5412





ARCHAEOLOGICAL SURVEY CONSULTANTS
P.O. Box D
Roswell, New Mexico 88201
505-623-5012

Renegade Fed. Well #
1 & Access Road R/W

ASC Job 88-121

Date: 8/12/1988

Harold D. Justice
Siete Oil & Gas Corporation
P.O. Box 2523
Roswell, New Mexico 88202

Dear Harold:

Enclosed please find ASC Report 88-121, covering the archaeological survey, on federal land surface, of the Renegade Federal Well No. 1 and access road R/W. The survey was requested by your agent, T.W. Franklin, in compliance with relevant federal regulations.

Since no significant archaeological materials were found, we have recommended archaeological clearance for the well pad and access road R/W. Copies of the report have been distributed as per the list on the title page, and you need not concern yourself with distribution to those agencies.

Also enclosed please find ASC Invoice 88-121, for performance of the survey.

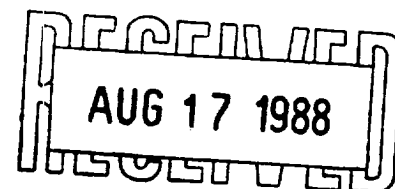
We are pleased to have been of service with this project, and hope to assist you in the future. Should you have questions concerning the project, please contact our office.

Sincerely,

J.V. Sciscenti
Principal Investigator

enclosure: report (1); invoice (1)

cc: ASC File 88-121 (1)



ARCHAEOLOGICAL SURVEY of the SIETE OIL & GAS CORPORATION
RENEGADE FEDERAL WELL NO. 1 & ACCESS ROAD R/W
T19S, R29E, SECTION 35, CENTRE, SE/4NW/4
[1980 FNL, 1980 FWL]. EDDY COUNTY, NEW MEXICO

FEDERAL LAND SURFACE (USGS 7.5', ILLINOIS CAMP, SE, N.M., 1985)

ASC Report 88-121

by Dorothy M. Griffiths, Project Archaeologist
and James V. Sciscenti, Principal Investigator

ARCHAEOLOGICAL SURVEY CONSULTANTS
P.O. Drawer D, Roswell, New Mexico 88202
[505] 623-5012

PERMIT NO.: 18-2920-88-C

August 10, 1988

Prepared for:

Siete Oil & Gas Corporation
P.O. Box 2523
Roswell, New Mexico 88202
Attention: Harold D. Justice

Distribution:

~~Siete Oil & Gas Corporation (1)~~
T.W. Franklin (1)
BLM - Carlsbad Resource Area (2)
New Mexico SHPO (1)
Griffiths (1)

ARCHAEOLOGICAL SURVEY CONSULTANTS

on lands administered by the
Department of the Interior
Bureau of Land Management
Roswell District, New Mexico

CULTURAL RESOURCES EXAMINATION

ASC PERMIT NO.: 18-2920-88-C
ASC Job No.: 88-121 [Siete Oil
& Gas Corp. Renegade Fed. Well
No. 1, T19S, R29E, Sec. 35]

1. **ABSTRACT:** intensive archaeological survey of the Siete Oil & Gas Corporation Renegade Federal Well No. 1 (400 ft. sq., 3.67 acres), and access road R/W (920 ft. long X 100 ft. wide, 2.11 acres), with a total federal land surface of 5.78 acres inspected for cultural remains.

Archaeological survey **did not** reveal any cultural material. Therefore, archaeological **CLEARANCE** for the Renegade Federal Well No. 1, and access road R/W, is **RECOMMENDED**.

2. **WELL PAD LOCATION:** T19S, R29E, Section 35, Centre, SE/4NW/4 [1980 FNL, 1980 FWL]. Eddy County, N.M. **ACCESS ROAD R/W LOCATION:** T19S, R29E, Section 35: SE/4SE/4NW/4; NE/4NE/4SW/4. Eddy County, New Mexico.

U.S.G.S. 7.5 minute series, ILLINDIS CAMP, SE, NEW MEXICO, 1985.

LAND STATUS: BLM, Roswell District/Carlsbad Resource Area, New Mexico.

3. **PROJECT DESCRIPTION:** well pad (400 ft. sq., 3.67 acres), and access road R/W (920 ft. long X 100 ft. wide, 2.11 acres), with a total federal land surface of 5.78 acres inspected for cultural remains.

TOPOGRAPHY: Mescalero Pediment, ca. 2.25 miles W/NW of Clayton Basin, ca. 5.3 miles east of Palmillas Draw, immediately to the north of an enclosed sunken basin located in the central part of Section 35 (T19S, R29E). The well pad is situated on the crest and slopes of a very low, south projecting ridge between two arms of the sunken basin. The terrain in the immediate vicinity of the well pad is sloping with little relief; there are exposures of gypsum bedrock, particularly in the SW quadrant of the pad. The access road crosses the enclosed sunken basin; pseudo-coppice dunes, consisting of recent sands, trapped around mesquite, occur sporadically in the basin. **Soil Type:** Reeves-Gypsumland complex. **Perennial Water Source:** Pecos River, ca. 14.4 miles SW. **Potential Water Source:** Clayton Basin ca. 2.25 miles SE holds water during rain. **Elevation:** 3309 ft. to 3312 ft. **Slope:** ca. 0.69 degrees. **Aspect:** 360 degrees. **Lithic Resources:** not available in project vicinity. **Vegetation Community:** grassland formation, scrub-grass scrub disclimax community.

4. **EXAMINATION PROCEDURE:** straight and zig-zag transects spaced no greater than 15 metres apart. Ca. 1.5 work hours on ground. Well pad centre/corners and access road centreline staked by client.

VISIBILITY: ground, ca. 65%, with 100% in denuded areas. Weather, sunny.

5. **FINDINGS:** BLM records [Belski, 8/08/88], indicate the recording of LA 45,612 in the NW/4NE/4NW/4 of Section 35 [T19S, R29E]. No site form is on file with the BLM, however, and the nature of the site is unknown. In any case the site location is some distance from the proposed Renegade Federal Well No. 1, and thus will not be endangered by construction of the well pad.

Archaeological survey of the proposed Siete Oil & Gas Corporation Renegade Federal Well No. 1, and access road R/W, **did not** reveal any cultural material.

6. **RECOMMENDATIONS:** archaeological **CLEARANCE** for the Siete Oil & Gas Corporation Renegade Federal well No. 1, and access road R/W, is **RECOMMENDED**.

Date of Examination: August 9, 1988.

Project Archaeologist:

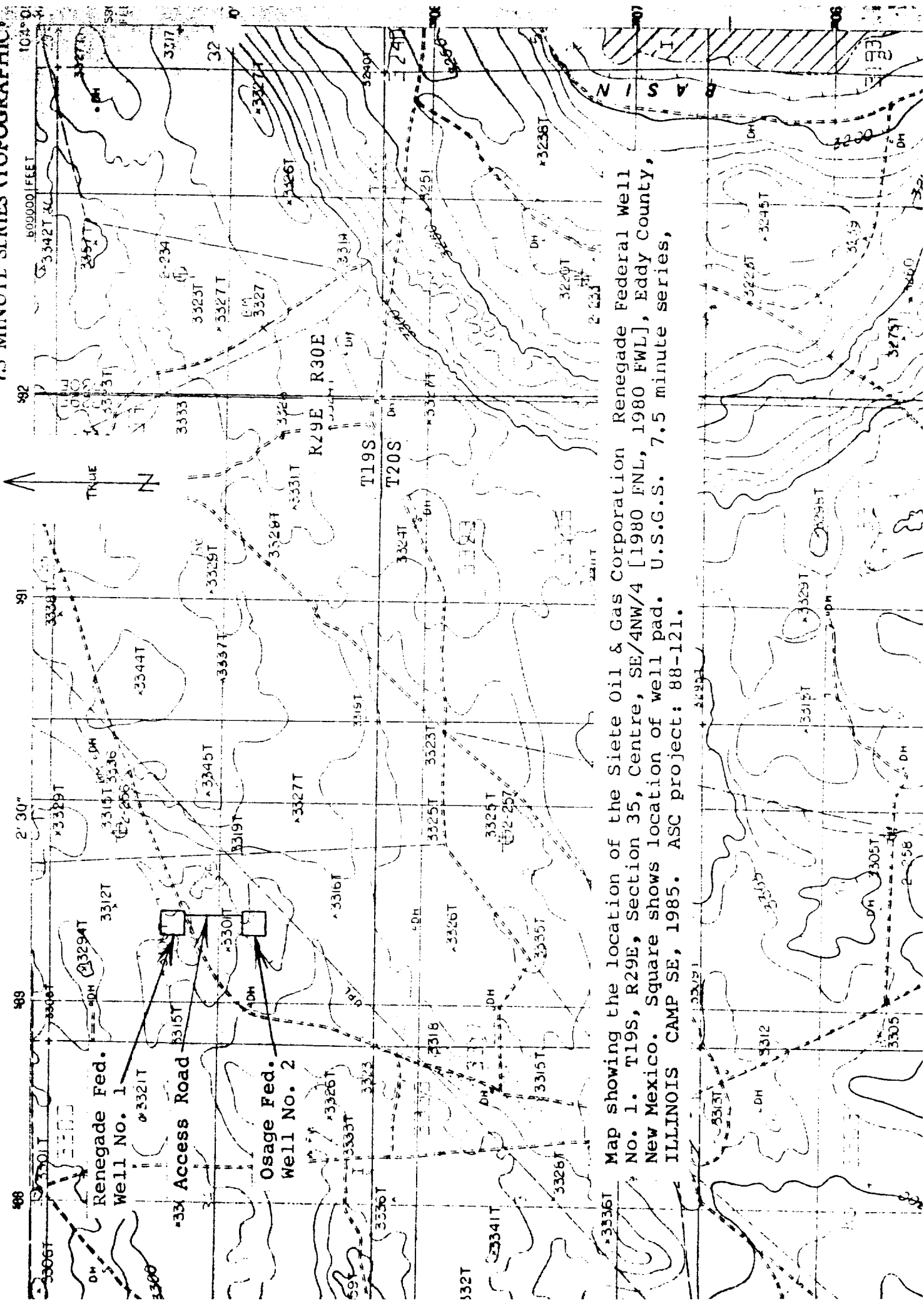
D.M. Griffiths

Principal Investigator:

[Signature]

[Signature]

ILLINOIS CAMP SE QUADRANGLE
NEW MEXICO-EDDY CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)



Map showing the location of the Siete Oil & Gas Corporation Renegade Federal Well No. 1. T19S, R29E, Section 35, Centre, SE/4NW/4 [1980 FNL, 1980 FWL], Eddy County, New Mexico. Square shows location of well pad. U.S.G.S. 7.5 minute series, ILLINOIS CAMP SE, 1985. ASC project: 88-121.

SUPPLEMENTAL DRILLING DATA
SIETE OIL AND GAS CORPORATION
RENEGADE FEDERAL NO. 1
1980' FNL & 1980' FWL
Section 35: T19S, R29E
Eddy County, New Mexico
Lease Number - NM-67102

The following items supplement "Onshore Oil and Gas Order No. 1:

1. The geologic surface is quaternary.
2. The estimated geological marker tops:

B/Salt	1300'
Queen	2500'
T/Del.	3200'
T/Bone Spring	5800'

3. Estimated depths to water, oil or gas:

Water: Approximately 220'
Oil or Gas: 3300' - 5800'

4. Proposed casing program:

<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'	54.5#	J-55	ST&C	New
8 5/8"	0 - 2500'	24 & 32.0	J-55	ST&C	New
5 1/2"	0 - T.D.	15.5#	J-55	ST&C	New

5. Pressure Control Equipment: The blowout preventer will be a double ram type preventer. A sketch is attached.
6. Mud Program:
 - 0 - 350': Native mud adding gel and lime for sufficient viscosity to insure clean hole for running casing.
 - 350' - 2500': Drill out with native becoming brine.
 - 2500' - T.D.: Drill out of intermediate with a cut brine system to T.D.
7. Auxiliary Equipment: A kelly cock will be installed on the rig floor while drilling operation are in progress..
8. Testing, Logging and Coring Programs: Possible drill stem tests and/or coring is not planned.

Logging: Compensated Neutron - Formation Density - Gamma Ray - Caliper - Dual Laterolog - RXO.
9. No abnormal pressures or temperature zones are anticipated.
10. Anticipated starting date: Commence drilling operations ASAP.

SURFACE USE PLAN
FOR
DRILLING, COMPLETING AND PRODUCING

SIETE OIL AND GAS CORPORATION
Renegade Federal No. 1
1980' FNL & 1980' FWL
Section 35: T19S, R29E
Eddy County, New Mexico
Lease Number: NM-67102

LOCATED: 17 miles Northeast of Carlsbad, New Mexico

FEDERAL LEASE NUMBER: NM-67102

LEASE ISSUED: November 1, 1986

RECORD LESSEE: Santa Fe Energy

BOND COVERAGE: \$25,000 Bond of Siete Oil and Gas Operator

ACRES IN LEASE: 120

SURFACE OWNERSHIP: Federal

GRAZING PERMITTEE: Snyder Ranches
C/O Larry Squires
P.O. Box 726
Lovington, NM 88260
Telephone: 393-7544

POOL: Undesignated Parkway Delaware

EXHIBITS:

- A. Area Road Map
- B. Topographic Map Showing Access Route
- C. Lease Map Showing Well Tests
- D. Sketch of Well Pad

ROAD LOG TO PROPOSED DRILLSITE

Starting point being Pecos River Bridge - Carlsbad, New Mexico on Highway 62-180:

- 0.0 Proceed East - Northeast on Highway 62-180 for 13.5 miles.
- 13.5 Turn North (4/10 mile past mile marker 49) on County Road 238 and proceed North for 2.1 miles (end of County Road North).
- 15.6 Proceed North off County Road (Conoco - Tuesday Federal Sign) and proceed 4.1 miles.
- 19.7 Turn East and proceed 3/4 mile.
- 20.45 Turn North @ Osage Federal No. 2 for 2/10 miles.
- 20.65 Location

THIRTEEN POINT PROGRA

1. EXISTING ROADS:

- A. Existing roads, which lead to the proposed drillsite, are shown on Exhibits "A" & "B".

2. PROPOSED NEW ROAD:

- A. The new access road will be 14' wide by approximately 1160' in length. New access road will enter the Southeast corner of the location as displayed on Exhibit "B".
- B. Surfacing Materials: Caliche
- C. Maximum Grade: Less than 1%
- D. Turnouts: None required
- E. Drainage Design: None required
- F. Culverts: None required
- G. Cuts and Fills: Less than 3'
- H. Gates, Cattleguards: None required

3. LOCATION OF EXISTING WELLS:

- A. Existing wells are shown on Exhibit "C".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. If the proposed well is productive, will construct tank battery on location.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. A water supply well is not planned. Water will be purchased and hauled to the well site over existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. Construction material will be obtained from an existing federal pit in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 3: T20S, R29E.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during tests will be disposed of in the drilling pits.

- D. Oil produced during tests will be produced into temporary test tanks.
- E. Trash, waste paper, garbage and junk will be buried in a trash pit and covered with a minimum of 24" of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "D".

8. ANCILLARY FACILITIES:

- A. None anticipated.

9. WELLSITE LAYOUT:

- A. The drillsite has been surveyed, staked and flagged.
- B. The dimensions and relative location of the drill pad, mud pits and the trash pits with respect to the wellbore are shown on Exhibit "D".
- C. The wellsite is nearly level and will not require any cut or fill. The drill pad will be surfaced with caliche.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed. Pits will be filled and the location cleansed of all trash and junk to leave the wellsite in an aesthetically pleasing condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment, all equipment, trash and junk will be removed and the location cleaned. Any special rehabilitation and/or special revegetation requirements of the surface management agency will be complied with and accomplished as expeditiously as possible.

11. OTHER INFORMATION:

- A. Topography: The surface is relatively flat. Drainage to Southwest.
- B. Soil: Kermit Berino fine sands.
- C. Flora and Fauna: Vicinity surrounding the drillsite is semi-arid desert rangeland. Vegetation is thinly scattered with desert shrubs interspersed with a small amount of native grasses. No wildlife was observed, rodents, coyotes, dove or quail.
- D. Ponds and Streams: None
- E. Residences and other Structures: A ranch house is located approximately 1 3/4 miles Northeast of location.

F. Archaeological, Historical and Other Cultural Sites: None were observed by this area. The pad area was archaeologized on August 9, 1988.

G. Land Use: Grazing and occasional hunting.

12. OPERATOR'S REPRESENTATIVE:

Representative responsible for assuring compliance with the approved Surface Use Plan:

Harold D. Justice
Petroleum Building, Suite 200
200 West First
Roswell, New Mexico 88201
Office: 622-2202
Home: 625-0072

13. CERTIFICATION:

I hereby certify that I, or persons under my supervision have inspected the proposed drillsite and access road; 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 operations proposed herein will be performed by SIETE OIL AND GAS CORPORATION, and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

SIETE OIL AND GAS CORPORATION

By: Harold D. Justice
Harold D. Justice.
V. P. Drilling & Production

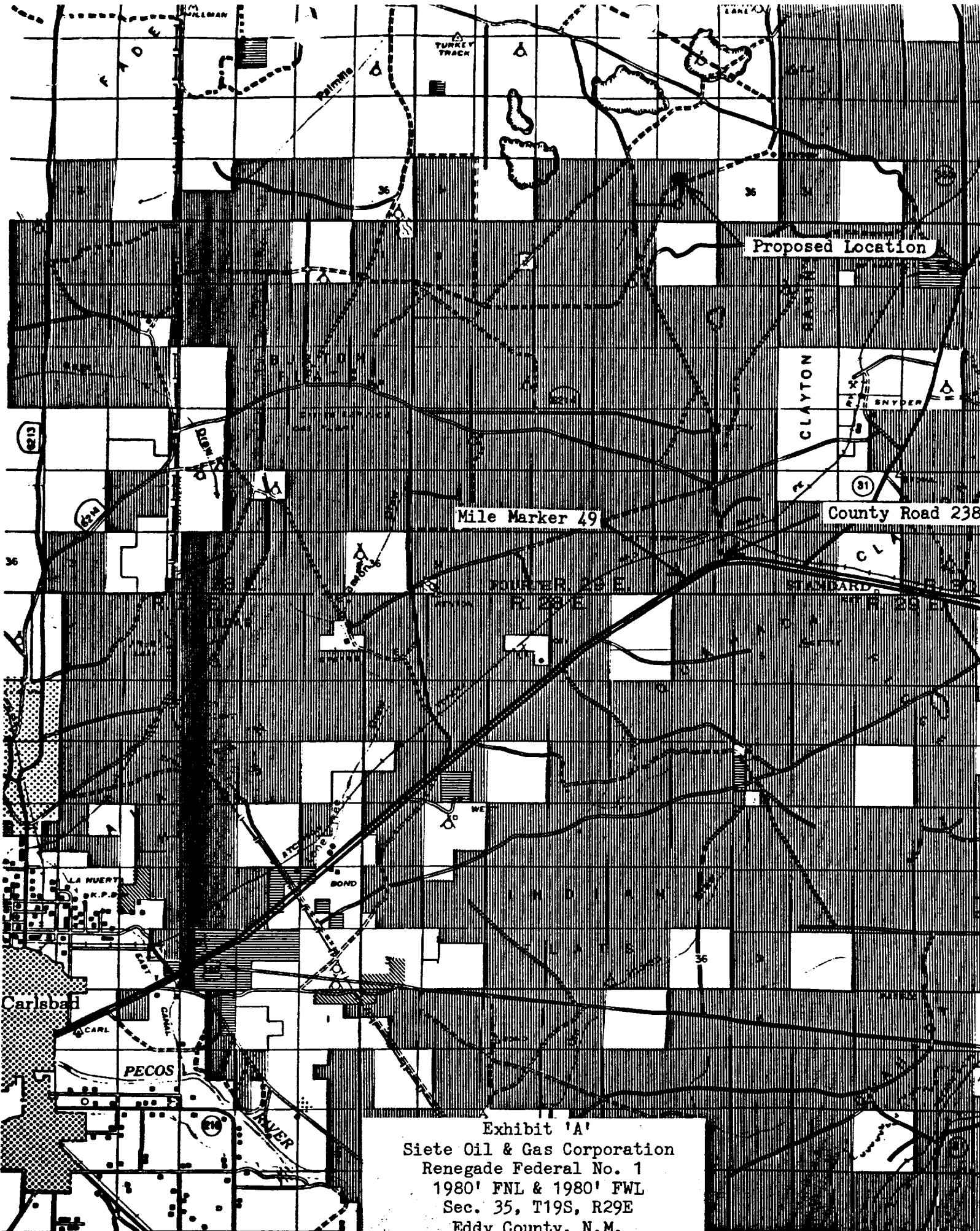


Exhibit 'A'
Siete Oil & Gas Corporation
Renegade Federal No. 1
1980' FNL & 1980' FWL
Sec. 35, T19S, R29E
Eddy County, N.M.

ILLINOIS CAMI
NEW MEX
7.5 MINUTE SER

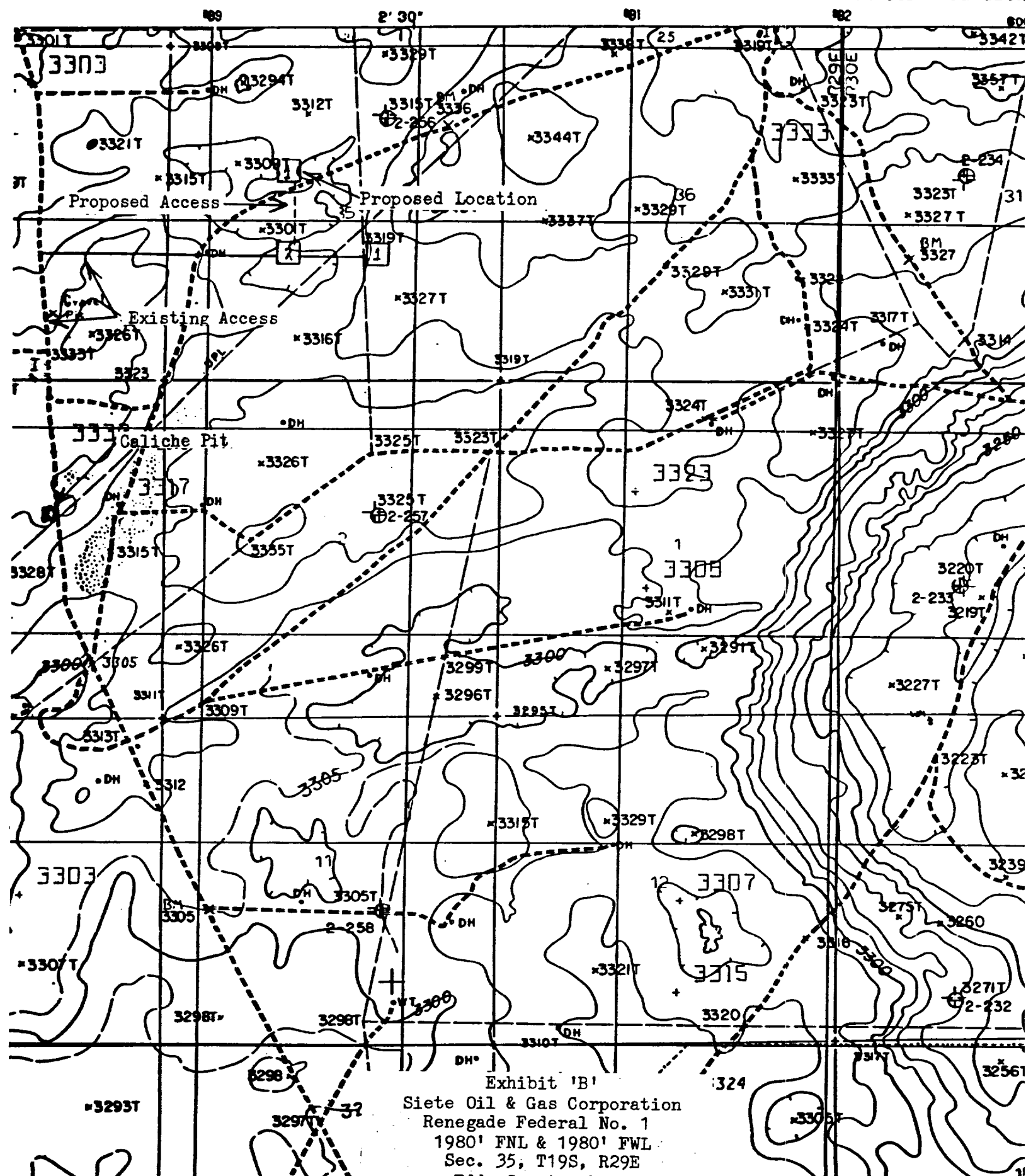


Exhibit 'B'

Siete Oil & Gas Corporation
Renegade Federal No. 1
1980' FNL & 1980' FWL
Sec. 35, T19S, R29E

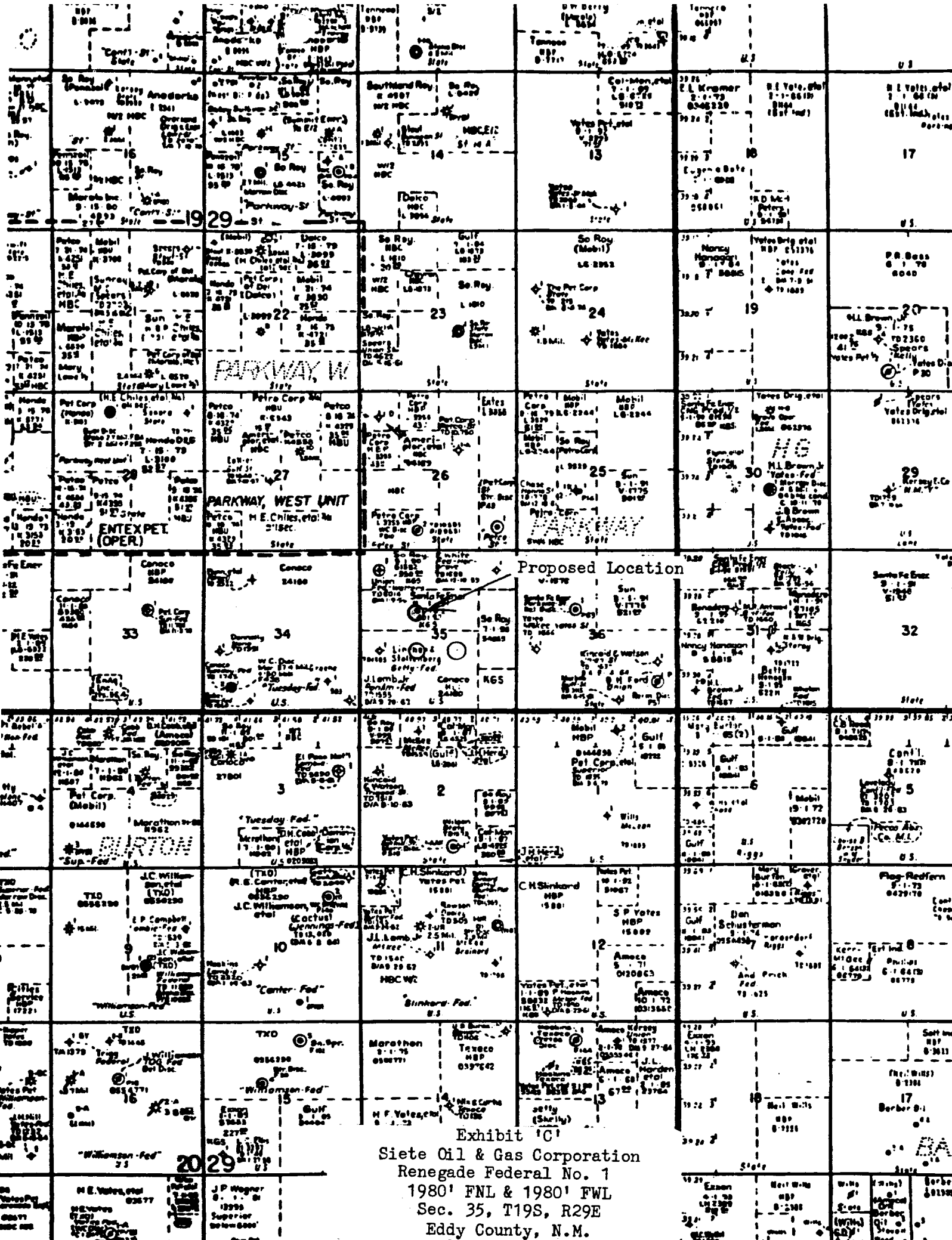


Exhibit 'C'
Siete Oil & Gas Corporation
Renegade Federal No. 1
1980' FNL & 1980' FWL
Sec. 35, T19S, R29E
Eddy County, N.M.

