

**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.

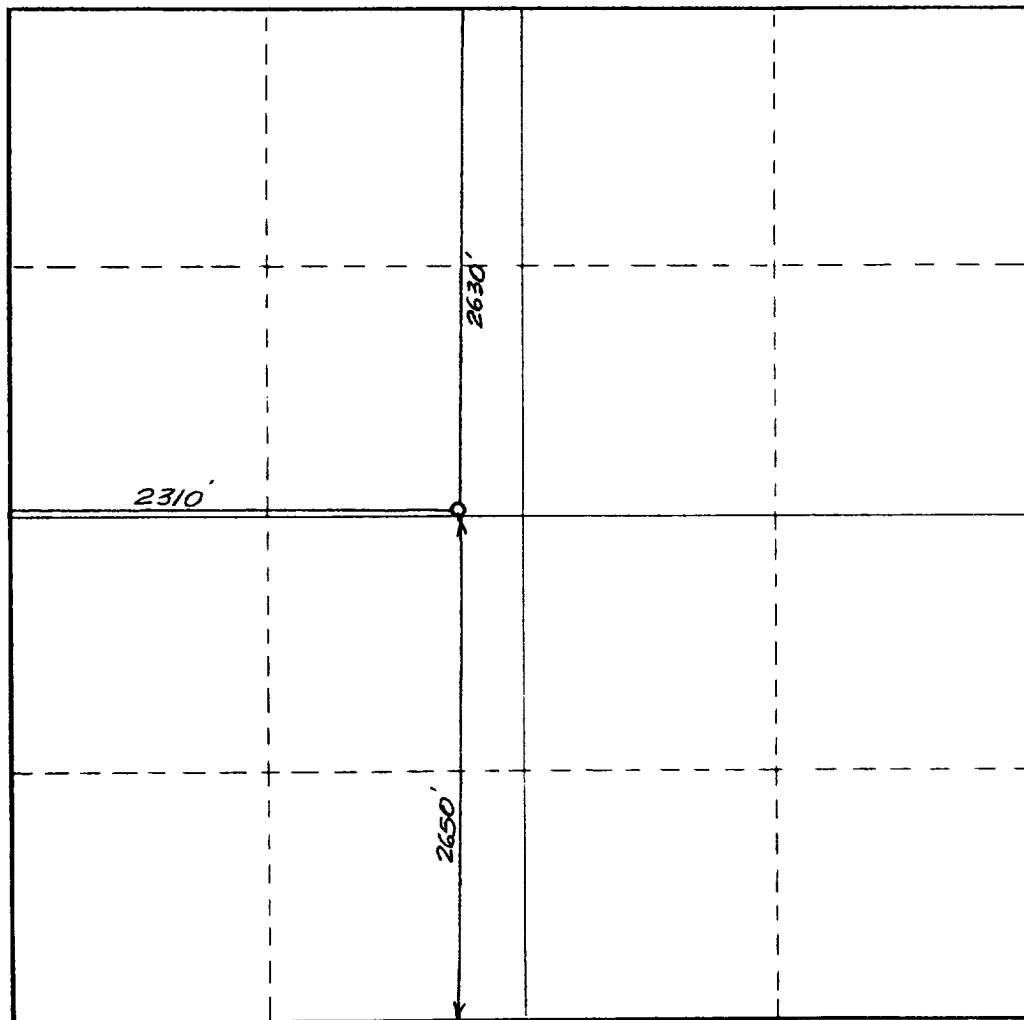
Operator <b>SIETE OIL &amp; GAS CORPORATION</b>			Lease <b>Blackhawk Federal</b>		Well No. <b>7</b>
Unit Letter <b>F</b>	Section <b>24</b>	Township <b>18 South</b>	Range <b>31 East</b>	County <b>Eddy County, N.M.</b>	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> <span><b>2630</b> feet from the <b>North</b> line and</span> <span><b>2310</b> feet from the <b>West</b> line</span> </div>					
Ground Level Elev. <b>3703.</b>	Producing Formation <b>Grayburg</b>		Pool <b>Shugart</b>		Dedicated Acreage: <b>N/A</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.*

*Harold D. Justice* CWS  
Name

V.P. Drilling/Production

Position

Siete Oil & Gas Corporation

Company

May 31, 1990

Date

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

May 15, 1990

Registered Professional Engineer and/or Land Surveyor

*Dan R. Reddy*

Certificate No.

NM PE&LS N). 5412



**SURFACE USE PLAN  
FOR  
DRILLING, COMPLETING AND PRODUCING**

**SIETE OIL AND GAS CORPORATION  
Blackhawk Federal No. 7  
2630' FNL & 2310' FWL  
Section 24: T18S, R31E  
Eddy County, New Mexico  
Lease Number: LC-065680**

LOCATED: 15 miles Southeast of Loco Hills, New Mexico

FEDERAL LEASE NUMBER: LC-065680

LEASE ISSUED: June 1, 1951 - Held by Production

RECORD LESSEE: 18-31, Inc.

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

ACRES IN LEASE: 160

SURFACE OWNERSHIP: Federal

GRAZING PERMITTEE: Virgil Linam

POOL: Shugart Y-7Rvrs-Q-GB

EXHIBITS:

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

SUPPLEMENTAL DRILLING DATA  
SIETE OIL AND GAS CORPORATION  
BLACKHAWK FEDERAL #7  
2630' FNL & 2310' FWL  
Section 24: T18S, R31E  
Eddy County, New Mexico  
Lease Number: LC-065680

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

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

Yates	2340'
Seven Rivers	2530'
Queen	3500'
Penrose	3740'

3. Estimated depths to water, oil or gas:

Water: Approximately 200'  
Oil or Gas: N/A

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#	J-55	LT&C	New
5 1/2	0 - T.D.	17#	J-55 & N-80	LT&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'-T.D.:	Drill out with native becoming brine, add starch and salt gel to maintain a viscosity of 30, @ T.D. 40; mud weight 9.3#.

7. Auxiliary Equipment: A kelly cock will be installed on the rig floor while drilling operations 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.

## ROAD LOG TO PROPOSED DRILLSITE

Starting point is on U.S. Highway 82 at Loco Hills, NM.

- 0.00      Proceed East on Highway 82 for 6.0 miles.
- 6.00      Turn South on Highway 31 and proceed 4.0 miles.
- 10.00     Turn Southeast and proceed 4.0 miles.
- 14.00     Turn North and proceed 1.0 mile.
- 15.00     Turn West and proceed .50 mile to the Blackhawk Federal #2.
- 15.50     Proceed Southeast .10 mile.
- 15.60     Location.

## THIRTEEN POINT PROGRAM

### 1. EXISTING ROADS:

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

### 2. PROPOSED NEW ROAD:

- A. The proposed new access road will be approx. 14' wide & 460' in length. It will be coming off the Blackhawk Federal #2 and will be entering the location from the Northwest corner as shown in Exhibit "A".

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 "B".

### 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. Approx. 800' of 2" fiberglass flowline will be buried & ran to the Blackhawk Federal #1 injection facilities in Sec. 24, T18S, R31E, NE $\frac{1}{4}$ SW $\frac{1}{4}$ .

### 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 SE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 24: T18S, R31E.

### 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. We do not anticipate any oil production during tests..

- 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 drill site 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 the Northwest.
- 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: None in the immediate area.
- F. Archaeological, Historical and Other Cultural Sites: None were observed in this area. The pad area was archaeologized on May 16, 1990.
- 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 88202  
Office: 622-2202  
Home: 625-0072

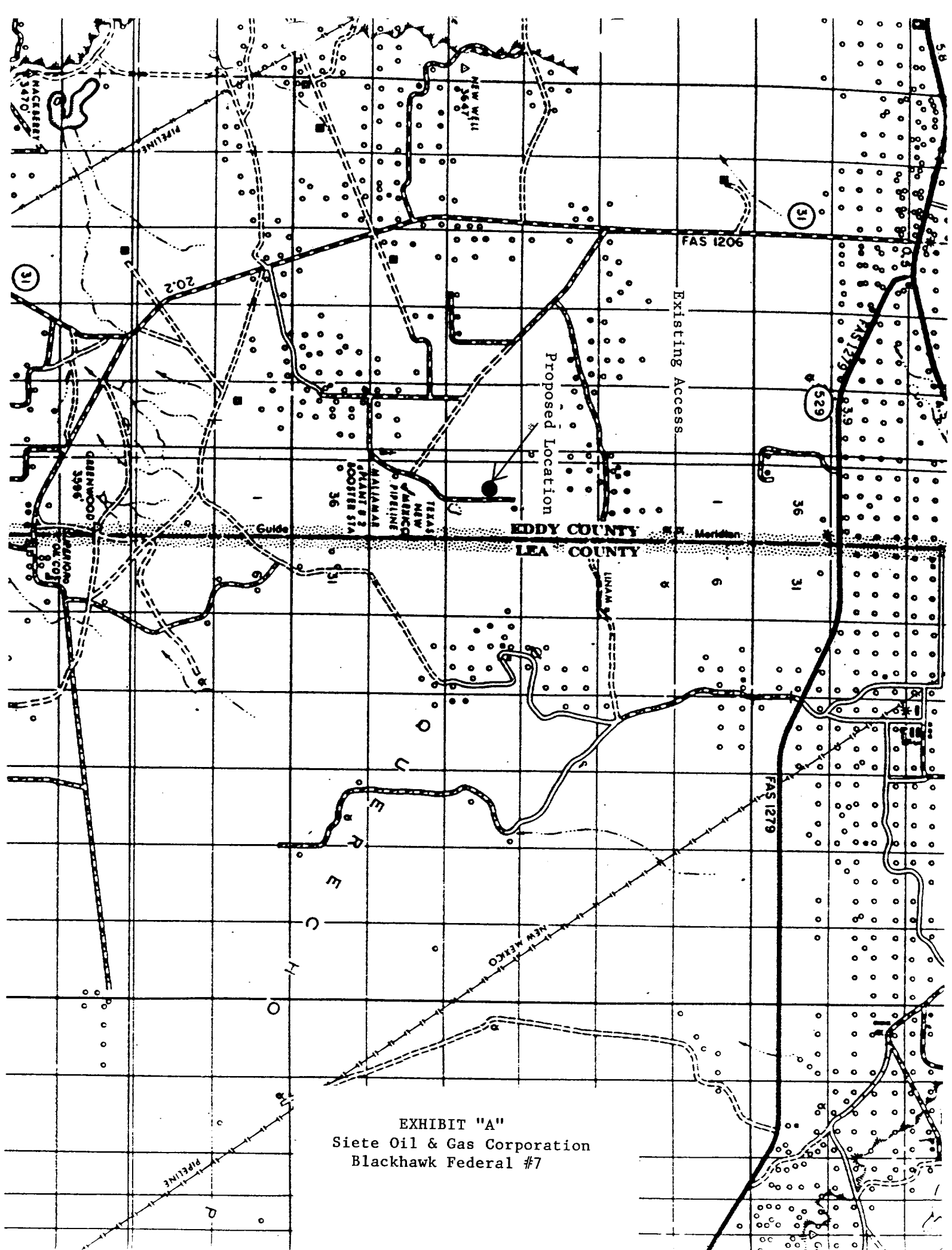
13. CERTIFICATION:

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**

Date: 6/1/90

BY: Harold D. Justice CB2  
Harold D. Justice  
V.P. Drilling & Production





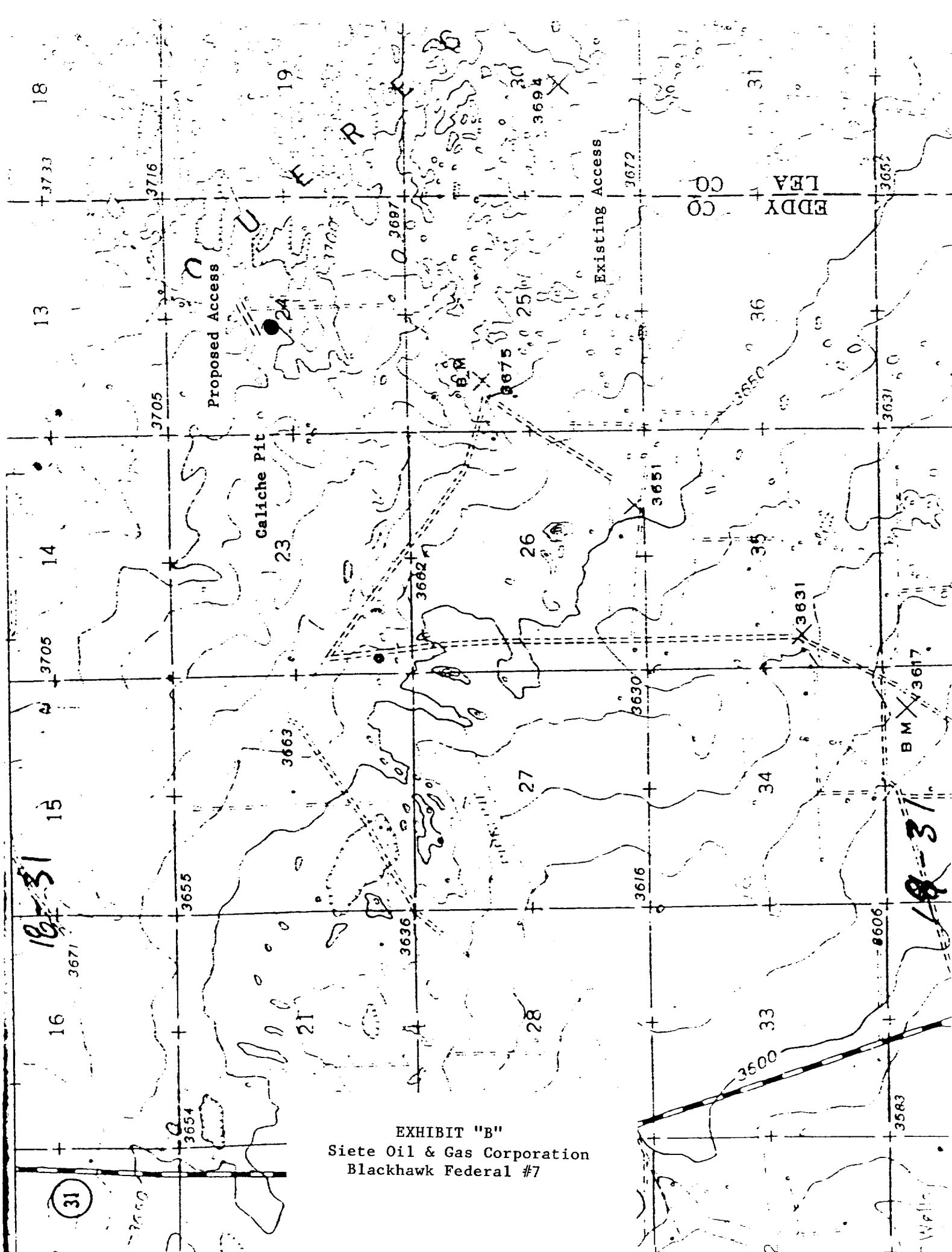
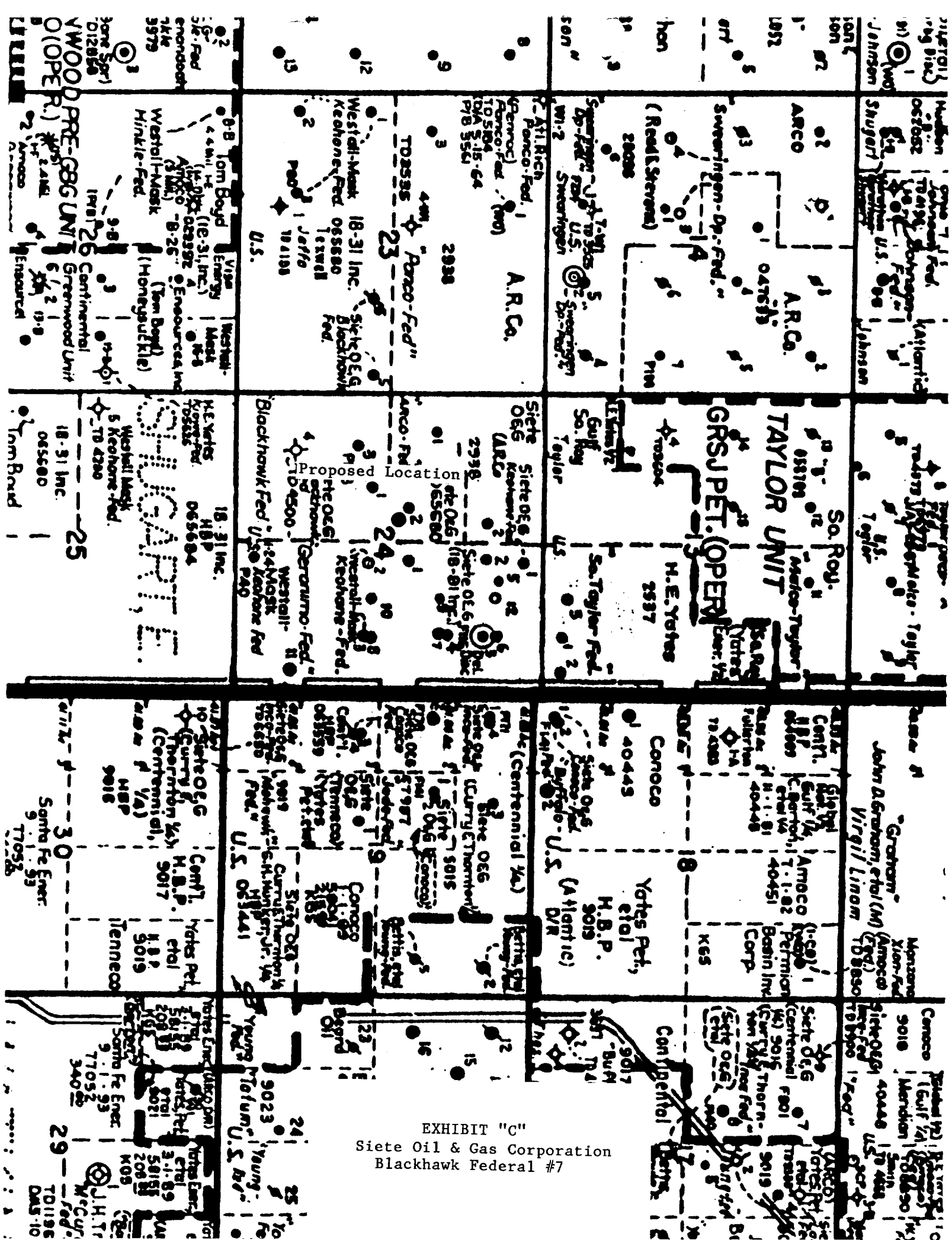
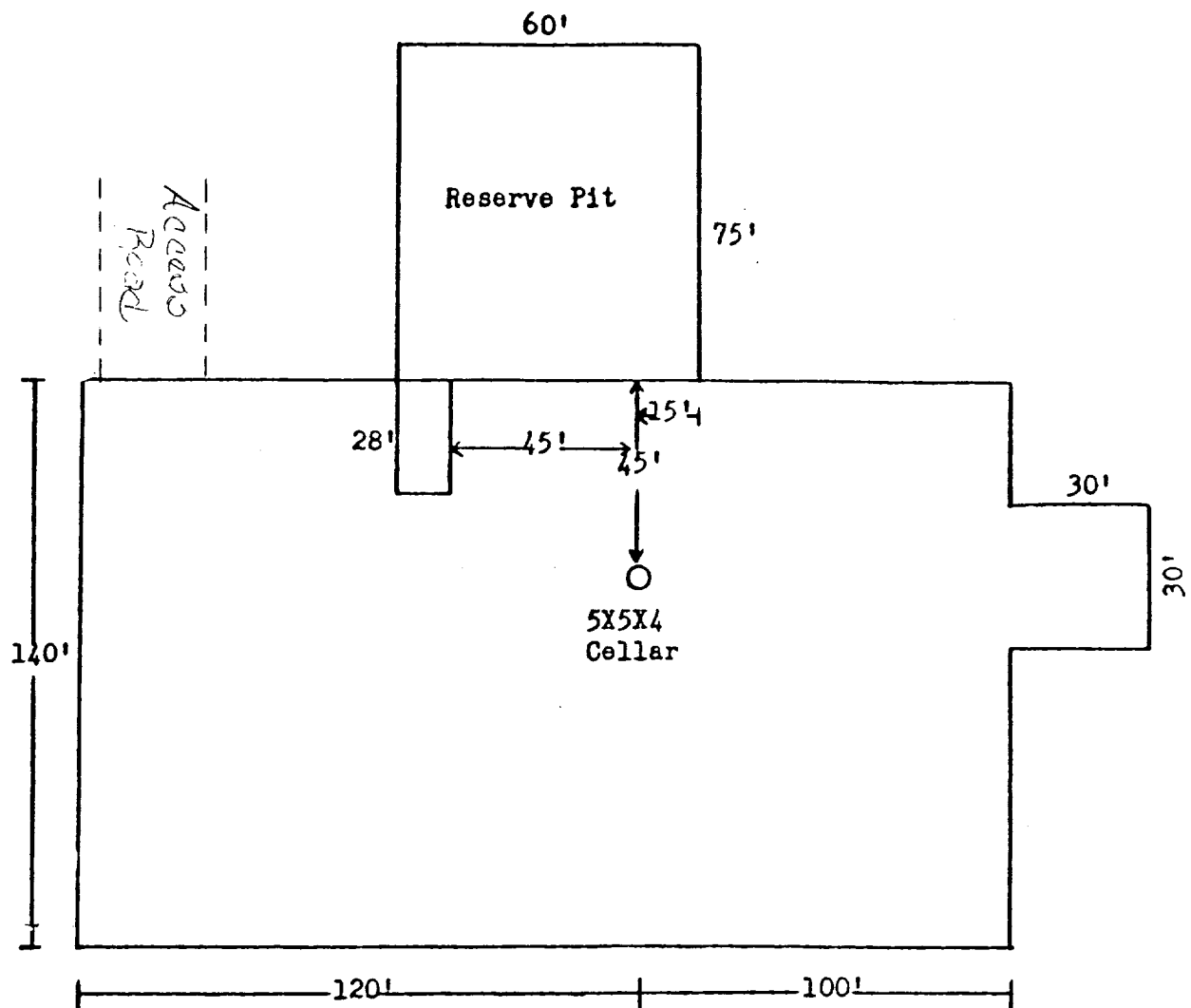


EXHIBIT "B"  
Siete Oil & Gas Corporation  
Blackhawk Federal #7





I&M Drilling Rig No. 1

EXHIBIT "D"  
Siete Oil & Gas Corporation  
Blackhawk Federal #7

BOP DIAGRAM

RATED 3000#

