(December 1990)NM (NED DU JUI	MISSION TED STATE	S_		ther). reverse s	ctions on ide)	Pom approve Budget Bures Expires: De	d. Na. 1004—0136 Cember 31, 1991
ARTE	SIA. NM 8821	T OF THE				-	5. LEASE DESIGNATE	
		F LAND MANA			PECEI	VED	NM 10191	
APPL	ICATION FOR F	PERMITTO	DRIL	L OR DE	EPEN	V 12.0	6. IF INDIAN, ALLOT	TED OR TRIBE NAME
1a. TTPE OF WORK		200	<u>Z</u>				NA NA	
b. TIPE OF WELL	RITT 🗷 🎺 🔊	3DEEPEN?	418	.)	MAY 1	0.'94	7. UNIT AGREEMENT	HAMB
OIL X	PAS DISTRICT			SI HOLE X	MULTIP		Shugart 8. MAMORIAMENAME	W. m
2. NAME OF OPERATOR	100	0 4/ 2	フミ	1/137	DOME	. D.		rt Unit #59
Devon Energy	Corporation (N	erada) 🖔 A	tti	Debby. Ó	. Doffie	PFFICE	9. AT WELLIO.	LL UHIL #39
8. ADDRESS AND TELEPHONE NO.	14	•	y - 7	552-4511			30-016-	
20 North Bro	adway Ste 1500	Oklahoma	Cit	y, OK 7:	3102		10. FIRLD AND POOL	
At surface 1100	' FSL & 1650' F	WE HAD F	2 T H	OD OX Subj	ect to		Shugart (Y	-SR-Q-G)
At proposed pred. so:		LOCA-			Approva	4	11. SEC., T., R., M., O AND SURVEY OR	56439
_ Proposed pred. sol	Je seme	- 0 0	` . •	By S		T.N		
4. DISTANCE IN MILES	AND DIRECTION FROM NR.	ARBST TOWN OR POS	T OFFI	cs.			Section 34-	-T18S-R31E
15 ½ miles se	outheast of Loc	o Hills, NM				j	Eddy	NM
16. DISTANCE FROM PROPI LOCATION TO NEARES	7		16. ×	O. OF ACRES IN	LBASE		F ACRES ASSIGNED	
PROPERTY OR LEASE ! (Also to nearest dri)	g. unit line, if any)	1100'		400		10 12	40	
8. DISTANCE FROM PROF TO NEARRST WELL, D OR APPLIED FOR, ON THE	RILLING, COMPLETED.	0001	19. P	EOPOSED DEPTE		20. BOTAL	T OR CABLE TOOLS	
1. ELEVATIONS (Show who		900'		4500'			rotary	
	22, 22, 42, 42,	3612' Cap	itan C	Controlled W	ater Bas	in	22. APPROX. DATE W	
3.					"		May 1, 1994	4
		PROPOSED CASE	NG AN	D CEMENTING	PROGRAM	l 		
17 ½"	14"	WEIGHT PER PO	OT	82771×9 D			QUANTITY OF CRM	
12 ½"	8 5/8", K-55	24 55		401			h readi-mix	
7 7/8"	5 ½", J-55	24 ppf 15.5 ppf		950' 4500'			Lite + 200 s	
	-			1	i		Lite + 500 s	k Class C
Devon Energy pro oil. If the Que regulations. Pr	circulate cements poses to drill to seen is deemed non-corograms to adhere to	4500'± to test	the (Queen Sand f bore will be	formation	for com	ndoned per Feder	al
exhibits and att	achments.			-			•	,
Drilling Program	=		TI	he undersign	ed accep	ts all a	pplicable terms,	conditions,
Surface Use and	operating Plan = Blowout Prevention	on Conjument					concerning oper	
	ation and Elevation			ucted on the elow:	leasea	land or	portions thereof	
	Road Map and Topo				191		PA	etID-1
	ls Within 1 Mile Ra		Le	egal Descrip	tion: Se	ction 34	-T18S-R31E 5	-20-94
	duction Facilities	Plat	Fo	ormation: Q	ueen San	d A	Wim Period Sublect	mbac 4 14 PF
Exhibit #6 = Rot			В	ond Coverage	: Natio	nwide 🥰	March Barrelle	നയ വാർക കടച്ചി
Exhibit #7 = Cas	•		BL	M Bond #:	CO-1104	S:		end Se
H ₂ S Operating Pla						R.		
spen directionally, give pertin	PROPOSED PROGRAM: If set data on subsurface location	proposal is to deepen, g as and measured and tru	ive data s vertica	on present produc Li depths. Give blo	ctive zone an Wout prevent	d proposed a r program, if	ew productive zone. If p	proposal is to drill or
	4.4			I. Butt	rnee I	-		
RIGNED	B. Stross by.	****	_ D:	istrict E	ngineer		March	16, 1994 🔭
(This space for Federa	al or State office need						DATE	,,,
PERMIT NO.						<u></u>		
Application approval does no	t warrant or certify that the app	licant holds legal or equ	itable titi	le to those rights in (the subject les	se which woul	ld entitle the applicant to or	naduct operations thereon.
(ORIG. SGD.)		NUS	,- 1	Ārea man	VAGER		MAY 6	1994
APPROVED BY		mle _					DATE	·WT
		*See Instruct	ions (On Revene S	ide			

Submit to Appropriate District Office. State Lease — 4 copies Fee Lease — 3 copies

DISTRICT III

State of New Mexic Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artesia, NM 86210

WELL LOCATION AND ACREAGE DEDICATION PLAT

1000 Rio Brasce Ed., Astec, NM 87410

All Distances must be from the outer boundaries of the section

		71 51000	TOOL TOOL DO TOOL	i lile odeci poblici		<u> </u>		
	ON ENERGY (CORPORATION	Lease		HUGART UNIT		Well No.	59
Unit Letter	Section.	Township	Range			County		
N I	34	18 SOU	TH I	31 EA	ST NMPM		EDDY	
Actual Footage Loop	tion of Well:	_1						
1100	from the SO	UTH line and	•	650		the WEST	г	
Ground Level Elev.	Producing Fo		Pool		foot from	Table VILLO	Pedicated A	
3612'	-			Channe	t (Y-SR-Q-G	\	40	_
		n Sand	<u>-</u>				40	Acres
1. Outline the sor	reage dedicated to	the subject well by	a cojored heretj o	r hachure marks	on the plat below	•		
2. If more than c	one leuse is dedic	ated to the well, o	utline each and is	leadify the owner	skip thereof (both	ns to working	g interest as	ad royalty).
	one lease of differ res-pooling, etc.?	rent ownership is d	iedicated to the w	ell, have the inte	erest of all swaers	bom sonsoli	dated by ea	mmunitimation,
Yes	☐ No	If answer is "y	res' type of come	olidation				
If answer is "no"	list of owners a	nd tract description	ns which have ac	tually been cons	olidated. (Use rese	eras mida of		
this form necessar	ty				· ·			£ -
No allowable wil	l be swigned to	the well unit a	l interests have	been consolida	ted (by commun	itization, un	itisation, f	orced-pooling,
otherwise) or un	til a non-standa	rd unit, climinati	ng such interest,	раз роску трам	ved by the Divini	00).		
	<u> </u>	T		<u> </u>		OPERAT	OR CERT	FICATION
 						I here	by cortify the	the information
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							CARY	L JONES 7977
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MINIMUM BLOWDUT PREVENTER REQUIREMENTS

3,960 pel Working Preseure

3 MWP

STACK REQUIREMENTS

No.	tem	Men.	Alm. Nominal
	Flowing		
2	Fill up line		2-
3	Drilling supple		
4	Annular preventer		
5	Two single or one dual hydraulical operated rams	У	
80	Drilling speel with 2" min. bill line a 3" min choke line eutlets	nd	
6 b	2" min. kill line and 3" min. choke I outlets in ram. (Alternate to Sa above	iuo .	
7	Valve Gate Plug		
	Gate valve—power operated	3-1/8"	
9	Line to choke manifold		3-
	Valves Gate Plug		
_	Check valve	2-1/16*	
12	Casing head		
13	Valve Gate [Plug [
14	Pressure gauge with needle valve		
15	Kill line to rig mud pump meniloid		7-

<u> </u>		<u></u>	
	AMMULAR PREVENTER		
₽ ₽	POPE BANES		- -
	CASING NEAD		—
	CASON	8	Ð

CONFIGURATION A

OPTIONAL		
16 Flanged valve	1-13/16*	

CONTRACTOR'S OPTION TO FURNISH:

- All equipment and connections above bradenhead or casinghead. Working pressure of preventers to be 3,000 pel, minimum.
- 2. Automatic accumulator (80 gallen, minimum) capable of closing BOP in 30 seconds or less and, holding them closed against full rated working pressure.
- 3.80P controls, to be located mear drillers position.
- 4. Kelly equipped with Kelly cock.
- S.inside blowout prevventer or its equivalent on derrick floor at all times with proper threads to itt pipe being used.
- Kelly saver-sub equipped with rubber casing protector at all times.
- 7. Plug type blowaut preventer tester.
- 8.Emra set pipe rams to fit drill pipe in use on location at all times.
- 9. Type RX ring gashets in place of Type R.

MEC TO FURNISH:

- 1.Bradenhead or casinghead and aide valves.
- 2. Weer bushing, Il required.

GENERAL NOTES:

- Deviations from this drawing may be made only with the express permission of MEC's Drilling Manager.
- 2. All connections, volves, littings, piping, etc., subject to well or pump preseure must be flanged (suitable clemp connections acceptable) and have minimum working pressure equal to rated working pressure of preventers up through shore. Valves must be full opening and suitable for high pressure mud service.
- 3. Centrals to be of standard design and each marked, showing opening and closing position.
- 4.Chokes will be positioned so as not to hemper or delay changing of choke beens. Replaceable parts for adjustable choke, other been sizes, retainers, and choke wrenches to be conveniently incread for immediate use.
- S.All valves to be equipped with handwheels or handles ready for immediate use.
- 6.Choke lines must be suitably enchared.

- 7. Handwheets and extensions to be connected and ready for use.
- 8. Valves adjacent to drilling speel to be kept open. Use outside valves except for emergency.
- S.All seemices steel centrel piping (2000 pel working preseure) to have florible joints to avoid strees. House will be permitted.
- 18.Casinghead connections shall not be used except in case of emergency.
- 11.Do not use kill line for routine fill-up operations.

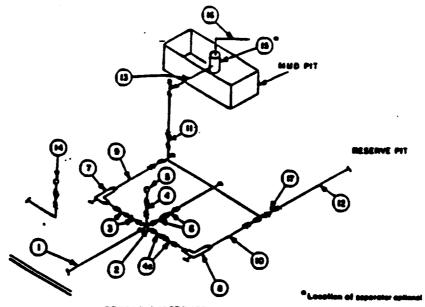
Attachment to Exhibit #1 NOTES REGARDING BLOWOUT PREVENTORS

East Shugart Unit #59 Eddy County, New Mexico

- 1. Drilling nipple will be constructed so it can be removed mechanically without the aid of a welder. The minimum internal diameter will equal BOP bore.
- 2. Wear ring will be properly installed in head.
- 3. Blowout preventor and all associated fittings will be in operable condition to withstand a minimum 3000 psi working pressure.
- 4. All fittings will be flanged.
- 5. A full bore safety valve tested to a minimum 3000 psi WP with proper thread connections will be available on the rotary rig floor at all times.
- 6. All choke lines will be anchored to prevent movement.
- 7. All BOP equipment will be equal to or larger in bore than the internal diameter of the last casing string.
- 8. Will maintain a kelly cock attached to the kelly.
- 9. Hand wheels and wrenches will be properly installed and tested for safe operation.
- 10. Hydraulic floor control for blowout preventor will be located as near in proximity to driller's controls as possible.
- 11. All BOP equipment will meet API standards and include a minimum 40 gallon accumulator having two independent means of power to initiate closing operation.

MINIMUM CHOKE MANIFOLD 2,000, 5,000 and 19,000 PSI Working Procesure

3 MWP - 5 MWP - 10 MWP



BEYOND SUBSTR	JÇ	1	VRE
---------------	----	---	-----

			Land	MUM REQI	MEMENT	6				
3,800 MWP \$.600 MWP 10,000 MWP										
No.		LD	NOMINAL	MATING	LD.	MOMMAL	RATING	LD.	MONMAL	RATIN
1	Line from drifting speel		3*	3.000		3-	5.000		3.	
2	Crees 3"x3"x3"x2"			3.000			8,000	 		10,00
	Crees 3,×3,×3,×3,									
3	Valves(1) Gate [] Plug [D(2)	>14.		3,000	3-1/8*		5,000	3-1/8"		10,00
4	Valve Gate (i Plug (CR)	1-13/16"		3,000	1-13/16*		8,000	1-13/16"		10.00
48	Valves(1)	5-1/16"		3,000	2-1/16"		5.000	318		
5	Pressure Gauge			2,000		 	5,000			10,00
6	Valves Gate C Plug (2)	3-100"		3,000	3-1/0"		8,000	3-1/8*		10,60
	Adjustable Chalce(3)	5-		3.000	2"		5.000	2-		
	Adjustable Chahe	1.		3,000	1.		5.000			10,00
•	Line		3.	3.000		3-		5.		10,00
10	Line		2"	3,000	-	-	8,800		3.	10,80
11	Vehicle Gate D						5,000		3-	10,00
12	Plug ()(2)	3-1/6"		3,800	3-1/8"		5,800	3-140*		10,00
13	Lines		3.	1,000		3.	1,000		3"	2.00
-			3.	1,000		3.	1,000		3.	2.00
14	Remote reading compound standpips pressure gouge			3.900			5,000	•		10.00
15	Gas Separater		2°15'			2'25'				
16	Line		r	1,000		4.			2'm5'	
17	Volves Gate D						1,000		4.	2,000
	Plug D(2)	3-105.	į	3,000	3-140*		5.000	318	T	10,000

- (1) Only one required in Class 344.
- (2) Gate valves only shall be used for Class 10M.
- (3) Remote operated hydroutic choice required on \$,600 pel and 10,000 pel for drilling.

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

- 1. All connections in choice manifold shall be welded, studded, flanged or Comeron clamp of comparable rating.
- 2. All flanges shall be API 68 or 68X and ring gaskets shall be API RX or 8X. Use only 8X for 10 MWP.
- 3. All lines shall be accurally anchored.
- 4. Chokes shall be equipped with tungeten carbide seats and needles, and replacements shall be available.
 5. Choke manifeld pressure and standpipe pressure gauges shall be available at the choke manifold to assist in regulating chokes. As an alternate with automatic chokes, a choke manifeld pressure gauge shall be located on the rig floor in con-
- 6. Line from drilling speel to choke manifold should be as straight as possible. Lines downstream from chokes shall make turns by large bands or 90° bands using bull plugged less.
- 7. Discharge lines from choice, choice bypass and from top of gas separator should vent as far as practical from the well.