

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN PERSON
8166
ARTESIA, NM 88210-2834FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
SOND ☒MULTIPLE
SOND ☐

2. NAME OF OPERATOR

KCS Medallion Resources, Inc.

3. ADDRESS AND TELEPHONE NO.

7130 South Lewqis Avenue, Suite 700, Tulsa, OK 74136-5489. Phone (918) 491-4114

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

At SURFACE

660 ft FSL & 1930 ft FEL of Section 19

At proposed prod. zone

Same

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

The location is about 8 miles SE of Loco Hills

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

660 ft

18. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1320 ft

16. NO. OF ACRES IN LEASE
LC 067896: 320 Acres
NMNM93923: 160 Acres19. PROPOSED LEASE
12,300 ft17. NO. OF ACRES ASSIGNED
TO THIS WELL

S/2 Sec 19, 320 Acres

20. ROTARY OR CABLE TOOLS

Rotary Tools

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

3616 ft, Ground Level

22. APPROX. DATE WORK WILL START*

November 15, 1998

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	Sch 10, 20"	52.73 lbs.	40 to 80 ft	Ready-Mix to surface
17 1/2"	H40, 13 3/8"	48 lbs.	500 ft	370 sacks w/additives
11"	J55, 8 5/8"	32 lbs.	2,800 ft	690 sacks w/additives
7 7/8"	N80 & S95, 5 1/2"	17 lbs.	12,300 ft	585 sacks w/additives

Procedure:

1. Drill 26 in hole and set 20 in conductor w/rat hole digger if necessary. Cement to surface
2. Drill 17 1/2 in hole to 500 ft and set 13 3/8 in casing. Cement to surface.
3. Drill 11 in hole to 2800 ft and set 8 5/8 in casing. Cement to surface.
4. Install Hydrill and BOP Stack. Test to 2750 psig.
5. Drill casing to within 20 ft of shoe. Test casing to 1500 psig.
6. Drill 7 7/8 in hole through the Morrow formation to TD. DST as necessary.
7. Run electric logs. Shoot sidewall cores if desired.
8. If warranted, run and cement 5 1/2 in casing. Cement to 500 ft above top zone of interest or to 500 ft above the top of Wolfcamp minimum.
9. Test 5 1/2 in casing to 3000 psig prior to perforating.

Exhibits Attached:

- A. Location and elevation plat. D. Surface Use Plan. G. Typical Wellsite Layout J. H2S Drilling Operations Plan
B. Road and location pad survey. E. Drilling Plan. H. Archaeological Survey
C. Vicinity map. F. Blow Out Preventer Diagram I. Map of Existing Wells in Area

deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. OWS blowout preventer program, if any.

24.

SIGNED

TITLE

Drilling Superintendent

DATE

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

(ORIG. SGD.) ARMANDO A. LOPEZ

Acting

Assistant Field Office Manager,
Lands and Minerals

APPROVED BY

TITLE

DATE

*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.

[illegible]

80 00 12 120 044

[illegible]

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

Exhibit "A"

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
Property Code	Property Name		Well Number
	W. Shugart "19" Federal		2
OGRID No.	Operator Name		Elevation
	KCS Medallion Resources Inc.		3616'

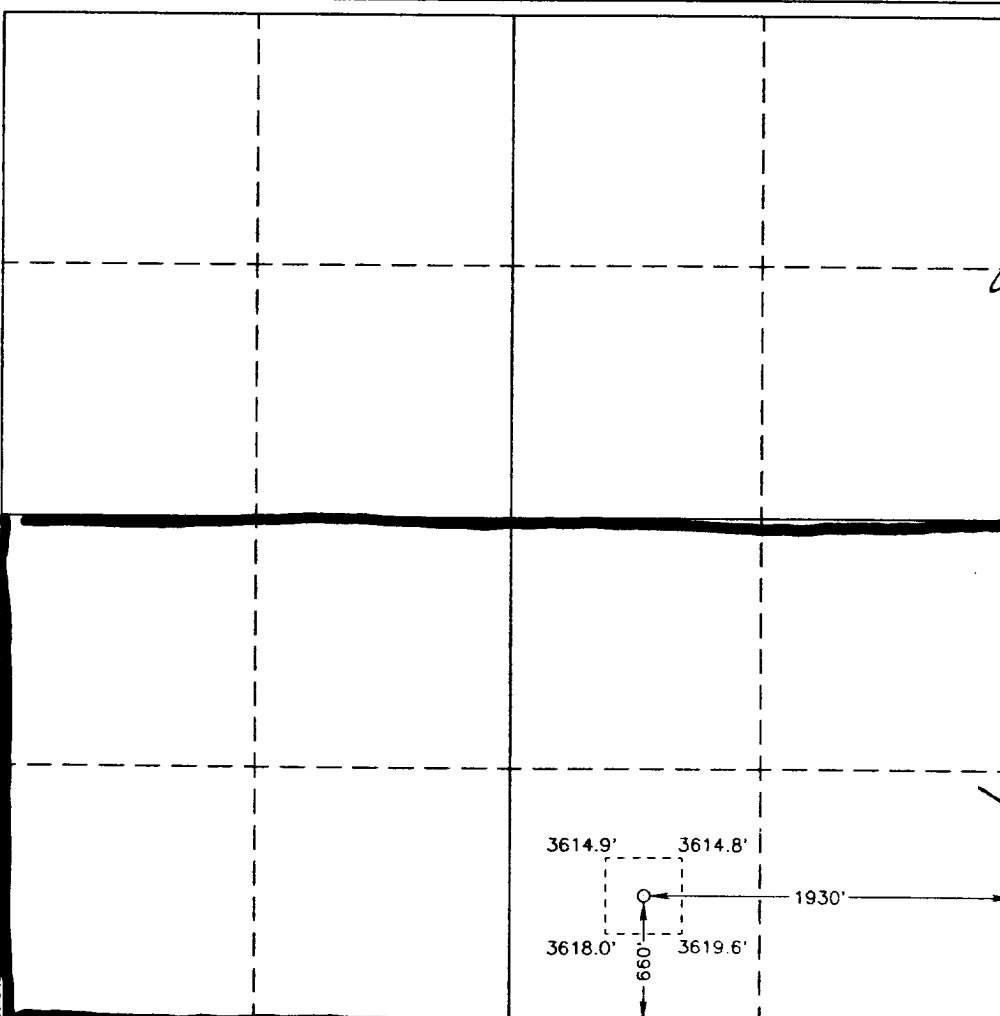
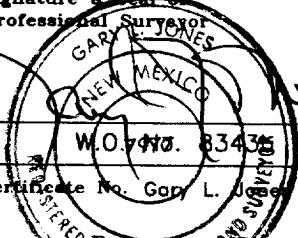
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	19	18 S	31 E		660	South	1930	East	Eddy

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code		Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Larry Wheat</i> Signature</p> <p>LARRY Wheat Printed Name</p> <p>Dr. Supt Title</p> <p>10-12-98 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>July 23, 1998 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature & Seal of Professional Surveyor</p> <p></p> <p>7977 Certificate No. Gary L. Jones</p>

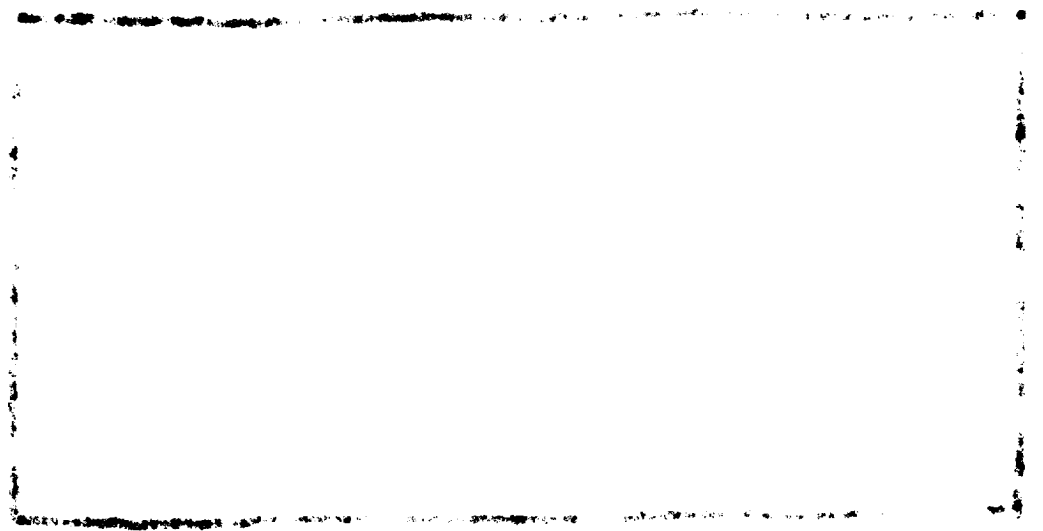


Exhibit "F"

KCS Medallion Resources, Inc.

Typical BOP Equipment Arrangement

All BOP Equipment to be 5000 psig Working Pressure

