

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

## 1A. TYPE OF WORK

DRILL ☒DEEPEN ☐

## D. TYPE OF WELL

OIL WELL ☒GAS WELL ☐OTHER ☐SINGLE ZONE ☒MULTIPLE ZONE ☐

## 2. NAME OF OPERATOR

KCS Medallion Resources, Inc.

## 3. ADDRESS AND TELEPHONE NO.

7130 South Lewis Avenue, Suite 700, Tulsa, OK 74136-5489. Phone (918)499-1325

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

At surface

1980 ft FNL &amp; 1980 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 7 miles SE of Loco Hills

## 10. DISTANCE FROM PROPOSED\*

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

660 ft

## 18. DISTANCE FROM PROPOSED LOCATION\*

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

## 16. NO. OF ACRES IN LEASE

160 Acres more or less

## 17. NO. OF ACRES ASSIGNED

TO THIS WELL  
40 Acres

## 19. PROPOSED DEPTH

9,550 ft

## 20. ROTARY OR CABLE TOOLS

Rotary Tools

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

3620 ft, Ground Level

## 22. APPROX. DATE WORK WILL START\*

15 July 1999

## 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	620 sacks w/additives
7 7/8"	N80, 5 1/2"	17 lbs.	9,550 ft	220 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 cement in casing to within 20 ft of shoe. Test casing to 1500 psig.
6. Drill 7 7/8 in hole through the Wolfcamp 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 at minimum.
9. Test 5 1/2 in casing to 3000 psig prior to perforation.

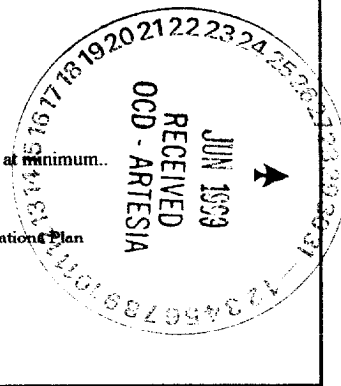
## Exhibits Attached:

- A. Location and elevation plat.  
B. Location Verification Map.  
C. Vicinity map.

- D. Surface Use Plan.  
E. Drilling Plan.  
F. Blow Out Preventer Diagram

- G. Typical Wellsite Layout  
H. Archaeological Survey  
I. Map of Existing Wells in Area

J. IIS Drilling Operations Plan



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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

TITLE

Drilling Engineer

DATE

6-10-99

(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 entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

Acting

APPROVED BY

/S/LARRY D. BRAY

TITLE

Assistant Field Office Manager,  
Lands and Minerals

DATE

JUN 25 1999

\*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.

DISTRICT I  
P.O. Box 1988, Hobbs, NM 88241-1988

DISTRICT II  
P.O. Drawer 88, Artesia, NM 88211-0718

DISTRICT III  
1908 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Exhibit "A"

OIL CONSERVATION DIVISION

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

Form C-102  
Revised February 18, 1984  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name <i>West</i> SHUGART <del>WEST</del> 19	Well Number 6
OGRID No.	Operator Name KCS MEDALLION RESOURCES, INC.	Elevation 3620

Surface Location

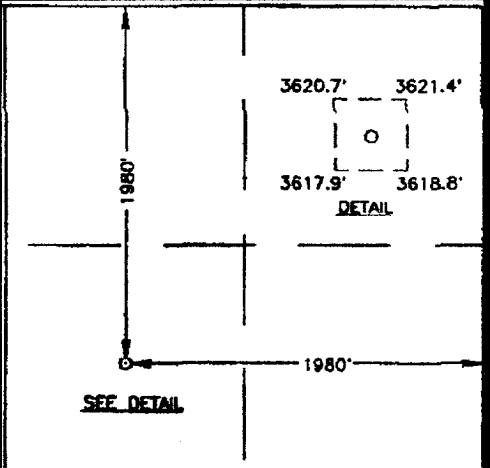
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	19	18 S	31 E		1980	NORTH	1980	EAST	EDDY

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 40	Joint or Infill	Consolidation Code	Order No.
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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>Tom Williams</i> Signature Tom Williams</p> <p>Printed Name Drilling Engineer</p> <p>Title 6-10-99</p> <p>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>MAY 7, 1999</p> <p>Date Surveyed DMCC</p> <p>Signature Professional Seal RONALD E. ELSON NEW MEXICO 123456789-11-99 49-11-0388</p> <p>Candidate No. RONALD E. ELSON 3239 GARY E. ELSON 12641 RONALD E. ELSON 12185</p>

**Exhibit "F"**  
**KCS Medallion Resources, Inc.**  
 Typical BOP Equipment Arrangement

All BOP Equipment to be 3000 psig Working Pressure or Greater

