Application for Permit to Drill State "CR" No. 1

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October 8, 1975

Projected T.D. is 11,750'. Primary objective is the Morrow Sand, secondary objectives are Wolfcamp, Canyon, Strawn and Atoka.

The location is on State Land with a grazing lease to Mr. J. D. Spears, Box 1017, Carlsbad, New Mexico 88220, telephone No. 505/885-6641. Mr. Spears has been notified of our intent to drill.

If it is a dry hole, the well will be plugged in accordance with New Mexico Oil Conservation Commission requirements.

The proposed casing program consists of:

13-3/8" casing set at 400' with cement circulated to surface.

9-5/8" casing set at 3000' with cement circulated to surface.

5-1/2" casing set at T.D. 11,750' and cemented with sufficient volume to fill the annular space from T.D. to 8000'.

In addition to the blowout preventer equipment shown on the attached plat, the following equipment will be in use before drilling out from under the 9-5/8" intermediate casing:

- 1. Swaco adjustable choke.
- 2. Pit volume totalizer.
- 3. Flow line sensor.
- 4. Degasser.

Also, prior to drilling out under the 9-5/8", the BOP's and related control equipment will be pressure tested to rated working pressure by Yellow Jacket Tools and Services, Inc.

Please contact me at the above address if further information is needed to properly evaluate this request.

Yours very truly.

E. Y. Wilder

Region Operations Manager

Southwest Region E & P Division

EYW/1s

Attachments