

N.M.O.S.D. COPY

SUBMIT IN 1 LICATE*
(Other Instr. on
Reverse Side)Form approved,
Budget Bureau No. 42 R1425.UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-23837

5. LEASE DESIGNATION AND SERIAL NO.

NM-13821

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Sparrow Federal

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

McMillan SR Queen

11. SEC., T., R., M., OR BLS.
AND SURVEY OR AREA

1-20-26

12. COUNTY OR PARISH 13. STATE

Eddy

New Mexico

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Collier Energy, Inc.

3. ADDRESS OF OPERATOR

P.O. Drawer R, Artesia, New Mexico 88210

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

At surface

2310' FWL & 1650' FSL

ARTESIA, OFFICE

At proposed prod. zone

Same

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

15. DISTANCE FROM PROPOSED*

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

16. NO. OF ACRES IN LEASE

40

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

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

19. PROPOSED DEPTH

550'

20. ROTARY OR CABLE TOOLS

Cable Tool

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

3311' GL

22. APPROX. DATE WORK WILL START*

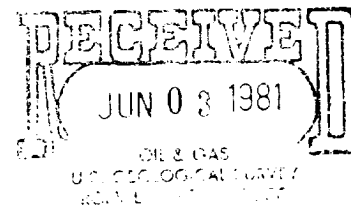
June 26, 1981

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
7 7/8"	4 1/2"	10.5#	550'	150 Sxs. circ. to surface

Plan to drill and complete well to test the Seven Rivers Queen Formation. Will set 550' of 4 1/2", 10.5# casing and complete open hole. Interval to be treated will be based on sample logs.



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

Donald R. Cray

TITLE

President

DATE

6/2/81

(This space for Federal or State office use)

PERMIT NO.

APPROVED

APPROVAL DATE

APPROVED BY

GEO. H. STEWART

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

JUN 22 1981

FOR

JAMES A. GILLHAM
DISTRICT SUPERVISOR

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P.O. BOX 2088

Form O-102
Revised 10-1-78STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

All distances must be from the outer boundaries of the Section.

Operator Collier Energy, Inc.		Lease Sparrow Federal		Well No. #1
Well Letter K	Section 1	Township 20 South	Range 26 East	County Eddy
Actual Footage Location of Well: 2310 feet from the West line and 1650 feet from the South line				
Ground Level Elev. 3311	Producing Formation Seven Rivers Queen	Pool McMillan Seven Rivers Queen	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

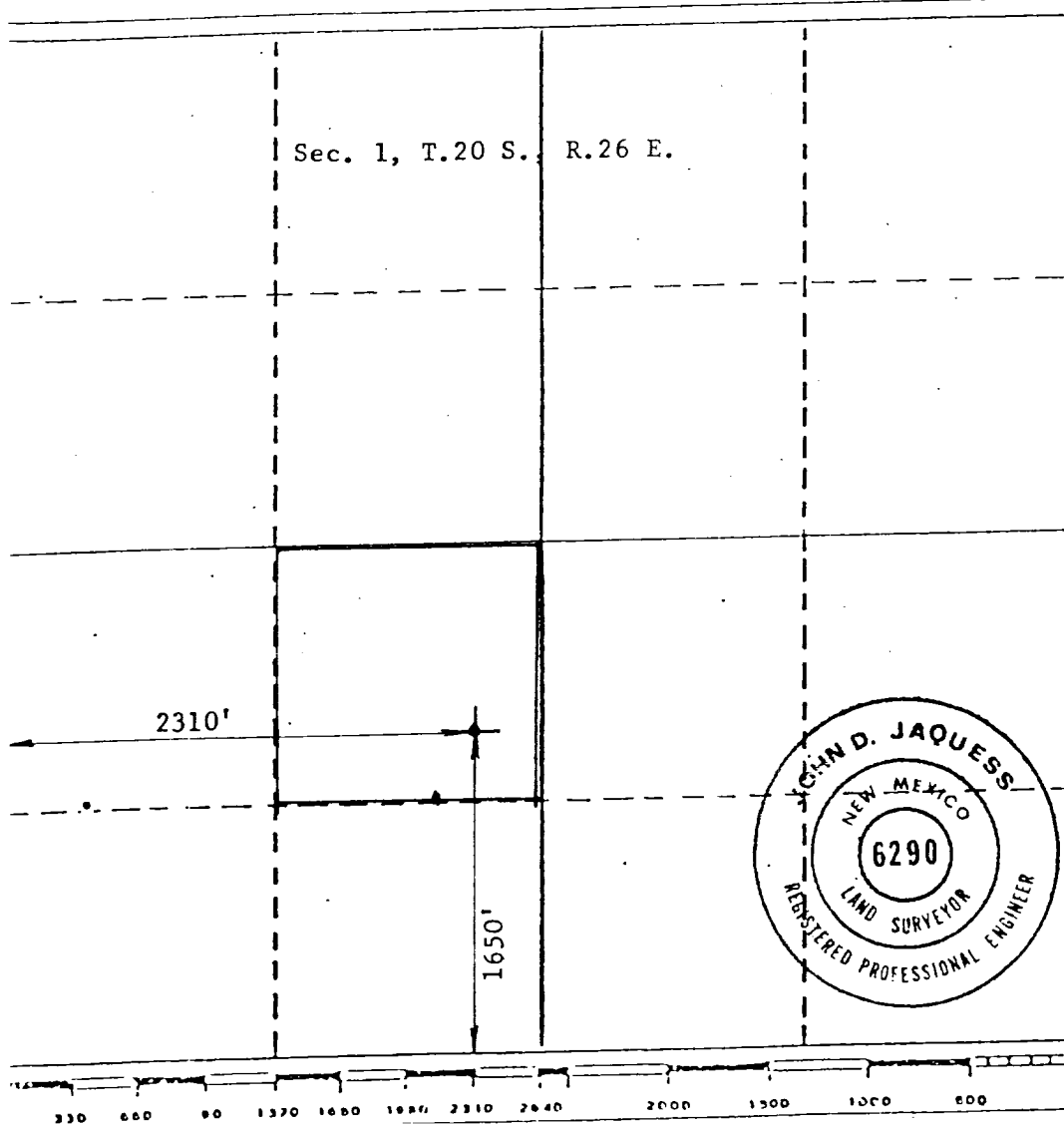
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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 Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Donald R. Craig

Name

Donald R. Craig

Position

President

Company

Collier Energy, Inc.

Date

June 2, 1981

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 27, 1981

Registered Professional Engineer
and/or Land SurveyorJohn D. Jaquess
John D. Jaquess, P.E. & L.S.

Certificate No.

6290

COLLIER ENERGY, INC.

Sparrow Federal #1
NM-13821

2310' FWL & 1650' FSL, Sec. 1, T-20-S, R-26-E
Eddy County, New Mexico

To supplement USGS Form 9-331C, "Application to Drill", the following additional information is submitted concerning questions on page 5 of NTL-6:

1. See Form 9-331C.
2. See Form 9-331C.
3. The Geological Name of Surface Formation is:
Typic Gypsiorthid and Calcic Gypsiorthid subgroup.
4. See Form 9-331C.
5. See Form 9-331C.
6. Estimated Tops of Geological Markers are:

Seven Rivers	225'
Queen	440'
7. The estimated depths at which anticipated water, oil, gas and mineral bearing strata are as follows:

Seven Rivers	225'
Queen	440'
8. See Form 9-331C. All casing will be new.
9. See Form 9-331C for depths of strings. Cement volumes and additives are as follows:

4 1/2" casing:	Cement with 150 Sxs. of Class "C"
	w/2% gel and 5# salt/sx.
10. Well will be drilled with a Cable Tool rig. No pressure control equipment.
11. No mud program. Well will be drilled with a Cable Tool rig.
12. Logging and testing is shown on Application to Drill.
13. No abnormal hazards are expected.
14. Anticipated starting date is June 26, 1981. Duration of operations should be sixty (60) days.

SURFACE USE PLAN
COLLIER ENERGY, INC.

Sparrow Federal #1
NM-13821

2310' FWL & 1650' FSL, Sec. 1, T-20-S, R-26-E
Eddy County, New Mexico

This plan is submitted with Application to Drill on the above described well. The purpose of this plan is to describe the location, proposed construction activities and operations plan, magnitude of necessary surface disturbance, and procedures to be followed in rehabilitating the surface after completion of the operation so that complete appraisal can be made of the environmental effects associated with the operation.

1. Existing Roads:

Go south out of Lakewood on improved road for three (3) miles. Turn left on first caliche road past the dam. Follow caliche road approximately one (1) mile to location.

2. Planned Access Road:

No access road will be required. No gates or cattleguards are necessary. See Exhibit "A".

3. Location of Existing Wells in Area:

See Exhibit "B".

4. Location of Proposed Facilities:

Location of well site and tank battery is shown on Exhibit "C". The battery will be located on proposed well pad, no additional surface disturbance will be necessary.

5. Water for Drilling:

Water will be hauled in for cementing only.

6. Source of Construction Materials:

No caliche will be required for this location.

7. Handling Waste Disposal:

- a) Drill cuttings - disposed into drilling pits.
 - b) Produced water during testing - drill pits.
 - c) Produced oil during testing - storage tank until sold.
 - d) Current laws and regulations pertaining to disposal of human waste will be complied with.
 - e) Waste paper, garbage, junk disposed of into special trash pit at location and covered with minimum of 24 inches of dirt upon completion of well. All waste material will be contained to prevent scattering by wind.
8. All trash and debris will be buried or removed from well site within thirty (30) days after finish drilling and/or completion operations.

9. Ancillary Facilities:

Layout of rig, etc. will be shown on Exhibit "C". The location will be kept as small as possible to accomodate rig.

10. Plans for Restoration of Surface:

- a) After completion of drilling and/or completion of operations, all equipment and other material not needed for operations will be removed. Pits will be filled and locations cleaned of trash and junk to leave well site in aesthetically pleasing a condition as possible.
- b) Any unguarded pits containing fluids will be fenced until filled.
- c) After abandonment of well, surface restoration will be in accordance with State of New Mexico surface requirements.

11. Topography and Soil:

See attached New Mexico Archaeological Service, Inc. report by Dr. J. Loring Haskell.

12. Land Use:

Grazing and Hunting.

13. Operators Representatives:

COLLIER ENERGY, INC.
P.O. Drawer R
Artesia, New Mexico 88210
746-6520

Donald R. Craig
746-6372


Herman Herring
746-9396

14. Certification:

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route; that I am familiar with conditions which presently exist; that the statements made in this plan are, to be best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by Collier Energy, Inc. and its contractors and sub-contractors in uniformity with this plan and the terms and conditions under which it is approved.

COLLIER ENERGY, INC.

Dated: June 2, 1981


DONALD R. CRAIG
President

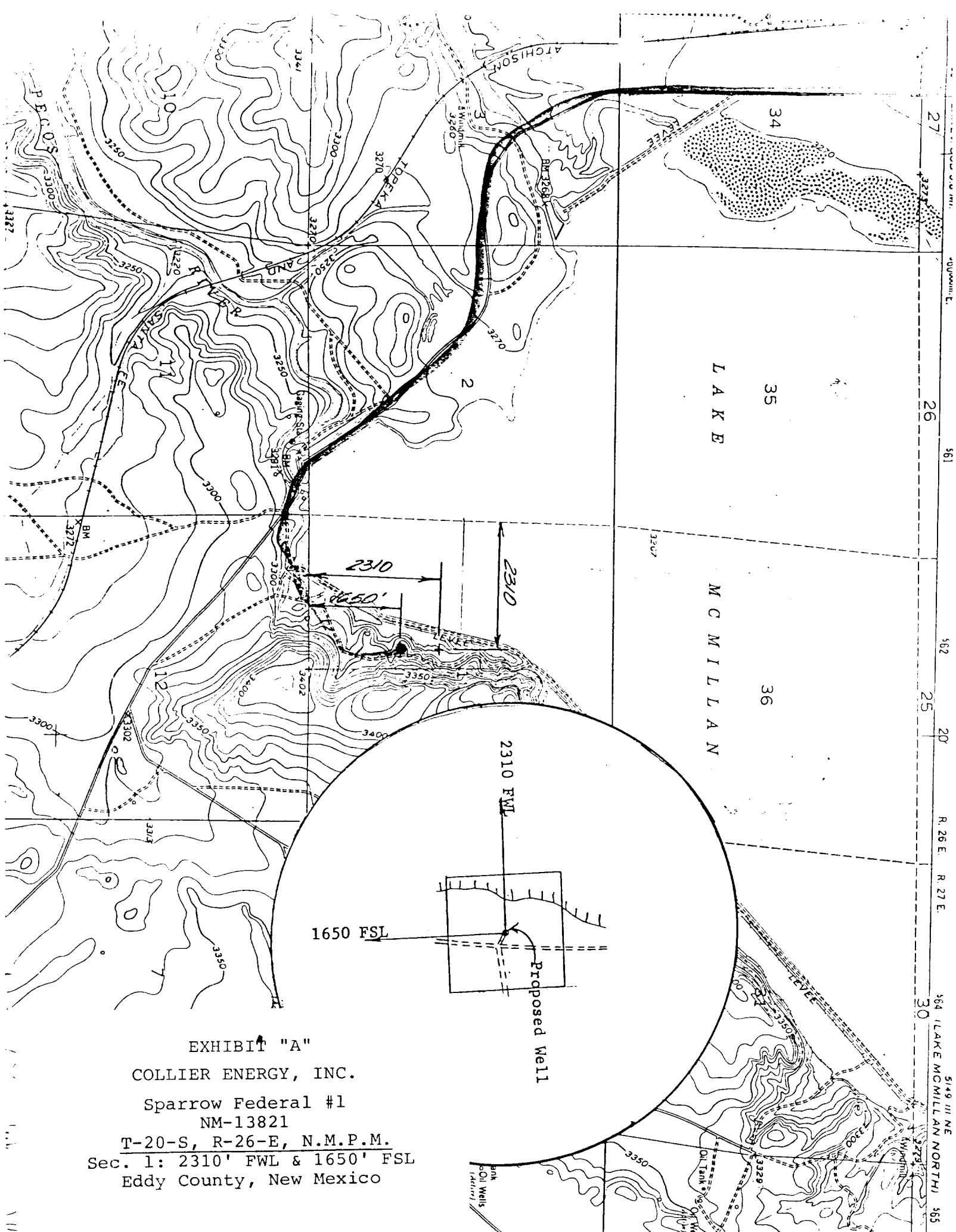


EXHIBIT "A"

COLLIER ENERGY, INC.

Sparrow Federal #1
NM-13821

T-20-S, R-26-E, N.M.P.M.

Sec. 1: 2310' FWL & 1650' FSL
Eddy County, New Mexico

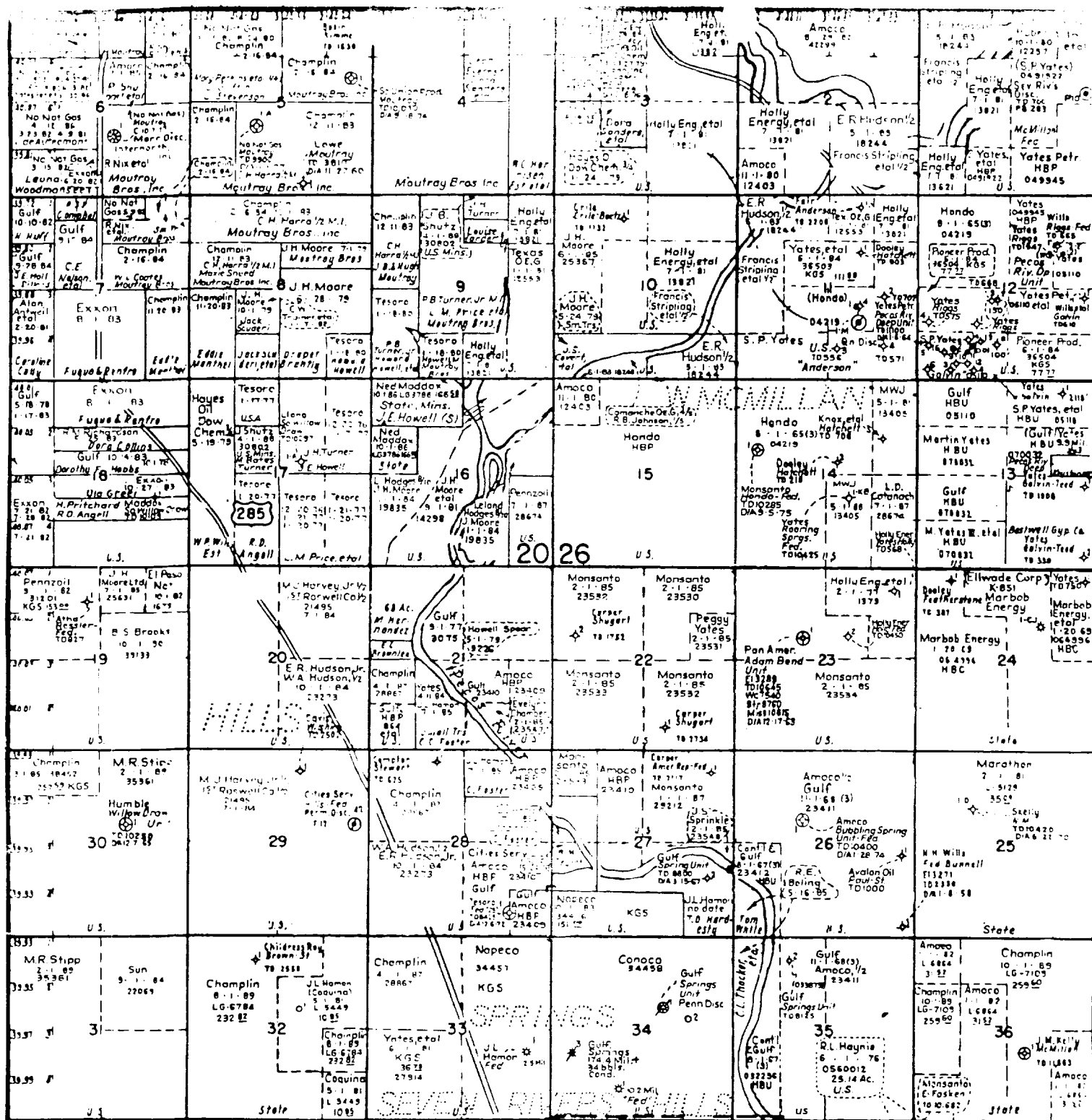


EXHIBIT "B"

COLLIER ENERGY, INC.

Sparrow Federal

NM-13821

T-20-S, R-26-E, N.M.P.M.

Sec. 1: 2310' FWL & 1650' FSL

Eddy County, New Mexico

EXHIBIT "C"
COLLIER ENERGY, INC.
Sparrow Federal #1
T-20-S, R-26-E, N.M.P.M.
Sec. 1: 2310' FWL & 1650' FSL
Eddy County, New Mexico

PIPE RACK

DRILLING
PIT

30'

15'

TRASH
PIT

10'

5'

CABLE TOOL RIG

DOG
HOUSE

IFLOWLINE

210
TANK

210
TANK

ROAD

70'

80'