

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-25783

5. LEASE DESIGNATION AND SERIAL NO.

NM-25348

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal 10

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

Wildcat - 10-22S-R25E

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

Sec. 10-T22S-R25E

12. COUNTY OR PARISH

Eddy

13. STATE
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

Indrex, Inc. ✓

3. ADDRESS OF OPERATOR

7633 E. 63rd Place, Suite 500

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

At surface

635' FSL & 1980' FWL

At proposed prod. zone

Same

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

7 miles west of Carlsbad, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

635'

18. DISTANCE FROM PROPOSED LOCATION*

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

2,448'

16. NO. OF ACRES IN LEASE

520

19. PROPOSED DEPTH

4700'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3495.6 GL

22. APPROX. DATE WORK WILL START*

August 1, 1987

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	61#	550'	650 Sx "C" Circulate
12 1/4"	8 5/8"	24#	2000'*	530 Sx HL & 200 Sx "C" Circ.
7 7/8"	5 1/2"	15.5#	4700'	200 Sx "C"

* 2,000' or 100' below the Capitan Reef.

Mud Program:

0' - 550' Drill with ^{Fresh} Fresh water mud and lost circulation mater. as needed.
550' - 2000' Drill with native mud plus additives to clean hole as needed.
2000' - 4700' Drill with fresh native mud plus additives.

BOP Specifications:

Will install and test daily a 3000 psi Shaffer 10" Series 900 Type "E"
double hydraulic BOP.

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.

Agent for:

SIGNED

TITLE

Indrex, Inc.

DATE

July 2, 1987

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

8-6-87

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED

JUL 15 10 55 AM '87
CARLSBAD REGIONAL
OFFICE

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

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

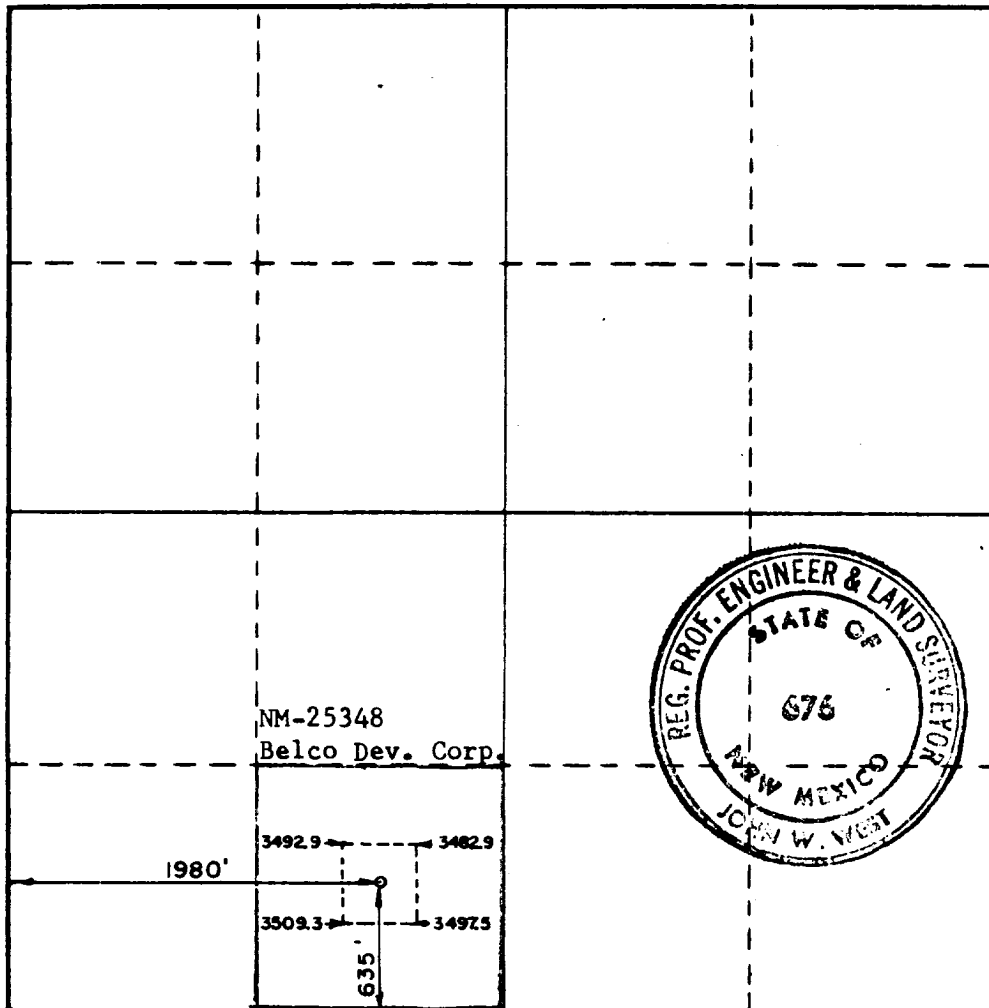
Operator Indrex Inc.			Lease Federal 10		Well No. 2
Unit Letter N	Section 10	Township 22-S	Range 25-E	County Eddy	
Actual Footage Location of Well: 1980 feet from the West line and 635 feet from the South line					
Ground Level Elev. 3495.6	Producing Formation Bone Springs		Pool Wildcat	Dedicated Acreage: 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 Commission.



CERTIFICATION

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

Name
George R. Smith

Position
Agent for:

Company
Indrex, Inc.

Date
July 10, 1987

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
July 7, 1987

Registered Professional Engineer and/or Land Surveyor

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

WEK DRILLING CO., INC. - Rig 2
BLOWOUT PREVENTER SPECIFICATION

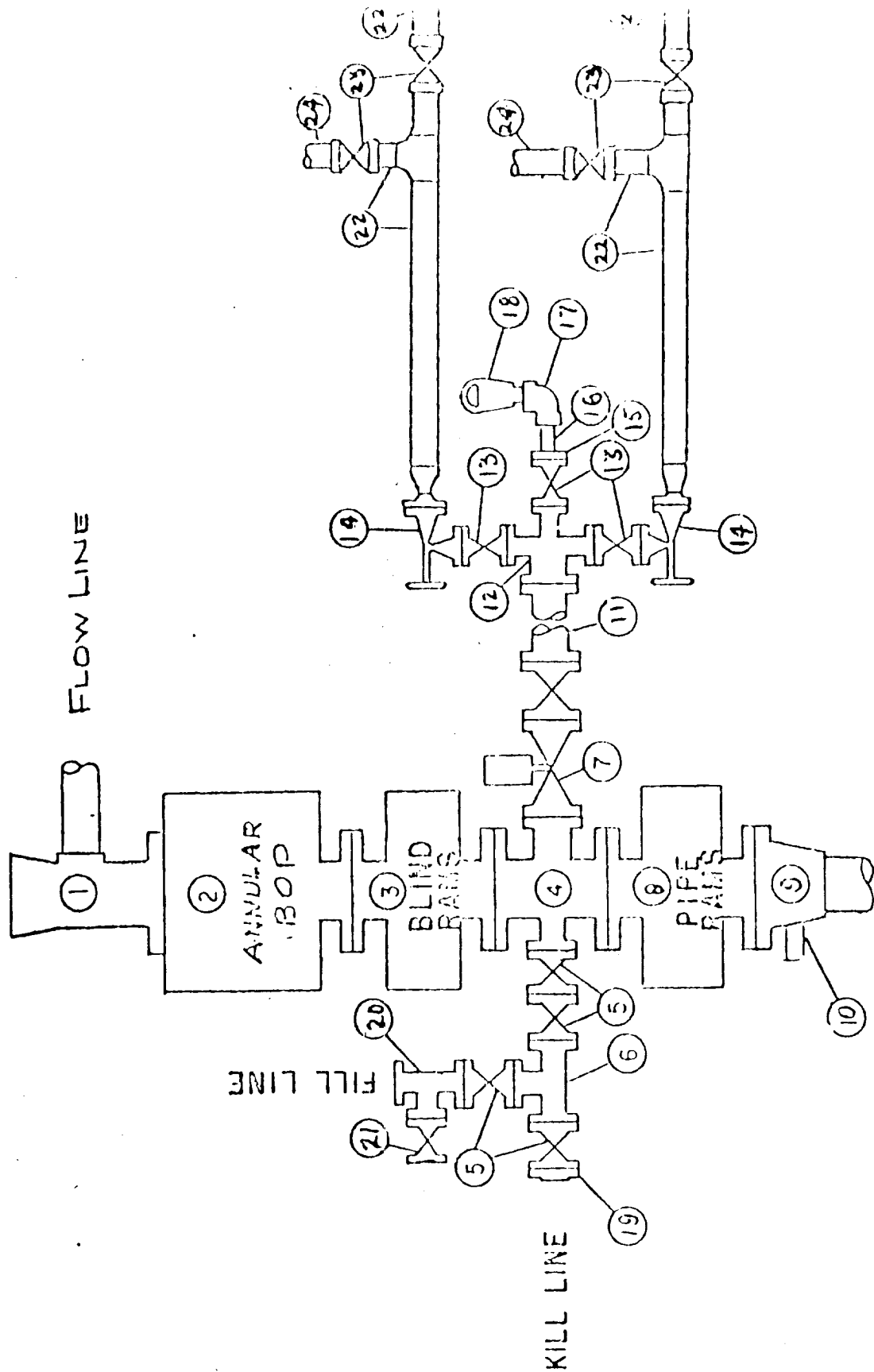


EXHIBIT "E"
 INDREX, INC.
 Federal 10, Well No. 2
 BOP Specification

APPLICATION FOR DRILLING

INDREX, INC.
FEDERAL 10, Well No. 2
635' FSL & 1980' FWL, Sec. 10-T22S-R25E
Eddy County, New Mexico
Lease No.: NM-25348
(Exploratory Well)

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Indrex, Inc. submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.

2. The estimated tops of geologic markers are as follows:

Capitan Reef	550'	Bone Springs	4200'
Delaware Sand	2100'	T.D.	4700'

3. The estimated depth at which anticipated water, oil or gas formations are expected to encountered:

Water: Random fresh water sands from surface to 300'+/-.

Gas: Possible in Bone Springs with oil production.

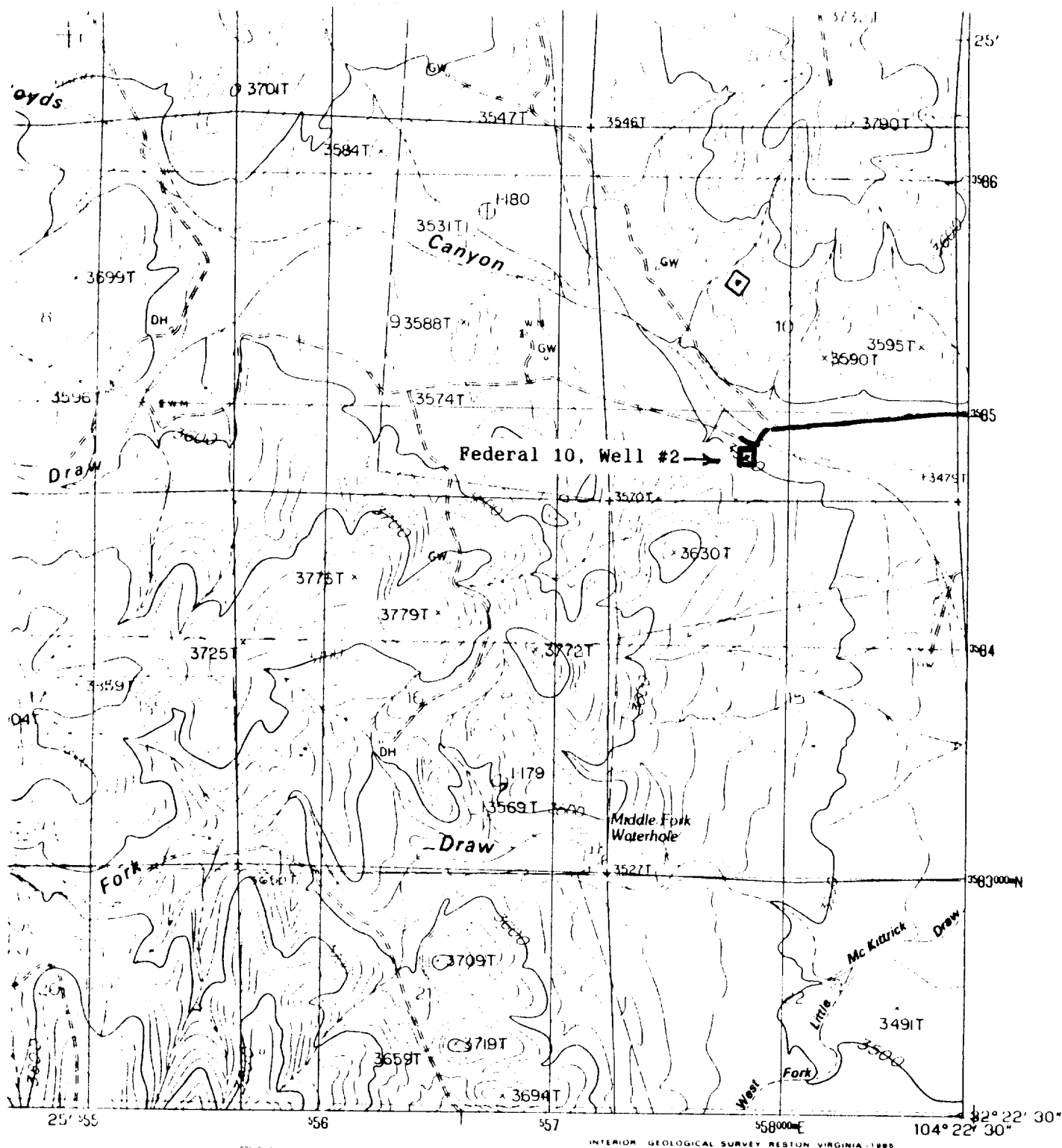
Oil: Possible in Bone Springs at or below 4400'.

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit "E".
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Blowout preventer, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valves.
8. Testing, Logging and Coring Program:

Drill Stem Tests: None planned.

Logging: CNL-LDT and DILL from surface casing to TD.

Coring: None.
9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight.
10. Anticipated starting date of: August 1, 1987
Anticipated completion of drilling operations: 30 days.



1	2	3	1 Foster Ranch
			2 Seven Rivers
			3 Lake McMillan South
4		5	4 Martha Creek
			5 Carlsbad West
			6 Bandanna Point
6	7	8	7 Carrero Peak
			8 Kitchen Cove

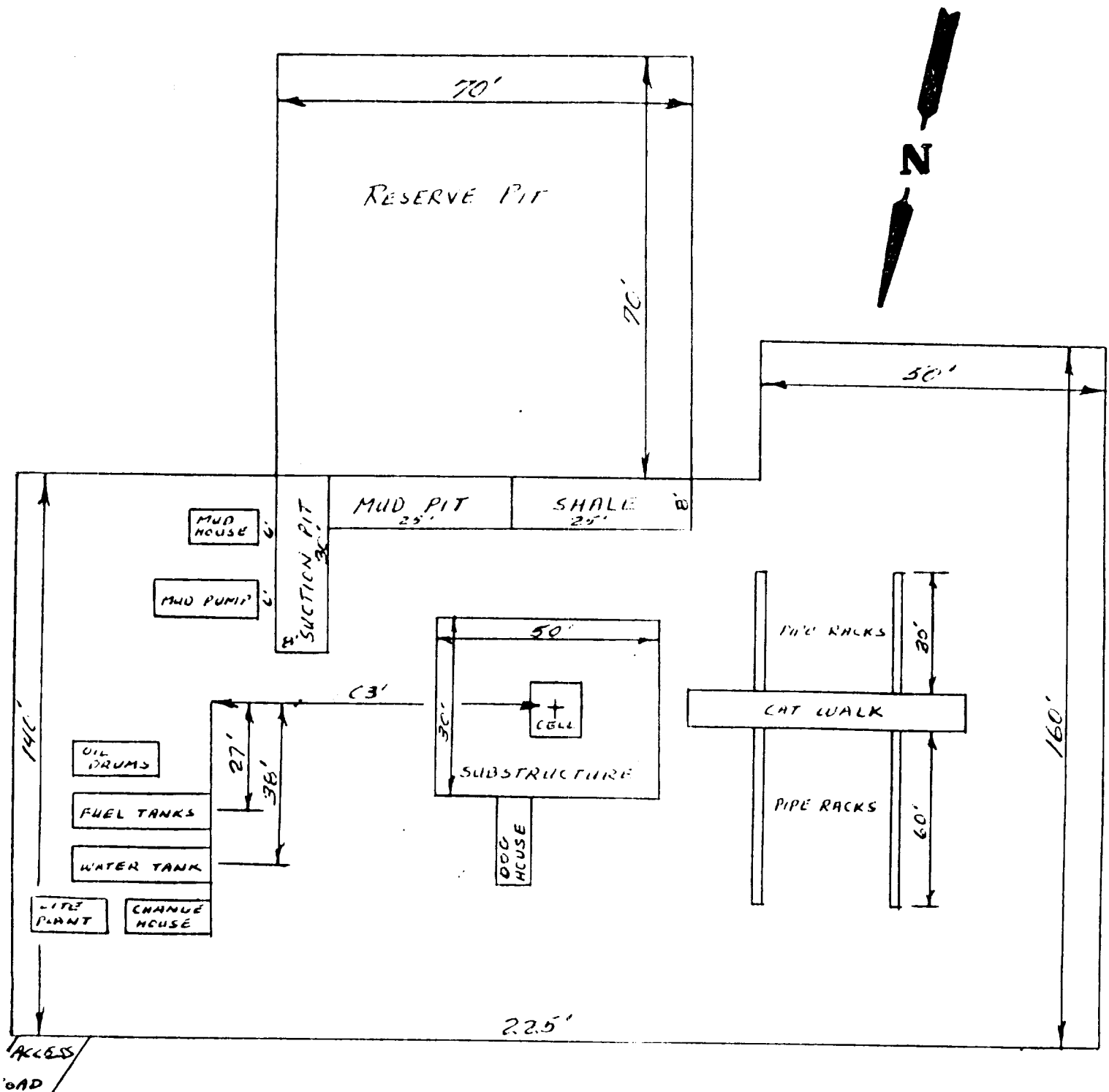
ADJOINING 7.5 QUADRANGLE NAMES

EXHIBIT "B"
 INDREX, INC.
 Federal 10, Well No. 2
 635' FSL & 1980' FWL, Sec. 10-T22S-R25E
 Existing Access Road:
 Proposed Access Road:

AZOTEA PEAK, NEW MEXICO

PROVISIONAL EDITION 1985

32104-D4-TF-024



CELLAR

THIS RIG IS EQUIPTED WITH SHAFFER LWS SERIES 900 DOUBLE BOP HYDRAULIC OPERATED - WITH BLANKS 4" AND 4 1/4" WITH SIDE CONNECTIONS -

MAINTAIN 3' SPACING BETWEEN OIL DRUMS, FUEL TANKS, WATER TANK AND CHANGE HOUSE -

PUT CASING TOOLS ON NORTH SIDE OF RIG