lubrait to Appropriate	Energy, Mir	State of New Mexico nerals and Natural Resou	Form C-101 Revised 1-1-59 API NO. (assigned by OCD on New Wells) 30-015-25793 5. Indicate Type of Lease STATE FEE 🔀					
State Lease - 6 copies See Lease - 5 copies DISTRICT I		NSERVATION P.O. Box 2088						
P.O. Box 1980, Hobbs, NM 88	Sant	a Fe, New Mexico 87						
DISTRICT II P.O. Drawer DD, Arlesia, NM	88210	٩	VIAY 1 4 1991	6. State Oil &	Gas Lease No.			
DISTRICT III 1000 Rio Brazos Rd., Aztec, N	M 87410	DRILL, DEEPEN, OR	PLUG BACK					
	N FOR PERMIT TO	UNICE, DEET EN, C	MIL ALL MILLER	7. Lease Nam	e or Unit Agree	ment Name		
1a. Type of Work: DRILL	Tracy F							
b. Type of Well: OL GAS WELL X WELL	OTHER	SINCLE ZONE	MULTELE ZONE	8. Well No.				
2. Name of Operator	/				1			
OX	Y USA Inc. 🗸	inc. /			9. Pool name or Wildcan			
3. Address of Operator	O. Box 50250			Undesignated Delaware				
4. Well Location Unit LetterC		m The South	Line and 19	30 Feet 1	From The	East Line		
Section 8	3 Townshi		777777777777777777777777777777777777777	NMPM		County 		
		10. Proposed Depth		Delaware		Compl. Ut.		
13. Elevations (Show whether DF, RT, GR, etc.) 14. 3276.8' F		Kind & Status Plug. Bond equired/Approved	15. Drilling Contrac Unknown	tor		Date Work will start SAP		
	.8	OPOSED CASING AN	D CEMENT PRO	GRAM				
17.		WEIGHT PER FOOT	SETTING DEPTH	I SACKS O	FCEMENT	EST. TOP		
SIZE OF HOLE	SIZE OF CASING	48#	463'	500)	Surface		
17 1/2"	13 3/8"	<u>40π</u> 24∰	2198'	1000				
11"	<u> </u>	14#	4304'		0			
7 7/8"	5 +/2		+ +ho Delaw	format	ion as f	ollows:		

TD - 4804' It is proposed to re-enter and test the Delaware for

(Please see other side)

APPROVAL VALID FOR 80 DAYS PERMIT EXPIRES 11/14/91 UNLESS DRILLING UNDERWAY

1-1

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY. I hereby certify that the information above is true and complete to the best of my knowledge and belief. Production Accountant . TITLE -SIGNATURE TELEPHONE NO.915-685-571 David Stewart TYPE OR PRINT NAME MAY 1 4 1991 ORIGINAL SIGNED BY (This space for State Use) MIKE WILLIAMS SUIL LIVISOR, DISTRICT I _ DATE TITLE . APPROVED BY , and the second

CONDITIONS OF APPROVAL, IF ANY:

MIRU PU. Weld on head to 5-1/2" csg & NU BOP. TIH w/4-7/8" RB, 1. DC's, and tbg. Drill out 5 sx surface plug from surface to 60'.

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- 2. FIH w/RB to 292' and displace hole w/10#/gal brine water. Drill out 25 sx cmt plug from 292' to 532'. FIH w/RB to 2012' and displace hole w/10#/gal brine water. Drill out 25 sx cmt plug 2012' to 2252'. FIH w/RB to 3200' and displace hole w/10#/gal brine water. W/RB, DC's, and tbg. TOOH
- RU wireline. Set CIBP @ 3000' to isolate squeezed perfs (3123'-3. 3286'). Dump 4 sx cmt on top of CIBP. Perforate Delaware formation (2904'-2949') w/premium charges 2 JSPF at the following intervals (2904'-09'), (2920'-27'), (2930'-37'), (2940'-49'). Total of 64 holes. Depth reference log Schlumberger Compensated Neutron - Litho - Density log dated October 12, 1987.
- 4. TIH w/treating pkr on 2-7/8" tbg and set pkr @ ± 2800'. Swab test.
- RU stimulation company, acidize Delaware perfs (2904'-2949') w/3000 5. gals 7-1/2% NeFe HCl containing friction reducer and clay stabilizer and utilizing 64 7/8"-RCNBS at 5 BPM down 2-7/8" tbg. Flush w/2% KCl w/friction reducer and clay stabilizer. Swab test.
- If necessary, frac Delaware perfs (2904'-49') w/22000 gals x-linked 6. gelled 2% KCl wtr (40# system) + 24,000# 20/40 sand + 12,000# 12/20 sand at 12 BPM down 2-7/8" tbg as follows:
 - a.
 - Pump 6000 gals x-linked gelled 2% KCl wtr as pad Pump 4000 gals x-linked gelled 2% KCl wtr containing 1 ppg 20/40 ----b.
 - Pump 4000 gals x-linked gelled 2% KCl wtr containing 2 ppg 20/40 c.
 - Pump 4000 gals x-linked gelled 2% KCl wtr containing 3 ppg 20/40 d.
 - Pump 4000 gals x-linked gelled 2% KCl wtr containing 3 ppg 12/20 e. f.
 - Flush w/base gel

Anticipated treating pressure is 3500#.

7. Swab test.

8. TOOH w/tbg and pkr. TIH w/production tbg. TIH w/rods and pump and put on production. Set tbg, ND BOP, NU WH.

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Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

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

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

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OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

perator				Lease			<u></u>	Well No.	
•	USA Inc.				The second	cy F			7
nit Letter Sec		Township		Range	114	<u></u>	County		1
O O	8	Townand	20S	Mange	28E		County	TD]]	
			205		28E	NMPM		Eddy	
tual Footage Location		Couth		10	0.0	~			
1001	from the	South	line and		80	feet from	the Ea	ist line	
ound level Elev.		g Formation		Pool				Dedicated Acro	age:
3276.8'	Delaw	vare		Un	designat	ted		40	Acres
3. If more than		ferent ownership			-	of (both as to worki owners been conso	-	• •	
Yei	o" list the owner	No If	answer is "yes" typ ptions which have			(Use reverse side of	•		
No allowable v	ill be assigned t		all interests have be crest, has been app			itization, unitization	1, forced-pool	ing, or otherwise)	
							I hereb contained here heat of my bud fignature minted Name David S Dosition Product Company OXY USA Date 5/13/91	ion Accoun	he information complete to
							' hereby cert on this plat actual surve supervison, d	tify that the well was plotted from ys made by me and that the san he best of my d Seal of	location shi field notes or under ne is true
					1980 '-		Certificate No) .	