Form 3160-3 (November 1983) (formerly 9-331C)

CONDITIONS OF APPROVAL, IF ANY:

UNITED STATES

SUBMIT IN TRIP. ATE*

(Other instructions on reverse side)

30-015-26450 Form approved. Budget Bureau No. 1004-0136 Expires August 31, 1985

UNITED STATES
DEPARTMENTIOF THE INTERIOR

	DEPARTMENT					5. LEASE DESIGNATION 57633	NATION A	ND SERIAL NO.	
		LAND MANA				17V Y' 1			
	FOR PERMIT	O DRILL,	DEEPE	N, OR PLU	G BACK	6. IF INDIAN, A	LLOTTER)R TRIBE NAME	1
1a. TYPE OF WORK DRII b. TYPE OF WELL	LL X	DEEPEN		PLUG	BACK 🗌	7. UNIT AGREE	MENT NAI	KB	
OIL GA	S OTHER				NE	8. FARM OR LE Huron F			
Siete Oil	& Gas Corpora	tion /			/ED	9. WELL NO.		 	_
3. ADDRESS OF OPERATOR			-	RECEIV	100	1			
P. O. Box		oswell, N.M		202-2523		10. FIELD AND			_
4. LOCATION OF WELL (Re	port location clearly and	in accordance wi	ith any S	tate requirements.*	, 3 '90	X		Delaware	
2310'FSL At proposed prod. zone Same	& 330' FWL, NW	SW, Unit L	etter.	L	, D.	Sec. 15	Y OR ARE.	A	
14. DISTANCE IN MILES A	ND DIRECTION FROM NEA	REST TOWN OR POS	ST OFFICE	ARTESIA *I	OFFICE	12. COUNTY OR PARISH 13. STATE			
12 miles	northeast of Ca	arlsbad, Ne	w Mex	ico		Eddy	-	New Mex	ico
15. DISTANCE FROM PROPOS LOCATION TO NEAREST			16. NO	. OF ACRES IN LEAS		OF ACRES ASSIGN			
PROPERTY OR LEASE LI (Also to nearest drig.		330'		160			40		
18. DISTANCE FROM PROPO TO NEAREST WELL, DR OR APPLIED FOR, ON THU	SED LOCATION* ILLING, COMPLETED,	19. PR	6200 6200 6200 6200 6200 6200 6200	20. ROTA	Rotary			_	
21. ELEVATIONS (Show when	ther DF, RT, GR, etc.)					22. APPROX.	DATE WOR	K WILL START	•
32901	GR					ASAF)		
23.	1	PROPOSED CASI	NG ANI	CEMENTING PR	OGRAM	cretary's F	Potash		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER I	TOOT	SETTING DEPTH		QUANTITY	F CEMENT	· · · · · · · · · · · · · · · · · · ·	
26"	20"	94#		250 '		sxs circ			
17½"	13 3/8"	48#		1200'		sxs circ			_
12½" 7 7/8"	8 5/8" 5½"	32# & 15.5#	24#	3100' 6200'		sxs circ sxs			
Attachmen	Survey Plat Supplemental Surface Use APPROV GENERA	Drilling Plan AL SUBJECT I AL REQUIREME L STIPULATION	10 N TS A 1		et ID-1 -24-90 -Loe 4	HPI	r :	AECEIVED	1
IN ABOVE SPACE DESCRIBE zone. If proposal is to depreventer program, if any	irill or deepen dire ctions	proposal is to dee	it data o	n subsurface locatio	ns and measure	d and true vertic	eal depths.	. Give blowo	ve ut
SIGNED CATAL	Mathy-	Olily 11	TLE D	rilling & Pr	oduction	Tech. DATE 2	7 July	y 1990 	_
(This space for Feder	al or State office/use)	\mathcal{J}							
PERMIT NO.	Spined by Richard L	Miles (8)	TIF	APPROVAL DATE THE MANAGER THE SOUNDS	AREA	n# TE	5.10	- 40	_

NEW MEXICO OIL CONSERVATION COMMISSION WEL LOCATION AND ACREAGE DEDICATION LAT

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

All distances must be from the outer boundaries of the Section

		All distances must be from	n the outer boundaries of	the Section.	· · · · · · · · · · · · · · · · · · ·				
Operator		L	.ease		Well No.				
	OIL & GAS COR		HURON FEDI	ERAL	1				
Unit Letter	Section	Township	Range	County					
L	15	20 South	29 East	Eddy Co	unty, N.M.				
Actual Footage Lo									
2310		South line and		t from the West	line				
Ground Level Elev.	1	1	001		Dedicated Acreage:				
3290.		<u>Delaware</u>	<u>East Buri</u>	ton	40 Acres				
1. Outline th	ne acreage dedica	ted to the subject well	by colored pencil o	r hachure marks on tl	he plat below.				
2. If more the interest a	nan one lease is nd royalty).	dedicated to the well,	outline each and ide	ntify the ownership t	hereof (both as to working				
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 an	nswer is "yes," type of a	consolidation						
If answer	is "no," list the of	owners and tract descrip	otions which have ac	tually been consolid	ated. (Use reverse side of				
	•	المالية المسال سيال		1:1 . 1 /1					
forced-poo	ling, or otherwise)	or until a non-standard v	nterests have been consist, eliminating suc	onsolidated (by com h interests, has been	munitization, unitization, approved by the Commis-				
sion.									
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SUPPLEMENTAL DRILLING DATA

SIETE OIL AND GAS CORPORATION

HURON FEDERAL #1

2310' FSL & 330' FWL

Section 15: T20S, R29E

Eddy County, New Mexico

Lease Number: 57633

The following items supplement "Onshore Oil and Gas Order No. 1":

- 1. The geologic surface is quaternary alluvium.
- 2. The estimated geological marker tops:

Rustler	250'
Yates	1340'
Delaware	3190'
Bone Spring	5965'

3. Estimated depths to water, oil or gas:

Water: Approximately 200'

Oil or Gas: 4000'

4. Proposed casing program:

Size	Interval	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>	New or Used
20"	0 - 250'	94#	J-55	LT&C	New
13 3/8"	0 - 1200'	48#	J-55	LT&C	New
8 5/8"	0 - 3100'	32# & 24#	J-55	LT&C	New
5 1/2"	0 - 62001	15.5#	J-55	LT&C	New

- 5. Pressure Control Equipment: The blowout preventer will be a double ram type preventer. A sketch is attached.
- 6. Mud Program:

0-250':

Native mud adding gel and lime for sufficient viscosity to

insure clean hole for running casing.

1200 FW MUD 250'-3100': 1200'-3100': 1.D.:

Cut Brine.

Drill out with native becoming brine, add starch and salt gel to maintain a viscosity of 30, @ T.D. 40; mud weight 9.3#.

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- 7. Auxiliary Equipment: A kelly cock will be installed on the rig floor while drilling operations are in progress.
- 8. Testing, Logging and Coring Programs: Possible drill stem tests and/or coring is not planned.

Logging: Compensated Neutron - Formation Density - Gamma Ray - Caliper Dual Laterolog - RXO.

- 9. No abnormal pressures or temperature zones are anticipated.
- 10. Anticipated starting date: Commence drilling operations ASAP.

SURFACE USE PLAN FOR

DRILLING, COMPLETING AND PRODUCING

SIETE OIL AND GAS CORPORATION HURON Federal No. 1 2310' FSL & 330' FWL Section 15: T20S, R29E Eddy County, New Mexico Lease Number: NM-57633

LOCATED:

12 miles Northeast of Carlsbad, New Mexico

FEDERAL LEASE NUMBER:

NM-57633

LEASE ISSUED:

January 1, 1984

RECORD LESSEE:

Exxon

BOND COVERAGE:

\$25,000 Bond of Siete Oil and Gas Operator

ACRES IN LEASE:

160

SURFACE OWNERSHIP:

Federal

POOL:

East Burton Delaware

EXHIBITS:

A. Area Road Map

B. Topographic Map Showing Access Route

C. Lease Map Showing Well Tests

D. Sketch of Well Pad

ROAD LOG TO PROPOSED DRILLSITE

Starting point	is	on	U.S.	Highway	82-160	going	Northeast	of	Carlsbad,	NM.
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- 0.00 Proceed Northeast on Highway 82-160 for 13.5 miles.
- 13.50 Turn North (4/10 mile past mile marker 49) on County Road 238 & proceed North for 2.1 miles (end of County Road North)
- 15.60 Turn back West & proceed 2.3 miles.
- 17.90 Turn North and proceed .4 mile.
- 18.30 Turn back East & proceed .25 mile to T.O.G. Federal #2.
- 18.55 Continue East .25 miles to the Exx Federal #1.
- 18.80 Go North .05 miles.
- 18.85 Location.

THIRTEEN POINT PROGRAM

1. EXISTING ROADS:

A. Existing roads, which lead to the proposed drillsite, are shown on Exhibits "A" & "B".

2. PROPOSED NEW ROAD:

- A. The proposed new access road will be approx. 14' wide & 150' in length. It will be coming off the Exx Federal #1 pit area which will be leveled for the road. Then go Northwest to the Huron and enter the location from the Southwest corner as shown in the Exhibit "D".
- B. Surfacing Materials: Caliche
- C. Maximum Grade: Less than 1%
- D. Turnouts: None required
- E. Drainage Design: None required
- F. Culverts: None required
- G. Cuts and Fills: Less than 3'
- H. Gates, Cattlequards: None required

LOCATION OF EXISTING WELLS:

A. Existing wells are shown on Exhibit "C".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. If well is productive, we will construct a tank battery on location.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. A water supply well is not planned. Water will be purchased and hauled to the well site over existing and proposed roads.

SOURCE OF CONSTRUCTION MATERIALS

A. Construction material will be obtained from an existing federal pit in the SW_4SE_4 of Section 17: T2OS, R29E.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during tests will be disposed of in the drilling pits.
- D. We do not anticipate any oil production during tests..

E. Trash, waste paper, garbage and junk will be buried in a trash pit and covered with a minimum of 24" of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "D".

8. ANCILLARY FACILITIES:

A. If needed, an elecitric line will be ran from the exising electrical line located at the Exx Federal #1 (NWSW) in Sec. 2 to the proposed well site following ROW.

9. WELLSITE LAYOUT:

- A. The drill site has been surveyed, staked and flagged.
- B. The dimensions and relative location of the drill pad, mud pits and the trash pits with respect to the wellbore are shown on Exhibit "D".
- C. The wellsite is nearly level and will not require any cut or fill. The drill pad will be surfaced with caliche.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed. Pits will be filled and the location cleansed of all trash and junk to leave the wellsite in an aesthetically pleasing condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment, all equipment, trash and junk will be removed and the location cleaned. Any special rehabilitation and/or special revegetation requirements of the surface management agency will be complied with and accomplished as expeditiously as posssible.

11. OTHER INFORMATION:

- A. Topography: The Surface is relatively flat. Drainage to the Southwest.
- B. Soil: The top soil at the well site is a gravelly, loamy sand.
- C. Flora and Fauna: Vicinity surrounding the drillsite is semi-arid desert rangeland. Vegetation is thinly scattered with desert shrubs interspersed with a small amount of native grasses. No wildlife was observed, rodents, coyotes, dove or quail.
- D. <u>Ponds and Streams</u>: The Pecos River is approximately $5\frac{1}{2}$ miles West of the proposed well site.
- E. Residences and other Structures: None in the immediate area.
- F. Archaeological, Historical and Other Cultural Sites: None were observed in this area. The pad area was archaeologized on June 27, 1990.
- G. Land Use: Grazing and occasional hunting.

12. OPERATOR'S REPRESENTATIVE:

Representative responsible for assuring compliance with the approved Surface Use Plan:

Harold D. Justice
Petroleum Building, Suite 200
200 West First
Roswell, New Mexico 88202
Office: 622-2202
Home: 625-0072

13. CERTIFICATION:

I hereby certify that I, or persons under my supervision have inspected the proposed drillsite and access road; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and that the work associated with operations proposed herein will be performed by SIETE OIL AND GAS CORPORATION, and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

SIETE OIL AND GAS CORPORATION

Date:	BY: Langel D. Justin
	Harold D. Justice
	Harold D. Justice V.P. Drilling & Production









