

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK  
DRILL ☒ DEEPEN ☐

b. TYPE OF WELL  
OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR  
Collins & Ware, Inc.

3. ADDRESS AND TELEPHONE NO.  
303 W. Wall, Ste 2200, Midland, TX 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface  
1980' FEL & 1650' FNL of Sec. 24  
At proposed prod. zone  
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
14 miles northeast of Carlsbad, NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
660'

16. NO. OF ACRES IN LEASE  
320

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.  
N/A

19. PROPOSED DEPTH  
5800'

20. ROTARY OR CABLE TOOLS  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3246' GR

22. APPROX. DATE WORK WILL START\*  
Upon Approval

5. LEASE DESIGNATION AND SERIAL NO.  
NM 541580

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.  
Spike Federal No. 1

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT  
~~Undesignated~~ ~~NEUWARE~~  
Mohawk Bone Springs

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec. 24, T20S, R28E

12. COUNTY OR PARISH  
Eddy

13. STATE  
NM

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT              |
|--------------|-----------------------|-----------------|---------------|---------------------------------|
| 17.5"        | K-55 13.375'          | 48-68#          | 400'          | 400 sx <u>circulate</u>         |
| 12.25"       | J/S-55/95 9.625"      | 36-47#          | 1300'         | 550 sx <u>circulate</u>         |
| 8.5"         | J-55 7.0"             | 23-32#          | 3200'         | 800 sx <u>circulate</u>         |
| 6.125"       | J-55 4.5"             | 11.6-13#        | 5800'         | 250 sx <u>tieback to 7" csg</u> |

Operator proposes to drill to the Bone Springs Formation to test for possible commercial production of oil and gas. If productive, 4.5" casing will be set and cemented to TD. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal and State regulations and according to good engineering practice. Specific programs according to Onshore Oil and Gas Order #1 are outlined in the following attachments:

- Well Location and Acreage Dedication Plat
- Drilling Program

Exhibit #1 - Blowout Preventer

- Surface Use and Operating Plan

Exhibit #2 - Existing Roads

Exhibit #2A - Planned Access Roads

Exhibit #3 - One Mile Radius Map with Lease Boundary

Exhibit 3A - Well Status

Exhibit #4 - Drilling Rig Layout

Exhibit #5 - Production Facilities Layout

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 G. Thane Akins TITLE Agent DATE 6/18/92  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Ron Dwyer TITLE \_\_\_\_\_ DATE 7-24-92

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

Part ID-1  
7-31-92  
New Loc & API