

Submit to Appropriate
District Office
State Lease -- 6 copies
Fee Lease -- 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

MAR 16 '90

| |
|--|
| API NO. (assigned by OCD on New Wells) |
| 30-015-22954 |
| 5. Indicate Type of Lease |
| STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. |

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | |
|--|--------------------------------------|
| 1a. Type of Work: | 7. Lease Name or Unit Agreement Name |
| DRILL <input type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> | Williams 35 Com |
| b. Type of Well: | 8. Well No. |
| OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> | 2 |
| SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | 9. Pool name or Wildcat |
| 2. Name of Operator | Culebra Bluff South Delaware |
| Quinoco Petroleum, Inc. | |
| 3. Address of Operator | |
| P. O. Box 378111, Denver, CO 80237 | |
| 4. Well Location | |
| Unit Letter <u>K</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line | |
| Section <u>35</u> Township <u>25S 23</u> Range <u>28E</u> NMPM <u>Eddy</u> County | |
| 10. Proposed Depth | 11. Formation |
| <u>±11,750'</u> | <u>Delaware</u> |
| 12. Rotary or C.T. | |
| 13. Elevations (Show whether DF, RT, GR, etc.) | 14. Kind & Status Plug. Bond |
| <u>3,019' GL, 3,040' KB</u> | |
| 15. Drilling Contractor | 16. Approx. Date Work will start |
| | <u>April 1, 1990</u> |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|----------|
| 17 - 1/2" | 13 - 3/8" | 54.5# | 512' | 625 sx | Surf |
| 12 - 1/4" | 9 - 5/8" | 36.0# | 2,550' | 1500 sx | Surf |
| 8 - 1/2" | 7" | 16.0 & 23.0# | 11,223' | 1275 sx | 8150' |

Quinoco Petroleum proposes to plug back the Williams 35 Com #2 from the Atoka formation (per s @ 11,812-825') to the Delaware formation as follows:

1. MIRU Completion unit. Kill well w/ 10#/gal brine if necessary ND tree. NU BOP's.
2. POOH w/ 2 - 7/8" tbg (set in PBR @ 10,953').
3. RU WL & set CIBP @ 11,800'. Dump 50' of cmt on top of CIBP. Circ. hole clean. RU WL & run CBL - GR logs from 6500' - 2500'. Squeeze zones to be perf'd if necessary.
4. Perforate Delaware from 6,212 - 6,306' every 2 ft w/ 4" HSC guns w/2 JSPF. (total of 47 - 0.50" holes)
5. TIH w/ 2 - 7/8" tbg, SN & 7" pkr. Spot acid across perfs & set pkr @ ± 6,150'.
6. Acidize w/ 2000 gals 7 - 1/2% acid w/ 72 ball sealers, staged. Follow w/ 21,000 gals gelled wtr & frac w/25% CO₂. Use 45,000 lbs. of 20/40 sd w/ 16/30 sd on last 1250 gals.

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.

SIGNATURE Holly S. Richardson TITLE Sr. Ops. Eng. Tech. DATE 3/6/90
(303)
TYPE OR PRINT NAME Holly S. Richardson TELEPHONE NO. 850-6322

(This space for State Use)

ORIGINAL SIGNED BY
MIKE WILLIAMS
SUPERVISOR, DISTRICT II

MAR 21 1990

APPROVED BY _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 9/22/90
UNLESS DRILLING UNDERWAY