

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND WELL NO. NM- 26684	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME DEC 7 - 1979	
2. NAME OF OPERATOR Orla Petco, Inc. & Hopi Drilling Company			7. UNIT AGREEMENT NAME O. C. C.	
3. ADDRESS OF OPERATOR P.O. Box 1383, Midland, Texas 79702			8. FARM OR STATE LAND OFFICE C-S Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 990' FSL & 990 FEL of Section 31, T-22S, R-28E At proposed prod. zone Same			9. WELL NO. # 2	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 3 miles East Of Otis, N.M.			10. FIELD AND POOL, OR WILDCAT Herradura Bend (Delaware)	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 990'		16. NO. OF ACRES IN LEASE 80ac.	17. NO. OF ACRES ASSIGNED TO THIS WELL 40 ac.	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 990'		19. PROPOSED DEPTH 2500'	20. ROTARY OR CABLE TOOLS Cable Tools	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3048.0' G.L.			22. APPROX. DATE WORK WILL START* November 25, 1979	

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10"	8 5/8"	23#	350'	250 sx (circulated)
8"	4 1/2"	9.5#	2500'	500 sx (circulated)

Surface Formation: Quaternary terrace deposits.

Cable Tool Drilling Rig: Blind Ram Cable Tool Control Head Blowout Preventer.

Estimated Geological Tops: Base of Salt- 2115', Delaware Lime- 2355', Delaware Sand-2422'

Pressure Equipment: Blind Ram Cable Tool Control Head.

Estimate will encounter water between 75-100', Encounter oil at 2445'.

Logging: Gamma Ray Log, no coring or drillstem tests.

Anticipated starting date: November 25, 1979

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ARTESIA, NEW MEXICO

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. SIGNED James H. C. Ritchie Jr. TITLE Field Superintendent DATE November 16, 1979
(This space for Federal or State office use)PERMIT NO. _____ APPROVAL DATE 12-5-79APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 100
Supersedes C-128
Effective 10-65

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

Operator Orla Petco, Inc. - Hopi Drilling Co.		Lease C - S Fed.		Acres 2	
Section P	Range 31	Meridian 22 South	Section 28 East	County Eddy	
Actual Wellbore Location of Well 990		Feet from the South		Feet from the East	
Ground Level Elev. 3048²	Producing Formation Delaware Sand	Well Name Herradura Bend (Delaware)		Acreage 40 ac.	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

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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).

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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, **forced pooling**, etc?

ARTESIA, OFFICE

☐ 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.

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ARTESIA, NEW MEXICO

990'

990'

CERTIFICATION

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

James M.C. Ritchie Jr.

James M.C. Ritchie, Jr.

Vice-President

Orla Petco, Inc.

November 19, 1979

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.

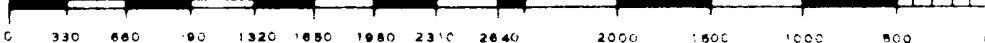
Date of Survey:

Nov. 17, 1979

Registered Professional Engineer
and Land Surveyor

John W. West

Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6663
Ronald J. Eidson 3239





United States Department of the Interior

GEOLOGICAL SURVEY
P. O. Drawer U
Artesia, New Mexico 88210

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O. C. C.
ARTESIA, OFFICE

December 5, 1979

Orla Petco, Inc. &
Hopi Drilling Company
P. O. Box 1383
Midland, Texas 79702

ORLA PETCO, INC. & HOPI DRILLING CO.
C-S Federal No. 2
990 FSL 990 FEL Sec. 31 T.22S R.28E
Eddy County Lease No. NM 26684

Above Data Required on Well Sign

Gentlemen:

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 2,500 feet to test the Delaware formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and this approval including the GENERAL REQUIREMENTS.
3. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
4. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate Sandstone Brown (Federal Standard No. 595A, color 20318 or 30318).
5. Cement behind the 8-5/8" casing must be circulated.
6. Special stipulations: (a) Turn V-Door West at operators request.
(b) See attached Electrical Distribution Lines stipulations
7. Please have anyone contacting the Survey in regard to this well to identify the well with all of the information required above for the well sign.

Sincerely yours,

George H. Stewart
Acting District Engineer



Order Peter, T. & H. D. H. Co.
2-6-81
31 22 28
NM 720/3 720/4

STANDARD RIGHT-OF-WAY STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION
LINES IN THE ROSWELL DISTRICT, BLM

Grantee agrees to comply with the following stipulations to the satisfaction of BLM's Roswell District Manager.

1. Clearing and blading necessary for construction will be held to the absolute minimum. Without prior agreement, these actions will not exceed those limits agreed upon at the pre-construction inspection. Vegetation removed will be "walked-down" in place.
2. Grantee will post the BLM serial number assigned to this right-of-way in a conspicuous place where the right-of-way intersects existing roads or highways. Along rights-of-way paralleling roads or highways, BLM serial numbers will be posted where the right-of-way first crosses the public lands and where it finally leaves the public lands, unless otherwise agreed upon.
3. Unless otherwise agreed upon in writing, powerlines will be constructed according to standards as outlined in Suggested Practices for Raptor Protection on Powerlines, Raptor Research Foundation, Inc., Department of Zoology - 167 WIBD, Brigham Young University, or Rural Electrification Bulletin 61-10, dated September 14, 1973, entitled "Protection of Bald and Golden Eagles from Powerlines." These publications provide sufficient information on phase spacing, configuration, and grounding in order to preclude the existence of significant hazards to large perching birds. A copy of these publications may be obtained at the Roswell District Office. However, the BLM reserves the right to require modifications or additions to all powerline structures placed on this right-of-way, should they be determined as necessary to ensure the safety of large perching birds. Such modifications and/or additions will be made by the grantee, without liability or expense to the United States.
4. Industry officials shall assume the burden and expense of proving that pole designs not shown in Suggested Practices for Raptor Protection on Powerlines or in Rural Electrification Bulletin 61-10, are "eagle safe." Such proof shall be provided by a raptor expert approved by the BLM State Director.
5. Care will be taken by the grantee to assure that scenic values are not damaged in the disposal of waste materials. Any large rocks which are left in the area as a result of construction activities will be placed so that they do not detract from the scenic view and do not

hinder the movement of livestock or of big game animals. These residual rocks will not be piled or left in rows.

6. In those areas where erosion control structures are required to stabilize soil conditions, the grantee will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

7. To prevent slacking of fence wire, the grantee will brace and tie-off each existing fence to be crossed, before cutting. During construction, the opening will be protected to prevent the escape of livestock. Fences which have been cut during construction will be restored to a condition which is equal to or better than the original, by the grantee. Cattleguards and adjacent gates which are of a suitable width will also be installed in any fence where a road created during this construction is to be regularly traveled.

8. If a natural barrier which was being used for livestock control, is broken during construction, the grantee will adequately fence the area to prevent drift of livestock. Such fencing will be at his own expense.

9. Rights-of-way will not be fenced, nor will public access be restricted by the grantee, without specific written approval being granted by BLM's Roswell District Manager. Gates or cattleguards on public lands will not be locked or closed to public use.

10. Prior to using any mineral materials, such as caliche or sand and gravel which would be removed from any existing or proposed federal source, authorization must be obtained from the BLM Roswell District Manager or his designated representative.

11. Upon cancellation, relinquishment, or expiration of this right-of-way, the grantee will comply with those abandonment procedures as prescribed by BLM's Roswell District Manager.

12. Special stipulations:

BY _____

11/22/79

DATE

(November 1979)

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ARTESIA, NEW MEXICO

S U R F A C E U S E P L A N

Orla Petco, Inc. & Hopi Drilling Co.
C-S Federal No. 2
990' FSL & 990' FEL of Sec. 31, T-22S, R-28E,
N.M.P.M. Eddy County, New Mexico

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS:

See Exhibit 1 for the location of the existing roads in the vicinity of the proposed drilling location

2. PLANNED ACCESS ROADS:

A. Length and Width:

The length of the proposed access road to the location will be approximately 690' long and 12' wide. See Exhibit 3 for the plat showing approximate location of access road.

B. Turnouts:

There will be no turnouts on the proposed access road to the location of the well.

C. Culverts:

There will be no culverts in the area of the well.

D. Cuts and Fills:

There will be no cuts and fills when the access road is built.

E. Gates, Cattleguards:

There will be no gates or cattleguards to be used on the proposed access road.

3. LOCATION OF EXISTING WELLS:

See Exhibit 2 for the location of the existing wells within a one mile radius of the proposed drilling location.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

See Exhibit 3 for the plat showing the proposed location of the tank battery and flowlines associated with the proposed well in event of production.

See Exhibit 5 for the plat showing the proposed location of power lines needed to electrify the lease.

5. LOCATION AND TYPE OF WATER SUPPLY:

TYPE of Water Supply: City of Carlsbad water.

Location of Supply: B&E Truck Lines yard, water will be stored at water tank (Exhibit 4) at wellsite. Very little water needed (approx. 140 bbls. total) for a Cable Tool Drilling Rig.

Transport Method: Truck

Transport Route: Access road to drillsite (Exhibit 3). Proposed road to be used is marked in yellow.

6. SOURCE OF CONSTRUCTION MATERIALS:

Caliche for the surfacing of the road and drilling pad will be obtained from an existing caliche pit in the SW/4 NW/4 Section 5, T-23S, R-28E, The pit is owned by Julius Roberson. Location of the pit is shown on Exhibit 1.

7. METHODS OF HANDLING WASTE DISPOSAL:

Cuttings: Cuttings will be covered when the plastic lined slush pit is leveled. Pit will be covered with a minimum of 24" of topsoil.

Garbage and Trash: To be buried in the slush pit, small paper waste will be placed in barrel containers and hauled off of location.

Additional Requirements for Waste Disposal:

The small amount of drilling fluids needed will be allowed to evaporate in the slush pit.

8. ANCILLARY FACILITIES:

None Required

9. WELLSITE LAYOUT:

Exhibit 4 shows the relative location and dimensions of the well pad, mud pits, and the location of major rig components. The drilling pad will be constructed using compacted crushed caliche rock, if needed.

10. PLANS FOR RESTORATION OF THE SURFACE:

Stockpiling Topsoil: The topsoil covering the drillsite will be stockpiled when the drilling pad and slush pit are constructed and will be replaced upon completion of operations.

Leveling: Upon completion of drilling operations, the slush pit will be leveled and covered with the original topsoil at least 24" deep. All trash will be cleaned off of location.

Reseeding: Because vegetation consists of random clumps of grass and mesquite bushes, reseedling of the drillsite will not be attempted.

Seed Mixture: Not Applicable

11. OTHER INFORMATION:

- A. Topography: Land surface is undulating to gently rolling and dunny. From an elevation of 3048' at wellsite, the land surface slopes gently towards the southeast at about 25'/mile.
- B. Soil: Terrace gravel
- C. Flora and Fauna: Creosote bushes, Sage, Broom snakeweed, Crown of thorns.
- D. Ponds and Streams: There are no ponds or streams in the area.
- E. Residences and Other Structures: The nearest dwelling is a house approximately 1/4 of a mile East of the drillsite.
- F. Land Use: Grazing.
- G. Surface Ownership: The Federal Government is the sole owner of the surface.

12. OPERATOR'S REPRESENTATIVE:

The field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

Bucky Ritchie
2003 W. Indiana Ave.
Midland, Texas 79701
(915) 684-4762 - office
684-8797 - home

Harry Sindorf
1002 N. Mesa St.
Vista del Sol Apartments
16
Carlsbad, New Mexico 88220
(505) 885-9978

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; 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 the operations proposed herein will be performed by Orla Petco, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date November 16, 1979

James H. C. Ritchie, Jr.
Name

Vice-President
Title

EXHIBIT 1

Topographical Map and Existing and Proposed Roads.

Paved Highway 285 ~~_____~~

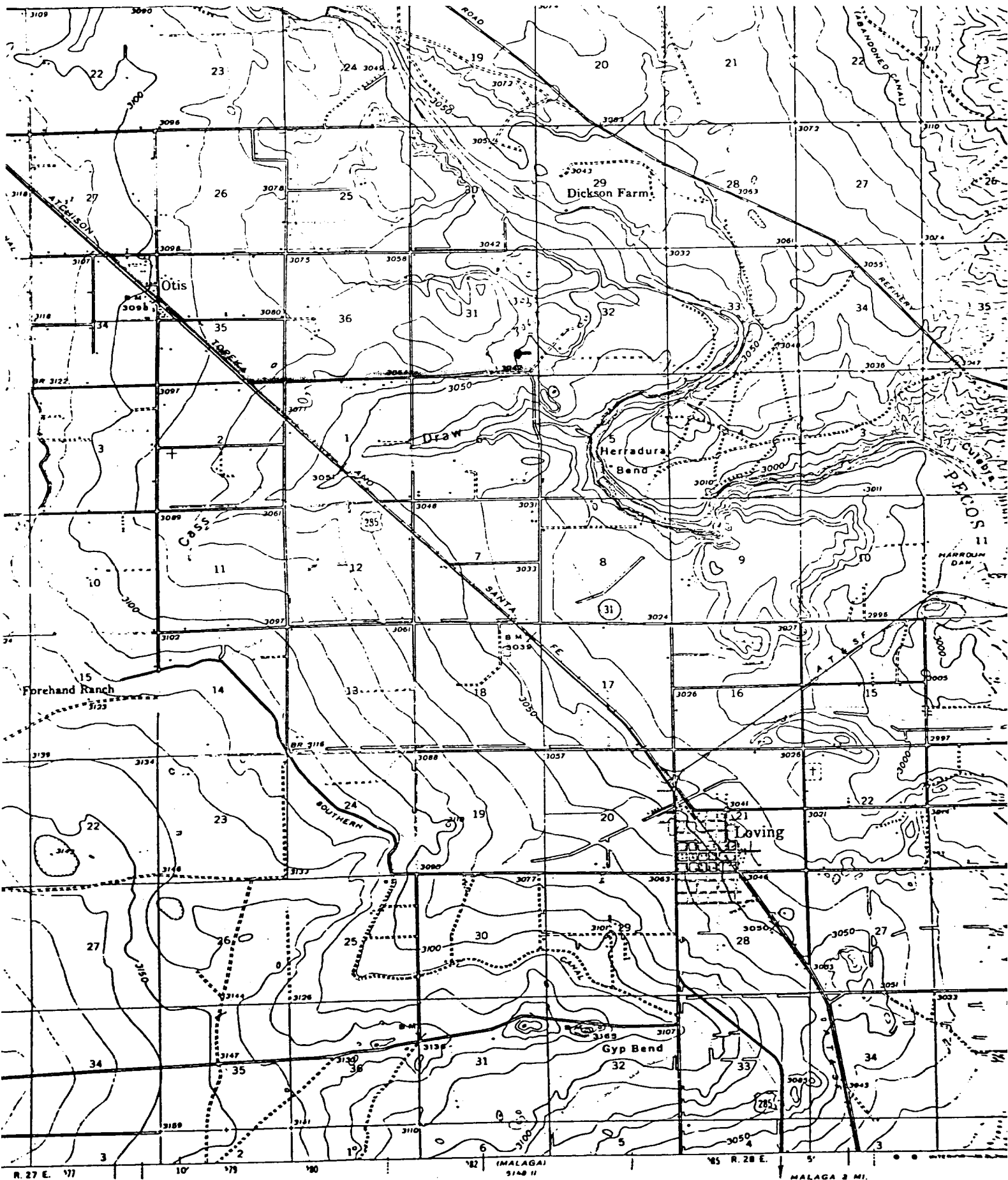
Existing Access Roads

New Proposed Access Road 12'X690'

Existing Lease Road _____

Proposed Drillsite

Scale: 1" = 1 mile



SCALE 1:62500

MALAGA 2 MI.
PECOS (JUNC. U.S. 80) 70 MI.

EXHIBIT No. 2

Land Map

Existing Wells- 1 mile
radius

22

28

25

30

29

Pan Am.

Yates
I-HV

Coq.

I-B

I-A

I-A

36

31

32

I-C

2-A

Proposed Location

5

6

2

Amoco

12

7

8

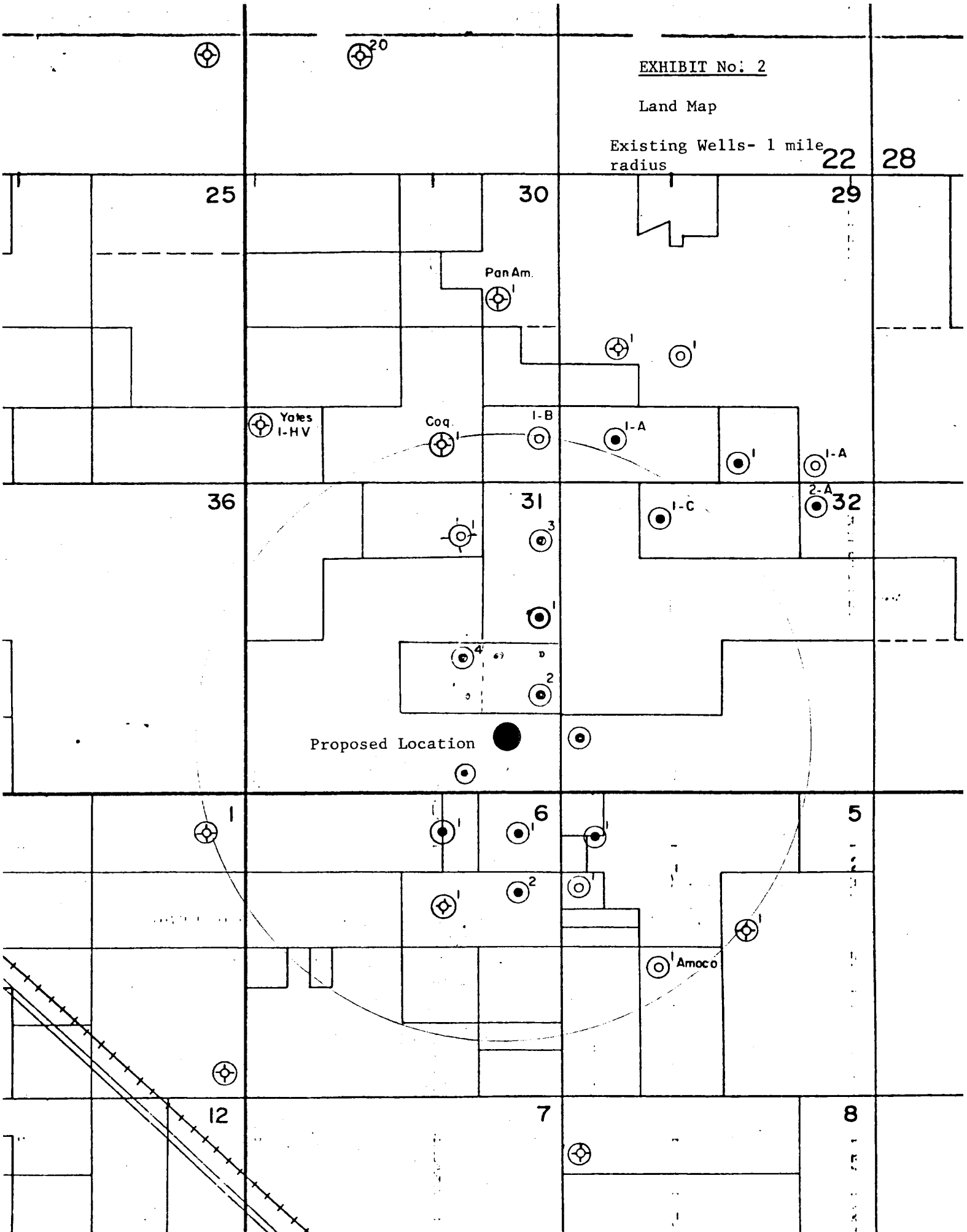
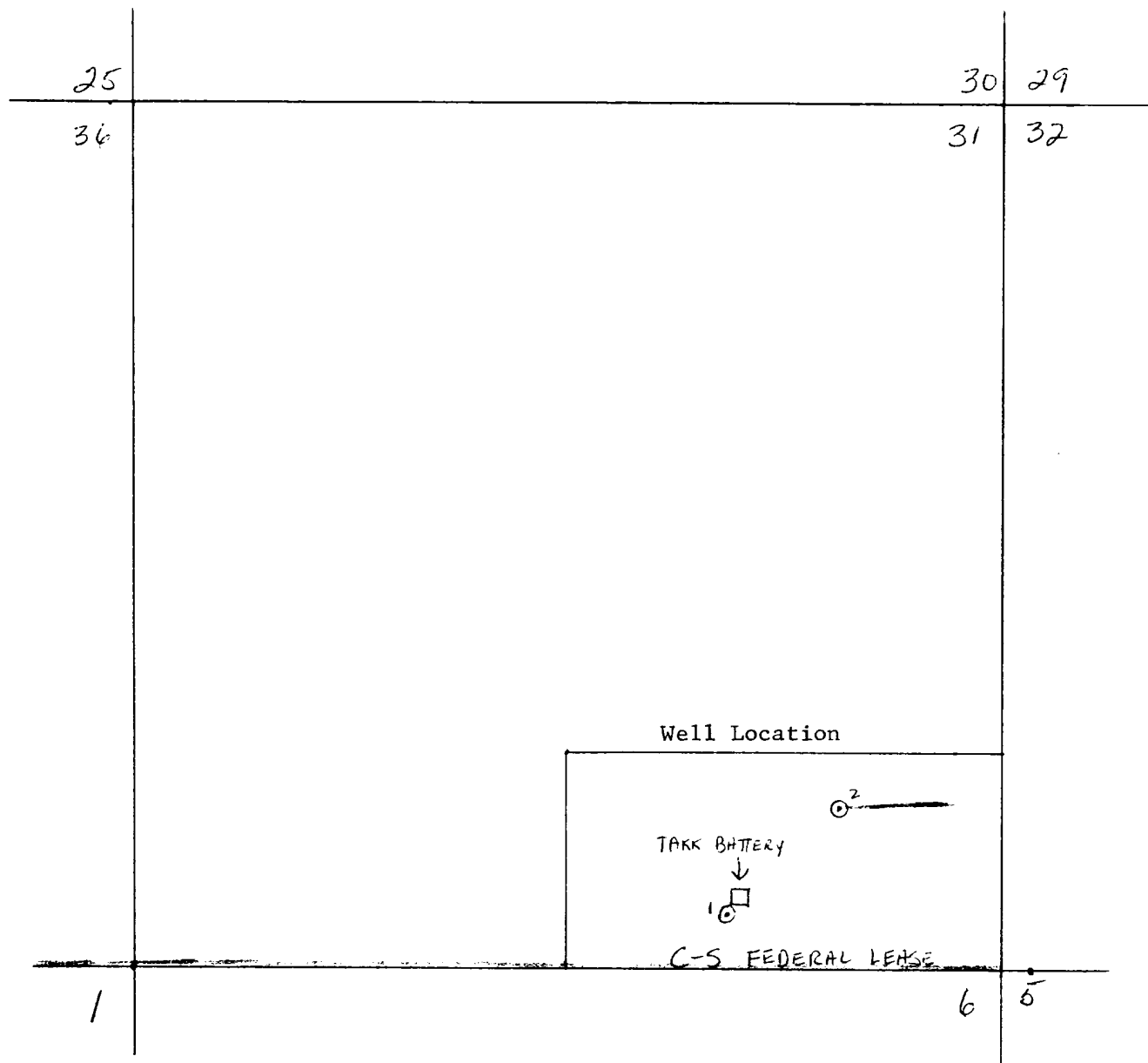


EXHIBIT 3

Road Location & Tank Battery Location



- _____ Paved Highway 285
 - _____ Existing Access Road
 - _____ Proposed New Road (Approx. 690' Long & 12' Wide)
 - _____ Flowline
 - _____ Existing Lease Road
- Scale: 1" = 1000'

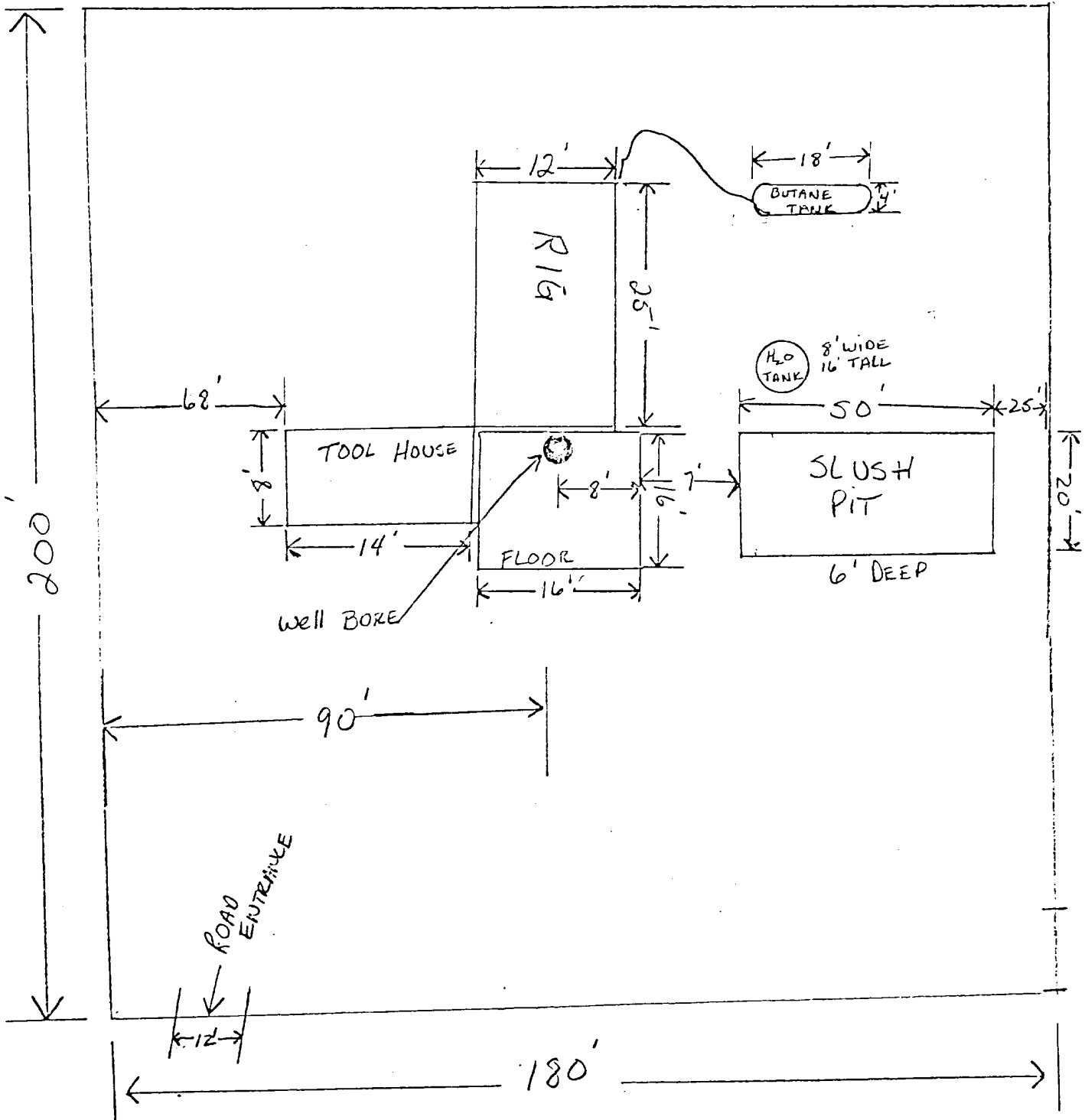
Highway 285

EXHIBIT NO. 4

RIG LAYOUT

~~GOVERNMENT~~ FEDERAL No. 2

ORLA PETCO, INC.



FOOTAGE IS APPROXIMATE

EXHIBIT No. 5

Power Line Poles

