

N.M.O.C.D. COPY

SUBMIT IN DUPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-23808

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
DINERO OPERATING COMPANY

3. ADDRESS OF OPERATOR
Post Office Drawer 10505, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface

660' FNL & 560' FWL
At proposed prod. zone

660' FNL & 560' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
1.25 miles SW of Malaga, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any)
560'

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
0

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
2,971' G.R.

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/4	13 3/8	48-54# K	400'	450 sx. *CIRCULATE
12 1/4-11	8 5/8	24# J	2500'	750 sx. *CIRCULATE
7 7/8	4 1/2	11.6-N-80	8500'	1200 sx.*

MUD PROGRAM---See EXHIBIT "G"

BLOW OUT PREVENTER PROGRAM---See EXHIBIT "E"

CEMENT PROGRAM---See Below:

13 3/8 casing: 400 sx. CL. C 2% CC

8 5/8 " 1300 sx. Halliburton Lite-8# Salt 1/4# Flocele-200 sx. CL. C Neat

4 1/2 " 1200 sx. Trinity Lite Weight-300 sx. Neat-50/50 proz-mix, 5/10 CFR-2 5# Salt per sack.

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 Lavonda Norman TITLE Production Clerk DATE May 13, 1981

(This space for Federal or State office use)

PERMIT NO. 8d GEORGE H. STEWART

APPROVAL DATE

APPROVED MAY 22 1981

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

FOR

JAMES A. GILHAM
DISTRICT SUPERVISOR

*See Instructions On Reverse Side

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1424.

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐		5. LEASE DESIGNATION AND SERIAL NO. NM 27919	
2. NAME OF OPERATOR DINERO OPERATING COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR P. O. Drawer 10505, Midland, Texas 79702		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 660' FNL & 560' FWL, Section 24, T-24-S, R-28-E, Eddy County, New Mexico		8. FARM OR LEASE NAME DEWEY	
14. PERMIT NO.		9. WELL NO. 1	
15. ELEVATIONS (Show whether DF, RT, GK, etc.) 2,971' G.L.		10. FIELD AND POOL, OR WILDCAT	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 24, T-24-S, R-28-E	
		12. COUNTY OR PARISH Eddy	
		13. STATE New Mexico	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF ☐	PULL OR ALTER CASING ☐	WATER SHUT-OFF ☐	REPAIRING WELL ☐
FRACTURE TREAT ☐	MULTIPLE COMPLETE ☐	FRACTURE TREATMENT ☐	ALTERING CASING ☐
SHOOT OR ACIDIZE ☐	ABANDON* ☐	SHOOTING OR ACIDIZING ☐	ABANDONMENT* ☐
REPAIR WELL ☐	CHANGE PLANS ☐	(Other) ☐	(Other) ☐
(Other) ☐	Moved Location ☒	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

We staked this location 660' FNL & 560' FWL.

We moved the location 100' west to avoid an abandoned well.

18. I hereby certify that the foregoing is true and correct

SIGNED Larold Naman TITLE Production Clerk DATE May 18, 1981

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Instructions

General: This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated, on Federal and Indian lands pursuant to applicable Federal law and regulations, and, if approved or accepted by any State, on all lands in such State, pursuant to applicable State law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 17: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by local Federal and/or State offices. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

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

Operator Dinero Operating Company			Lease Dewey			Well No. 1		
Unit Letter D	Section 24	Township 24S	Range 28E	County Eddy				

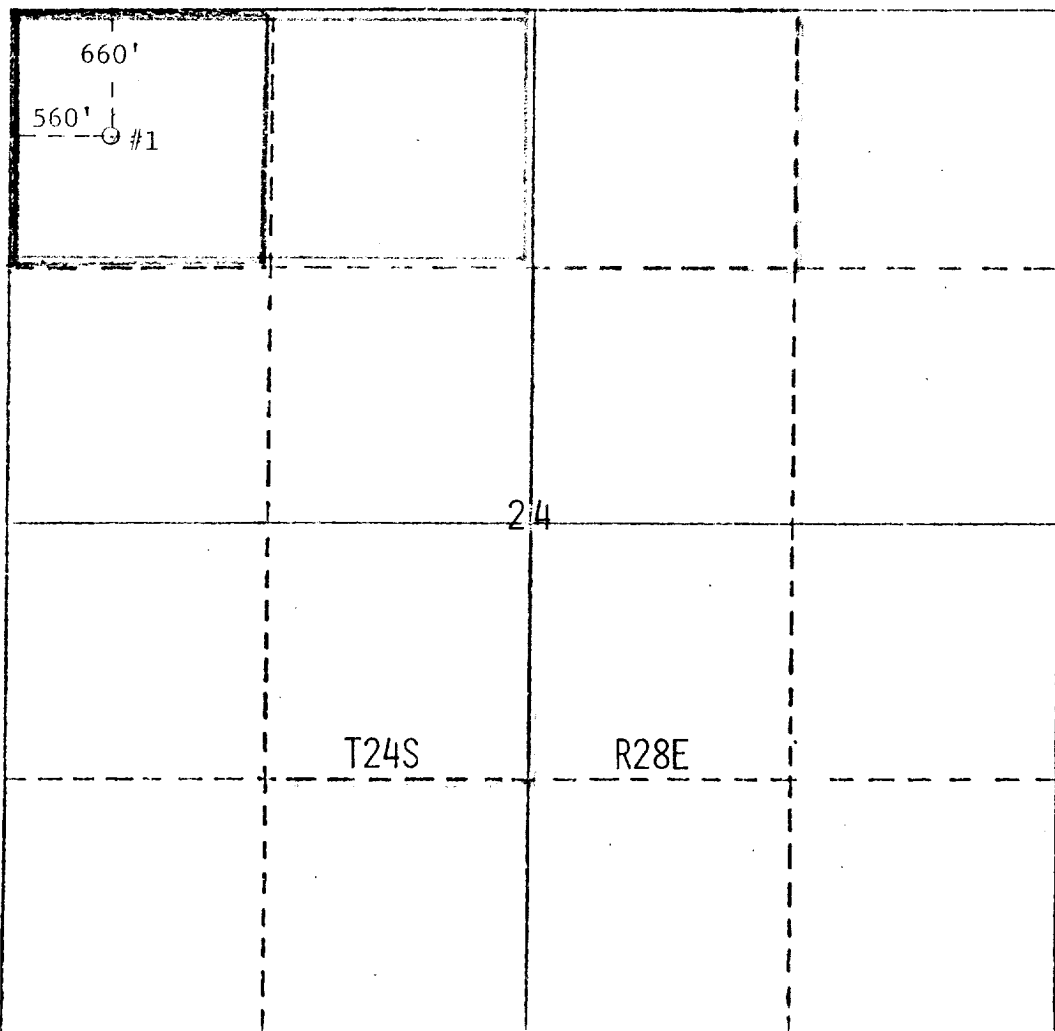
Actual Footage Location of Well:								
660 feet from the North line and			560 feet from the West line					
Ground Level Elev. 2971		Producing Formation Bone Springs		Pool <i>Willow Grove Spring</i>			Dedicated Acreage: 2040 Acres	

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



CERTIFICATION

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

Name
L. C. McClure
Position
Field Supt.
Company
DINERO OPERATING COMPANY
Date
May 6, 1981

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 Surveyed
May 2, 1981
W. D. Watson, Jr.
Registered Professional Engineer
and/or Land Surveyor

Certificate No.
3959