

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NE OIL CONS. COMMISSION
SUBMIT IN TR. DATE*
(Other instructions on
reverse side)

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

30-015-25687

U. LEASE DESIGNATION AND SERIAL NO.

NM-22634

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Mobil 22 Federal

9. WELL NO.

7

10. FIELD AND POOL, OR WILDCAT

Brushy Draw Del

11. SEC., T., E., M., OR BLK.
AND SURVEY OR AREA

S-22, T-26S, R-29E

12. COUNTY OR PARISH

Eddy

13. STATE

NM

RECEIVED BY
NOV 26 1986
O. C. D.
ARTESIA, NM

1A. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

1B. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Challenger Energy, Inc.

3. ADDRESS OF OPERATOR

P.O. Box 1262 Artesia, NM 88210

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

A. Surface

1905' FNL, 1780' FNL, SEC. 22

A. proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

16 miles S.E. of MANGA, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

Also to nearest drlg. unit line, if any

460'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1065'

16. NO. OF

480

19. PROPOSED DEPTH

6250

17. NO. OF AREAS ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

2892.5 GL

22. APPROX. DATE WORK WILL START*

ASAP Nov, 1986

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	24#	350'	Circulate to surface
7 7/8	5 1/2	15.5#	6250'	Sufficient to fill to base salt

Producing Zones will be perforated & stimulated as necessary.

Mud Program: FW Gel, LCM to 350'. Brine water to T.D.

BOP: 3000# W.P. Double Ram type Preventer will be in use while drlg.
below surface casing.

Posted ID-1
NLAPD
12-5-86

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

Craig Huber

TITLE

VP

DATE

10/23/86

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

Raj Giri

TITLE

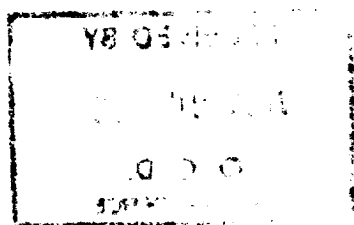
Asst. Dir.

DATE

11-25-86

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

All distances must be from the outer boundaries of the Section

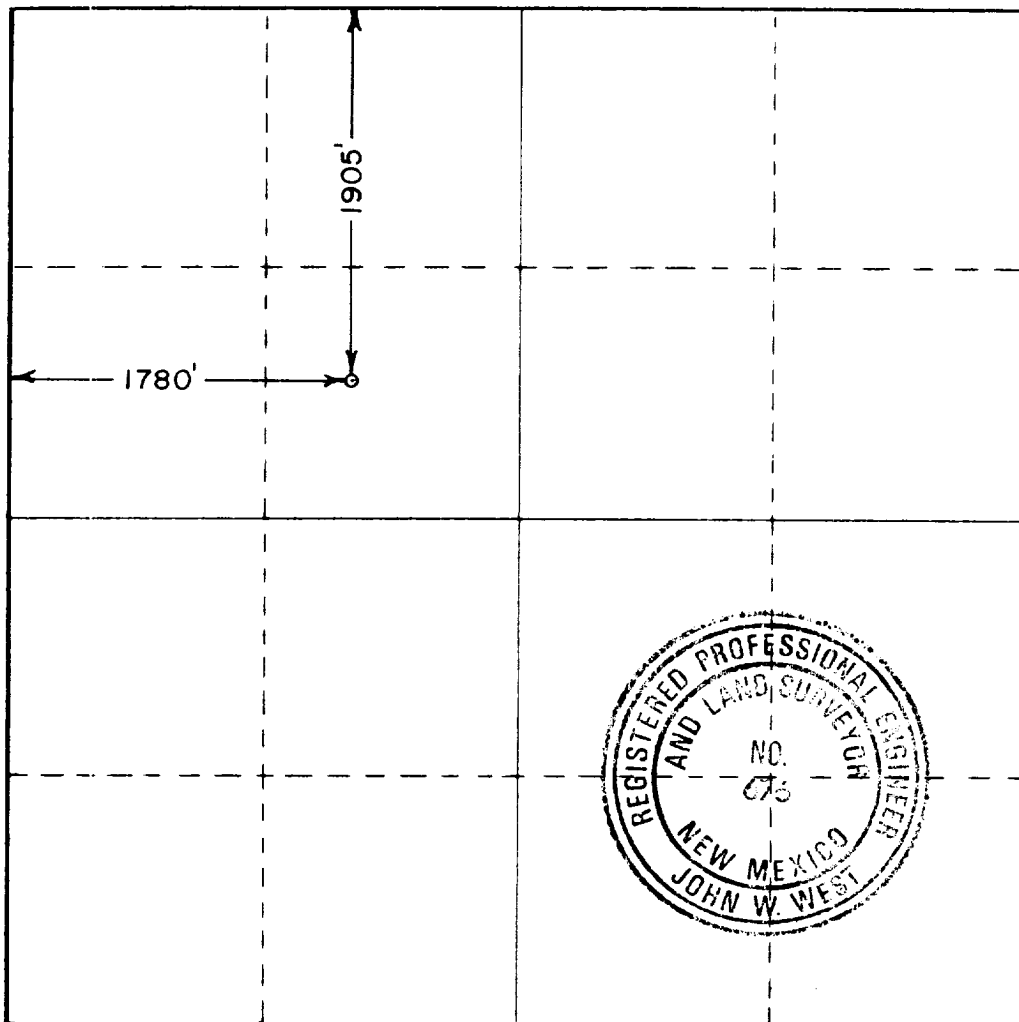
Operator CHALLENGER ENERGY CORP. INC.		Lease MOBIL 22 FEDERAL		Well No. 7
Unit Letter F	Section 22	Township 26 SOUTH	Range 29 EAST	County EDDY
Actual Footage Location of Well: 1905 feet from the NORTH line and 1780 feet from the WEST line				
Ground Level Elev. 2892.5	Producing Formation Cherry Canyon	Pool Bansky Draw Delaware	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 Commission.



CERTIFICATION

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

Name **Gargibier**
Position **VP**
Company **Challenger Energy**
Date **10/23/86**

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
OCTOBER 21, 1986
Registered Professional Engineer and/or Land Surveyor
John W. West
Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

CHALLENGER ENERGY, INC.
Mobil "22" Federal #7
1905' FNL and 1780' FWL
Sec. 22, T-26S, R-29E
Eddy County, New Mexico

In Conjunction with Form 3160-3, Application for Permit to Drill subject well, Challenger Energy, Inc. submits the following ten items of pertinent information in accordance with BLM requirements.

1. The geologic surface formation is gravelly loam.
2. The estimated tops of geologic markers are as follows:

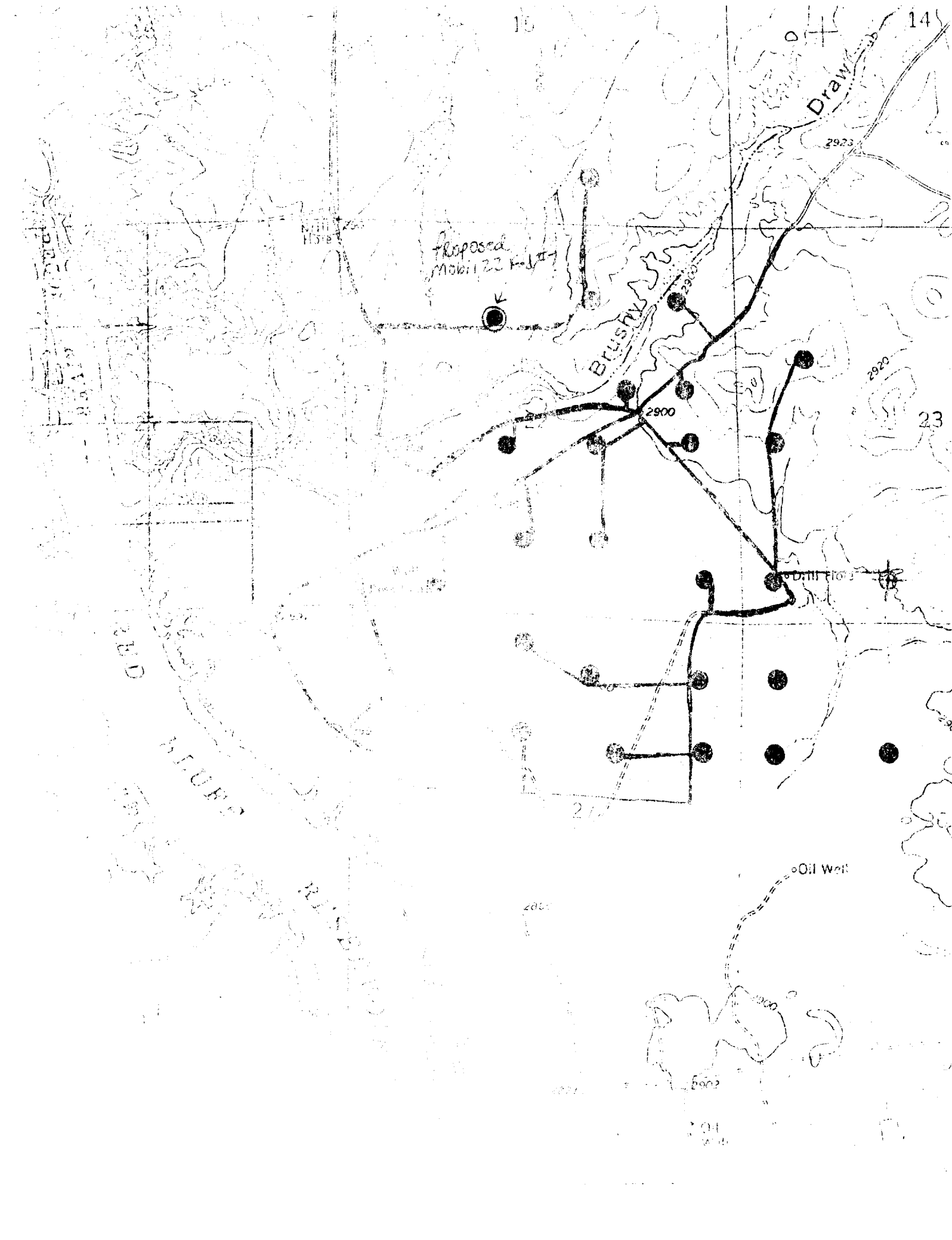
Rustler Anhydrite	350'
Base Salt	2750'
Delaware Sand	2960'
Cherry Canyon	3860'
Brushy Canyon	5460'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Oil: 5000'

4. Proposed Casing Program: See Form 3160-3
5. Pressure Control Equipment: See Form 3160-3 and Exhibit B
6. Mud Program: See Form 3160-3
7. Auxiliary Equipment: Sub with full-opening valve on floor, drill pipe connection.
8. Testing, Logging and Coring Program:

Samples:	2700' to TD.
DST's:	As Warranted.
Coring:	None.
Logging:	CND TD to 2900', DLL TD to 2900', and Gamma Ray TD to Surface.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated Starting date: As soon as possible after approval.



— Constant

Light Plant

Trailer House

1. John Doe

180-200

Temporary fence

Archaeological Scattering

1/66/22#7