

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

3. ADDRESS OF OPERATOR

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

At surface 890' FNL, 2160' F WL SEC 22

At proposed prod. zone

SAME

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

16 miles S. SE MALAGA, NM

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

480

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

1015

16. NO. OF ACRES IN LEASE

480

19. PROPOSED DEPTH

1750

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

2904.1 GL.

22. APPROX. DATE WORK WILL START\*

Dec 1986

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 7/8	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: F.W.Gel, LCM to 350' ; Prime water to T.D.

BOP: 3000# W.P. Double ram type Preventer will be in use while dalg.  
below surface CSG.

Postd m  
NL, API  
15-11-86

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 J. Huber

TITLE

VP

DATE

10/23/86

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

12.12.86

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

ATTACHED

**N. 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

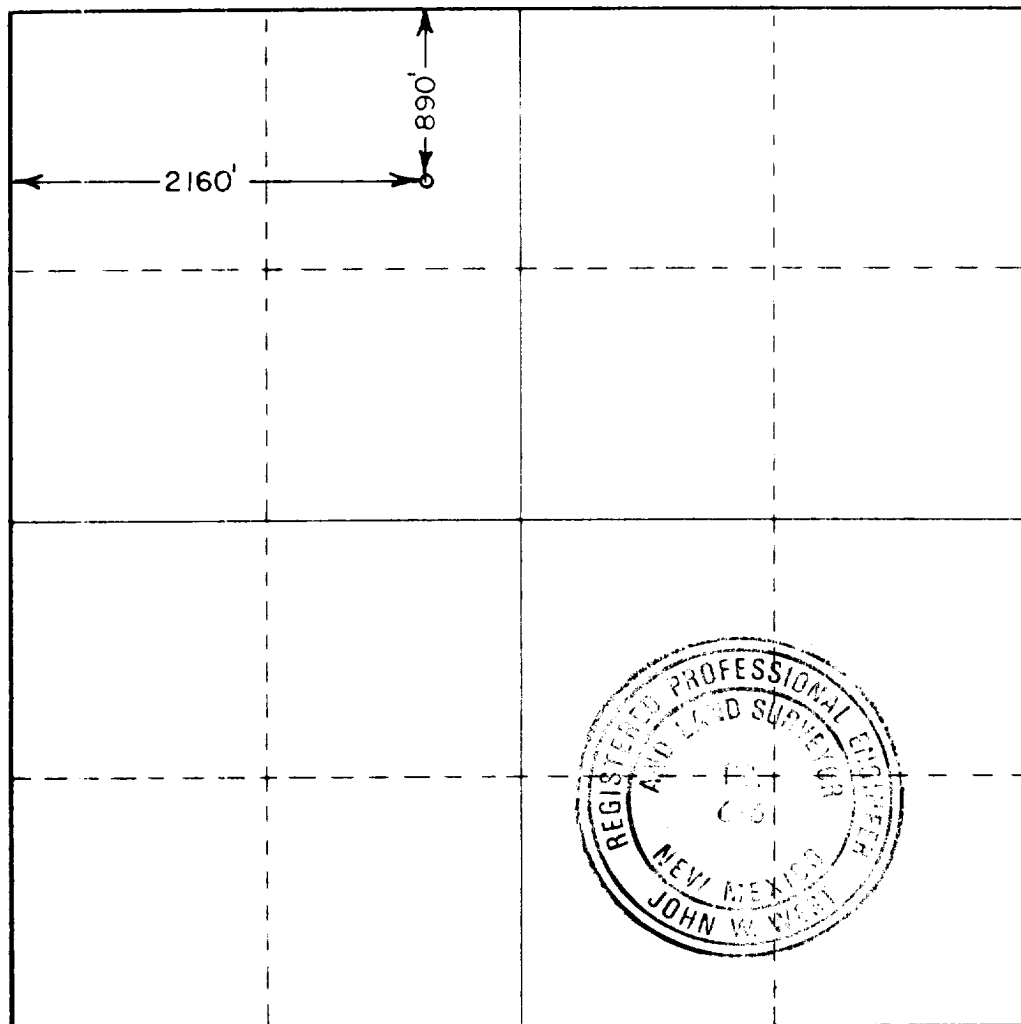
Operator <b>CHALLENGER ENERGY CORP. INC</b>			Lease <b>MOBIL 22 FEDERAL</b>		Well No. <b>8</b>
Tract Letter <b>C</b>	Section <b>22</b>	Township <b>26 SOUTH</b>	Range <b>29 EAST</b>	County <b>EDDY</b>	
Actual Forage Location of Well: <b>890</b> feet from the <b>NORTH</b> line and <b>2160</b> feet from the <b>WEST</b> line					
Ground Level Elev. <b>2904.1</b>	Producing Formation <b>Cherry Canyon</b>		Pool <b>Brushy Draw Delaware</b>	Dedicated Acreage: <b>40</b> 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 **Craig Huben**  
 Position **VP**  
 Company **Challenger**  
 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

Certificate No. **JOHN W. WEST, 676**  
**RONALD J. EIDSON, 3239**

# ILLEGIBLE

FILE LINE TITLE

1000 LINE

1000 LINE

1000 LINE

1000 LINE

CHALLENGER ENERGY, INC.  
Mobil "22" Federal #8  
890' FNL and 2160' 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:

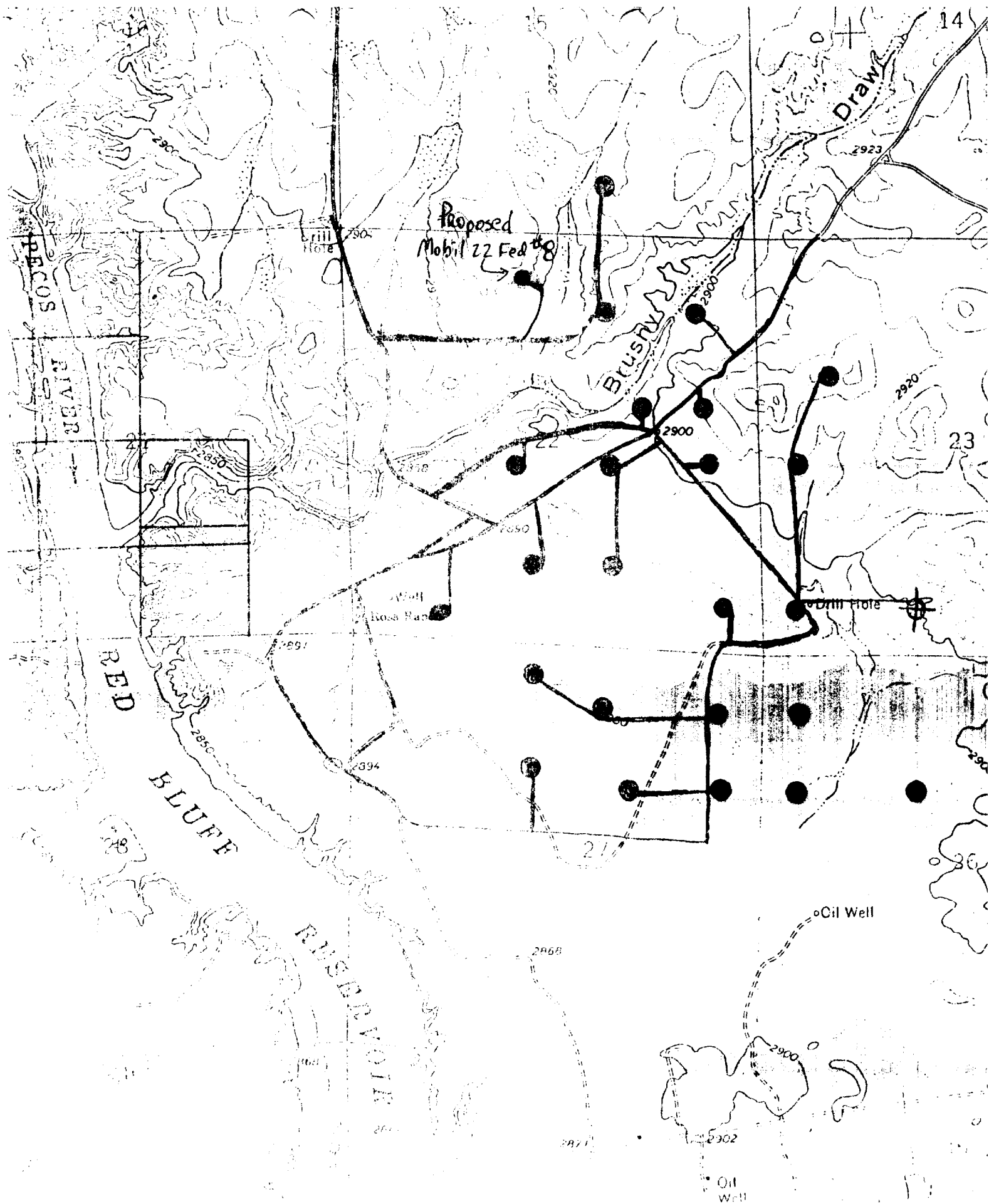
Rustler Anhydrite	350'
Base Salt	2750'
Delaware Sand	2960'
Cherry Canyon	3860'
Brushy Canyon	5460'

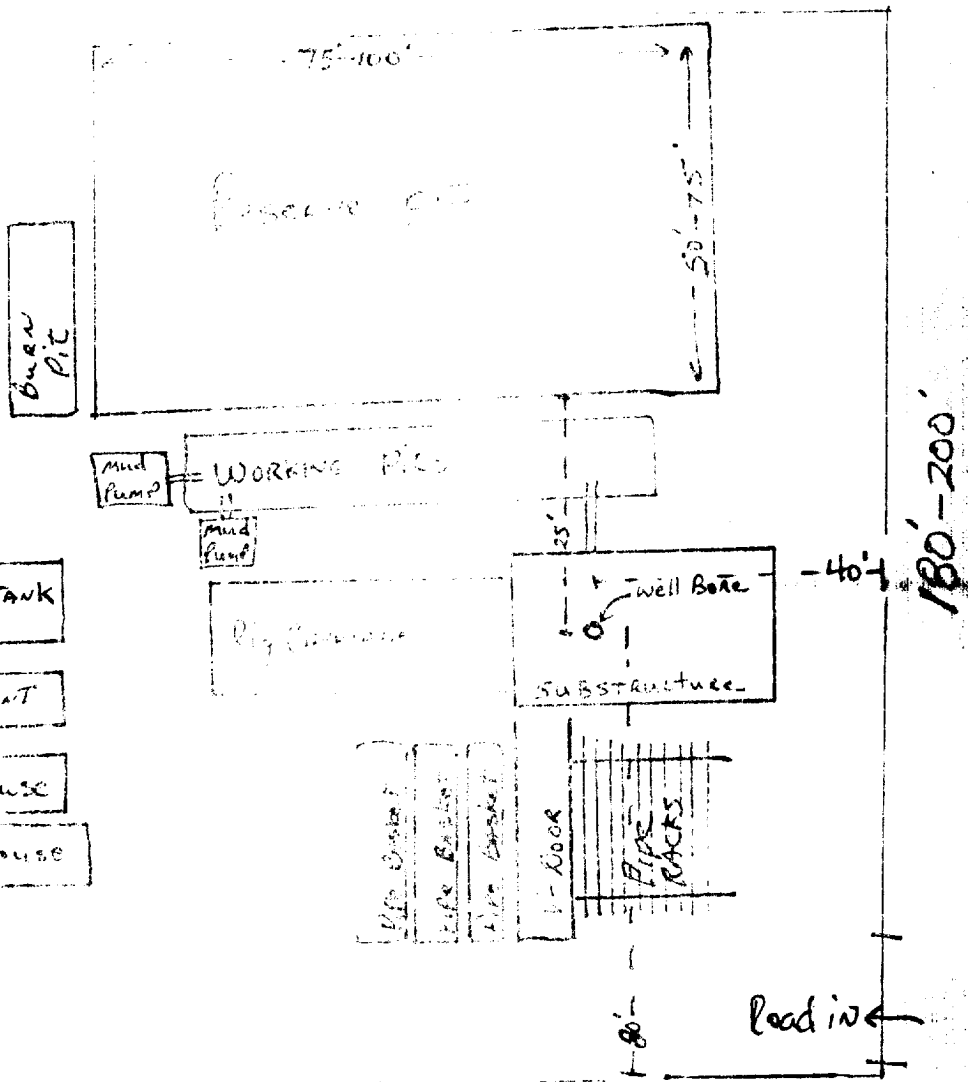
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

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.





Temporary Fence  
Archeological  
Scattering

North

Mobil 22 #8