

NM OIL COMS. COMMISSION
SUBMIT 1 REPLICATE
Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985
30-015-25569

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

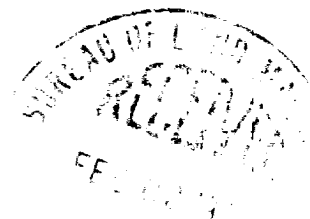
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK <div style="display: flex; justify-content: space-around;">DRILL <input checked="" type="checkbox"/>DEEPEN <input type="checkbox"/>PLUG BACK <input type="checkbox"/></div> b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> 2. NAME OF OPERATOR Union Texas Petroleum Corporation ✓ 3. ADDRESS OF OPERATOR 4000 N. Eig Spring, Suite 500, Midland, Texas 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface: 660' FSL & 1880' FEL At proposed prod. zone: 660' FSL & 1880' FEL 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 6 miles SE Loco Hills, NM 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3709 GR		5. LEASE DESIGNATION AND SERIAL NO. NM-0334702 6. IF INDIAN, ALLOTTEE OR TRIBE NAME 7. UNIT AGREEMENT NAME 8. FARM OR LEASE NAME Federal 9. WELL NO. 2 10. FIELD AND POOL, OR WILDCAT Wildcat North Shugart 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 5, 18S, 31E 12. COUNTY OR PARISH 13. STATE Eddy NM 16. NO. OF ACRES ASSIGNED TO THIS WELL 40 17. NO. OF ACRES IN LEASE 200 19. PROPOSED DEPTH 9500 20. ROTARY OR CABLE TOOLS Rotary 22. APPROX. DATE WORK WILL START* 2-15-86
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RECEIVED BY
FEB 10 1986
O. C. D.
ARTESIA, OFFICE

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2	13-3/8	48#	400'	425 Sx-Circulate
12-1/4	8-5/8	32#	4500'	2900 Sx-Circulate
7-7/8	5-1/2	17#	9500'	

Propose to drill to 9500' to test the Wolfcamp formation



Posted API,
NL-ID-1
2-14-86

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 Ken White TITLE Reg. Permit Coordinator DATE 1-28-86
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ DATE 2-7-86
CONDITIONS OF APPROVAL, IF ANY: _____

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

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

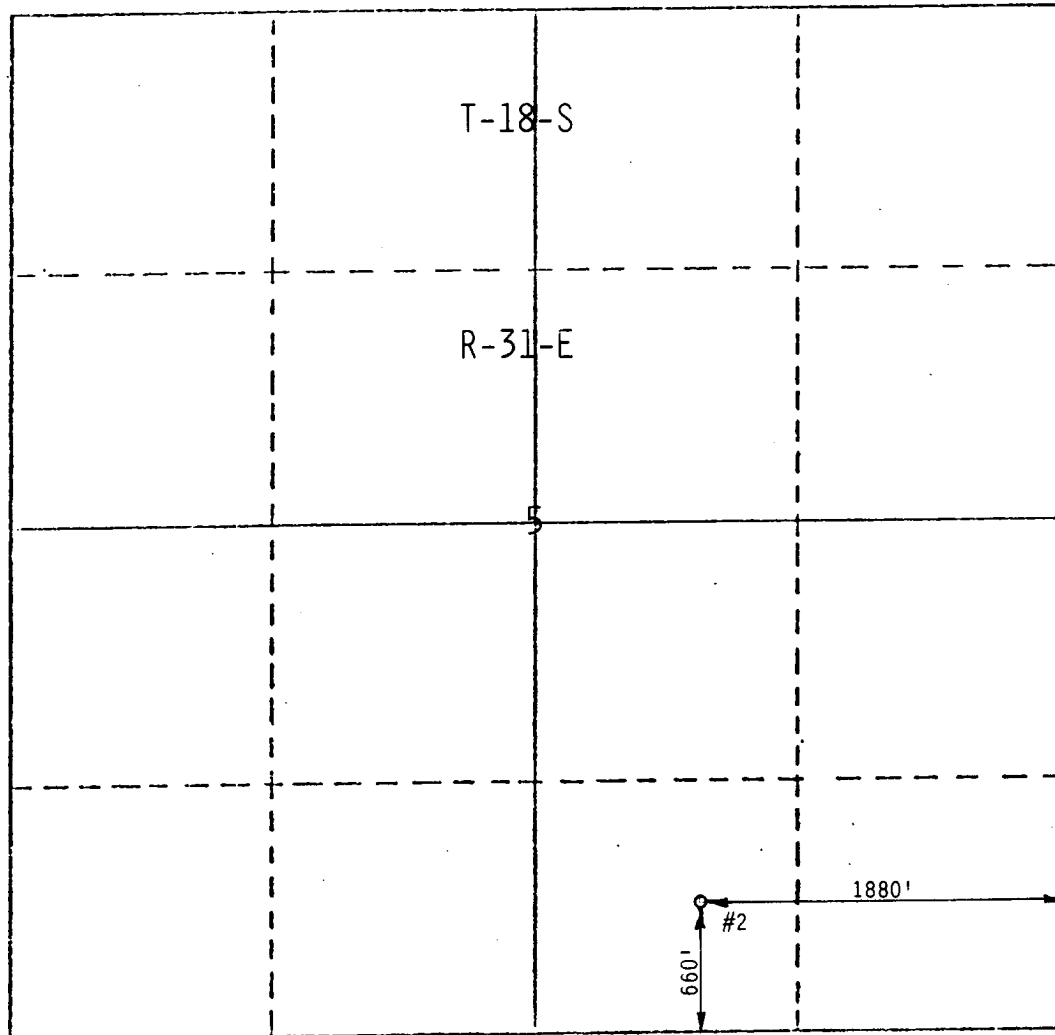
Operator Union Texas Petroleum Corporation			Lease Federal 5		Well No. 2
Unit Letter 0	Section 5	Township T-18-S	Range R-31-E	County Eddy	
Actual Postage Location of Well: 660 feet from the South line and 1880 feet from the East line					
Ground Level Elev. 3709	Producing Formation NORTH SHUGART		Pool Wolfcamp	Dedicated Acreage: 40 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.

Ken White
Name Ken White

Reg. Permit Coord.

Position

Union Texas Petroleum

Company

2/5/86

Date

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 same is true and correct to the best of my knowledge and belief.

January 24, 1986

Date Surveyed

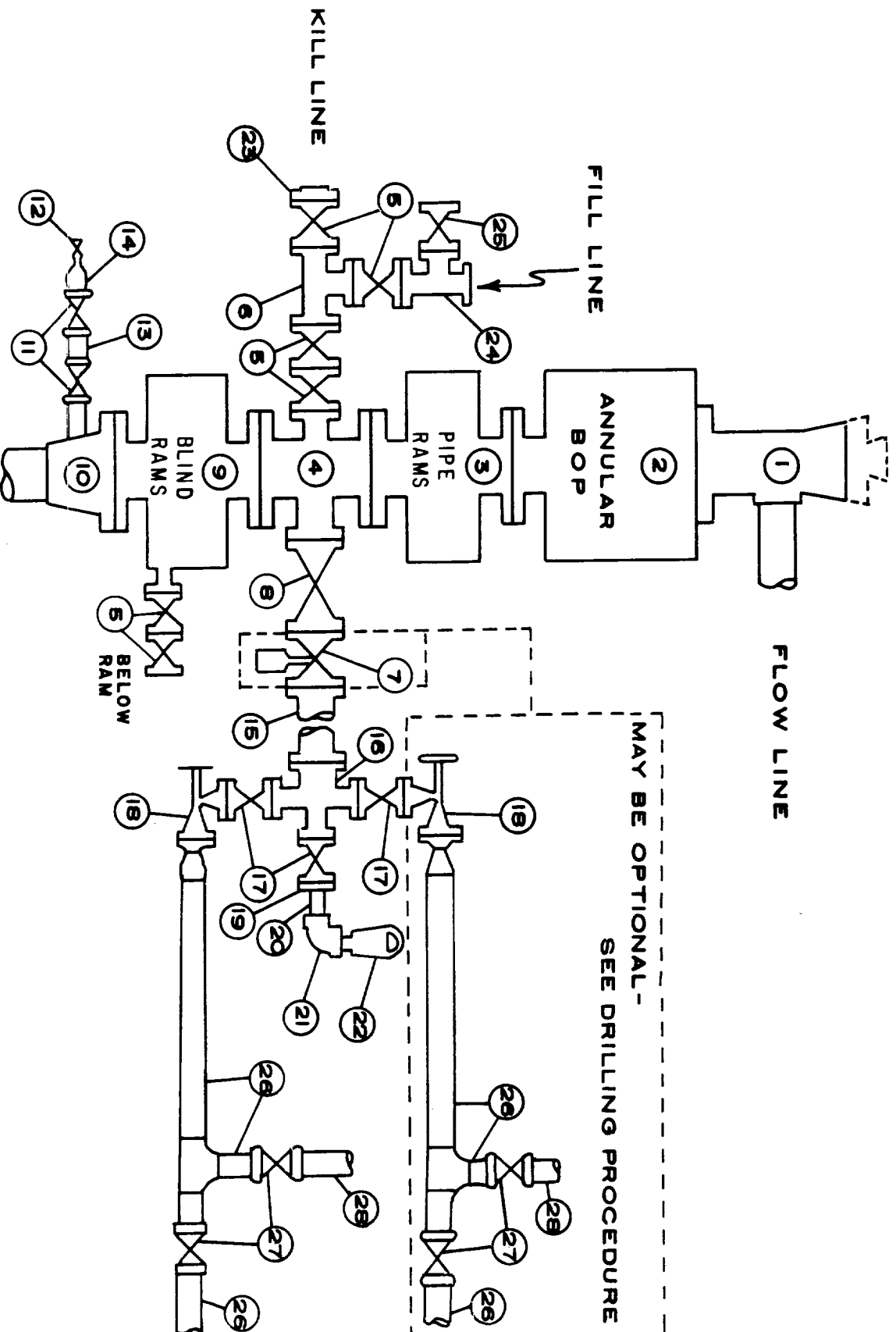
Registered Professional Engineer and/or Land Surveyor

3959

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

UNION TEXAS PETROLEUM CORPORATION
SOUTHWEST DIVISION
TYPE 2-BLOWOUT PREVENTER SPECIFICATIONS
3M @ 5M WORKING PRESSURE



UNION TEXAS PETROLEUM CORPORATION
FEDERAL "2"

The following information is filed as a supplement to Form 3160-3 "Application For Permit to Drill, Deepen or Plug Back."

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

Salt	1450'+
Yates	2200'
Queen	3200'
San Andres	4000'
1st Bone Spring Sand	7300'
2nd Bone Spring Sand	7800'
3rd Bone Spring Sand	9000'
"Wolfcamp" (LCF)	9350'

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

Water:	Santa Rosa 400', (Yates 2200' Gas)
	Oil or Gas Queen 3200'

4. Proposed Casing Program:

- A. Surface casing set at 400': 13-3/8" K-55 ST&C 48# Cemented with 425 sacks. Cement to be circulated to surface.
- B. Intermediate casing set at 4500: 8-5/8" K-55 ST&C 24# Cemented with 2900 sxs. Cement to be circulated to surface.
- C. Production casing set at 9,500: 5-1/2" K-55 ST&C 14# cemented with 1000 sacks.

5. Well control equipment will comply with API RP 53 Class 3M & 5M specifications. BOP's to be tested to 500 PSI prior to drilling out under surface casing. A drawing of the desired configuration is attached.

6. Mud Program:

COMMENT

<i>Freshwater</i> 0 - 400	Add LCM as needed for seepage or loss
400 - 1200	Possible salt water flow that will require 9.7-10.0 ppg to control
2000 - 3000	If lost circulation is not restored w/LCM, dry drill casing point and run casing. Use lime for pH control.
3000 - 4500	Use salt gel sweeps to insure a clean hole prior to running casing.
9200 - 9500	Convert to a controlled brine water system near top of Wolfcamp.

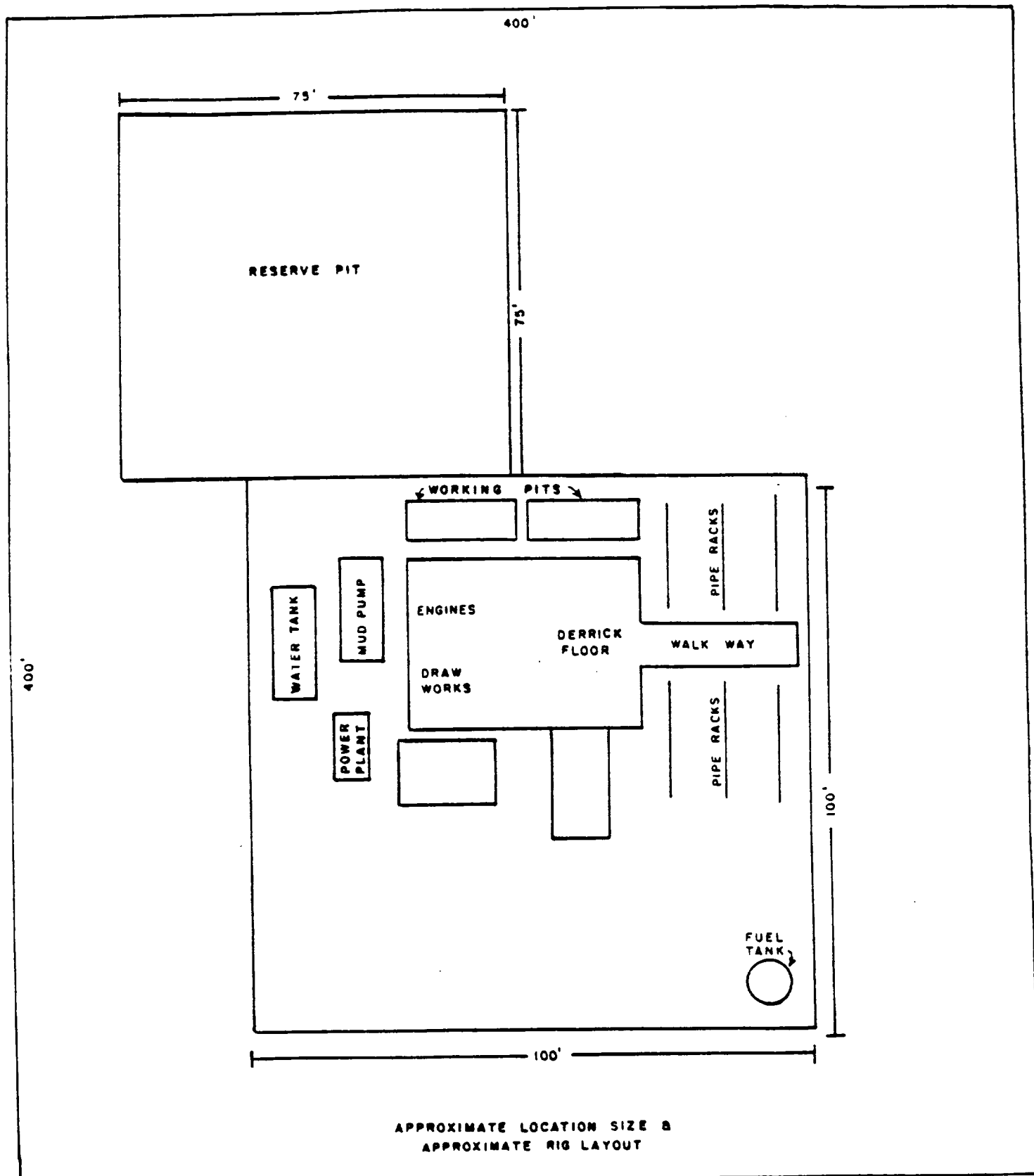


Exhibit B