

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 ☐

2. NAME OF OPERATOR

THE PETROLEUM CORPORATION OF DELAWARE

3. ADDRESS OF OPERATOR

3811 TURTLE CREEK BLVD., SUITE 350, DALLAS, TEXAS 75219-4419

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

At surface

2240' FSL & 1899' FWL
At proposed prod. zone

UNIT LETTER
K NE 1/4, SW 1/4

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

30 AIR MILES SOUTH-SOUTHEAST OF CARLSBAD, NEW MEXICO

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 400'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 75'

16. NO. OF ACRES IN LEASE

155.83

19. PROPOSED DEPTH

3500'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

37.78

20. ROTARY OR CABLE TOOLS

ROTARY

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

2969.1' GR 2972.5

22. APPROX. DATE WORK WILL START*

AS SOON AS RIG IS
AVAILABLE

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#	675'	SUFFICIENT TO CIRCULATE TO SURF.
7-7/8"	4-1/2"	10.5#	3500'	250 SX.

PAY ZONE WILL BE SELECTIVELY PERFORATED & STIMULATED AS NEEDED FOR OPTIMUM PRODUCTION.

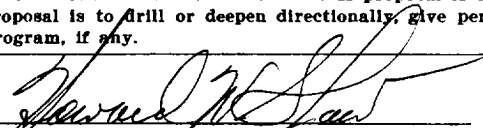
- ATTACHED ARE:
1. WELL LOCATION AND ACREAGE DEDICATION PLAT;
 2. SUPPLEMENTAL DRILLING PLAN;
 3. SURFACE USE PLAN AND
 4. THIRTEEN POINT PROGRAM.

Revised ID-1
NL, API
6-13-86

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



TITLE VP - DRLG. & PROD.

DATE MAY 30, 1986

(This space for Federal or State office use)

PERMIT NO.

Original: Charles S. Drilling

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

6-9-86

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*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.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

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

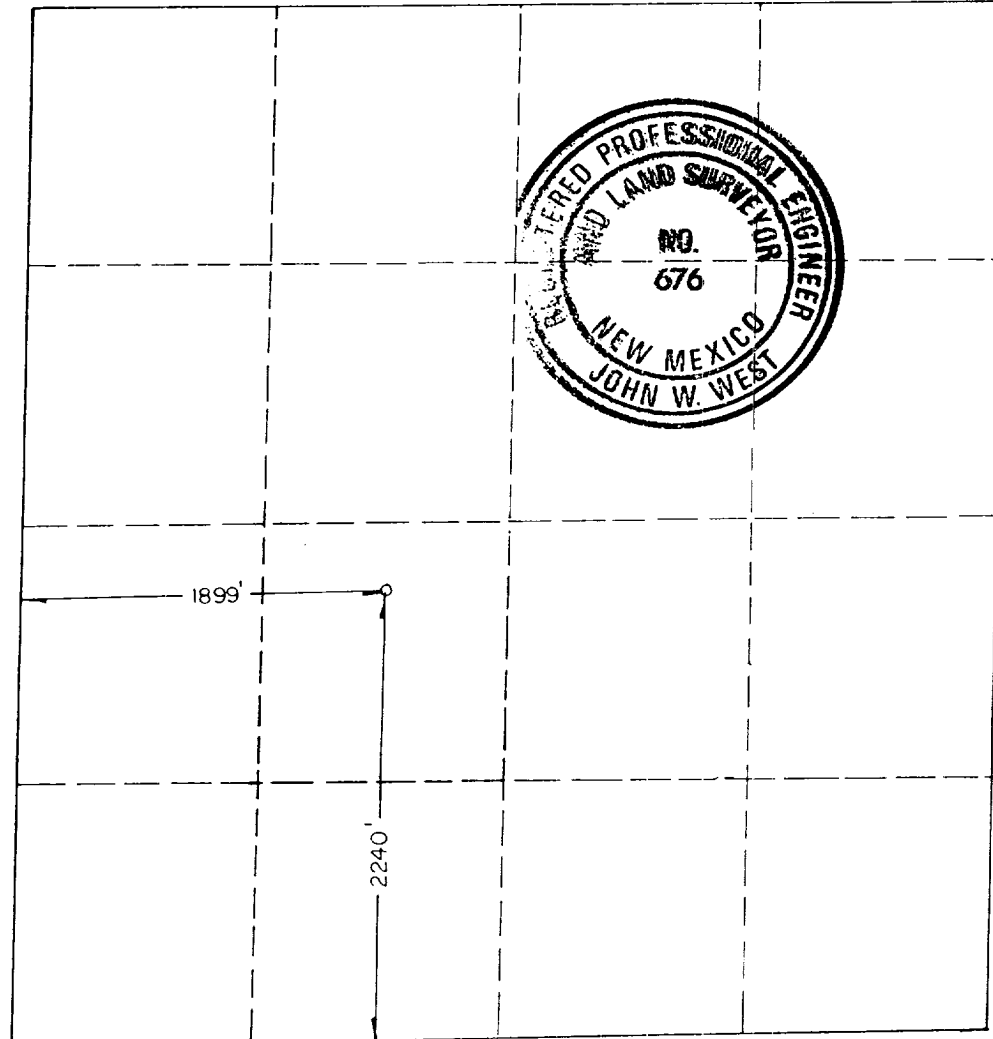
Operator THE PETROLEUM CORP. OF DELAWARE			Lease BRUSHY 12 FEDERAL		Well No. 5
Unit Letter K	Section 12	Township 26S	Range 29E	County EDDY	
Actual Footage Location of Well: 2240 feet from the SOUTH line and 1899 feet from the WEST line					
Ground Level Elev. 2972.5	Producing Formation DELAWARE	Pool BRUSHY DRAW DELAWARE		Dedicated Acreage: 37.78 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.



SCALE: 1" = 1000'

CERTIFICATION

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

Name
HOWARD W. SHAW

Position
VP - DRUG. & PROD.

Company
THE PETROLEUM CORPORATION OF DELAWARE

Date
MAY 30, 1986

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 23, 1986

Registered Professional Engineer and/or Land Surveyor
John W. West

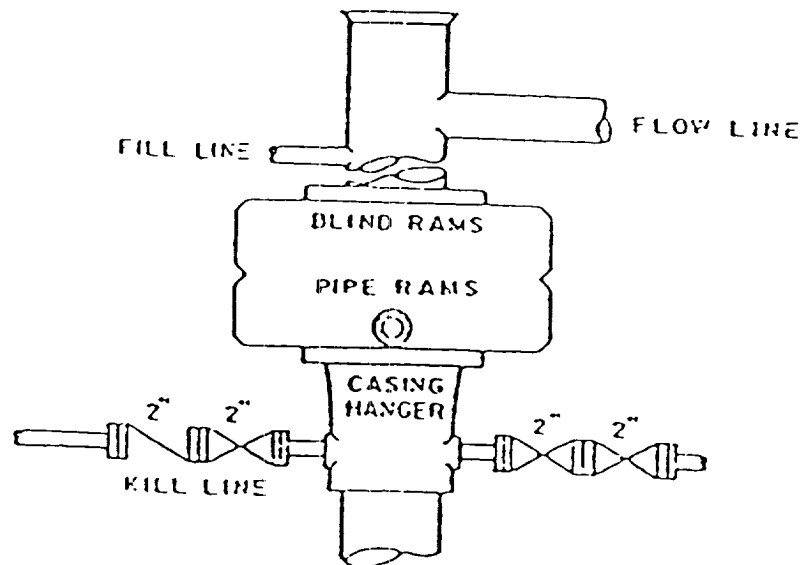
Certificate No **JOHN W. WEST 676**

Ronald J. Eidson 3239

BLOWOUT PREVENTER ARRANGEMENT

THE PETROLEUM CORPORATION
OF DELAWARE

BRUSHY 12 FEDERAL # 5
NE 1/4, SW 1/4, Sec. 12, T-26-S, R-29-E



900 Series

SUPPLEMENTAL DRILLING PLAN
THE PETROLEUM CORPORATION
OF DELAWARE
BRUSHY 12 FEDERAL #5
NE 1/4, SW 1/4, Sec. 12, T-26-S, R-29-E

1. **SURFACE FORMATION:** Unconsolidated Sands of Quaternary Age.
2. **ESTIMATED TOPS OF GEOLOGIC MARKERS** (G.L. Elevation 2969'):

Anhydrite	670'	Delaware Sand	3220'
Salado	770'		
Base Lower Salt	3000'		
Delaware Lime	3190'		
3. **POSSIBLE HYDROCARBON BEARING ZONES:**

Bell Canyon: Oil & Gas
4. **CASING DESIGN:**

<u>Size</u>	<u>Interval</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>
8-5/8"	0 - 675'	24.0#	J-55	STC
4-1/2"	0 - 3500'	10.5#	J-55	STC
5. **PRESSURE CONTROL EQUIPMENT:** Two Ram-Type Preventors. A sketch of BOP arrangement is attached.
6. **CIRCULATING MEDIUM:**

0' - 675'	Fresh water with gel or lime as needed for viscosity.
720' - 3500'	Brine.
7. **AUXILIARY EQUIPMENT:** Drill string safety valve.
8. **TESTING, LOGGING AND CORING PROGRAMS:** No coring or DST's are planned. Electric logs will include a Compensated Neutron Log with Gamma Ray.
9. **ABNORMAL PRESSURES, TEMPERATURES OF GAS:** None anticipated.
10. **ANTICIPATED STARTING DATE:** It is planned that operations will commence as soon as possible. Duration of drilling, completion and testing operations should be two to six weeks.

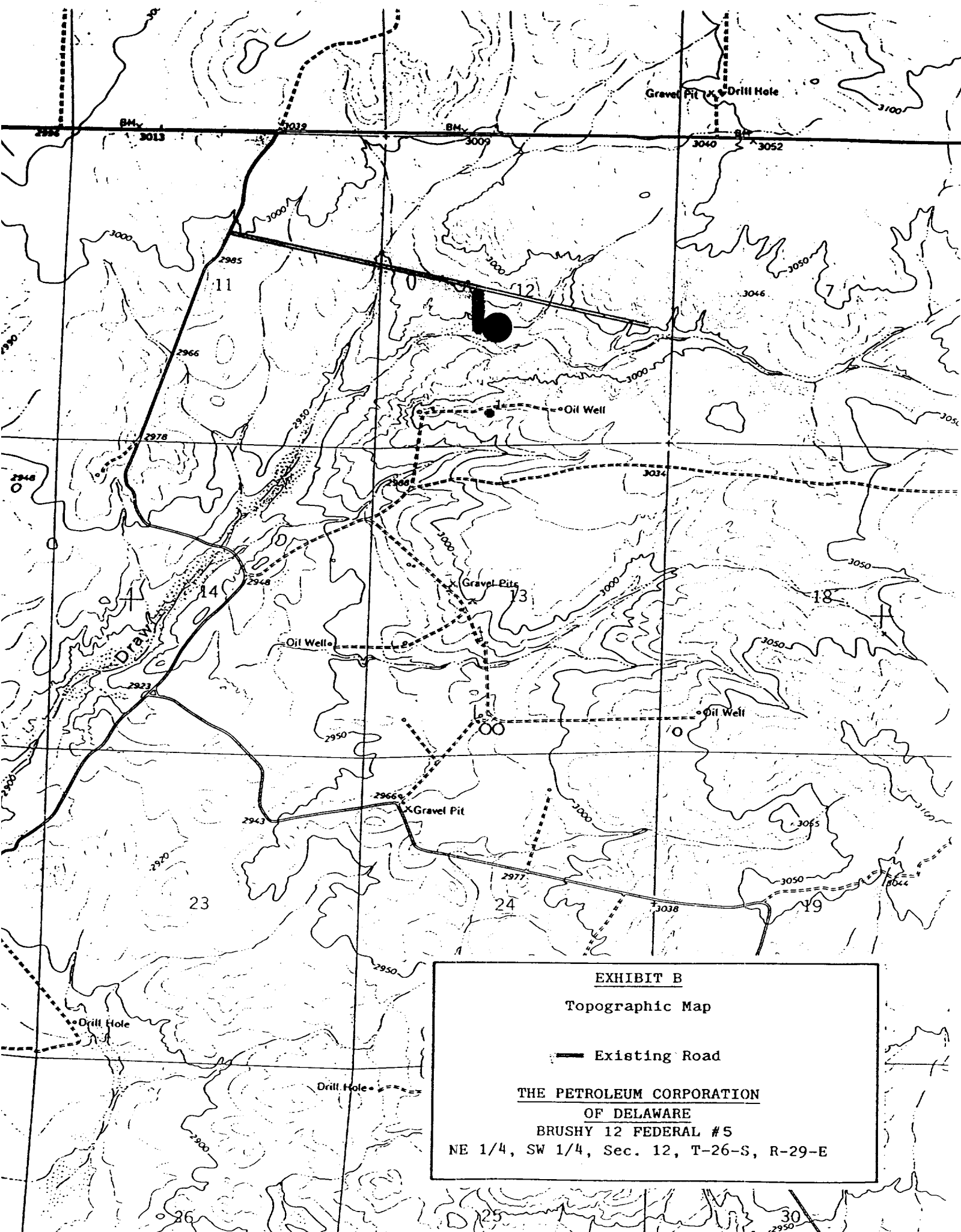


EXHIBIT B

Topographic Map

— Existing Road

THE PETROLEUM CORPORATION
OF DELAWARE

BRUSHY 12 FEDERAL #5

NE 1/4, SW 1/4, Sec. 12, T-26-S, R-29-E

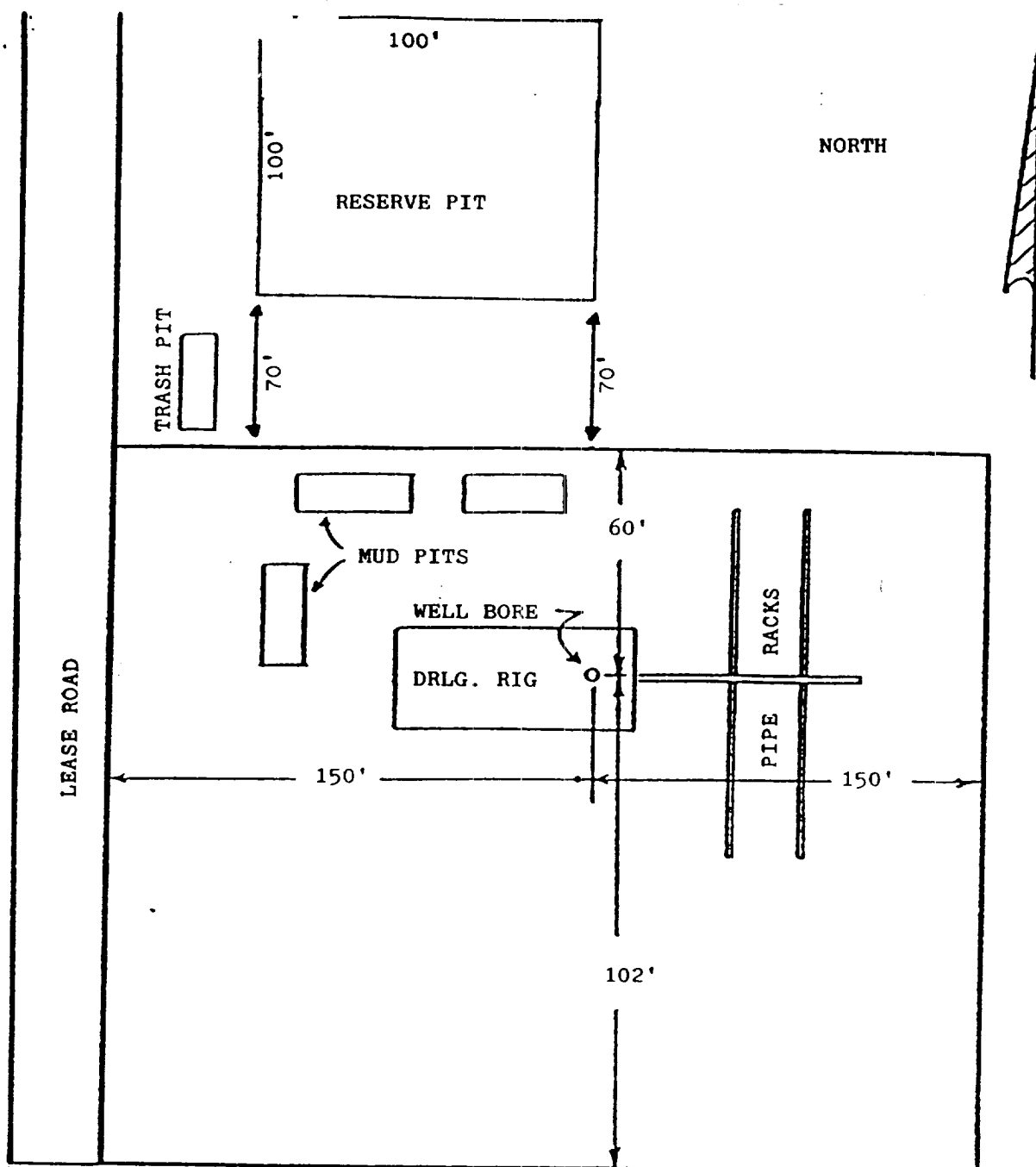


EXHIBIT D

Sketch of Well Pad

THE PETROLEUM CORPORATION
OF DELAWARE

BRUSHY 12 FEDERAL #5
NE 1/4, SW 1/4, Sec. 12, T-26-S, R-29-E