

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

Fred Pool Drilling Company

3. ADDRESS OF OPERATOR

604 North Richardson- Roswell, New Mexico 88201

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

At surface

760' FSL and 660' FWL

At proposed prod. zone
Same

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

Approximately 20 miles southeast of Artesia, New Mexico

15. DISTANCE FROM PROPOSED*

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

18. DISTANCE FROM PROPOSED LOCATION*

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

16. NO. OF ACRES IN LEASE

40

19. PROPOSED DEPTH

3200'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3531' GR

22. APPROX. DATE WORK WILL START*

ASAP

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# J-55	Approx. 365'	Circulate
7-7/8"	5-1/2"	14#	TD	Circulate

We propose to drill and test the Grayburg and intermediate formations. Approximately 365' of surface casing will be set and cement circulated to shut off gravel and savings. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: Fresh water to 365', 10# brine to TD: mud up with salt gel, starch at TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

POST 10#1
NL & API
2-19-88

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

Jim Pierce

TITLE

Agent (Representative)

DATE

12/31/87

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

Scott Adams

TITLE

DATE

2-10-88

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

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

Operator JIM PIERCE		Lease ARCO FEDERAL		Well No. 1
Unit Letter M	Section 34	Township 17 SOUTH	Range 29 EAST	County EDDY

Actual Footage Location of Well:				
760	feet from the	SOUTH	line and	660
				feet from the
				WEST
				line
Ground Level Elev. 3531	Producing Formation Loco Hills Pay	Pool Loco Hills GRAYBURG, DUFEN, S. JAMES	Dedicated Acres: 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 Division.

SEC. 34, T. 17 S., R. 29 E., NMPM

CERTIFICATION

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

Name
PROFESSOR LINDMAN

Position
INDEPENDENT

Company

Date
March 3, 1987

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
DECEMBER 31, 1987

Registered Professional Engineer and/or Land Surveyor
JOHN D. JACQUES

Certificate No. **6290**

660'

760'

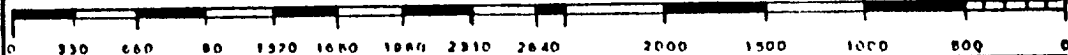
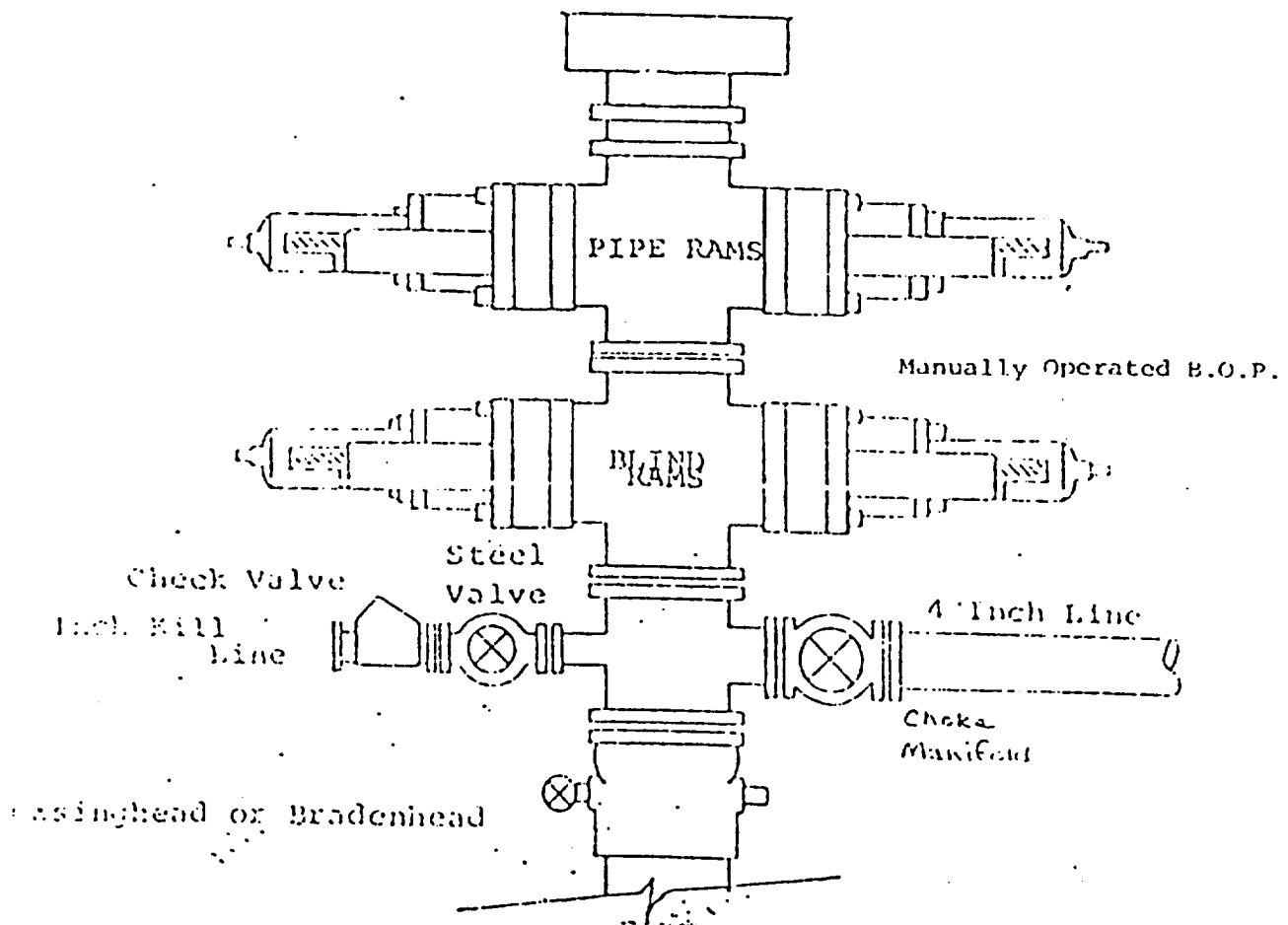


EXHIBIT B
BDP DIAGRAM
RATED 3000[#]



In conjunction with Form 9-331C, Application for Permit to Drill subject well ~~XXXX~~ Petroleum Company submits the following ten items of pertinent information in accordance with BLM requirements

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

Top of Salt	385'
Base of Salt	840'
Seven Rivers	1510'
Queen	2055'
Grayburg	2400'
Loco Hills Pay	2480'
Premier	2785'
San Andres	2950'
TD	3200'

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

Water: 100-300'

Oil or Gas: 2585-2700'

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly Cock: pit level indicators and flow sensor equipment;
sub with full-opening valve on floor drill pipe connection.
8. Testing Logging and Coring Program:

Samples: 10' samples from 1000' to TD
DST's: As warranted
Coring: None
Logging: Sidewall Neutron Log Dual Laterolog from TD to 2000' with Gamma Ray to surface
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

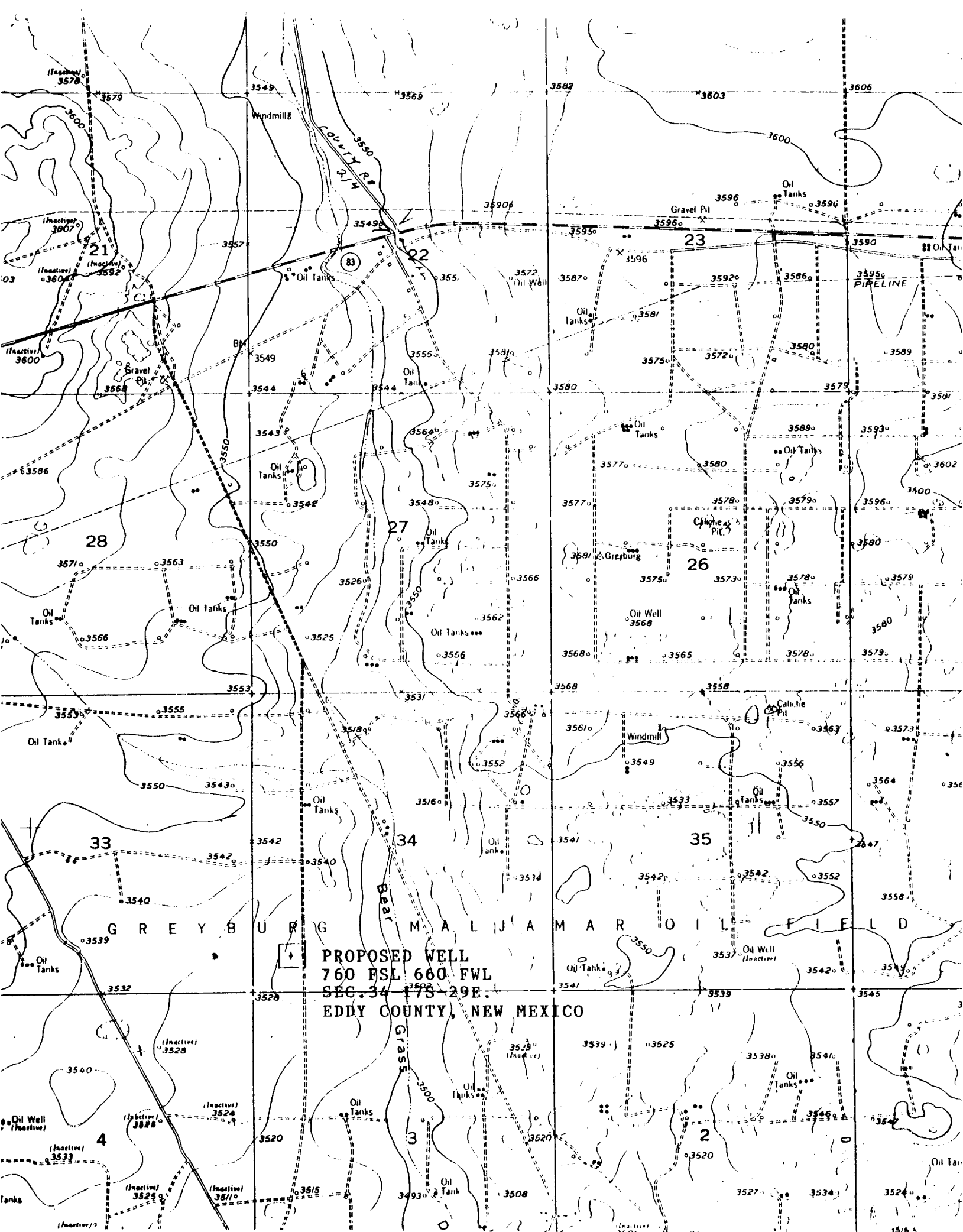


EXHIBIT C

