

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. LC NM-029387-D		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR Siete Oil & Gas Corporation			7. UNIT AGREEMENT NAME		
3. ADDRESS OF OPERATOR P.O. Box 2523, Roswell, NM 88202-2523			8. FARM OR LEASE NAME Pueblo Federal		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1650' FSL & 660' FWL, NW/4 SW/4, Unit Letter 1			9. WELL NO. 2		
At proposed prod. zone			10. FIELD AND POOL, OR WILDCAT Wildcat - Bone Spring		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 7 1/2 air miles Southeast of Loco Hills, New Mexico			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 19: T18S, R31E		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 660'			12. COUNTY OR PARISH Eddy		
16. NO. OF ACRES IN LEASE 301.30			13. STATE NM		
17. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 170'			14. NO. OF ACRES ASSIGNED TO THIS WELL 40		
18. PROPOSED DEPTH 9200'			15. ROTARY OR CABLE TOOLS Rotary		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3630' 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
17 1/2"	13 3/8"	54.0#	500'	500 sks. circ.
12 1/2"	8 5/8"	24.0#	2200'	1200 sks. circ.
7 7/8"	5 1/2"	17.0#	9200'	1500 sks.

Selectively perforate and treat pay zones.

Attachments:

Survey plat (C-102)
Supplemental drilling data
Surface use plan

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 [Signature] TITLE V.P. Drilling/Production DATE July 27, 1988
(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE
APPROVED BY TITLE DATE 8-16-88
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.

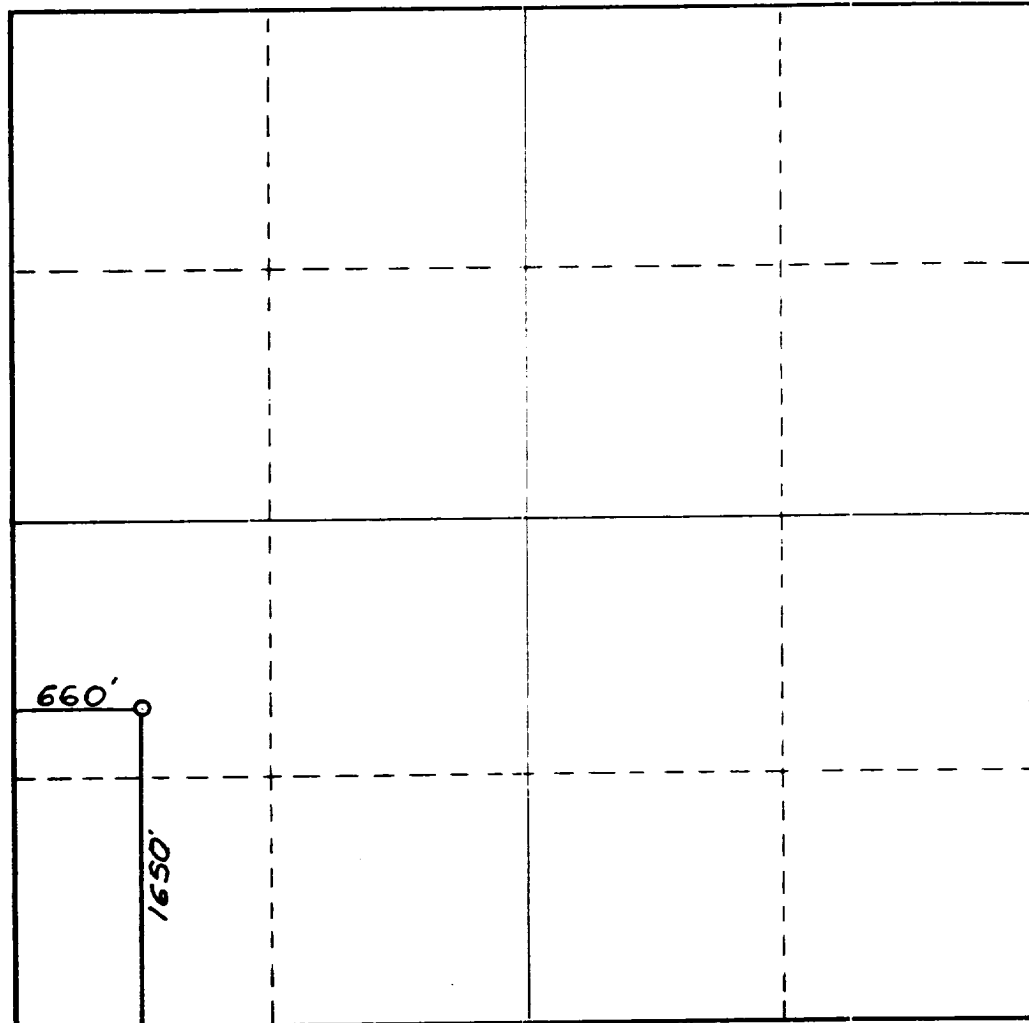
Operator SIETE OIL & GAS CORPORATION			Lease Pueblo Federal		Well No. 2
Unit Letter L	Section 19	Township 18 South	Range 31 East	County Eddy County, N.M.	
Actual Footage Location of Well:					
1650 feet from the South line and		660 feet from the West line			
Ground Level Elev. 3630.	Producing Formation Bone Spring	Pool Wildcat		Dedicated Acreage: 40 35.09 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

Harold D. Justice

Position

V.P. Drilling & Production

Company

Siete Oil & Gas Corporation

Date

July 27, 1988

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 are true and correct to the best of my knowledge and belief.

Date Surveyed

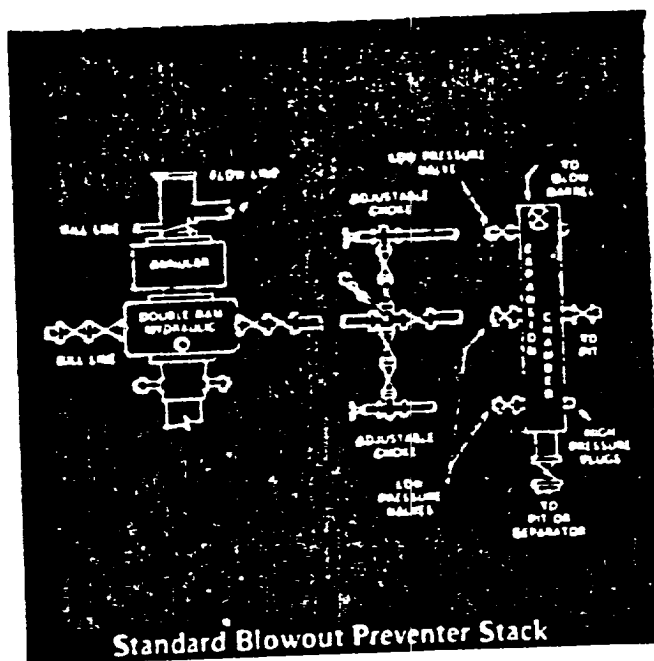
July 14, 1988

Registered Professional Engineer
and/or Land Surveyor

Dan R. Reddy

Certificate No.

NM FE&LS NO. 5412



One hydraulic double 10" X 900 series.
 One Hydril 10" X 900 series.
 Choke manifold 4" X 900 series flanged
 connections. 4 valve accumulator closing
 unit.

SUPPLEMENTAL DRILLING DATA
SIETE OIL AND GAS CORPORATION
PUEBLO FEDERAL NO. 2
1650' FSL & 660' FWL
Section 19: T18S, R31E
Eddy County, New Mexico
Lease Number - NM-029387

The following items supplement "Onshore Oil and Gas Order No. 1":

1. The geologic surface is quaternary.
2. The estimated geological marker tops:

Rustler	550'
B/Salt	1900'
Queen	3100'
Del. Sand	4600'
Bone S. Lime	5700'

3. Estimated depths to water, oil or gas:

Water: Approximately 350'
Oil or Gas: 8000'

4. Proposed casing program:

<u>Size</u>	<u>Interval</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>	<u>New or Used</u>
13 3/8"	0 - 500'	54.5#	J-55	ST&C	New
8 5/8"	0 - 2200'	24 & 32#	J-55	ST&C	New
5 1/2"	0 - T.D.'	15.5#	J-55	ST&C	New

5. Pressure Control Equipment: The blowout preventer will be a double ram type preventer. A sketch is attached.

6. Mud Program:

0-500': Native mud adding gel and lime for sufficient viscosity to insure clean hole for running casing.

500' - 2200': Drill out with native becoming brine.

2200' - T.D.: Drill out of intermediate with brine add starch and salt gel to maintain a viscosity of 30; mud weight 9.8 - 10.0, @ T.D. 40.0.

7. Auxiliary Equipment: A kelly cock will be installed on the rig floor while drilling operations are in progress.

8. Testing, Logging and Coring Programs: Possible drill stem tests and/or coring is not planned.

Logging: Compensated Neutron - Formation Density - Gamma Ray - Caliper Dual Laterolog - RXO.

9. No abnormal pressures or temperature zones are anticipated.

10. Anticipated starting date: Commence drilling operations ASAP.

HACKBERRY LAKE (
NEW MEXICO-E
7.5 MINUTE SERIES (T

