

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

Corinne B. Grace

3. ADDRESS OF OPERATOR

P. O. Box 1418, Carlsbad, NM 88220

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

At surface

660' FSL & 660' FEL

At proposed prod. zone

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

21 Miles Southeast of Malaga, NM

10. 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.

1320'

16. NO. OF ACRES IN LEASE

1000

19. PROPOSED DEPTH

7060

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3131' GR

22. APPROX. DATE WORK WILL START*

December 5, 1988

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	54.50	915	800 sx circulate
12 1/2	8 5/8	24-32	3530	950 sx circulate
7 7/8	5 1/2	17	7060	850 sx

Exhibits Attached:

- A. Drilling Fluid Program
- B. BOP Program
- C. Drilling Equipment Inventory
- D. Multi-Point Surface Use and Operational Plan
- E. Ten Point Compliance Program
- F. Acreage Dedication Plat
- G. Location Plat
- H. Topographical Map
- I. Archeological Survey Report

Post ID-1
NL & API
12-15-88

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

Long Chandler

TITLE Agent

DATE

11-4-88

(This space for Federal or State office use)

PERMIT NO.

Orig. signed by Richard L. Manus

APPROVAL DATE
AREA MANAGER

CARLSBAD RESOURCE AREA

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:
APPROVAL SUBJECT TO

TITLE

DATE

12-6-88

GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

ATTACHED

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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 plots, 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.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-79

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

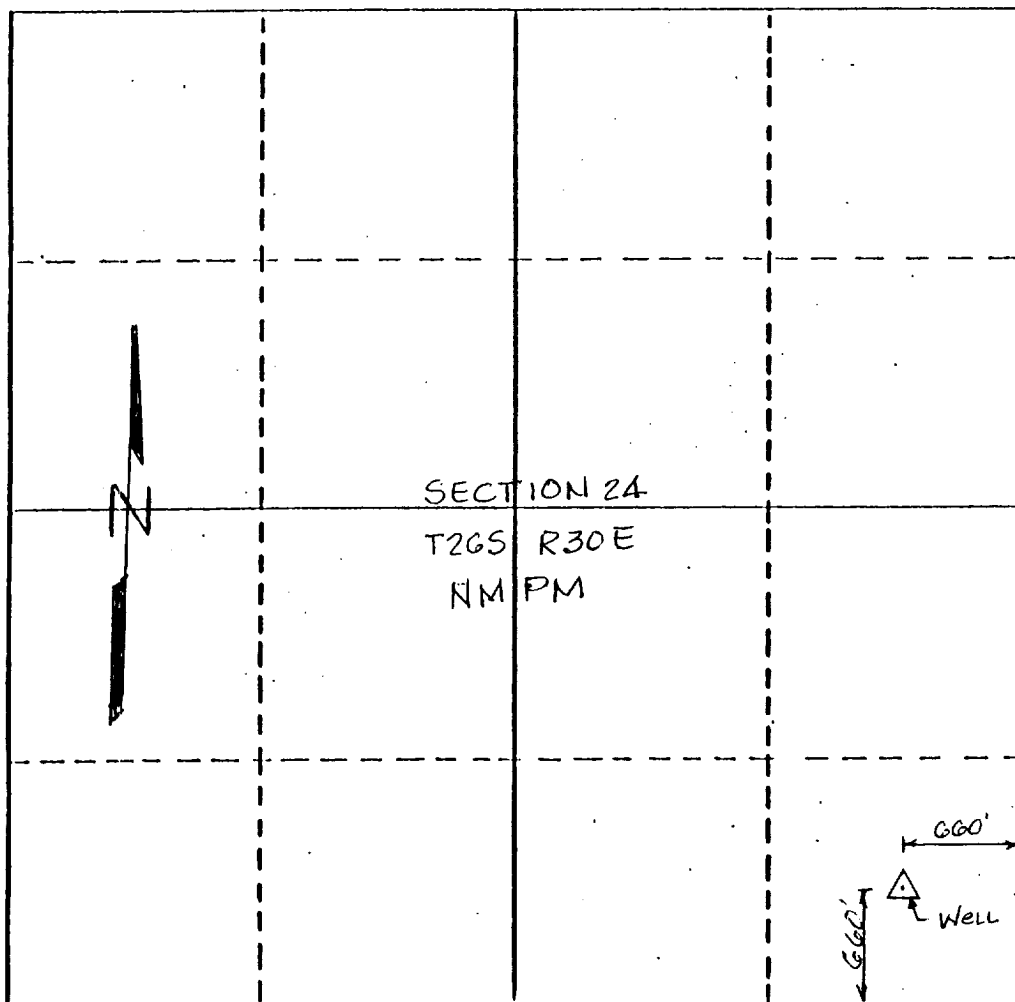
Operator Corinne B. Grace		Lease Ginger Federal		Well No. 4
Unit Letter P	Section 24	Township 26S	Range 30E	County Eddy
Actual Postage Location of Well: 660 feet from the FSL line and 660 feet from the FEL line				
Ground Level Elev. 3131	Producing Formation Delaware	Pool East Ross Draw DELAWARE	Dedicated Acreage: 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.



CERTIFICATION

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

Doug Chandler

Name
Doug Chandler

Position
Agent

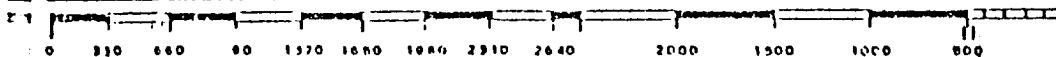
Company
Corinne B. Grace

Date
11-4-88

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.

ADD P. WAGNER
NEW MEXICO
19247
Registered Professional Engineer
and/or Land Surveyor

Certificate No.



BOP 5000 PSI

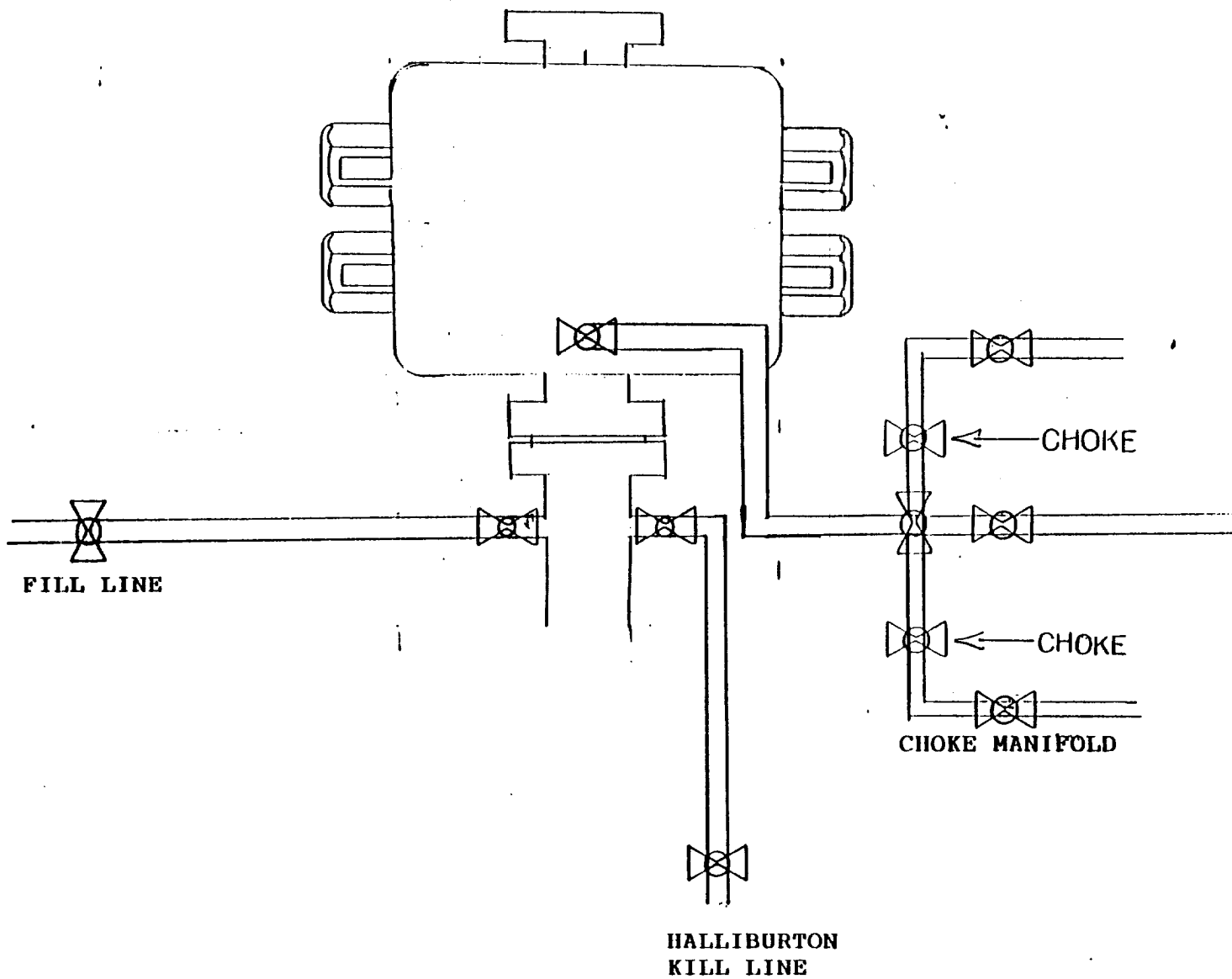


EXHIBIT "E"

Application for Drilling Permit

CORINNE GRACE
Ginger Federal #4
660' FSL, 660' FEL, Section 24,
T-26S, R-30E, NMPM Eddy County, NM

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Corinne Grace submits the following ten items of pertinent information in accordance with U.S. Bureau of Land Management requirements.

I. Geological Surface Information:

The geological surface formation is Tertiary-Sand, Red Shale, Caliche.

II. Estimated Tops of Important Geological Markers:

A. Rustler:	1150
B. Salado:	1550
C. Castile:	2870
D. Delaware LS:	3696
E. Bell Canyon:	3738
F. Cherry Canyon:	4505
G. Williamson SS:	5795
H. Brushy Canyon:	6110

III. Estimated Depths of Anticipated Water, Oil, Gas or Minerals:

Fresh Water:	150'-250'
Oil or Gas:	Delaware Formation: 5800'

IV. Proposed Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>Section Length</u>	<u>Size(OD)</u>	<u>Weight & Joint</u>	<u>Grade</u>	<u>New or Used</u>
17 1/2	0-915'	915'	13 3/8	54.50# J-55	ST&C	New
12 1/4	915'-3530'	3530'	8 5/8	32-24# J-55	ST&C	New
7 7/8	3530'-7060'	7060'	5 1/2	15.50#	ST&C	New

- V. Pressure Control Equipment: See Exhibit B
- VI. Drilling Fluids Program: See Exhibit A
- VII. Auxillary Equipment Program: See Exhibit C
- VIII. Testing, Logging and Coring Program:
Drill Stem Test: Delaware (if justified)
Log: Correlation log from PBTD to approximately 3700'.
- IX. Pressures or Temperatures Anticipated:
No abnormal pressures or temperatures are anticipated.
- X. Anticipated Starting Date: December 5, 1988

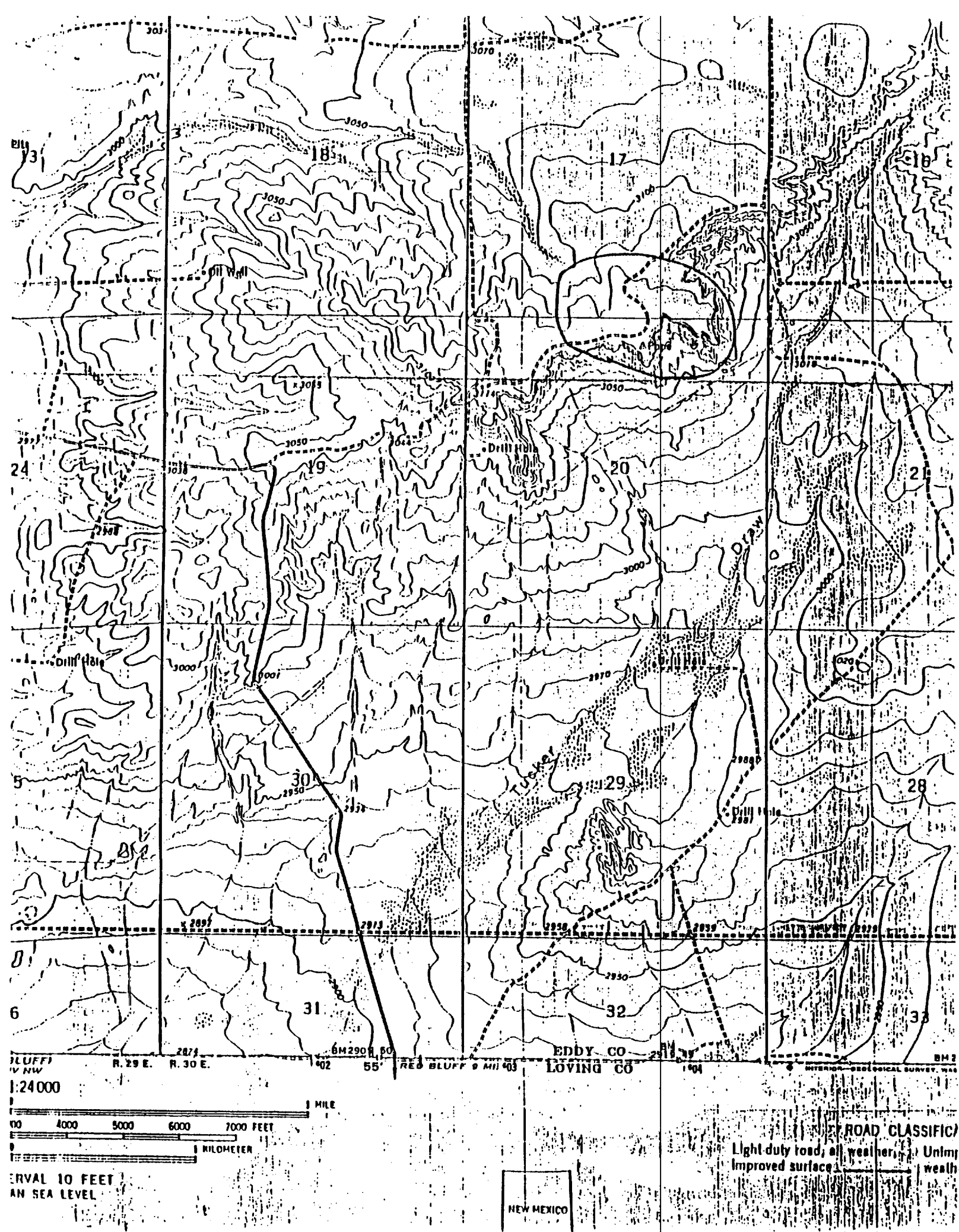


EXHIBIT "G"

