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At surface	WELL (Report loca	tion clearly and in ac	cordance with any	State ACL	FIVED		POOL, OR WILDCAT
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At proposed	Same			A PR	18 '90	AND BURYE	
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.2 1/4"	8 5/8"	24# & 32#	J-55		Brd	1150'	500 sxs circ
7 7/8"	5 1/2"	20# & 17#	J-55 & N		Brd	3200' 7500'	1000 sxs circ 1500 sxs
ttachment	s:	and treat pa	y zones.	Ma	Post ID 4-20-9 un-hoc +	-1 70 HPI	REOF
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ABOVE SPACE DE c. If proposal venter program.	+h. Pr	tor and		1			
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*See Instructions On Reverse Side

MEXICO OIL CONSERVATION COMMI 4 WELL LOCATION AND ACREAGE DEDICATION PLAT

		All distances must be from			
operator		L	ease		Well No.
	IL & GAS COR		OSAGE FEDER	T	18
'Init Letter	Section	Township	Range	County	
D	34	19 South	29 East	Eddy C	ounty, N.M.
Actual Footage Loc	,	T = set la	000	. mm the West	
330 Ground Level Elev.	Producing For	North line and	<u>990 tee</u>	t from the WESL	Dedicated Acreage;
·		1	Parkwa		10
3294.		Spring			- +
1. Outline th	e acreage dedica	ited to the subject well	by colored pencil o	r hachure marks on	the plat below.
interest ar	nd royalty).			·	o thereof (both as to working of all owners been consoli-
	ommunitization,	nitization, force-pooling	. etc?		
		owners and tract descrip	otions which have ac	tually been consol	idated. (Use reverse side of
	f necessary.)				
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•	ling, or otherwise) or until a non-standard 1	init, eliminating suc	h interests, has be	en approved by the Commis-
sion.					
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One hydraulic double 10" I 900 series. One Hydril 10" I 900 series. Choke manifold 4" I 900 series flanged connections. 4 valve accumulator closing unit.

SUPPLEMENTAL DRILLING DATA					
SIETE OIL AND GAS CORPORATION					
OSAGE FEDERAL #18					
330' FNL & 990' FWL					
Section 34: T19S, R29E					
Eddy County, New Mexico					
Lease Number: NM-24160					

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

1. The geologic surface is quaternary.

2. The estimated geological marker tops:

B/Salt	920'
Queen	2485'
Del. Sand	3375'
T/Bone Spring	5635'

3. Estimated depths to water, oil or gas:

Water: Approximately 220' Oil or Gas: 8000' 5000' (ans)

4. Proposed casing program:

Size	Interval	Weight	Grade	<u>Joint</u>	New or Used
20	0 - 350'	94#	J-55	LT&C	New
13 3/8	0 - 1150'	54#	J-55	LT&C	New
8 5/8	0 - 3200'	24# & 32#	J- 55	LT&C	New
5 1/2	0 - T.D.	17# J	-55 & N-8	0 LT&C	New

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

6. Mud Program: 0-350':	Native mud adding gel and lime for sufficient viscosity to insure clean hole for running casing.
350'-3200':	Cut Brine.
3200'-T.D.:	Drill out with native becoming brine, add starch and salt gel to maintain a viscosity of 30, @ T.D. 40; mud weight 9.3#.

- 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.

SURFACE USE PLAN

FOR

DRILLING, COMPLETING AND PRODUCING

SIETE OIL AND GAS CORPORATION Osage Federal No. 18 330' FNL & 990' FWL Section 34: T19S, R29E Eddy County, New Mexico Lease Number: NM-24160

LOCATED:

17 miles Northeast of Carlsbad, New Mexico

FEDERAL LEASE NUMBER: NM-24160

LEASE ISSUED: February 1, 1975

RECORD LESSEE: Conoco, Inc.

BOND COVERAGE: \$25,000 Bond of Siete Oil and Gas Operator

ACRES IN LEASE:

SURFACE OWNERSHIP: Federal

<u>GRAZING PERMITTEE</u>: Snyder Ranches C/O Larry Squires P.O. Box 726 Lovington, NM 88260 Telephone: 393-7544

1320

POOL:

EXHIBITS:

- A. Area Road MapB. Topographic Map Showing Access Route
- C. Lease Map Showing Well Tests
- D. Sketch of Well Pad

Parkway Bone Spring

ROAD LOG TO PROPOSED DRILLSITE

Starting point being Pecos River Bridge - Carlsbad, New Mexico on Highway 62-180:

- 0.00 Proceed East Northeast on Highway 62-180 for 13.5 miles.
- 13.50 Turn North (4/10 mile past mile marker 40) on County Road 238 and proceed North for 2.1 miles (end of County Road North).
- 15.60 Proceed North off County Road (Conoco Tuesday Federal sign) and go 4.0 miles (.3 mile North of Osage Federal No. 8).
- 19.60 Turn West and go .25 miles.
- 19.85 Turn North .10 mile.
- 19.95 Location.

- 1. EXISTING ROADS:
 - A. Existing roads, which lead to the proposed drillsite, are shown on Exhibits "A" & "B".
- 2. PROPOSED NEW ROAD:
 - A. The new access will be approximately 14' wide and will be .20 mile entering the location from the Southeast corner.
 - B. Surfacing Materials: Caliche
 - C. Maximum Grade: Less than 1%
 - D. Turnouts: None required
 - E. Drainage Design: None required
 - F. Culverts: None required
 - G. Cuts and Fills: Less than 3'
 - H. Gates, Cattleguards: None required
- 3. LOCATION OF EXISTING WELLS:

A. Existing wells are shown on Exhibit "C".

- 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:
 - A. If the well is productive, we will lay a 2" or 3" polypipe flowline parallel with the access road to tank battery on the Osage Federal No. 8 (SW4NE4).
- 5. LOCATION AND TYPE OF WATER SUPPLY:
 - A. A water supply well is not planned. Water will be purchased and hauled to the well site over existing and proposed roads.
- 6. SOURCE OF CONSTRUCTION MATERIALS
 - A. Construction material will be obtained from an existing federal pit in the SW1/2NE1/2 of Section 3: T2OS, R29E.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during tests will be disposed of in the drilling pits.
- D. Oil produced during tests will be produced into temporary test tanks.

E. Trash, waste paper, garbage and junk will be buried in a trash pit and covered with a minimum of 24" of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "D".

8. ANCILLARY FACILITIES:

A. If the well is found to be productive, a powerline will be built from the Osage Federal No. 8 (SW¹/₂NE¹/₂) following lease road R/W to location.

9. WELLSITE LAYOUT:

- A. The drill site has been surveyed, staked and flagged.
- B. The dimensions and relative location of the drill pad, mud pits and the trash pits with respect to the wellbore are shown on Exhibit "D".
- C. The wellsite is nearly level and will not require any cut or fill. The drill pad will be surfaced with caliche.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed. Pits will be filled and the location cleansed of all trash and junk to leave the wellsite in an aesthetically pleasing condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment, all equipment, trash and junk will be removed and the location cleaned. Any special rehabilitation and/or special revegetation requirements of the surface management agency will be complied with and accomplished as expeditiously as posssible.

11. OTHER INFORMATION:

- A. Topography: The Surface is relatively flat. Drainage to the Northwest.
- B. Soil: Kermit Berino fine sands.
- C. <u>Flora and Fauna</u>: Vicinity surrounding the drillsite is semi-arid desert rangeland. Vegetation is thinly scattered with desert shrubs interspersed with a small amount of native grasses. No wildlife was observed, rodents, coyotes, dove or quail.
- D. Ponds and Streams: None
- E. Residences and other Structures: None in the immediate area.
- F. <u>Archaeological</u>, <u>Historical and Other Cultural Sites</u>: None were observed in this area. The pad area was archaeologized on March 23, 1990.
- G. Land Use: Grazing and occasional hunting.

12. OPERATOR'S REPRESENTATIVE:

Representative responsible for assuring compliance with the approved Surface Use Plan:

Harold D. Justice Petroleum Building, Suite 200 200 West First Roswell, New Mexico 88202 Office: 622-2202 Home: 625-0072

13. CERTIFICATION:

I hereby certify that I, or persons under my supervision have inspected the proposed drillsite and access road; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and that the work associated with operations proposed herein will be performed by SIETE OIL AND GAS CORPORATION, and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

SIETE OIL AND GAS CORPORATION

Date: <//2/40

istic: Cas BY: <u>TYCO CIA</u> () Harold D. Justice

V.P. Drilling & Production



EXHIBIT "D" Siete Oil & Gas Corporation





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