

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEX ☒

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Southwest Royalties, Inc.

3. ADDRESS AND TELEPHONE NO.

407 N. Big Spring

P.O. Box 11390m Midland, TX 79702

(915) 686-9927

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

At surface 1980' FNL & 330' FWL Sec 1 T26S R29E

At proposed prod. zone Same

5. LEASE DESIGNATION AND SERIAL NO.

NM 77023

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

China Grove Federal #2

9. API WELL NO.

30-015-27876

10. FIELD AND POOL, OR WILDCAT

North Brushy Draw, DEWARRE

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec 1 T26S R29E 8085

12. COUNTY OR PARISH

Eddy

13. STATE

New Mexico

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

12 miles S.E. of Malaga, New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

330'

16. NO. OF ACRES IN LEASE

320'

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

1320'

19. PROPOSED DEPTH

7200-6000'

20. ROTARY OR CABLE TOOLS

Rotary

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

G.L. 3046.8

22. APPROX. DATE WORK WILL START

02/01/94

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	J-55 ST&C 13-3/8	54.5#	600'	750 sx circulate to surface
11"	J-55 ST&C 8-5/8	24# & 32#	3150'	1000 sx circulate to surface
7-7/8"	K-55 ST&C 5-1/2	15.5# & 17#	6000'	1st stage 300 sx 2nd stage 450 sx [TIE BACK] DV 4500'

- Set 40' of 20" conductor and cement to surface.
- Drill 17-1/2" hole to 600', run used inspected 13-3/8" J-55 ST&C 54.5# casing. Cement with 750 sx cement + 2% CaCl + 1/4# flocele. Circulate cement to surface.
- Drill 11" hole to 3150', run used inspected 8-5/8" J-55 ST&C 24# and 32# casing. Cement with 1000 sx 65/35 Poz 1/4# flocele/sx, finish with 200 sx Class "H" with 1/4# flocele/sx. Circulate cement to surface.
- Drill 7-7/8" hole to 6000', log open hole, run new 5-1/2" K-55 ST&C 15.5# and 17# casing. Place DV tool at 4500', cement 1st stage with 300 sx 50/50 Poz + 6# salt/sx. Cement 2nd stage with 450 sx 50/50 Poz + 6# salt/sx. Tie into intermediate at 2850'. Run Temp Survey to verify.
- 13-3/8" casing and 8-5/8" casing may be used (Drilled and tested per API specs).

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

SIGNED

Joe T. Jauica

TITLE

AGENT

DATE

12-1-93

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

Timothy P. O'Brien

TITLE

(acting)
AREA MANAGER

DATE

FEB 22 1994

*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.