

Form 3160-3
(July 1992)

ARTESIA, NM 88210-2834

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

DEC 05 1996

3. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
BONE ☒

MULTIPLE
BONE ☐

2. NAME OF OPERATOR

SOUTHWEST ROYALTIES INC.

(Nelson Patton)

21355

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 11390 MIDLAND, TEXAS 79702 Ph. 915-686-0027

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

At surface

890' FNL & 1650' FEL of Sec. 21 T17S R30E Eddy Co. NM

At proposed prod. zone

Same

Unit B

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

.75 miles Northeast of Loco Hills New Mexico

15. DISTANCE FROM PROPOSED*

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

750'

16. NO. OF ACRES IN LEASE

80

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.

890'

19. PROPOSED DEPTH

5000'

20. ROTARY OR CABLE TOOL

Rotary

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

3669'

22. APPROX. DATE WORK WILL START*

As soon as approved

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	20" Conductor	NA	40'	Cement to surface/Redi-Mix
12 1/4"	J-55 8 5/8"	24	550'	225 Sx. circulate to surface
7 7/8"	J-55 5 1/2"	15.5	5000'	500 Sx. T.C. 600' of upper pay

1. Drill 26" hole to 40'. Set 40' of 20" conductor and cement to surface with Redi-Mix.
2. Drill 12 1/4" hloe to 550'. Run and set 550' of J-55 8 5/8" 24# ST&C casing. Cement with 225 Sx. Class "C" + 2% CaCl + 1/2# Flocele/ Sx. Circulate cement to surface.
3. Drill 7 7/8" hole to 5000'. Run and set 5000' of J-55 5 1/2" 15.5# ST&C casing. Cement with 500 Sx. Class "C" cement + 2% Gel + 5# Salt/Sx. + 10# Microbond/Sx. + .4% LAP-1. Top of cement to be 600' above upper most Hydrocarbon bearing zone.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL REGULATIONS

Posted ID-#
NL & API
12-12-96

RECEIVED

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.

24.

SIGNED

Det James

TITLE Agent

DATE 11/01/96

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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

FORBES SCOTT

FERGUSON

TITLE

ADM. MINERALS

DATE

12.4.96

*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 statement or document.

DISTRICT I
P.O. Box 1380, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer 55, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29287	Pool Code 28509	Grayburg Jackson Pool Name Queen, Grayburg, San Andres
Property Code	Property Name MONTYRE G FEDERAL	Well Number 3
OGRID No. 021355	Operator Name SOUTHWEST ROYALTIES INC.	Elevation 3669

Surface Location

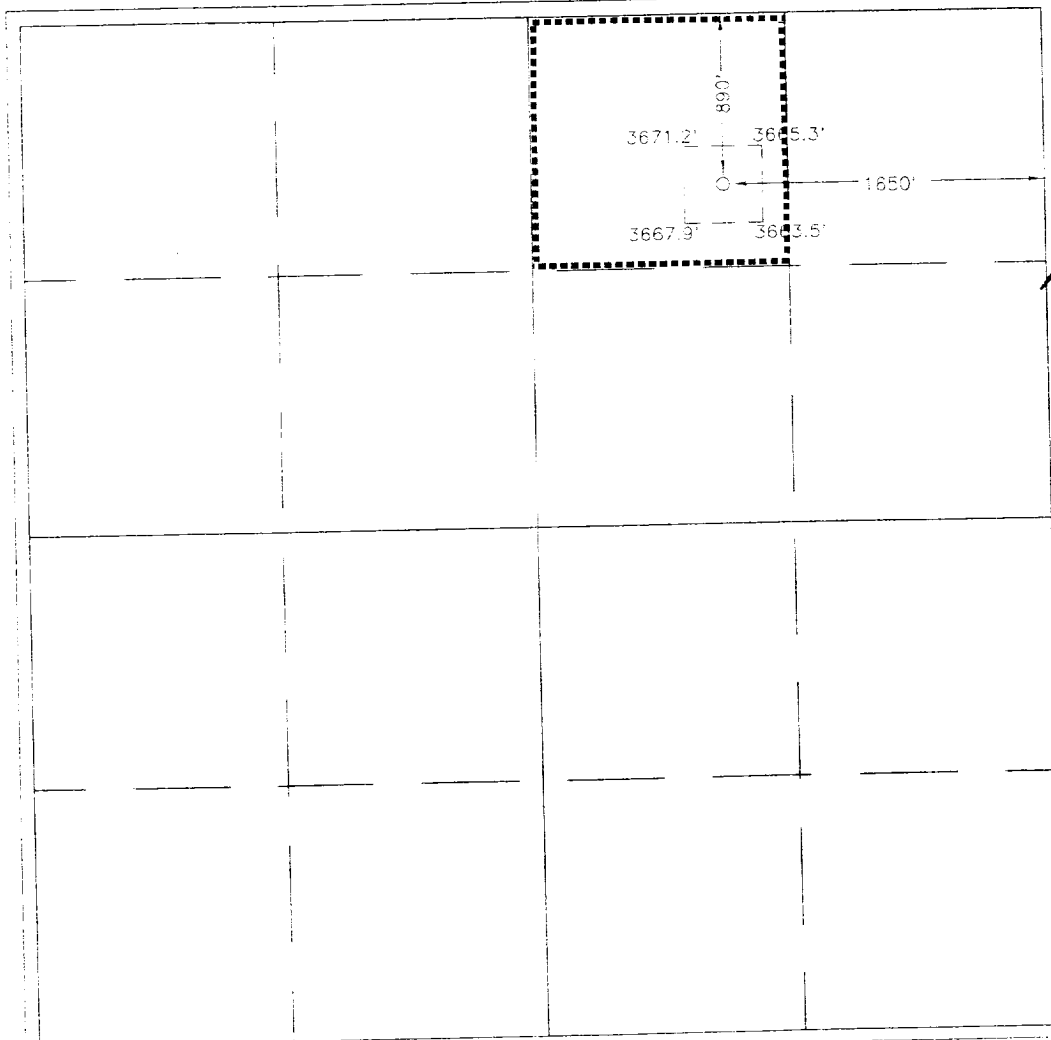
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
8	21	17 S	30 E		890	NORTH	1650	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Joe T. Janica
Signature

Joe T. Janica
Printed Name

Agent
Title

11/01/96
Date

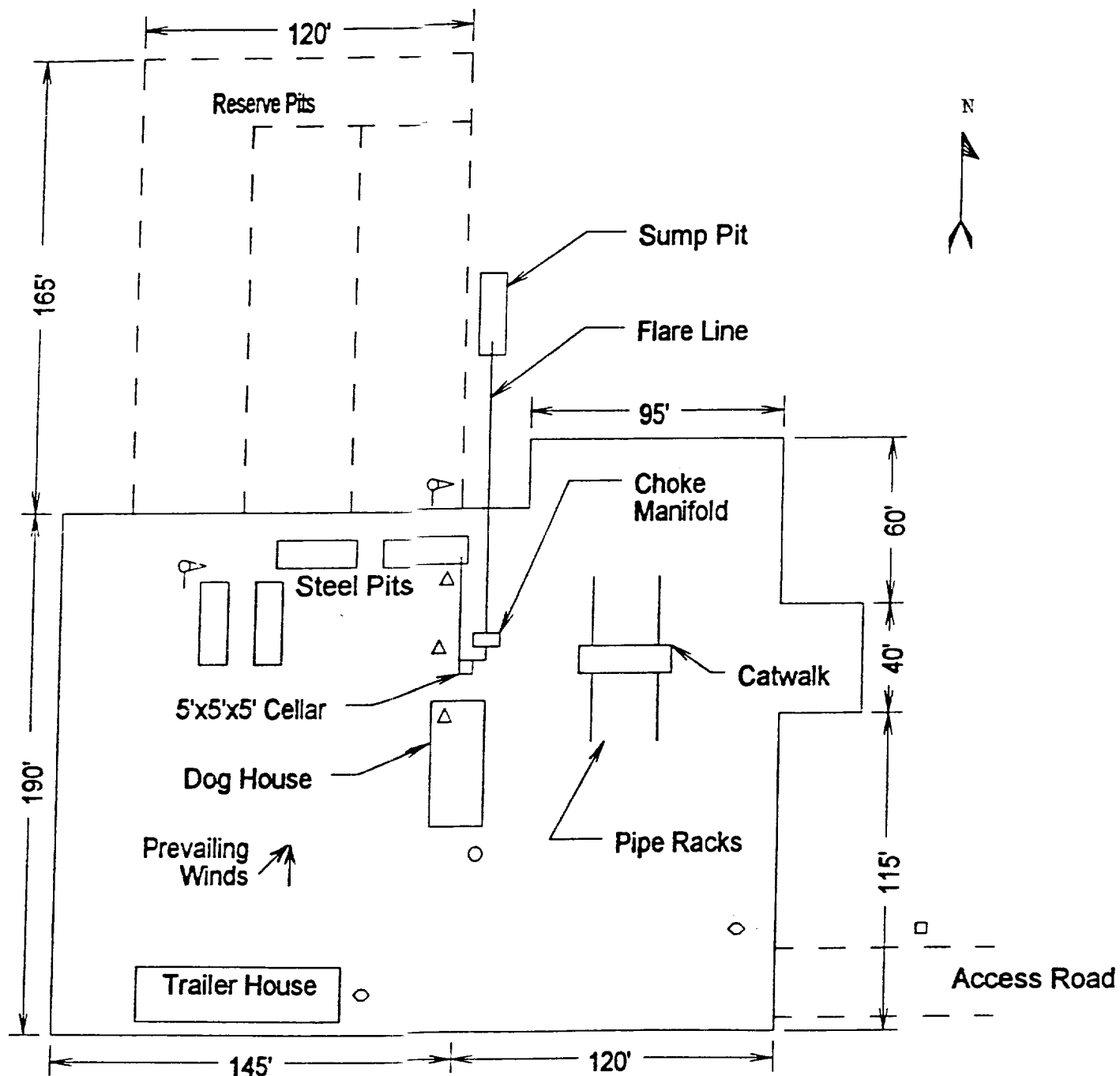
SURVEYOR CERTIFICATION

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 belief.

OCTOBER 17, 1996

Date Surveyed
Signature & Seal of Professional Surveyor
DMCC

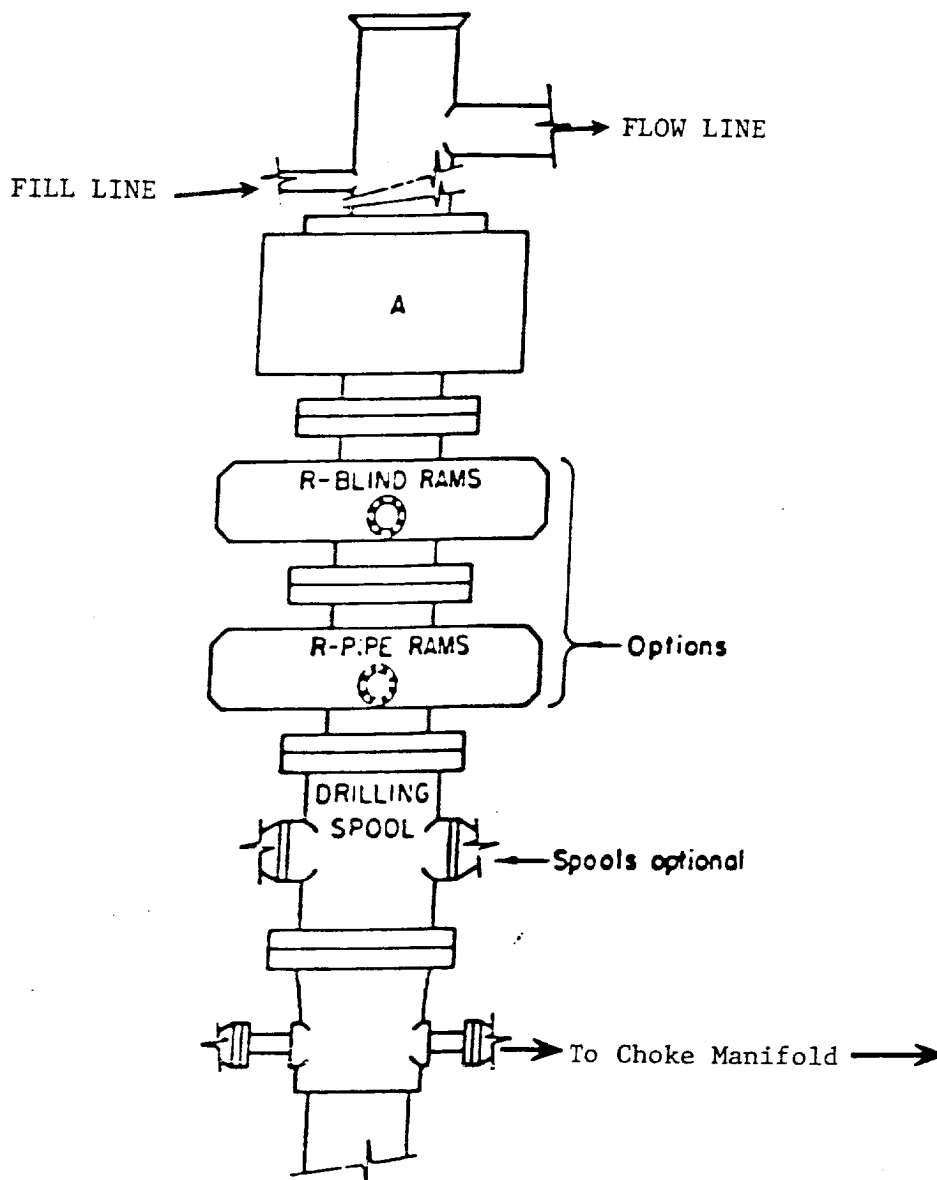
Ronald Eidsen
RONALD EIDSON
10-17-96
12641



- ⊙ Wind Direction Indicators
(wind sock or streamers)
- △ H2S Monitors
(alarms at bell nipple and shale shaker)
- Briefing Areas
- Remote BOP Closing Unit
- Sign and Condition Flags

EXHIBIT "D"
RIG LAYOUT PLAT

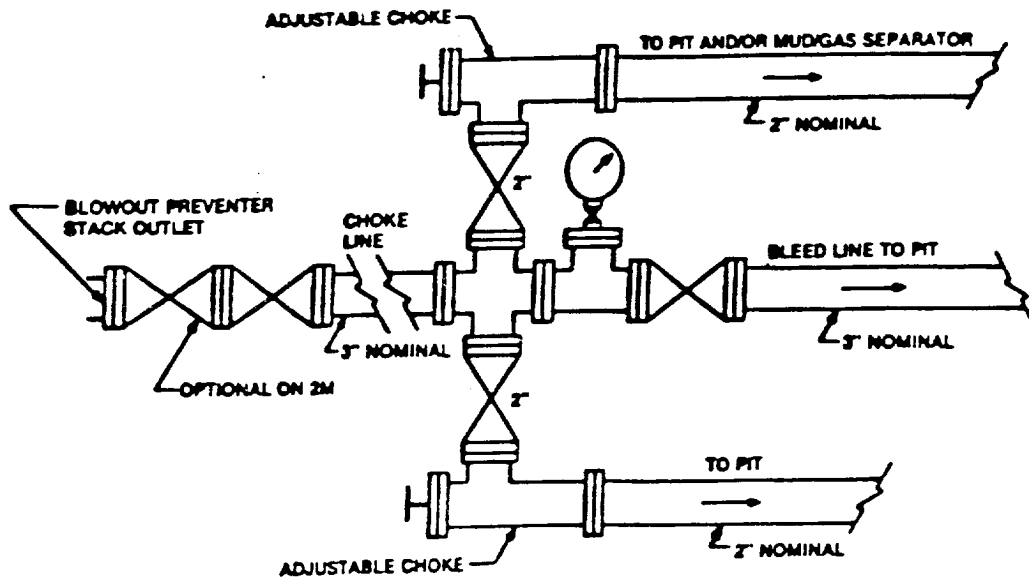
SOUTHWEST ROYALTIES INC.
MCINTYRE "G" FEDERAL #3
890' FNL & 1650' FEL SEC. 21
T17S-R30E EDDY CO. NM



ARRANGEMENT SRRA

900 Series
3000 PSI WP

EXHIBIT "E"
B.O.P. SKETCH TO BE USED ON
SOUTHWEST ROYALTIES INC.
MCINTYRE "G" FEDERAL #3
890' FNL & 1650' FEL SEC. 23
T17S-R30E EDDY CO.NM



Typical choke manifold assembly for 3M WP system

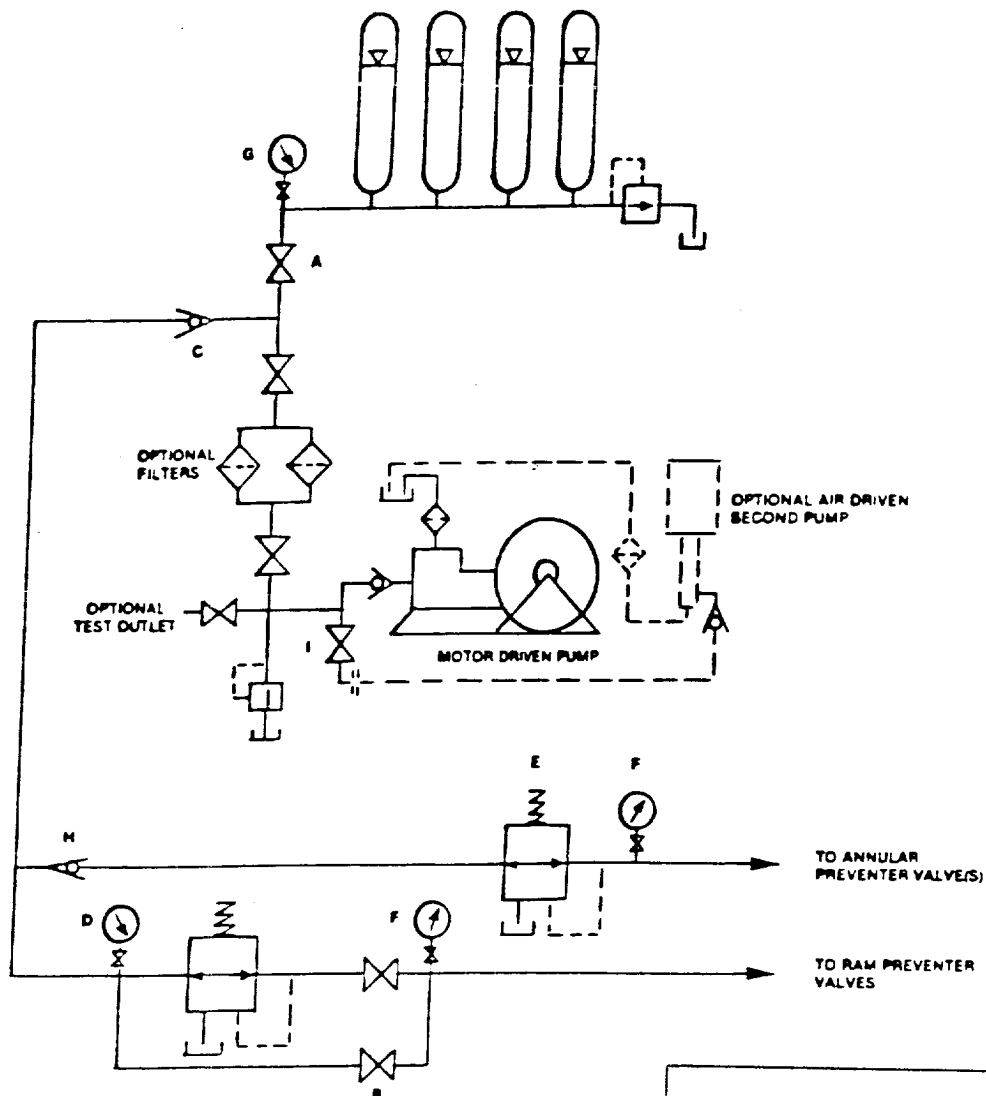


EXHIBIT "1-E"
CHOKE MANIFOLD & CLOSING UNIT

SOUTHWEST ROYALTIES INC.
MCINTYRE "G" FEDERAL #3
890' FNL & 1650' FEL SEC. 2
T17S-R30E EDDY CO.