

(July 1994)

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
New Mexico Oil Cons. Division  
8116 1ST.  
ARTESIA, NM 88210-3634

Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

E.G.L. Resources, Inc.

3. ADDRESS AND TELEPHONE NO.

P.O. Box 371, Midland, Texas 79702 (915) 682-3502

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

At surface

330 FNL & 990 FWL

At proposed prod. zone

SAME

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

Approximately 10 miles North East of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drilg. unit line, if any)

330'

18. DISTANCE FROM PROPOSED LOCATION

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

933'

16. NO. OF ACRES IN LEASE

160

19. PROPOSED DEPTH

850'

20. ROTARY OR CABLE TOOLS

ROTARY

22. APPROX. DATE WORK WILL START

10/15/99

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|---------------|--------------------|
| 7 7/8"       | 5 1/2" J-55           | 15.5            |               | see below          |

5 1/2" casing - circulate to surface with 525sk Class C 2% CaCl<sub>2</sub>

Operator to notify NMOCD time of spud  
& time to witness 3" casing  
5 1/2"

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  
deepen directionally, give pertinent data on subsurface formations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE

DATE 9/16/99

(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:

/S/LARRY D. BRAY

Assistant Field Manager,  
Lands And Minerals

OCT 31 2000

RECEIVED BY

TITLE

DATE

\*See Instructions On Reverse Side

APPROVED FOR 1 YEAR

S.C. Section 1001, makes it a crime for any person knowingly and willfully to make a false statement to any department or agency of the

RECEIVED

SEP 15 '80

BLM  
ROSWELL, NM

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico  
Energy, Minerals and Natural Resources Dept.

Form C-102  
Revised February 10, 1984  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|               |   |                    |
|---------------|---|--------------------|
| API Number    | Pool Code                               | Pool Name          |
| Property Code | Property Name<br>OXY YATES "13" FEDERAL | Well Number<br>13  |
| OGRID No.     | Operator Name<br>EGL RESOURCES          | Elevation<br>3253' |

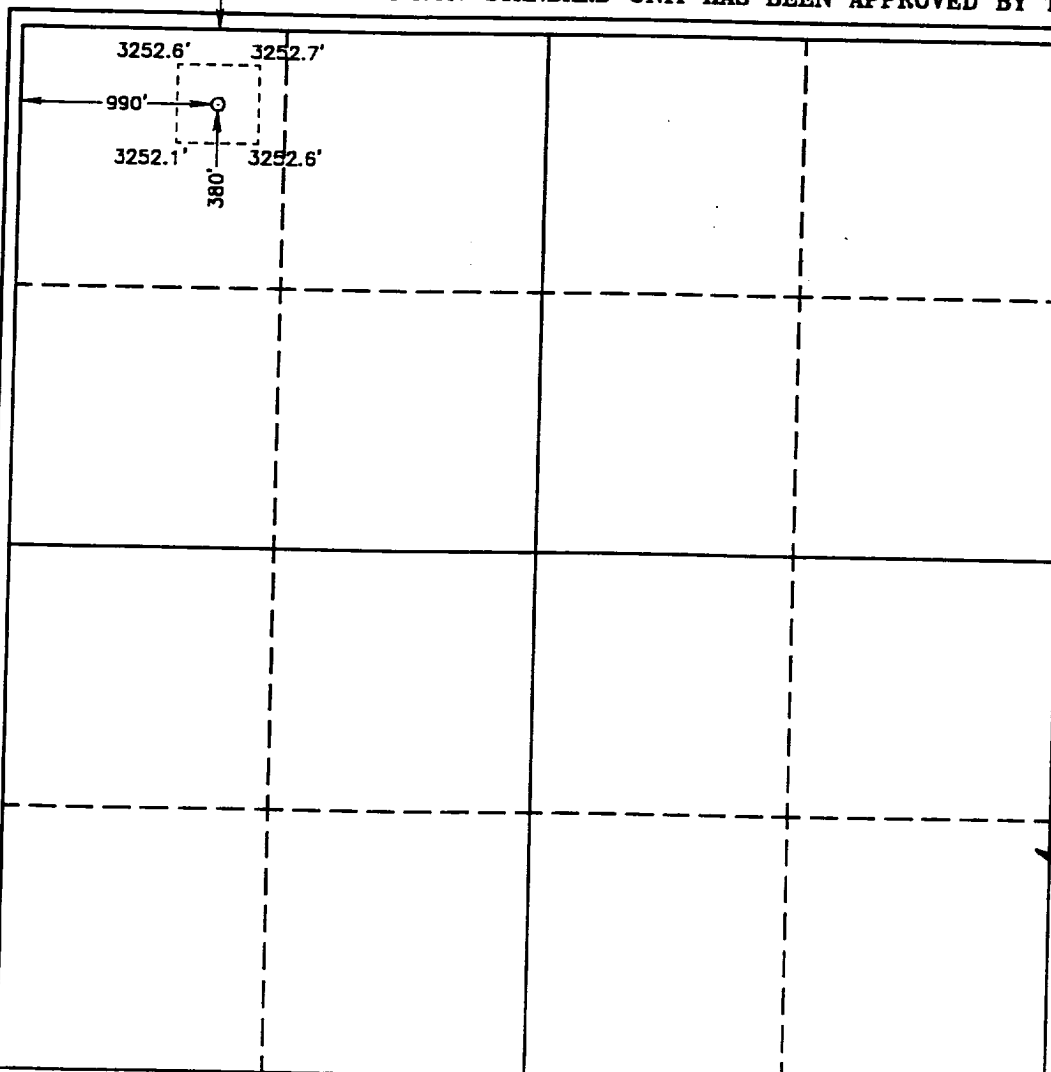
Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D             | 13      | 20 S     | 28 E  |         | 380           | NORTH            | 990           | WEST           | 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<br>40 | Joint or Infill | Consolidation Code | Order No. |         |               |                  |               |                |        |

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 the the information  
contained herein is true and complete to the  
best of my knowledge and belief.

*[Signature]*  
Signature  
Dewen Prate  
Printed Name  
Op Engineer  
Title  
5/5/00  
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.

March 03, 2000

Date Surveyed  
Signature & Seal  
Professional Surveyor  
GARY L. JONES  
7977  
No. 9300E  
Certificate No. Gary L. Jones 7977  
BASIN SURVEYOR

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

**EGL Resources, Inc.**

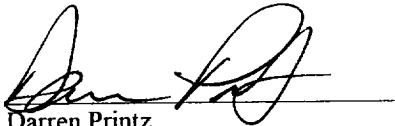
P.O. Box 371  
Midland, Texas 79702

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning  
operations conducted on the leased land or portion thereof, as described below:

Lease No. : LC 050797  
Formation: Yates

Bond Coverage: \$25,000

BLM Bond File No.: NM 2693



Darren Printz

Engineer

Date: 8/6/89

## SURFACE USE PLAN

EGL Resources, Inc.  
Oxy Yates Fed 13 #13  
330 FNL & 990 FWL  
Sec 13, T20S R28E  
NMPM

1. **EXISTING ROADS:** Area map, Exhibit "A", is a reproduction of the U.S.G.S. New Mexico 15 minutes quadrangle. Existing and proposed roads are shown on the exhibit. All roads shall be maintained in a condition equal to that which existed prior to the start of construction.
  - A. Exhibit "A" shows the proposed development well site as staked.
  - B. From Pecos River in Carlsbad, New Mexico, travel 8 miles on U.S. Highway #62 & 180 to County Road # 243. Go West on #243 for 7 miles. Turn North. Individual well locations shown on Topo Map.
2. **PLANNED ACCESS ROADS:** As Shown on Exhibits
3. **LOCATION OF EXISTING WELLS IN A ONE-MILE RADIUS:**
  - A. Water wells - None known
  - B. Disposal wells- None known
  - C. Drilling wells- None
  - D. Abandoned wells- As shown on Exhibit "C"
  - E. Producing wells as shown on Exhibit "C".
4. If upon completion, the well is a producer, EGL Resources Inc. will furnish maps or plats showing On Well Pad facilities and Off Well Pad facilities (if needed) on a Sundry.
5. **LOCATION AND TYPE OF WATER SUPPLY:** Water will be purchased locally from a private source and trucked over the access roads.
6. **SOURCE OF CONSTRUCTION MATERIALS:** If needed, construction materials will be obtained from the drill site's excavations or from a local source. These materials will be transported over the access route as shown on Exhibit "A".
7. **METHODS FOR HANDLING WASTE DISPOSAL:**
  - A. 1. Drill cuttings will be disposed of in the pit.
  2. Trash, waste paper, and garbage will either be contained in a fenced trash trailer or in a trash pit, fenced with mesh wire to prevent wind-scattering during storage. When the rig moves out, all trash and debris left at the site will be contained to prevent scattering and will be removed from location.
  3. Salts remaining after completion of the well will be picked up by the supplier, including broken sacks.

4. A "porta John" will be provided for the personnel on location. This will be properly maintained during the drilling operations and removed upon completion of the well.
5. Chemicals remaining after completion of the well will be stored in the manufacturers containers and picked up by the supplier.
- B. Remaining drilling fluids will be allowed to evaporate in the cuttings pit until the pit is dry enough for backfilling. In the event drilling fluids will not evaporate in a reasonable period of time they will be transported by tank truck to a state approved disposal site.

Water produced during testing of the well will be disposed of in the reserve pit. Oil produced during testing of the well will be stored in test tanks until sold and hauled from the site.

**8. ANCILLARY FACILITIES:** No camps or airstrips will be constructed.

**9. WELL SITE LAYOUT:**

- A. Exhibit "B" shows the proposed well site layout.
- B. This exhibit indicates proposed location of cutting and trash pits.
- C. Pits are proposed to be unlined, unless subsurface conditions encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- D. If needed, pits are to be lined with PVC or polyethylene liner. The pit liner will be 6 mils thick. Pit liner will extend a minimum, 2'-00" over the reserve pits dikes where the liner will be anchored down.
- E. The reserve pit will be fenced on three sides with three strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

**10. PLANS FOR RESTORATION OF SURFACE**

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.8 as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be recontoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which

are not required for production facilities.

11. **OTHER INFORMATION**

- A. The topography is of a rolling terrain with vegetation of sagebrush and native grass. The soils are clayey sand over caliche base.
- B. The surface is used to mainly access producing wells in the area and minimal grazing for livestock. It is administered by the BLM and is being leased to \_\_\_\_\_
- C. An archeological study has been completed, a copy of which is attached.
- D. There are no buildings of any kind in the area.

12. **OPERATOR'S REPRESENTATIVE** - Darren Printz is field representative for contact regarding compliance with the Surface Use Plan is:

Before and during construction:

Darren Printz  
P.O. Box 10886  
Midland, TX 79702  
915-687-6560

After Construction:

Darren Printz  
P.O. Box 10886  
Midland, TX 79702  
915-687-6560

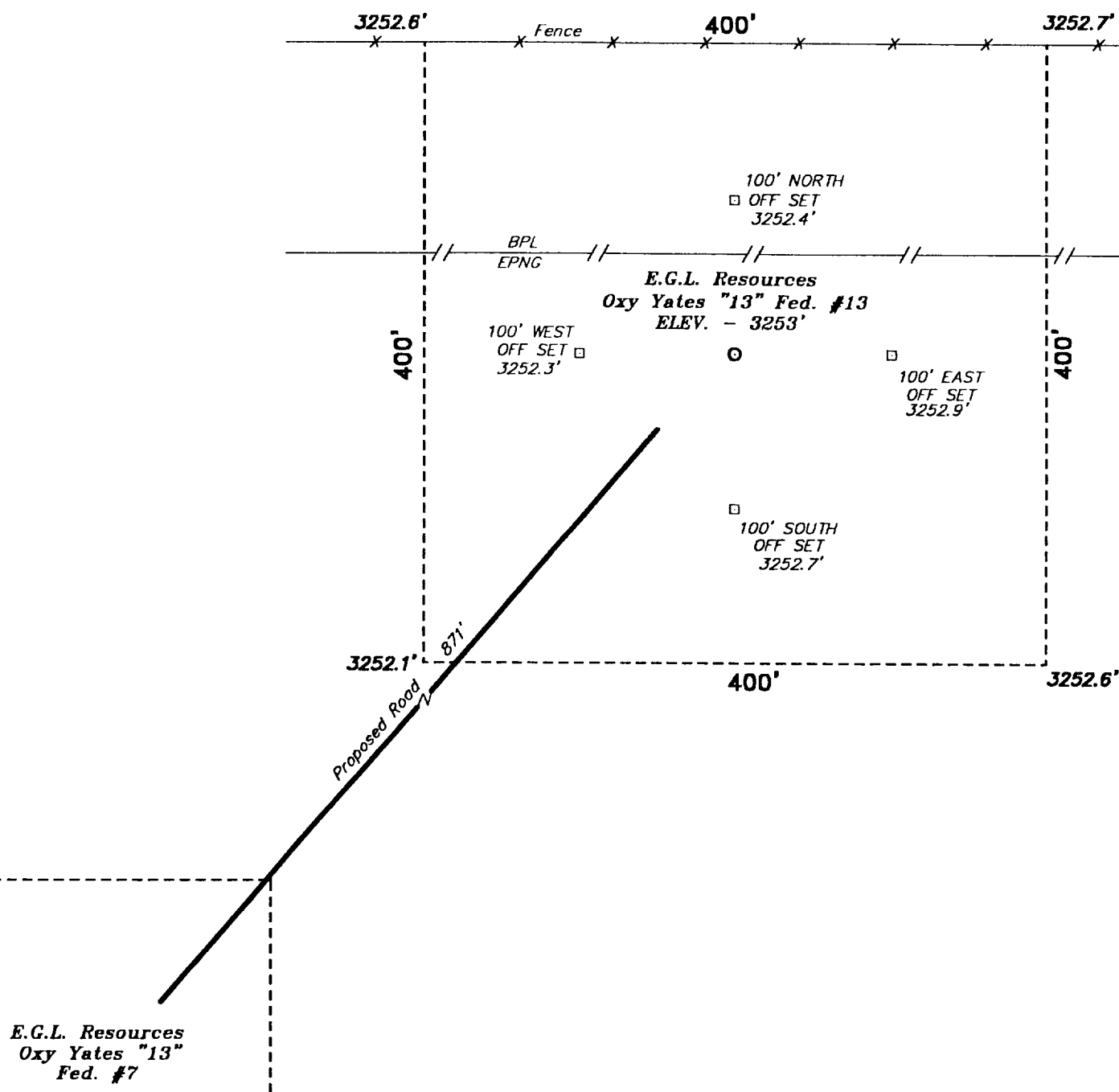
13. **CERTIFICATION** - I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EGL Resources, Inc. and its contractor/subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

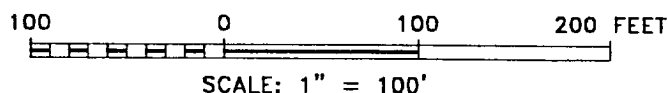
TITLE: Petroleum Engineer

**SECTION 13, TOWNSHIP 20 SOUTH, RANGE 28 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.**



**DIRECTIONS TO LOCATION:**

FROM THE JUNCTION OF US HWY 62/180 AND CO.  
RD. 243, GO NORTH ON CO. RD. 243 APPROX. 6  
MILES TO CO. RD. 230; THENCE WEST ON CO. RD.  
230 APPROX. 1.0 MILE TO A POINT WHICH LIES  
APPROX. 0.75 MILE SOUTH OF SAID PROPOSED WELL  
LOCATION.



## ***E.G.L. Resources***

REF: Oxy Yates "13" Fed. No. 13 / Well Pad Topo

THE OXY YATES "13" FED. No. 13 LOCATED 330' FROM THE  
NORTH LINE AND 990' FROM THE WEST LINE OF  
SECTION 13, TOWNSHIP 20 SOUTH, RANGE 28 EAST,  
N.M.P.M., EDDY COUNTY, NEW MEXICO.

**BASIN SURVEYS** P.O. BOX 1786 -HOBBS, NEW MEXICO

W.O. Number: 9300

Drawn By: **K. GOAD**

Date: 08-26-99

Disk: KJG #121 - 9300E.DWG

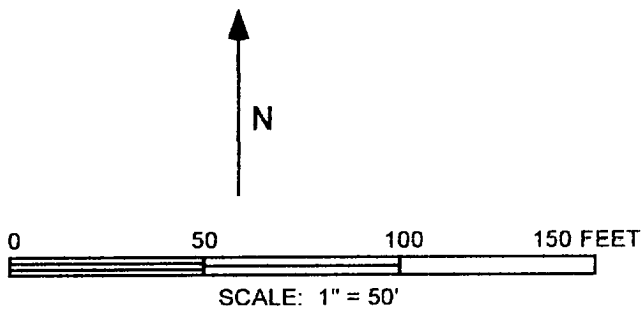
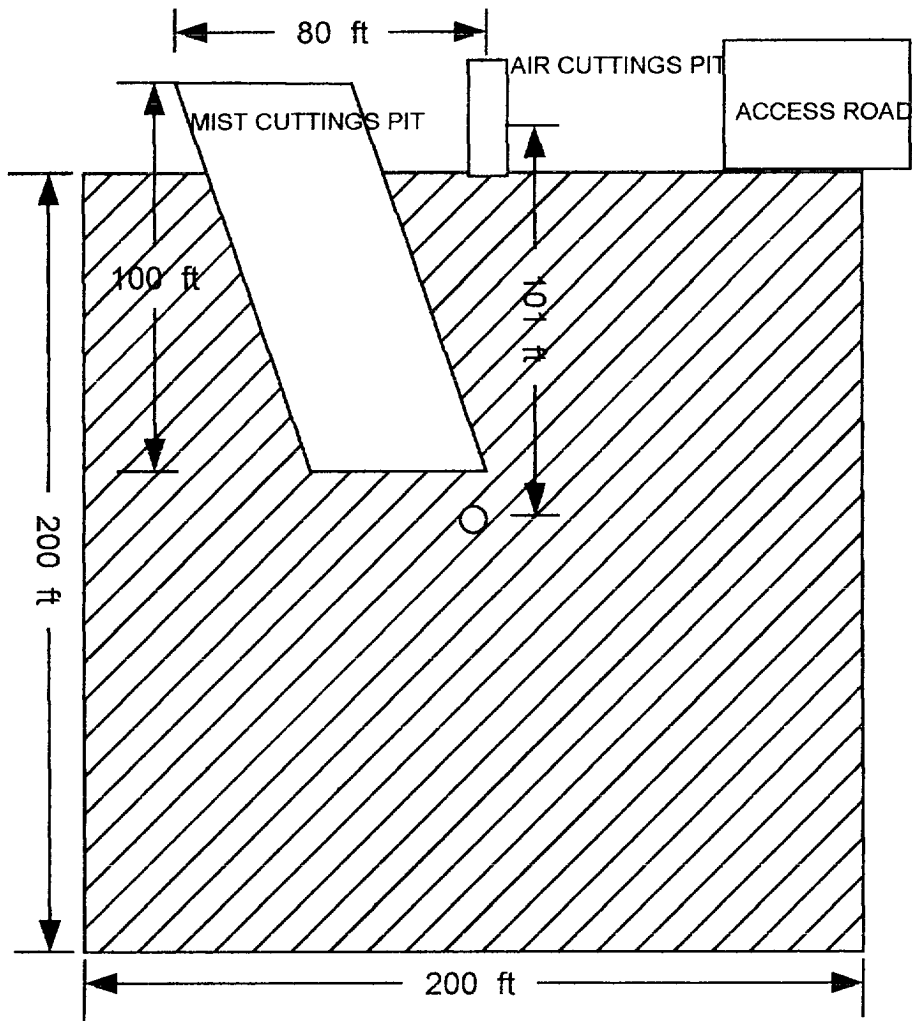
Survey Date: 08-25-99

Sheet 1 of 1 Sheets





# WELL SITE PLAT



***E.G.L. RESOURCES INC***

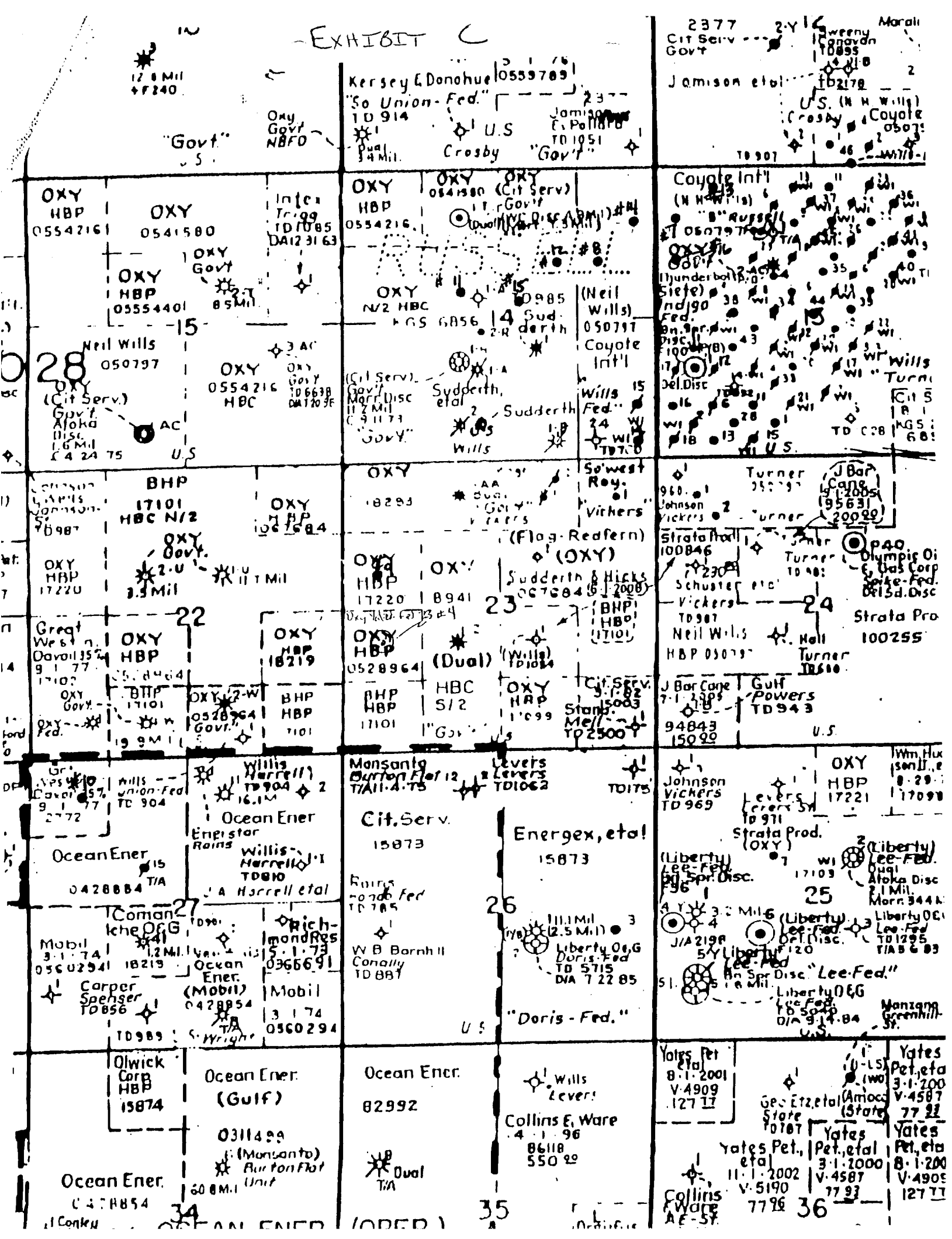
**WELL SITE LAYOUT**

**OXY YATES FED 13 #13  
330 FNL, 990 FWL  
20S 28E SEC 13**

**DATE: 9/1/99**

**BY: DARREN PRINTZ**

# EXHIBIT C



12 Mil  
+ F240

"Govt"  
S

Oxy  
Govt  
NBFD

Kersey & Donohue 05597891  
"So Union-Fed."  
10914  
U.S.  
Crosby "Govt"

2377  
Cit Serv  
Govt  
Jamison et al  
U.S. (N.W. Wills)  
Coyote  
10907

OXY  
HBP  
05542161  
OXY  
0541580  
OXY  
HBP  
05554401  
85 Mil

Inter  
Tr. 99  
101085  
DA123163

OXY  
HBP  
0554216  
OXY  
N/2 HBC  
HGS 6856  
Sud  
derth  
Wills

Coyote Int'l  
(N.W. Wills)  
050797  
Sud  
derth  
Wills  
Turner  
HGS  
6856

28  
Neil Wills  
050797  
OXY  
(Cit Serv.)  
Govt  
Aloka  
Disc  
1.6 Mil  
4 24 75  
U.S.

OXY  
HBP  
0554216  
HBC  
OXY  
Govt  
106638  
DA1203F  
Sud  
derth  
Wills

Turner  
J Bar  
Cane  
195631  
20099  
Strata Hall  
100846  
Schuster  
Vickers  
Neil Wills  
HBP 050797  
Turner  
10610

BHP  
17101  
HBC N/2  
OXY  
Govt  
3.5 Mil  
OXY  
HBP  
17220

OXY  
HBP  
17220  
B941  
Sud  
derth  
Wills

J Bar Cane  
7-1-1995  
94843  
15099  
U.S.

22  
Great  
West  
Oavall  
357  
9-1-77  
17107  
OXY  
Govt  
17101  
BHP  
17101  
OXY  
Govt  
199 Mil

OXY  
HBP  
0528964  
(Dual)  
Wills  
Disc  
10104  
HBC  
S/2  
17101  
"Govt"

Johnson  
Vickers  
TD969  
Levers  
10971  
Strata Prod.  
(Liberty)  
Lee-Fed  
17103  
Aloka Disc  
2.1 Mil  
Morr 344K  
Liberty OEG  
Lee-Fed  
TD1295  
TIA 5693

Ocean Ener  
0428884  
TIA  
Willis  
Harrell  
10904  
16.1M  
Ocean Ener  
Rains  
Willis  
Harrell  
TD910  
J A Harrell et al

Mansanto  
Burton Flat 12  
TIA 11-4-75  
Cit. Serv.  
15873  
Rains  
10904 Fed  
TD910  
W B Barnhill  
Conally  
TD887

25  
Liberty  
Lee-Fed  
17103  
Aloka Disc  
2.1 Mil  
Morr 344K  
Liberty OEG  
Lee-Fed  
TD1295  
TIA 5693  
Manzann  
Greenhill  
St.

27  
Mobil  
3-1-74  
0560294  
18219  
Carper  
Spenser  
TD856  
10989  
S. Wright  
Rich-  
mond  
5-1-73  
0365691  
Mobil  
3-1-74  
0560294

26  
Liberty OEG  
Doris-Fed  
TD 5715  
DIA 7 22 85  
"Doris - Fed."

Yates  
Pet  
8-1-2001  
V.4909  
12717  
Yates  
Pet. et al  
3-1-2000  
V.4587  
7722  
Yates  
Pet. et al  
3-1-2000  
V.4587  
7722  
Yates  
Pet. et al  
3-1-2000  
V.4587  
7722  
Yates  
Pet. et al  
3-1-2000  
V.4587  
7722

34  
Olwick  
Corp  
HBP  
15874  
Ocean Ener.  
(Gulf)  
0311499  
(Mansanto)  
Burton Flat  
Unit  
608 Mil  
10989  
S. Wright

35  
Ocean Ener.  
82992  
Wills  
Levers  
Collins E. Ware  
86118  
55099  
Dual  
TIA

36

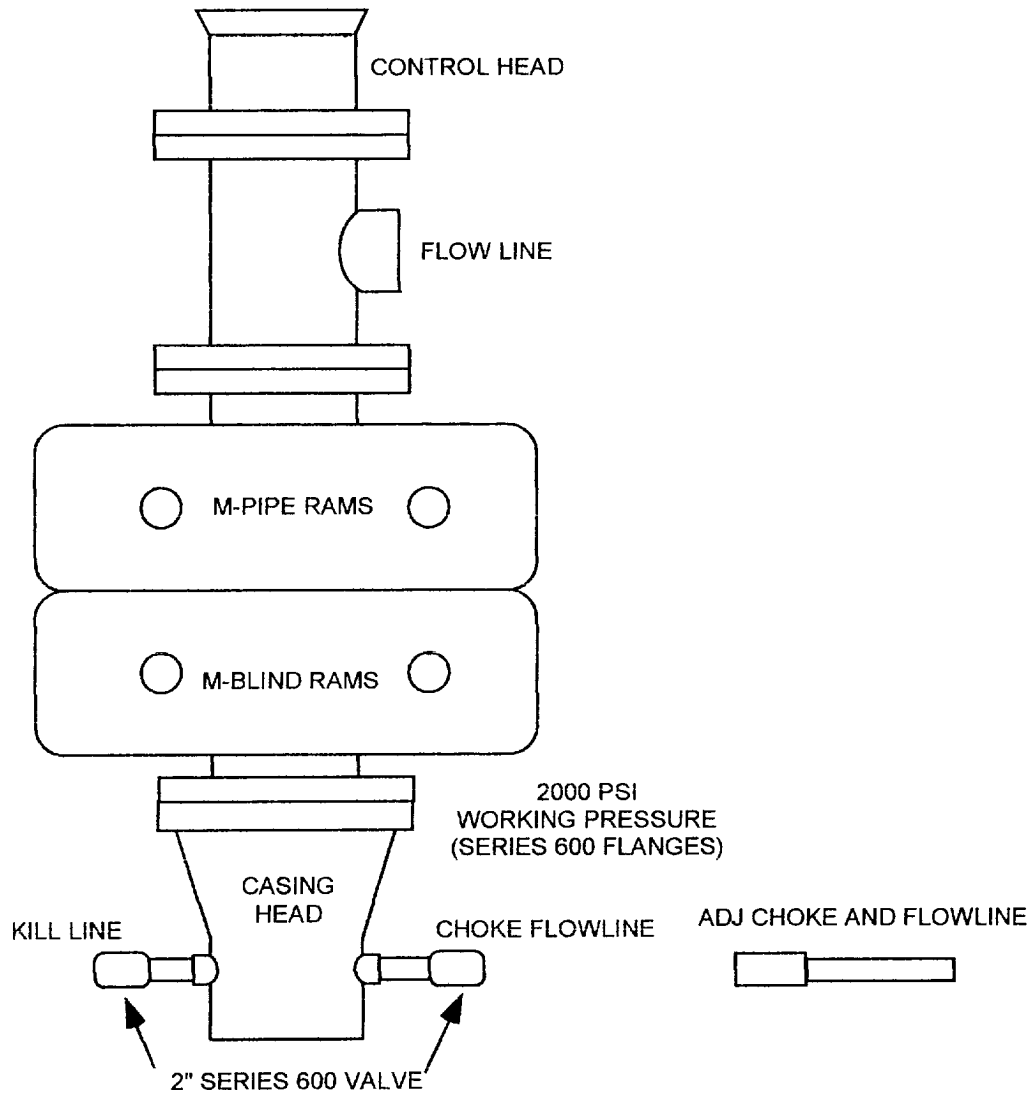
# ***E.G.L. RESOURCES INC***

## **WELL HEAD & BOP CONFIGURATION**

OXY YATES FED 13 #13  
330 FNL, 990 FWL  
20S 28E SEC 13

DATE: 9/2/99

BY: DARREN PRINTZ



## APPLICATION FOR PERMIT TO DRILL

EGL Resources, Inc.  
Oxy Yates Fed 13 #13  
330 FNL & 990 FWL  
Sec 13, T20S R28E  
NMPM

In conjunction with Form 3160-3, Application for Permit to Drill, EGL Resources, Inc. submits the following items of pertinent information in accordance with Onshore Oil & Gas Order Nos. 1&2, and with all other applicable federal and state regulations.

1. The geologic surface formation is of Permian Age.
2. Estimated top of geologic markers are as follows:  
Yates 750
3. The estimated depths at which water, oil, or gas formations are expected to be encountered:  
  
Water: 150' to 300'  
Gas: Yates 800' to 900

Groundwater to be protected by 5 1/2" J55 15.5# surface casing with cement circulated to the surface.

4. Proposed Casing Program: See Form 3160-3
5. Pressure Control Equipment: [Maximum surface pressure will be 250 psi.] Double ram manual BOP will be installed prior to drilling surface casing shoe. Surface casing will be tested to 600 psi prior to drilling surface casing shoe.
6. Mud Program: See Exhibit G
7. Auxiliary Equipment: None required for shallow Yates well.
8. Testing, Logging, and Coring Programs: None anticipated
9. Abnormal Pressures, Temperatures, or Other Hazards: None anticipated
- 10 Anticipated Starting Date: Oct 15, 1999

SUMMARY  
DRILLING, DRILL STEM TESTS, CASING AND CEMENTING PROGRAM

1. Drill 7 7/8" hole to 750+/-.
2. Cement 5 1/2" J55 15.5#Casing with 400 sx class C w/ 3% CaCl. Run Texas Pattern Guide Shoe with an insert float valve in top of guide shoe. Use thread lock on btm. two joints. Use one wooden plug to displace cement. Drop plug on fly.
3. If cement does not circulate, pump cement down backside with 1" tubing to bring cement to surface.
4. Nipple up and install BOP. Test casing to 2000 psi after 12 hours and drill out cement.
5. Drill 4 3/4" hole with air to 900
- . Test Yates for a natural completion.

EXHIBIT F

EGL Resources, Inc.  
Oxy Yates Fed 13 #13  
330 FNL & 990 FWL  
Sec 13, T20S R28E  
NMPM

## DRILLING FLUID PROGRAM

Surface: Drill with air to 750'.

Production: Drill with air.

### EXHIBIT G

EGL Resources, Inc.  
Oxy Yates Fed 13 #13  
330 FNL & 990 FWL  
Sec 13, T20S R28E  
NMPM