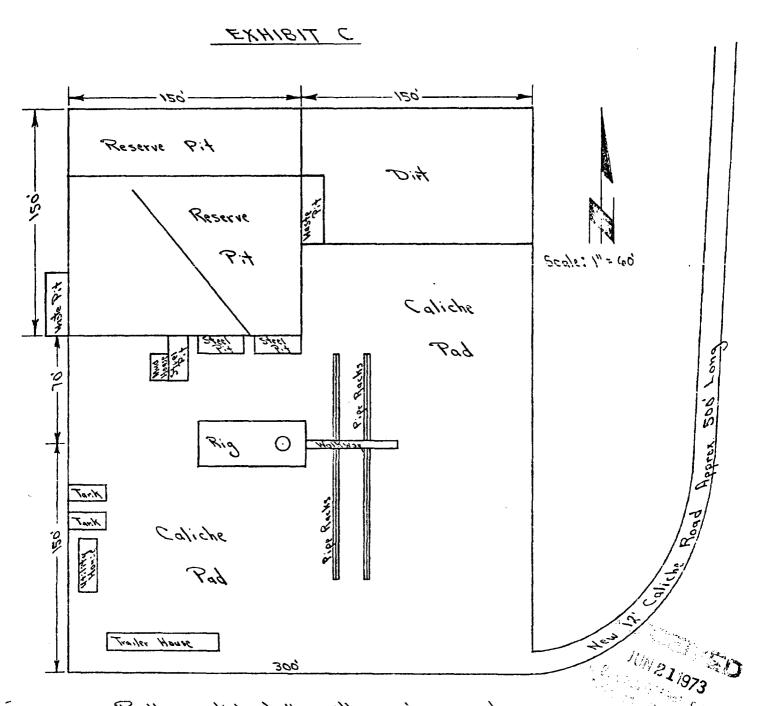
Form 9-331 (May 1993) DEPAR	UNITED STATES TMENT OF THE INTER GEOLOGICAL SURVEY	SUBMIT IN TRIL LICATE* (Other Instructions on re-	Form approved Budget Bureau 5. LEASE DESIGNATION A NM 0454018	No. 42-R1424 ND BERIAL NO.
(Do not use this form for pro-	OTICES AND REPORTS Opensals to drill or to deepen or plug ACATION FOR PERMIT—" for such	back to a different reservoir.	6. IF INDIAN, ALLOTTEE	OR TRIBE NAME
OIL GAS X OTHER			7. UNIT AGREEMENT NAM	2
2. NAME OF OPERATOR			8. FARM OR LEASE NAME	
Union Oil Company o	f California		Wersell Federa	1
3. ADDRESS OF OPERATOR	and. Texas 79701		9. WELL NO.	
P.O. Box 671 - Midl	10. FIELD AND POOL, OR	WILDCAT		
See also space 17 below.) At surface	Undesignated Morrow Gas			
810 FNL & 19	80' FWL		11. SEC., T., R., M., OR BUSURVEY OR AREA	
			Sec. 4, T-22S,	R-27E
14. PERMIT NO.	15. ELEVATIONS (Show whether D	F, RT, GR, etc.)	12. COUNTY OR PARISH	
	3218' GR		Eddy	N.M.
		Nature of Notice, Report, or C		
NOTICE OF INT	CT ROLLING:	SUBSEQU	ENT REPORT OF:	
TEST WATER SHUT-OFF	PULL OR ALTER CASING	WATER SHUT-OFF	REPAIRING WE	<u> </u>
FRACTURE TREAT	MULTIPLE COMPLETE	FRACTURE TREATMENT	ALTERING CAS	_
REPAIR WELL	ABANDON* CHANGE PLANS	(Other)	ABANDONMENT	·
(Other) Supplement to	<u> </u>	(NOTE: Report results	of multiple completion on etion Report and Log form	Well
17. DESCRIBE PROPOSED OR COMPLETED of proposed work. If well is dire nent to this work.) The following supple filed on subject wel	mentary data are subm	itted to accompany For		
	Drilling Processing Design B.O.P. Sketch Choke Manifold	n hes		
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18. I hereby certify that the toregoing	is true and correct	strict Drilling Supt.	July 2	6. 1973
	-/			
(This space for Federal or State of	nuce use)			
APPROVED BYCONDITIONS OF APPROVAL, IF	ANY:		DATE	

Union Oil Company of California

Location: 810 FAL & 1986 FWL of Section 4, T-22-5, R-27-E, Eddy County, New Mexico

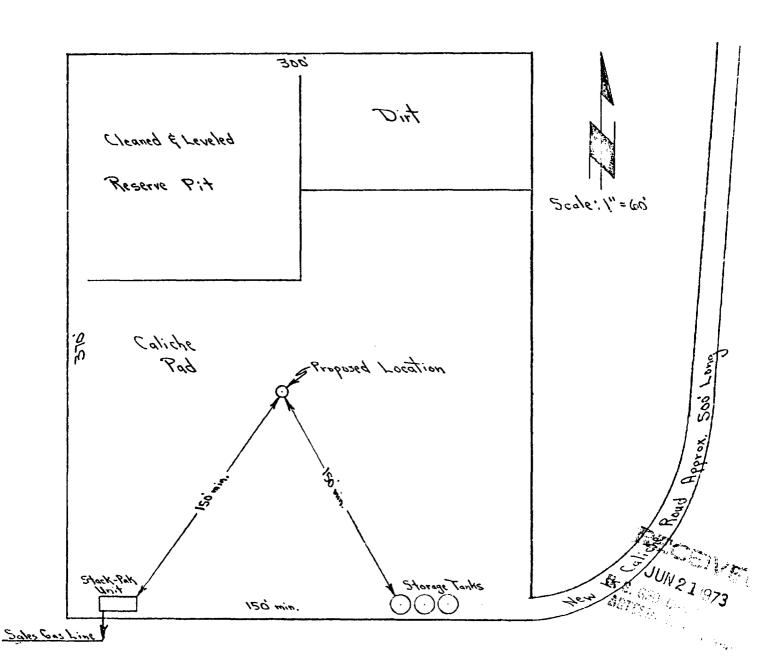


Rolling caliche hills with scrub mesquite

Union Oil Company of California WERSELL FEDERAL WELL HOIL

Location: Blo FML & 1980 FWL of Section 4, T-22-5, R-27-E, Eddy County, New Mexico

EXHIBIT B



Page 2U. S. Geological Survey
Re: Wersell Federal Well No. 1
Twelve-point Surface Use Plan
June 20, 1973

- Item 8 Location of camps Trailer house will be located on drill site for supervisory personnel. No other camps are anticipated
 - 9 Location of airstrips None
 - 10 Location of layout to include position of the rig, mud tanks, reserve pits, burn pits, pipe racks, etc. - EXHIBIT C
 - 11 Plans for restoration of the surface Upon completion or P&A of well, location pits will be filled and leveled and location cleaned up
 - 12 Any other information Location is on rolling caliche hills sparsely covered with scrub mesquite. There are no steep hillsides or gullies. The location and approximately 500' of 12' caliche road will be brought to grade by blasting and ripping caliche hillside

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

L. F. Thompson'

District Operations Manager

LFT:DMJ:sd Attachments



Union Oil and Gas C'sion: Central Region

Union Oil Company of California 500 North Marienfeld, Midland. Texas 79701 Telephone (915) 682-9731

Mailing Address: P. O. Box 671

Midland, Texas 79701



Midland District

June 20, 1973

U. S. Geological Survey
P. O. Drawer U
Artesia, New Mexico 88210

Gentlemen:

Wersell Federal Well No. 1 Eddy County, New Mexico Twelve-point Surface Use Plan

Attached herewith the "Application for Permit to Drill" on Federal lands is Union's Twelve-point Surface Use Plan.

- Item 1 Existing roads including location of the exit from main highway EXHIBIT A
 - 2 Planned access roads EXHIBITS A, B, & C. A maximum of 500' of 12' caliche road will need to be constructed from U. S. Highway 62 and 180 to the location
 - 3 Location of existing wells EXHIBIT A
 - 4 Lateral roads to well locations EXHIBIT A
 - 5 Location of tank batteries and flow lines There are no flow lines nor tank batteries within a 1/2 mile radius of the proposed location. See EXHIBIT B for proposed location of tank battery and sales gas line
 - 6 Location and type of water supply Water needed for drilling will be trucked from supply wells near Carlsbad
 - 7 Method for handling waste disposal All incendiary material will be burned on location. Other items will be hauled away

MELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Superseden C-128 Filective 14-55

All distances sust be from the outer boundaries of the Section

The Letter C 4 22 SOUTH 17 Proof C 4 22 SOUTH 1980 too from the WEST 1980 to from the WEST 1980 too from the WEST 1980 to from the WEST	UNION OIL COMPANY OF CALIFORNIA			:_ease	WERSELL FEDERAL			Wo. 50	
Storm	Unit Letter	Section	n	Township	Floor	ge	County		
The state of the s				22 South	2	7 EAST	<u> </u>	EDDY	
Designated Horrow Gas Section Sold S		ation of	Weil:			_			
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 consulted dated by communitization, unitization, force-pooling, etc? 2. Yes X No If answer is "no." list the owners and tract descriptions which have actually been consolidated. The reverse side of this form in necessary.) To be communitized upon completion 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 Communication. 1980 PENNZOIL 1002 UNION 1007 UNION 1007 CERTIFICATION I hereby carrify that the information contained herein is true and complete to the beast of my knowledge and belief. COM, my UNION 1007 I hereby carrify that the information contained herein is true and complete to the beast of my knowledge and belief. COM, my UNION 1007 I hereby carrify that the information contained herein is true and complete to the beast of my knowledge and belief. COM, my UNION 1007 District Drilling Supt. Com, my UNION 1 hereby carrify that the information contained herein is true and complete to the beast of my knowledge and belief. Com, my UNION 1 hereby carrify that the information contained herein is true and complete to the beast of my knowledge and belief. Com, my UNION 1 hereby carrify that the information contained herein is true and complete to the beast of my knowledge and belief. Com, my UNION 1 hereby carrify that the information contained herein is true and complete to the beast of my knowledge and belief. Com, my District Drilling Supt. Com, my Com,						O fee	from the		
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drilling into the <u>Wolfcamp formation</u>
and used until production casing is run and cemented. Monitoring
equipment shall consist of the following:

- (1) A recording pit level indicator to determine pit volume gains and losses.
- (2) A mud volume measuring device for accurately determining mud volume nucessary to fill the hole on trips.
- (3) A flow sensor on the flow-line to varn of any abnormal mud returns from the vell.
- 6. When doming out of the bold with drill pipe, the annulus shall be filled with mud before the mud level drops below 130 feet. The volume a find require to fill the hole shall be watched, and any time there is an increasion of swabbing, or influx at formation fluids, proper blowout prevention precautions must be taken. The mud shall not be circulated and conditioned except on or sear lottom, unless well conditions prevent running the pipe to bottom.
- 7. A copy of these requirements shall be posted on the rightform of I the day hours dropping drilling of the well.

James A. Knauf

Macrick Angineer

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Approved	CN 27, 1977



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U Artesia, New Nexico 88210

June 22, 1973

NOTICE

DRILLING WELL CONTROL REQUIREMENTS FOR DEEP WELLS DRILLED ON FEDERAL OIL AND CAS LEASES IN THE ARTESIA DISTRICT

The following requirements are established in accordance with 30 CFR 221.24, 221.36, and 221.37. Blowest preventer equipment, choke equipment, drilling fluid characteristics, drilling fluid monitors, and the conduct of drilling procedures shall be such as are necessary to prevent the blowout of any well. In addition to all other applicable rules, regulations, and accepted good operating practices, drilling shall be in accordance with the following safety requirements:

- 1. After setting the 9-5/8-inch casing string and before drilling into the Wolfcamp formation, the blowout preventers and related control equipment shall be pressure tested to rated working pressures by an independent service company. Any equipment failing to test satisfactorily shall be repaired or replaced. This office should be notified in sufficient time for a representative to witness the tests and shall be furnished a copy of the pressure test report. In addition, the pipe rams and bag-type preventer shall be actuated at least once each 24 hours and the blind rams each time the drill pipe is out of the hole.
- 2. Accumulators shall maintain a pressure capacity reserve at all times to provide for repeated operation of hydraulic preventers.
- 3. A wrill string safety valve in the open position shall be maintained on the rig floor at all cimes while drilling operations are being conducted.
- 4. Blowest prevention drills shall be conducted as necessary to insure that a 2 drilling crew is properly trained to carry out emergency duties.
- 5. Period years wealtoring equipment, with derruck floor indicators and varied and audio alarms, shall be installed and operating before