

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

NOV 09 '87

30-015-25833

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK
 b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 CONOCO INC.

3. ADDRESS OF OPERATOR
 P. O. Box 460, Hobbs, N.M. 88240

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface
 1980' FSL & 1980' FEL
 At proposed prod. zone

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE
 562.68

17. NO. OF ACRES ASSIGNED TO THIS WELL
 160

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

19. PROPOSED DEPTH
 8100'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3550' GL 35' + 1.8'

22. APPROX. DATE WORK WILL START*
 December 1, 1987

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|---------------------------|
| 11" | 8 5/8" | 32# | 1250' | 1000 SXS CLASS "C" -CIRC. |
| 7 7/8" | 5 1/2" | 17# | 8100' | 1500 SXS CLASS "A" -CIRC. |

It is proposed to drill a straight hole to a TD of 8100' and complete as a single Cisco oil well. Attached is an Attachment to Form 9-331 C, Form C-102, and a Surface Use Plan.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 [Signature] TITLE Administrative Supervisor DATE 10-30-87

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 10-30-87

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

BLM - Carlsbad (6) File

RECEIVED
NOV 09 '87
ARTESIA OFFICE
CARLSBAD COURSE
AREA HEADQUARTERS

5. LEASE DESIGNATION AND SERIAL NO.
 NM-0559175

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Dagger Draw Cor

9. WELL NO.
 8

10. FIELD AND POOL, OR WILDCAT
 North Dagger Draw, Penn

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 30-195-25E

12. COUNTY OR PARISH 13. STATE
 Eddy NM

FOOT 10 # 1
 10-30-87

APPROVED BY [Signature]
 DATE 10-30-87

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

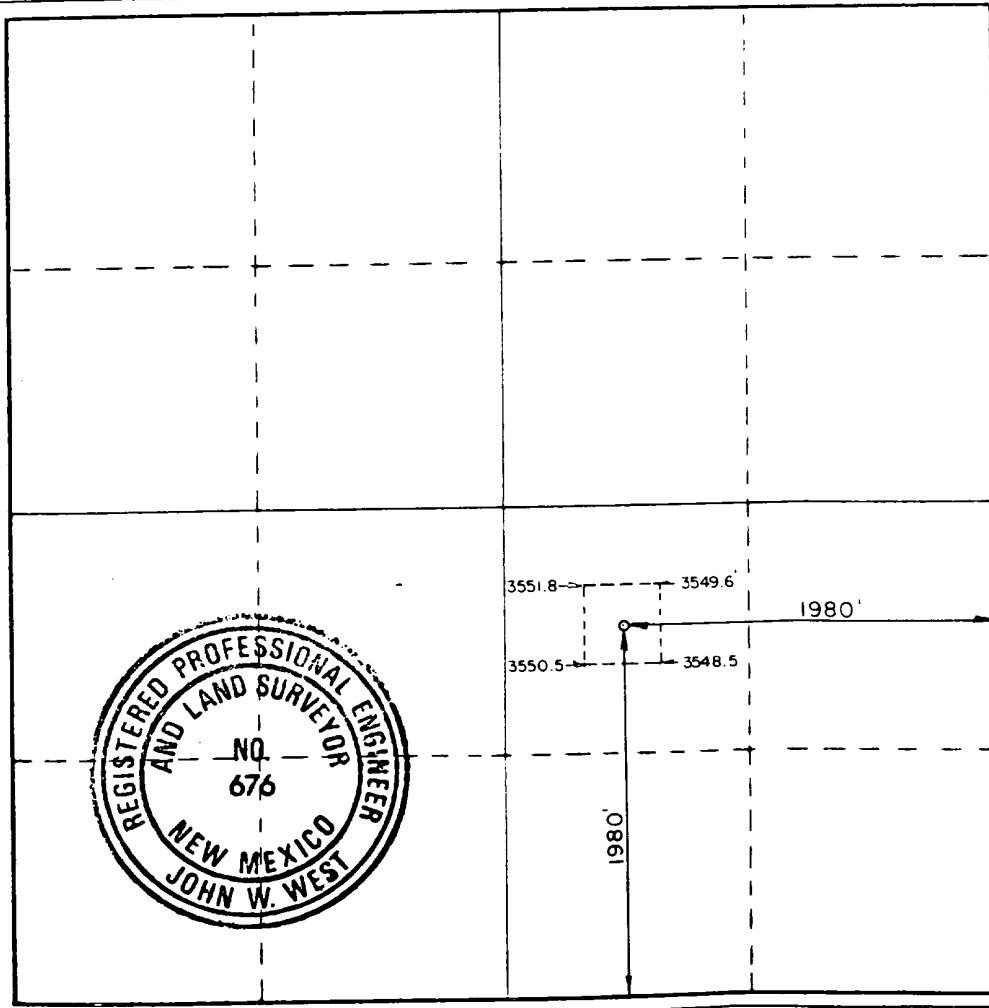
| | | | | |
|--|------------------------------|--------------------------------|----------------------------------|----------------|
| Operator Conoco, Inc. | | Lease Dagger Draw | | Well No. 8 |
| Tract Letter J | Section 30 | Township 19 South | Range 25 East | County Eddy |
| Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the East line | | | | |
| Ground Level Elev. 3549.8 | Producing Formation GISCO | Pool North Dagger Draw Penn | Designated Acreage: 160 Acres | |

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 consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes:" type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

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 Commission.



CERTIFICATION

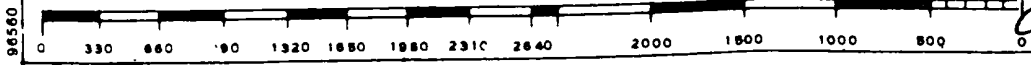
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: [Signature]
 Position: Administrative Supervisor
 Company: Conoco Inc.
 Date: 10-30-87

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 knowledge and belief.

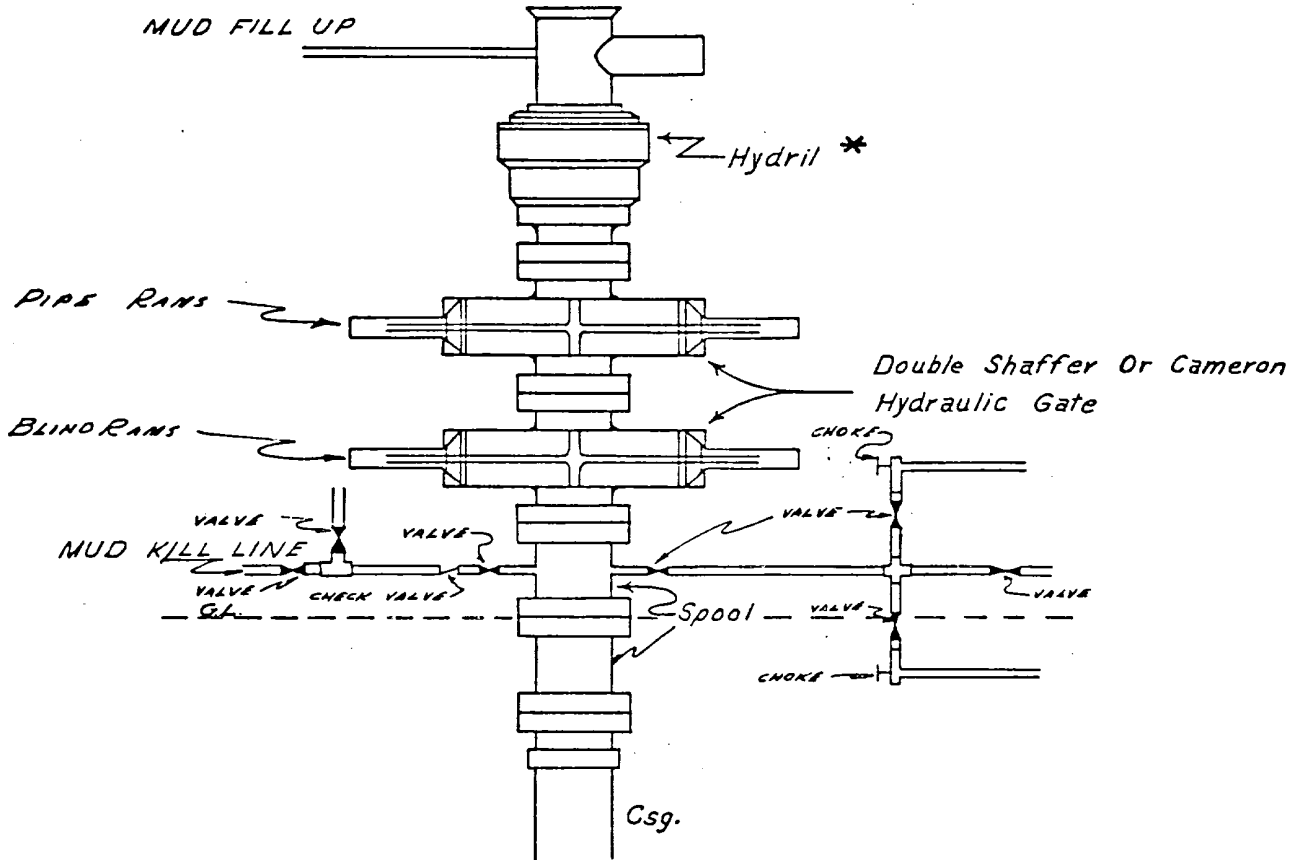
Date Surveyed: October 19, 1987
 Registered Professional Engineer and/or Land Surveyor

[Signature]
 Certificate No. JOHN W. WEST, 676
 RONALD J. EIDSON, 3239



CONOCO INC.

Blow-out Preventer Specifications



NOTE:

Manual and Hydraulic controls with closing unit no less than 75' from well head.
Remote controls on rig floor.

*

DUE TO SUBSTRUCTURE CLEARANCE, HYDRIL
MAY OR MAY NOT BE USED.

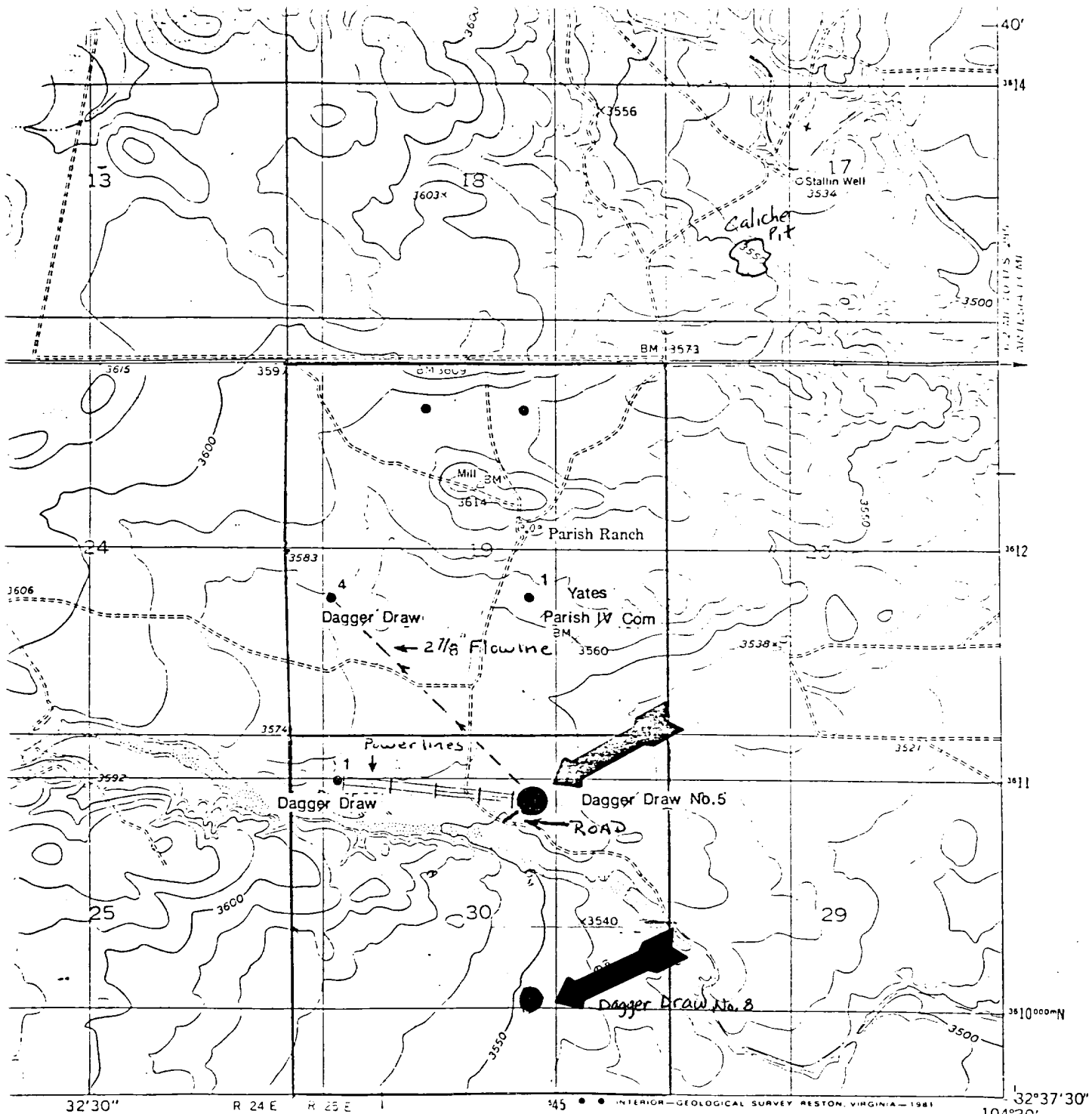
ATTACHMENT TO FORM 9-331 C
APPLICATION FOR PERMIT TO DRILL

Conoco Inc.
Dagger Draw No. 8 NM-2416
Section 30-19S-25E
Lea County, New Mexico

1. The estimated tops of important geologic markers are shown on the attached Proposed Well Plan Outline.
2. The estimated depths at which anticipated water, oil, gas or other mineral-bearing formations to be encountered are shown on the attached Proposed Well Plan Outline.
3. A drawing of an API Series 900 Blowout Preventer Specification is attached. Pipe rams and blinds will be checked to the working pressure of the stack of 70% of the minimum internal yield strength of the casing whichever is less. BOPD will be checked when casing string is set.
4. The proposed casing program is as follows:

0'-1250': 8-5/8", 32#, K-55, ST&C
0'-8100': 5-1/2", 17#, K-55, LT&C
5. The proposed mud program is as follows:

0'-1250': 8.3-8.5 Spud Mud
1250'-7000': 9.0-9.5 Cut Brine
7000'-8100': 9.0-9.5 Salt Gel
6. Run open-hole logs from 3100'-8100'. The log suite will include the following: 1) GR-GNL-FDL-CAL, 2) GR-DLL-MSFL. A temperature survey will be run to determine the top of cement on each casing string where cement is not circulated.
7. Possible water flows from 500'-3062'. Possible H₂S in Bone Spring and Cisco. Oil and gas possible from 5000' to TD.
8. The anticipated starting date is December 1, 1987 with a duration of approximately 30 days.



- - - - Flowline
 MILE Powerline

Distances
 D.D.5 → D.D.4 ≈ 3973' (3/4 mile)
 D.D.5 → D.D.1 ≈ 2660' (1/2 mile)

ROAD CLASSIFICATION
 Light duty Unimproved dirt



PARISH RANCH, N. MEX.
 N3237.5-W10430/7.5

1956
 PHOTOINSPECTED 1975
 DMA 5049 II NE-SERIES V881

Exhibit "B" 01-1096

(SEVEN RIVERS)
 5129 III SW

13

Dagger Draw No. 8

RIG OUTLAY

