

NM OIL & GAS COMMISSION
Drawer UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN THIS DATE
(Other instructions on reverse side)Form approved.
Budget Bureau No. 42-R1425.

30-005-61190

C/SF
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

2. TYPE OF WELL

OIL ☐GAS ☒

OTHER

SINGLE ☒MULTIPLE ☐

3. NAME OF OPERATOR

ESTORIL PRODUCING CORP.

4. ADDRESS OF OPERATOR

11th Floor Vaughn Bldg. Midland, Texas 79701

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

At surface

Section 33, T-5S, R-24E 1980' PNL & 660' PNL

At proposed prod. zone 3850'

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

26 Miles north of Roswell, N.M.

7. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1980' PNL & 660' PNL

(Also to nearest dril. unit No. if any)

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

N/A

9. ELEVATIONS (Show whether DS, RT, GR, etc.)

4102.0 GR

10.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2	13 3/8	48#	450'	595 sx Circulate
12 1/4	8 5/8	24#	1600'	881 sx Circulate
7 7/8	4 1/2	10.5#	4000'	930 sx Circulate

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 prevention program, if any.

RECEIVED
SEP 14 1981OIL & GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICOPosted ID-1
API + NL Book
11-6-81

APPROVED

TITLE AGENT

DATE 8-28-81

(This space for Federal or State office use)

APPROVED

APPROVED BY

OCT 28 1981

CONDITIONS OF APPROVAL

JAMES A. GILLHAM
DISTRICT SUPERVISOR

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-101
Supersedes C-128
Effective 1-1-65

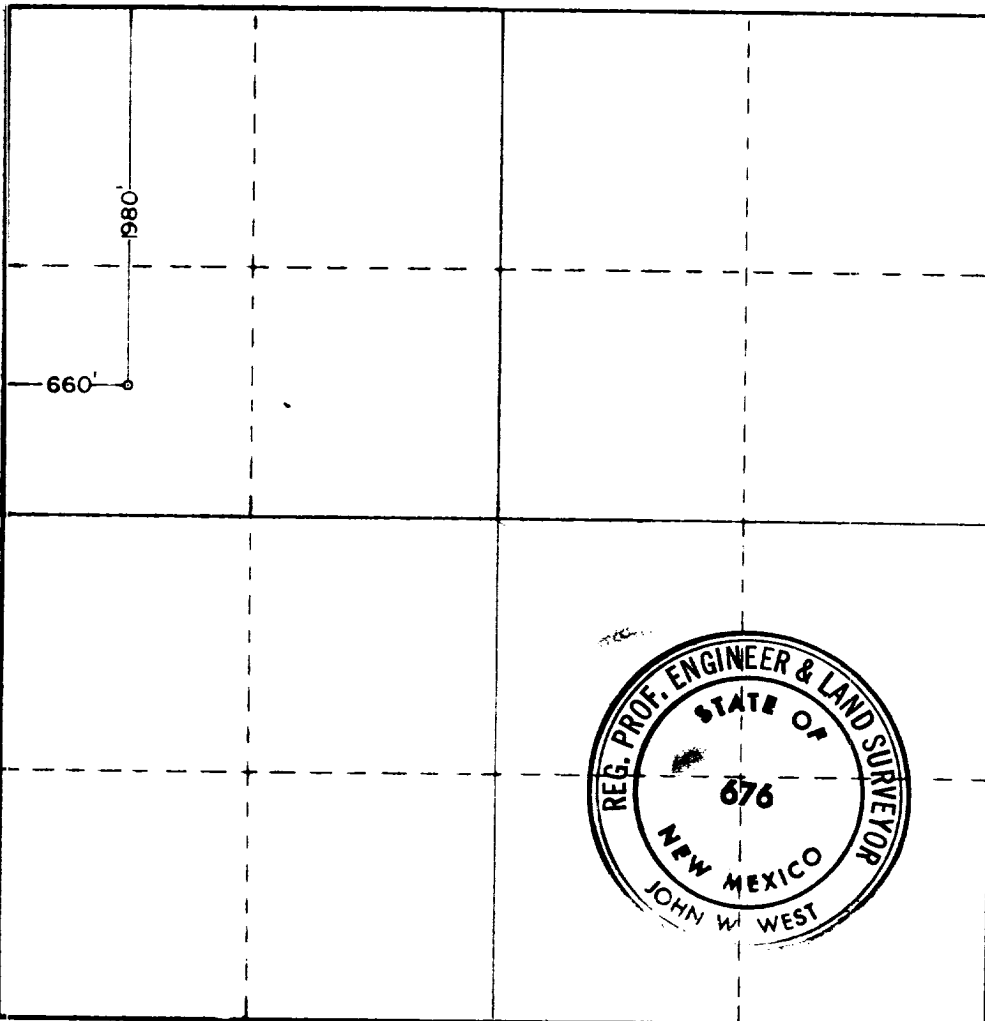
All distances must be from the outer boundaries of the Section

Operator ESTORIL PRODUCING CORP.		Lease SHEEHAN FED. 22		Well No. 3 4
Unit Letter E	Section 33	Township 5 SOUTH	Range 24 EAST	County CHAVES
Actual Footage Location of Well: 1980 feet from the NORTH line and 660 feet from the WEST line				
Ground Level Elev. 4102.0	Producing Formation ABO	Pool UNDESIGNATED ABO	Dedicated Acreage 160	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 _____

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

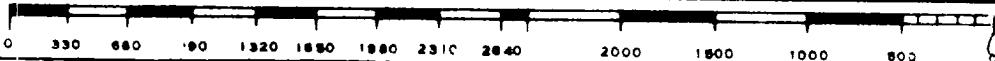
Name *Terry W. Franklin*
Position AGENT
Company ESTORIL PRODUCING CORP.
Date 9-8-81

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 8-17-81

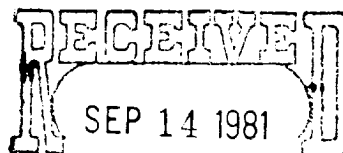
Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. JOHN W. WEST 676
PATRICK A. ROMERO 6863
Ronald J. Eldson 3233



APPLICATION TO DRILL

ESTORIL PRODUCING CORP.
Sheehan Federal '35' No. 23
1980' FNL & 660' FWL
Section 33, T-5S, R-24E
Chaves County, New Mexico



OIL & GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

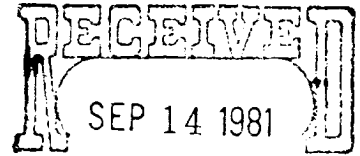
The following answers are provided for your consideration in response to your outline under Section II of Bulletin NTL-6:

1. Location: 1980' FNL & 660' FWL, Section 33, T-5S, R-24E, Chaves County, New Mexico.
2. Elevation Above Sea Level: 4102.0
3. Geologic Name of Surface Formation: Alluvium
4. Drilling Tools & Associated Equipment: Conventional rotary drilling tools using mud for the circulation medium.
5. Proposed Drilling Depth: 4000'
6. Estimated Geological Marker Tops: San Andres: 605'; Glorietta: 1600' Abo: 3675'
7. Mineral Bearing Formation: Gas bearing at 3865'.
8. Casing Program: (A). Surface Casing: 13 3/8, 48# new casing.
(B). Intermediate Casing: 8 5/8, 24# new casing.
(C). Production Casing: 4 1/2, 10.5# new casing.
9. Setting Depth of Casing & Cement for Same: (A). 13 3/8 casing set at 450'. Cement will be circulated to surface using 595 sacks of Class C cement. (B). 8 5/8 casing set at 1600'. Cement will be circulated to surface using 681 sacks of Pacesetter Lite C cement with 10 lb. of gilsonite per sack plus 1 lb. of Cello-Seal per sack, followed by 200 sacks of Class C plus 1% CaCl. (C). 4 1/2 casing set at 4000'. Cement will be circulated to surface using 730 sacks of Pacesetter Lite C plus 10 lb. of salt per sack, 1/4 lb. Cello-Seal, followed by 200 sacks of 50-50 Pozmix C plus 2% Gel and 6 lb. of salt per sack.
10. Pressure Control Equipment: After intermediate casing is set, blowout preventers will be installed. They will be Schaeffer 4 1/2 double rams with 3400 p.s.i. working pressure. The blowout preventers will be tested to 1000 p.s.i. after they are installed.

11. Proposed Circulation Medium: Mud will be used for circulation for all depths in this well. If there is any change in the mud program, the U.S.G.S. will be notified. The following mud properties will be maintained. Viscosity sufficient to clean the hole; Weight 9.5 - 10.0 p.p.g. Viscosity 35 - 40 for good samples through the pay zone.
12. Testing, Logging, and Coring Program: (A). Testing: All testing will be commenced after the well has been drilled and casing has been cemented. (B). Logging: At total depth, the following logs will be run: (1). Compensated Neutron Formation Density with Gamma Ray and Caliper. (2). Dual Laterolog - RXO (C). No coring is anticipated.
13. Potential Hazards: No abnormal pressure or temperature zones are anticipated.
14. Anticipated Starting Date and Duration of Operations: Oct. 22 through Oct. 31 for drilling operations. Nov. 3 through Nov. 12 for completion.
15. Other Facets of Operations: After running 4 1/2 casing, cased hole gamma ray correlation logs will be run from total depth over and above the pay zone. The Abo formation will then be perforated and treated. The well will then be tested for commercial production.

SURFACE USE AND OPERATION PLAN

ESTORIL PRODUCING CORP.
Sheehan Federal ~~138~~ No. ~~43~~
1980' FNL & 660' FWL
Section 33, T-5S, R-24E
Chaves County, New Mexico



OIL & GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

1. Existing Roads

- A. Exhibit 'A' is a portion of a map displaying the location of the proposed well as staked. Proposed location is approximately 25 miles north of Roswell, N.M.
- B. Exhibit 'B' consists of the existing roads in the immediate area of the proposed location.

2. Access Roads

- A. Planned access roads are also shown on Exhibit 'B'.
- B. The road will be partially constructed of caliche and will be 12' wide and approximately 1850' in length.

3. Location of Existing Wells

- A. Existing wells within the immediate area are shown on Exhibit 'B'.

4. Location of Existing Tank Battery

- A. A tank battery will be installed on the drilling pad on this well. Exhibit 'C' illustrates the probable set up.

5. Location and Type of Water Supply

- A. There is known surface water in the area.
- B. All water used in drilling operations will be trucked to the drillsite from commercial sources.

6. Source of Construction Materials

- A. Construction materials will be partially caliche, which will be purchased from a nearby source. Caliche pit is located in the NE/4 of Section 22, T-5S, R-24E.

7. Methods for Handling Waste Disposal

- A. Well cuttings will be disposed of in the reserve pit. All waste will be buried in a separate pit.
- B. After completion, any produced water will be collected in tanks and trucked to an appropriate disposal system.

8. Auxiliary Facilities

- A. None anticipated.

9. Wellsite Layout

- A. Attached is a plat of the wellsite and rig layout.
Exhibit ' D' illustrates the layout.

10. Plans for Restoration of the Surface

- A.. After completion of the well, pits will be filled and location cleaned of all trash and junk to leave the wellsite in good condition.
- B. Any unguarded pits containing fluids will be fenced off until they are filled.

11. Other Information

- A. Topography: Terrain in the area consists of a gently sloping landform marked by gypsiferous eminences to the north.
- B. Soil: Belongs to the Calcic Gypsiorthid and Typic Gypsiorthid subgroups.
- C. Vegetation: Opuntia macrocentra, Yucca glauca, Acacia, and Prosopis juliflora.
- D. Fauna: Consists of crotalus and sistrurus Canis lantrans, lepus alleni, mephitis and antalopus.
- E. The surface of this land is being utilized to a limited extent as grazing land for cattle.
- F. The surface is privately owned.
- G. Two isolated cultural resources were recorded, but will not effect the position of the access road and location.

12. Operator's Representative

Terry W. Franklin
2607 Sunset Circle
Hobbs, New Mexico 88240
(505) 392-3212

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route ; that I am familiar with the conditions that presently 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 ESTORIL PRODUCING CORP. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

9-6-81
Date

Terry W. Franklin
Terry W. Franklin
Agent
ESTORIL PRODUCING CORP.