

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-005-61306

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

SANDERS PETROLEUM CORPORATION

3. ADDRESS OF OPERATOR

11000-D Spain Rd., N.E., Albuquerque, N.M. 87111

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

At surface

1980'/N

1980'/E

Sec. 6

At proposed prod. zone

Same

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

30 miles NE of Roswell, N.M.

15. DISTANCE FROM PROPOSED*

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

1980'

16. NO. OF ACRES IN LEASE

878.20

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1320'

19. PROPOSED DEPTH

4950' ABO

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160 (NE 1/4)

20. ROTARY OR CABLE TOOLS

Rotary

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

3885' GL

22. APPROX. DATE WORK WILL START*

December 10, 1981

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# J-55	300'	300 sx - Circulate
7 7/8"	4 1/2"	9.5# J-55	TD	600 sx - To isolate all water, gas and oil zones.

Propose to drill to approximately 4950' to test Abo and intermediate formations.

See attached "Supplemental Drilling Data" and NTL-6 requirements.

Gas is not dedicated to a pipeline.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and produce 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

JERRY W. LONG

TITLE

Agent

DATE

November 30, 1981

(This space for Federal or State office use)

PERMIT NO.

APPROVED

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL

DEC 22 1981

JAMES A. GILLHAM
DISTRICT SUPERVISOR

*See Instructions On Reverse Side

5. LEASE DESIGNATION AND SERIAL NO.

NM 17576

RECEIVED

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

DEC 23 1981

8. FARM OR LEASE NAME

Isler Federal Office

9. WELL NO.

3

10. FIELD AND POOL, OR WILDCAT

Undesignated-Abo

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREAUt-6
6-7S-27E

12. COUNTY OR PARISH

Chaves

13. STATE

NM

All distances must be from the outer boundaries of the Section.

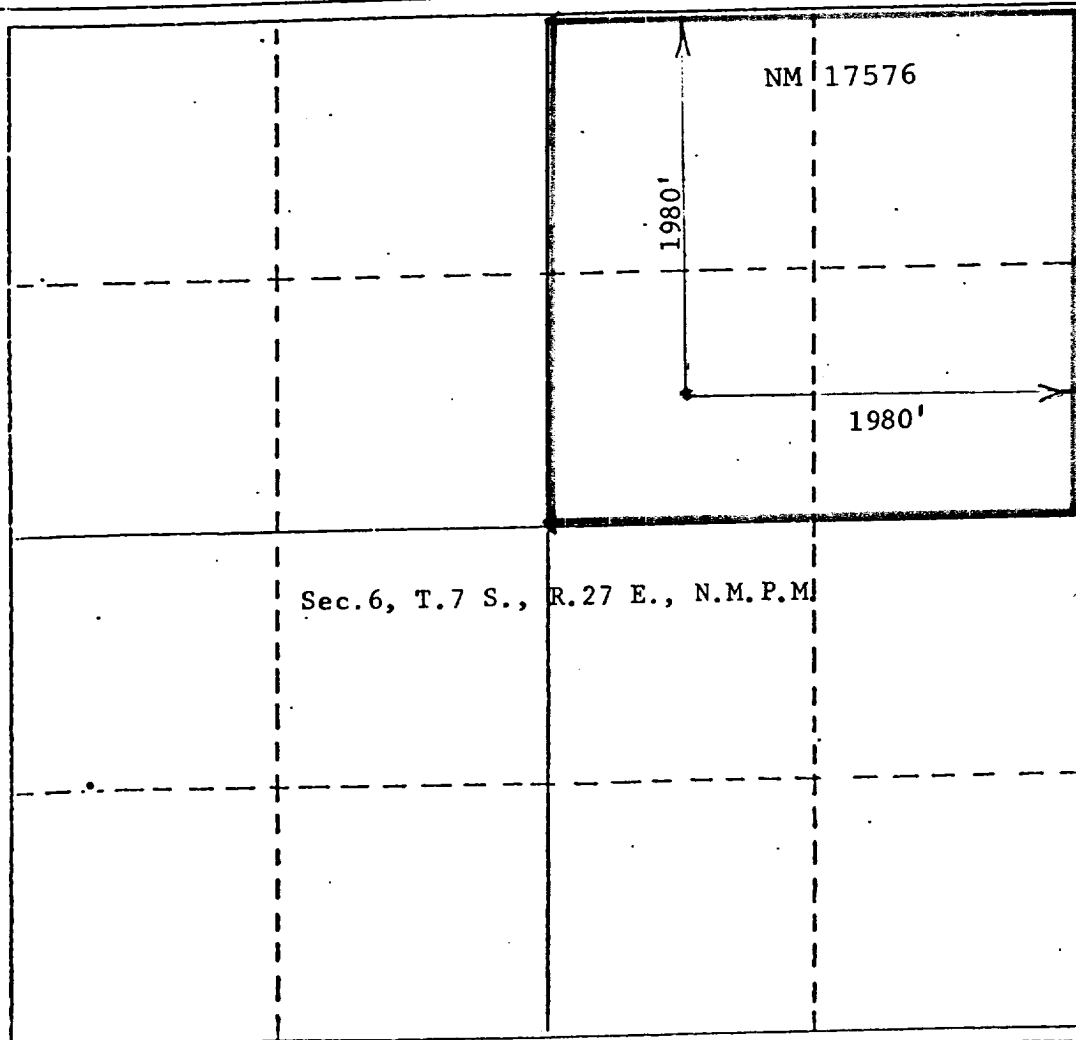
Operator Sanders Petroleum Corp.		Lease Isler Federal		Well No. #3
Unit Letter G	Section 6	Township 7 South	Range 27 East	County Chaves
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the East line				
Ground Level Elev. 3885	Producing Formation ABO	Pool Undesignated-Abo		Dedicated Acreage: (NE$\frac{1}{4}$) 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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). Single Lease
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 _____

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 Division.



CERTIFICATION

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

Jerry W. Long
Name
JERRY W. LONG

Position
Agent

Company
SANDERS PETROLEUM CORP.

Date
November 30, 1981

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
November 17, 1981

Registered Professional Engineer and/or Land Surveyor
JOHN D. JAQUESS

Certificate No.
6290

SUPPLEMENTAL DRILLING DATA

SANDERS PETROLEUM CORPORATION
No.3 Isler
SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec.6-7S-27E
Chaves County, N.M.

NM 17576

The following items supplement Form 9-331C in accordance with NTL-6 instructions.

1. SURFACE FORMATION: Artesia Group of the Permian System

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Salt	220'	Glorietta	2100'
Queen	650'	Tubb	3630'
Penrose	730'	Abo	4300'
San Andres	1075'		

3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATIONS:

Fresh water - Above	250'
Salt water - Below	250'
Gas - Below	4000'

4. PROPOSED CASING AND CEMENTING PROGRAM:

Surface: 300' of 8 5/8", 24#, J55, ST&C casing cemented with 200 sx HLW + 1/4# flocele + 2% CaCl mixed to 12.4 ppg. Tail in with 100 sx Class "C" + 4% CaCl mixed to 14.8 ppg. Cement will be circulated to the surface. If necessary, cement will be circulated to the surface using 1" pipe down the annulus. If severe lost circulation has been encountered while drilling the 11" hole, the cementing job will be preceded with 100 sx thickset cement mixed to 14.8 ppg. Install 8 5/8" x 10" API 3000# casinghead. Nipple up 10" API 3000# WP double ram BOP to drill 7 7/8" hole to total depth. Working condition of BOP rams will be checked at least daily.

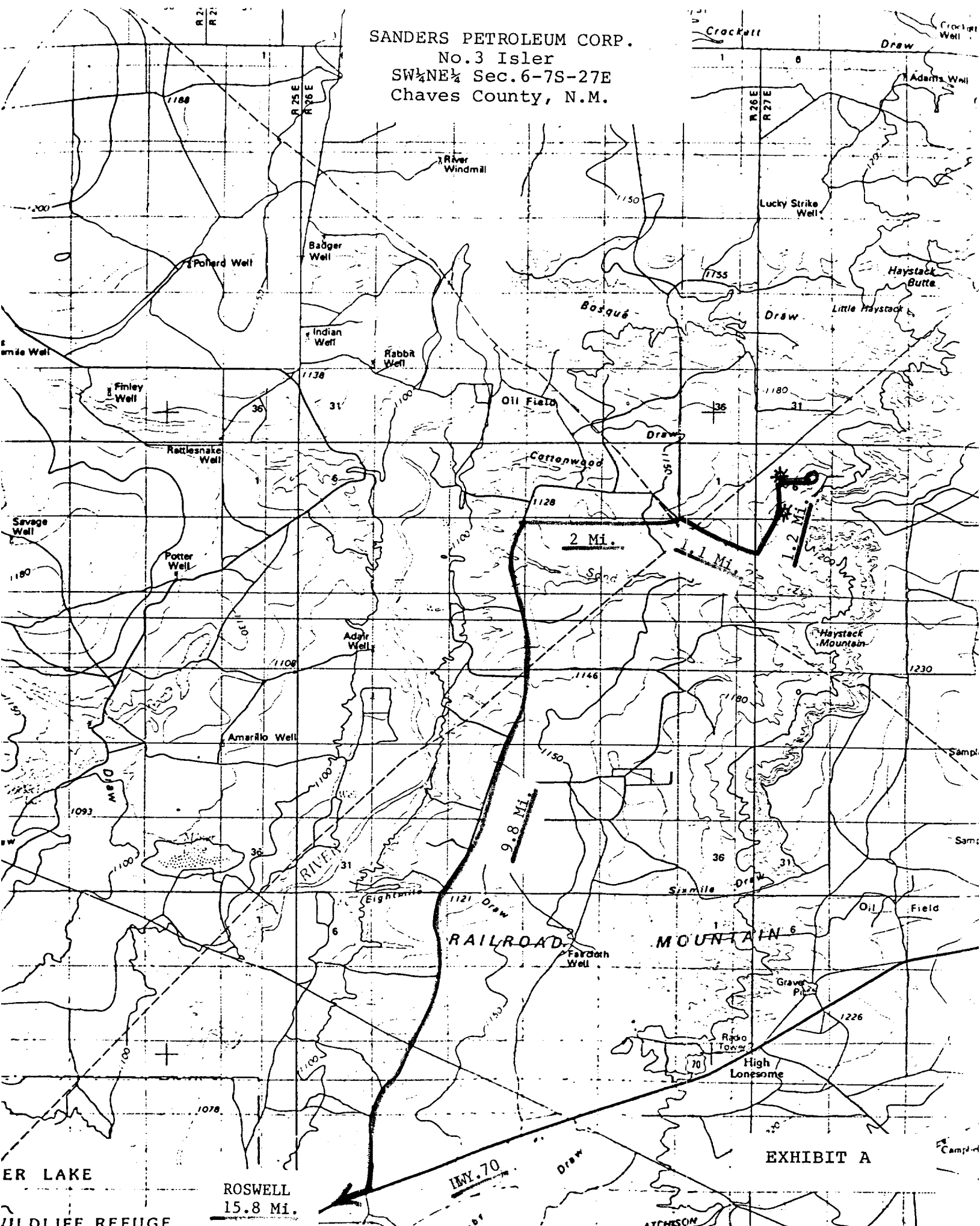
Production: 4950' of 4 1/2" 9.5#, K55, ST&C casing will be cemented with 300 sx 65/35 POZ + 1.4% flocele + 5# salt mixed to 12.7 ppg. Tail in with 300 sx 50/50 POZ + 2% gel + 8# salt mixed to 14.1 ppg to raise cement 150' above top of Abo.

5. PRESSURE CONTROL EQUIPMENT: Blowout preventer stack will consist of at least a double-ram blowout preventer rated to 3000# WP. A sketch of the BOP is attached. The BOP will be installed and casing tested to 1200 psi prior to drilling cement out of the 8 5/8" shoe. The pressure control system will include choke, kill and fill lines.
6. CIRCULATING MEDIUM:
- 0' - 300' Use fresh water spud mud with fresh water gel and soda ash or lime. Treat with lost circulation material as recommended by mud engineer. If total lost circulation occurs, mix 2 or 3 viscous slugs with LCM and attempt to regain circulation. If unsuccessful, will attempt drilling without returns to casing point and spot about 150 barrels viscous slug treated with LCM on bottom before running pipe.
- 300' - 3600' Drill out 8 5/8" casing with fresh water. Add caustic soda for PH 9.0-9.5 and chemicals for corrosion control. Add LCM as needed to control lost circulation or to sweep the hole.
- 3600' - TD Maintain mud weight less than 10 ppg with additions of fresh water while keeping chloride ion concentration of 40,000-50,000 ppm and KCL at 3%. At top of Abo, mud up with starch and soda ash to control water loss to 20-25cc to TD. Salt water gel will be added to clean hole to log and run casing.
7. AUXILIARY EQUIPMENT: Full-opening kelly cock, to fit the drill string in use, will be kept on the rig floor at all times.
8. TESTING LOGGING AND CORING PROGRAMS: No coring or testing is planned for this well. It is proposed to run a Gamma Ray Neutron log from TD to surface and other logs as recommended by the wellsite geologist.
9. ABNORAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE: None anticipated. Maximum bottom-hole pressure should not

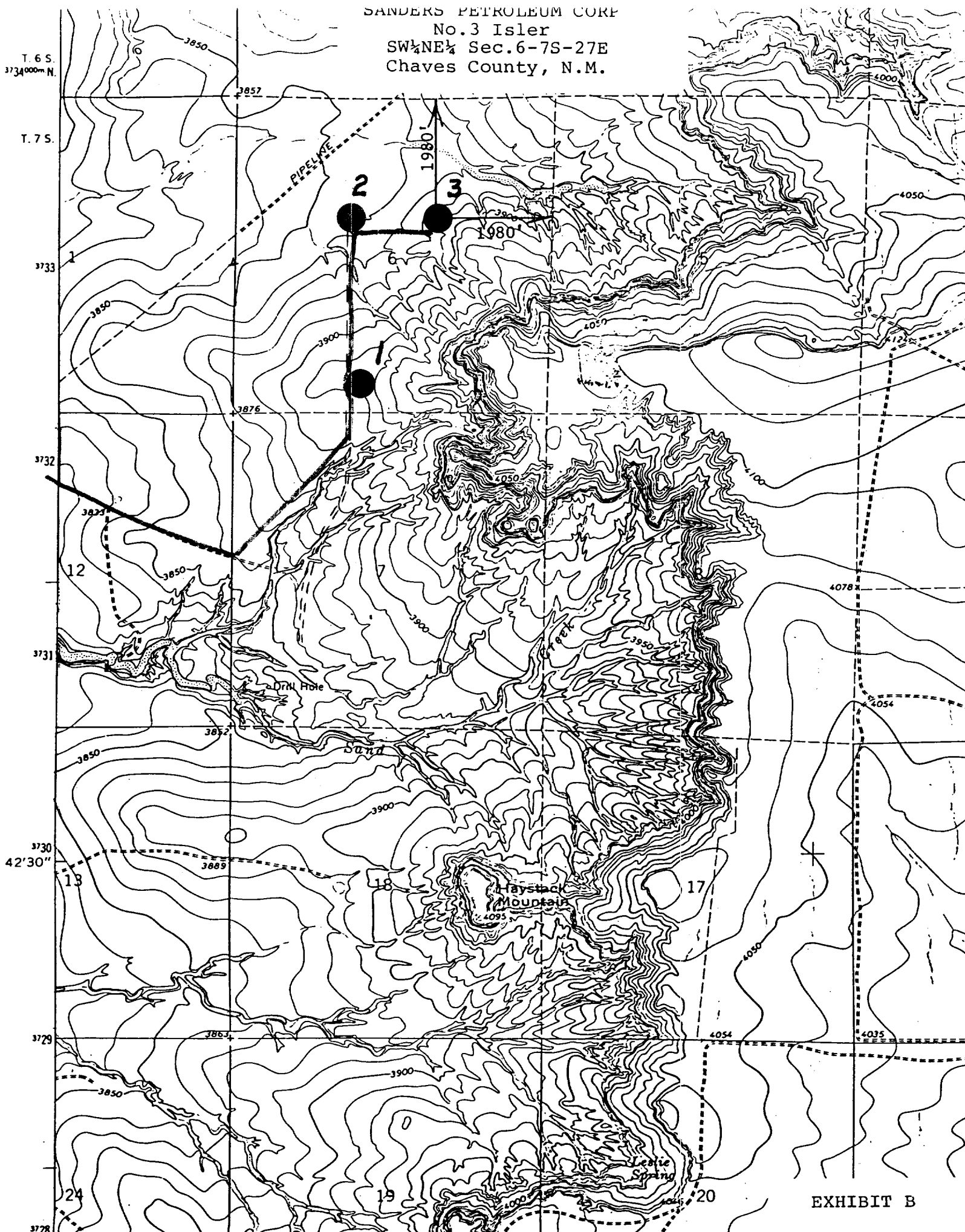
exceed 1500 psi. Bottom hole temperature will be about 110°F.

10. ANTICIPATED STARTING DATE: Drilling will commence about December 10, 1981 and should be completed within 30 days. Completion operations (perforations and stimulation) will follow drilling operations. Due to rig availability it is requested that this application be approved as soon as possible.

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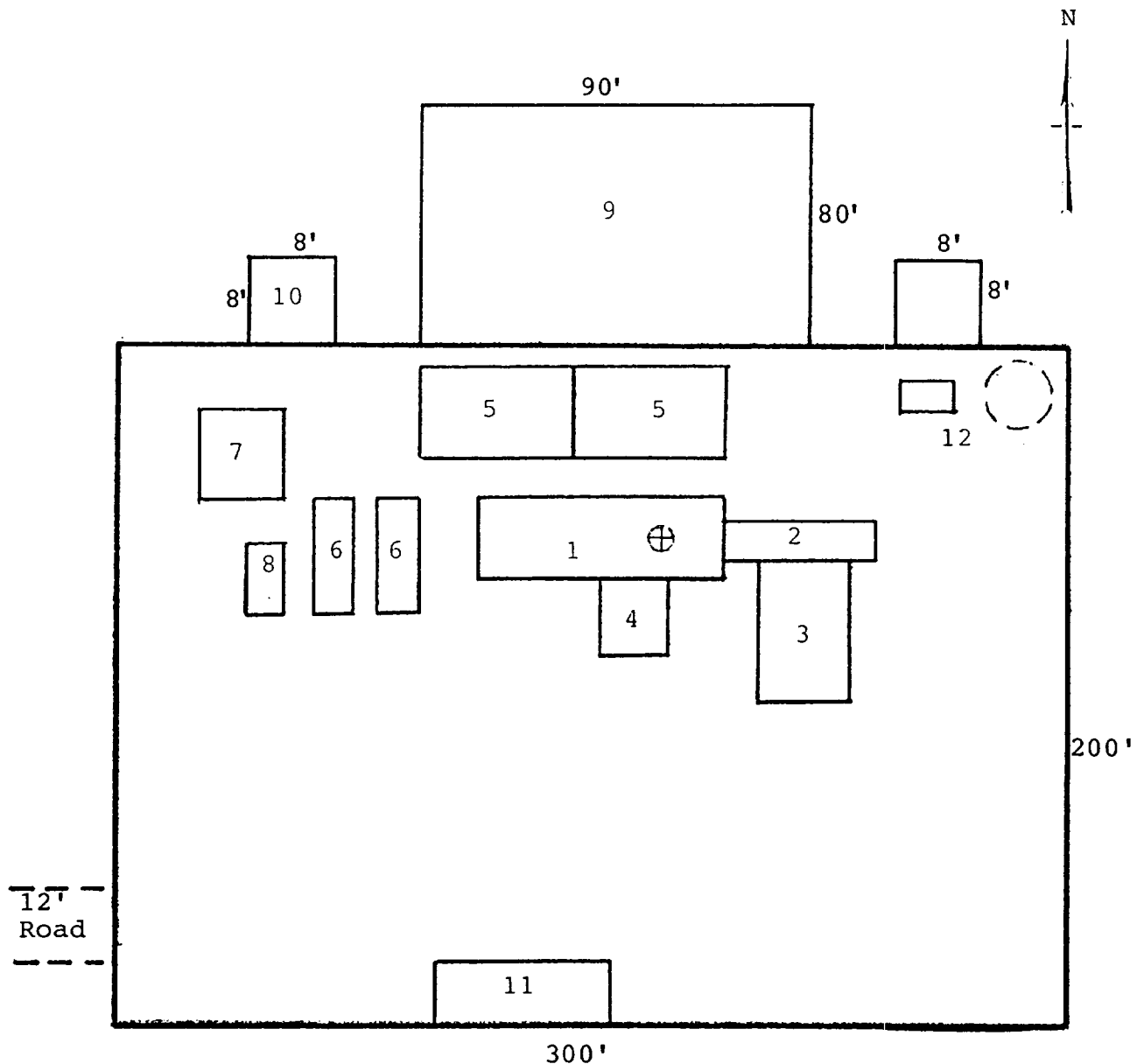


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No.3 Isler
SW¼NE¼ Sec.6-7S-27E
Chaves County, N.M.



SANDERS PETROLEUM CORPORATION
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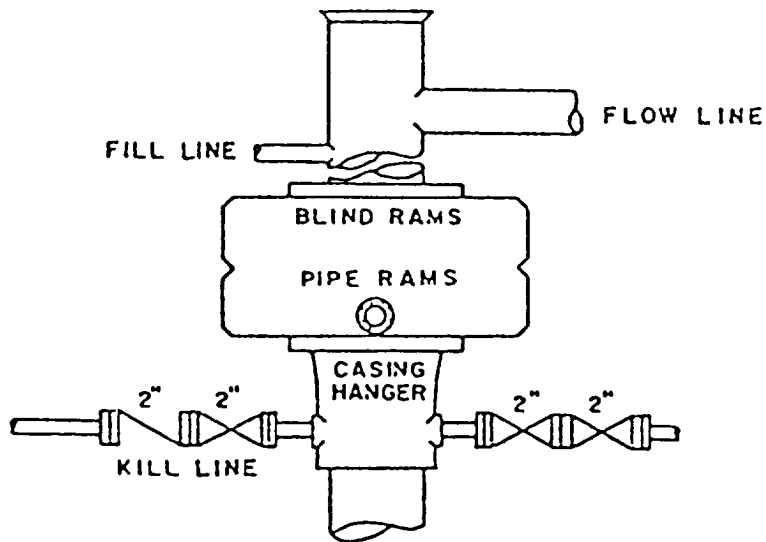
NM 17576



RIG LAYOUT

- | | |
|-----------------|---------------------------|
| 1. Substructure | 7. Water Tank |
| 2. Catwalk | 8. Light Plant |
| 3. Pipe Rack | 9. Reserve Pit |
| 4. Doghouse | 10. Trash Pit |
| 5. Mud Pits | 11. Trailer House |
| 6. Mud Pumps | 12. Production Facilities |

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BOP STACK

3000 PSI WORKING PRESSURE