

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-101
Revised 10-1-78

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OPERATOR	1

JUL 22 1982

O. C. D.

5A. Indicate Type of Lease STATE <input type="checkbox"/> FEDERAL <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.
7. Unit Agreement Name
8. Farm or Lease Name Payton
9. Well No. 1
10. Field and Pool, or Wildcat Wildcat -
17. County Chaves
19. Proposed Depth 4400'
19A. Formation Abo
19. Rotary or C.T. Rotary
21. Elevations (show whether DF, KI, etc.) 3505'
21A. Kind & Status Plug. Bond One well Plugging
21B. Drilling Contractor Tex-Mex Drilling Co.
22. Approx. Date Work will start 7/30/82

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator Wallace Oil & Gas, Inc. ✓
3. Address of Operator 50 Penn Place, Suite 850, Okla. City, OK 73118
4. Location of Well UNIT LETTER J LOCATED 1980 FEET FROM THE WE LINE AND 1980 FEET FROM THE MS LINE OF SEC. 8 TWP. 11S RGE. 25E NMPM
15. Proposed Depth 4400'
19A. Formation Abo
19. Rotary or C.T. Rotary
21. Elevations (show whether DF, KI, etc.) 3505'
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PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15 1/4"	13 3/8"	48#	450'	420	Surface
12 1/4"	8 5/8"	24#	1200'	750	Surface
7 7/8"	4 1/2"	10.5#	4500'	250	3100'

Proposed to drill approximately to 4400' to test Abo formation.
If productive, Casing will be set and Completion attempted.

Estimated Tops: San Andres 600' Tubb 3210'
Gloretta 1710' Abo 4050'

Mud Program- to drill with Fresh water to 50' above Abo formation, and will mud up,
Water loss 10cc or less, with 30 to 40 Mud Vis.

BOP Program- BOP will be installed on 8 5/8" casing, and will be tested daily.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 1-23-83
UNLESS DRILLING UNDERWAY

*BOP (Attachement, Shaffer 39)

Partial ID-1
API & BW
7-23-82

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Daniel J. Shaffer Title Production Secretary Date July 19 1982
(This space for State Use)

APPROVED BY [Signature] TITLE OIL AND GAS INSPECTOR DATE JUL 22 1982

CONDITIONS OF APPROVAL, IF ANY:

Minimum WOC time 15 hrs. Cement must be circulated to surface behind casing the 5-5-8 casing

Notify N.M.O.C.C. in sufficient time to witness cementing

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

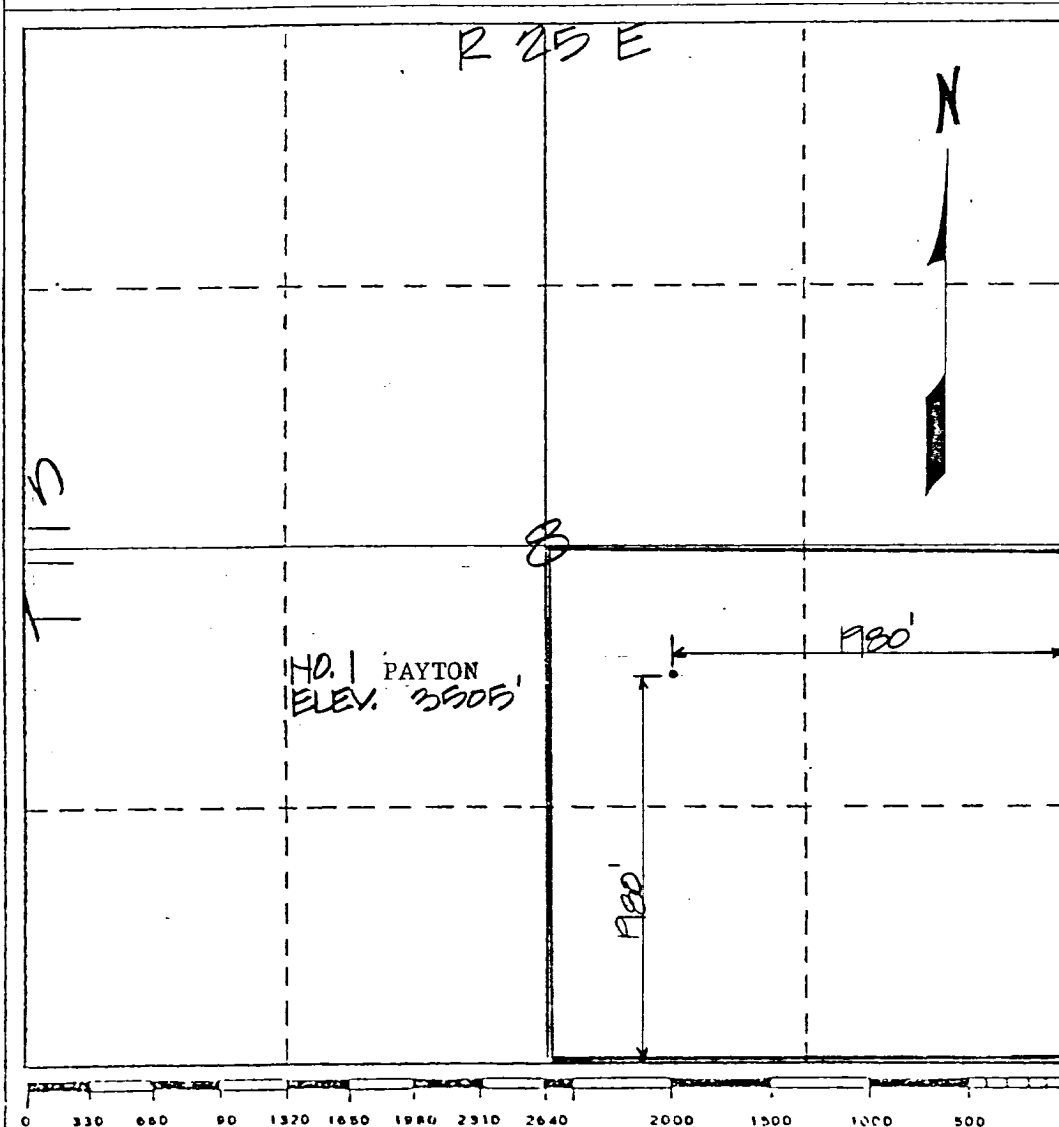
Operator Wallace Oil & Gas, Inc.			Lease Payton		Well No. 1
Unit Letter J	Section 8	Township 11-S	Range 25-E	County Chaves	
Actual Footage Location of Well:					
1980 feet from the SOUTH line and		1980 feet from the EAST line			
Ground Level Elev. 3505'	Producing Formation Abo	Pool	Dedicated Acreage: 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 _____

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.

Name
Pamela S. Garrett
Position
Production Secretary
Company
Wallace Oil & Gas, Inc.

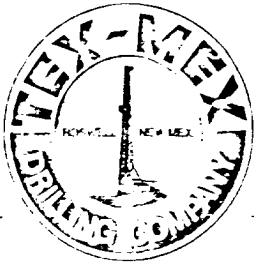
Date
July 19, 1982

I hereby certify that the location shown on this plat was plotted from field notes of actual survey or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

25 June 1982

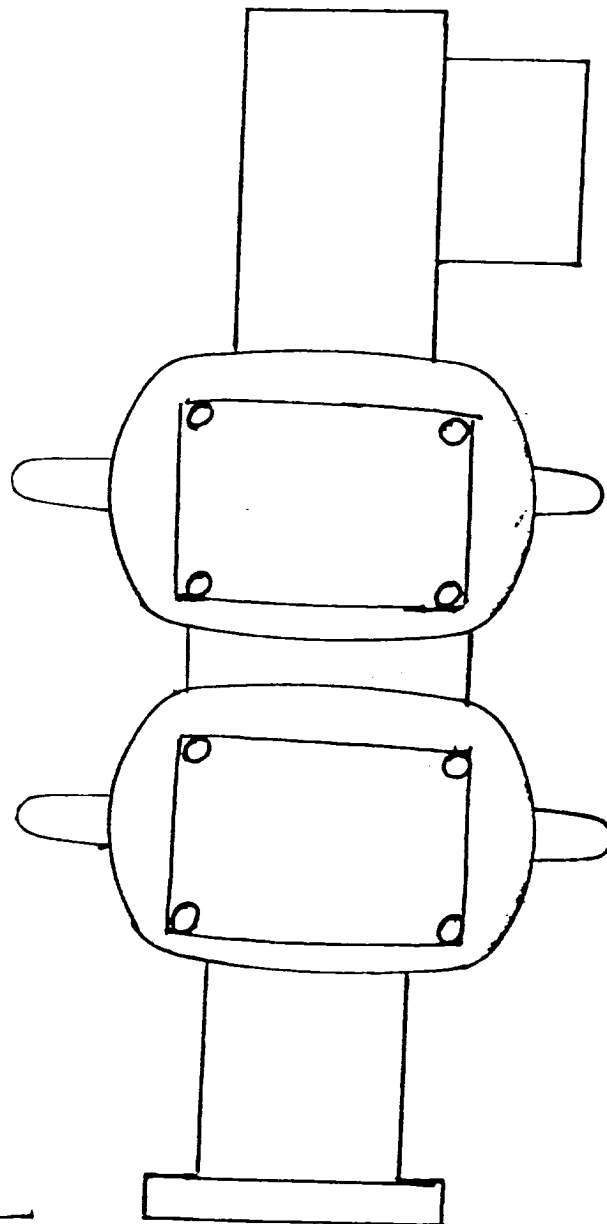
Date Surveyed
Registered Professional Engineer and/or Land Surveyor
David C. Clausen, PLS
N.M. License 6547
Certificate No.

TEX -MEX DRILLING COMPANY



P.O. BOX 3759
ABILENE, TEXAS 79604
PHONE 915-677-9121
Myrle Greathouse

Rt 2 BOX 441
~~ROSWELL, N. MEX.~~
ROSWELL, N. MEX. 68201
PHONE 505-622-0022
Monte Cowser



Shaffer 39

B.O.P.