

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

L CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

30-445-65637  
Form C-101  
Revised 10-1-78

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LAND OFFICE	
OPERATOR	

AUG 17 '88

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work ARTESIA, OFFICE		5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> REC <input type="checkbox"/>	
b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		5. State Oil & Gas Lease No. V-1229	
2. Name of Operator BHP PETROLEUM COMPANY INC.		7. Unit Agreement Name NA	
3. Address of Operator 6 Desta Drive, Ste. 3200 Midland, Texas 79705-5510		8. Farm or Lease Name Ervin Ranch State	
4. Location of Well UNIT LETTER <u>89</u> LOCATED <u>1650'</u> FEET FROM THE <u>South</u> LINE AND <u>1650'</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>5</u> TWP. <u>11S.</u> RGE. <u>27E.</u> NMPM		9. Well No. 1	
		10. Field and Pool, or Wildcat Wildcat-Montoya	
		12. County Chaves	
19. Proposed Depth 6900'		19A. Formation Montoya	
21A. Kind & Status Plug. Bond Statewide OK		20. Rotary or C.T. Rotary	
21. Elevations (Show whether DH, RT, etc.) 3697.4'		22. Approx. Date Work will start September 15, 1988	
21B. Drilling Contractor Unknown			

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	24.0# J-55	1200'±	650	Circulate
7-7/8"	5-1/2"	15.5# J-55	6700'±	200	5800'

Propose to drill to about 6900' to test Montoya and shallower formations.

If commercial production is indicated, the well will be completed in the deepest favorable formation, by cementing production casing, selectively perforating and stimulating. Run 2-7/8" tubing and test well.

See attached "Supplemental Data".

APPROVAL VALID FOR 15 DAYS  
PERMIT EXPIRES SEP 15  
UNLESS DRILLING UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Jerry W. Long Title Agent Date August 16, 1988

JERRY W. LONG  
(This space for State Use)

Original Signed By

APPROVED BY Mike Williams TITLE  DATE AUG 18 1988

CONDITIONS OF APPROVAL, IF ANY: