

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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"/>		RECEIVED JAN 06 1983 O. C. D. ARTESIA, OFFICE UT. E	5. LEASE DESIGNATION AND SERIAL NO. NM 39505
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR SANDERS PETROLEUM CORPORATION			7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 11000-D Spain Rd., N.E., Albuquerque, New Mexico 87111			8. FARM OR LEASE NAME Treat Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1650' FNL 940' FWL Sec.18-13S-19E At proposed prod. zone Same			9. WELL NO. 1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 13 Miles southeast of Picacho, New Mexico			10. FIELD AND POOL, OR WILDCAT Wildcat - Abo
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): None		16. NO. OF ACRES IN LEASE 2421.09	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec.18-13S-19E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None		19. PROPOSED DEPTH 3300' Abo	12. COUNTY OR PARISH Lincoln
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5525' GL		17. NO. OF ACRES ASSIGNED TO THIS WELL 155.86	13. STATE N.M.
		20. ROTARY OR CABLE TOOLS Young Drilling Co. - Rotary	22. APPROX. DATE WORK WILL START* As soon as possible

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
18"	16"	65.0# H-40	40'	20 cu. ft. - grouted
12-1/2"	8-5/8"	28.0# H-40	1000-800'±	300 sx - circulate
7-7/8"	4-1/2"	9.5# K-55	TD	250 sx ± - Cemented to 600' above top of Abo.

Propose to drill to about 3300' to test Abo and intermediate formations for oil and gas production. Will drill with rotary tools, using mud as the circulating medium.

Will set 7 inch casing in the basal Glorieta at about ¹⁰⁰⁰800' to protect fresh water. Cement will be circulated to the surface. 4-1/2" casing will be set to about 3300' and cemented to a point about 600' above the Abo to isolate all water, oil or gas zones. Complete well by perforating and treating favorable zones.

Series 900, Double ram BOP will be installed to drill below the 7 inch casing

The gas is not dedicated.

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 Jerry W. Long TITLE Agent DATE December 21, 1982
(This space for Federal or State office use)

PERMIT NO. **APPROVED**
(ORIG. SGD.) DAVID R. GLASS

APPROVED BY **DEC 23 1982**
CONDITIONS OF APPROVAL

For JAMES A. GILLHAM
DISTRICT SUPERVISOR

APPROVAL DATE

RECEIVED
DEC 22 1982

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

Posted as per
J.D. 1982
1-14-83

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

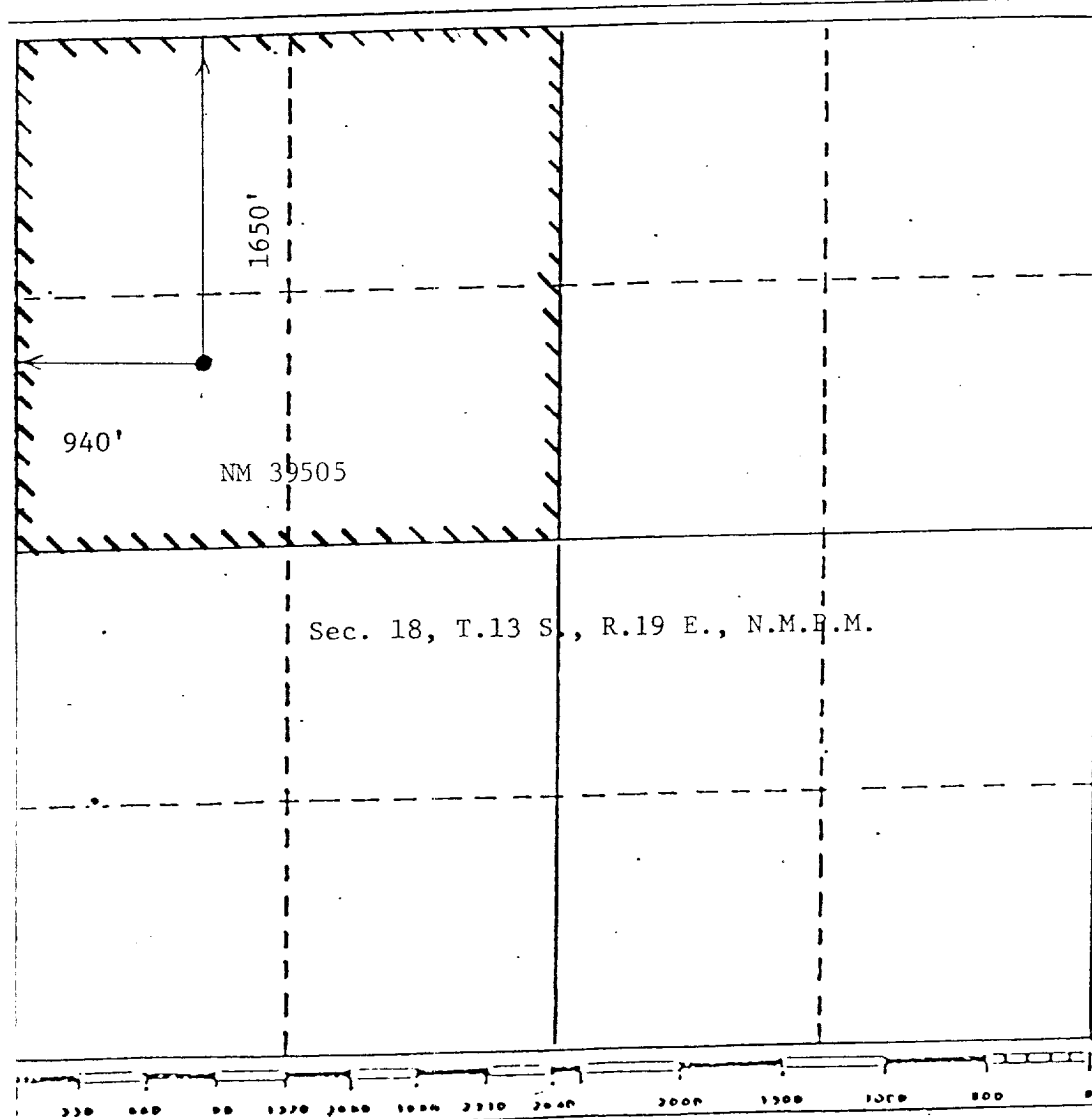
Operator Sanders Petroleum CO CORPORATION		Lease Treat Federal		Well No. #1
Unit Letter E	Section 18	Township 13 South	Range 19 East	County Lincoln
Actual Postage Location of Well: 1650 feet from the North line and 940 feet from the West line				
Ground Level Elev. 5525	Producing Formation Abo	Pool Wildcat	Dedicated Acreage: 155.86 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 CORPORATION

Date
December 21, 1982

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.

John D. Jaques
Date Surveyed
December 24, 1982
Registered Professional Engineer and Land Surveyor
John D. Jaques, C.E. & L.S.
Certificate No. 6290

SUPPLEMENTAL DRILLING DATA

SANDERS PETROLEUM CORPORATION
No.1 Treat Federal
SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec.18-13S-19E
Lincoln County, N.M.

NM 39505

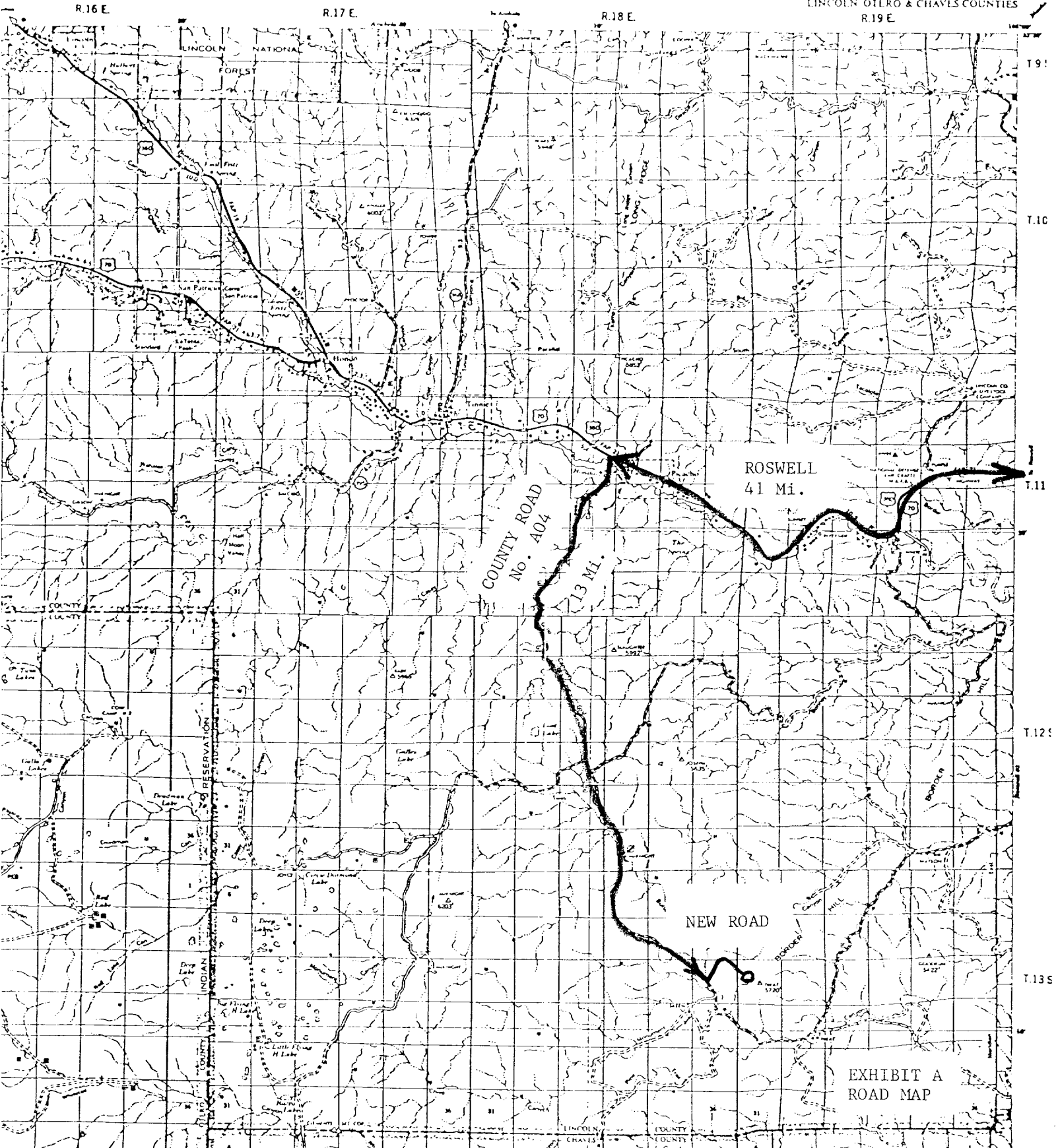
The following items supplement Form 9-331C in accordance with instructions contained in NTL-6.

1. SURFACE FORMATION: Permian
2. ESTIMATED TOPS OF GEOLOGIC MARKER:
Glorieta 500' Abo 2300'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:
Fresh Water - Surface to 650'
Gas - 2300' to TD
4. PROPOSED CASING PROGRAM:
16" Casing - Set to 40'± and grouted to surface.
8-5/8" Casing - 800'± Cement circulated
4-1/2" Casing - Set to TD and cemented to a point
600' above top of Abo
5. PRESSURE CONTROL EQUIPMENT: Blowout preventer stack will consist of at least a double-ram blowout preventer rated to 3000# W.P. A diagrammatic sketch of the BOP is attached as Exhibit "D".
6. CIRCULATING MEDIUM: Mud will be used as the circulating medium. Appropriate additives will be used in the mud to control water loss and viscosity.
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 PROGRAM:
Samples: Samples will be taken from surface to TD.
DST: None anticipated
Logging: Gamma Ray-Neutron log and other logs as recommended by drilling supervisor.
Coring: None anticipated

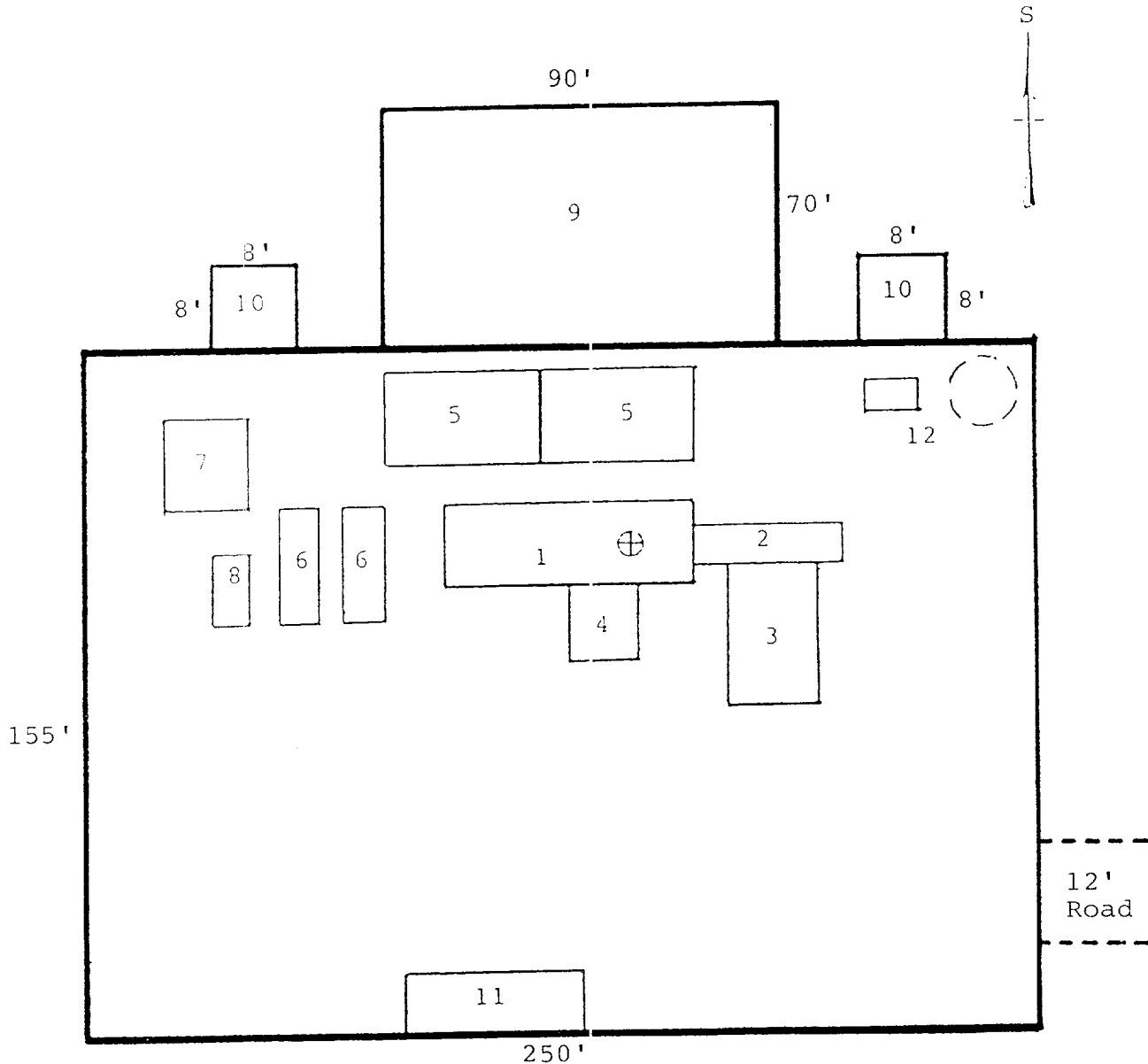
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No.1 Treat Federal
SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec.18-13S-19E
Lincoln County, N.M.

DEPARTMENT
DIVISION
SECTION

LINCOLN QUADRANGLE-92
LINCOLN OILRO & CHAVES COUNTIES
R.19E



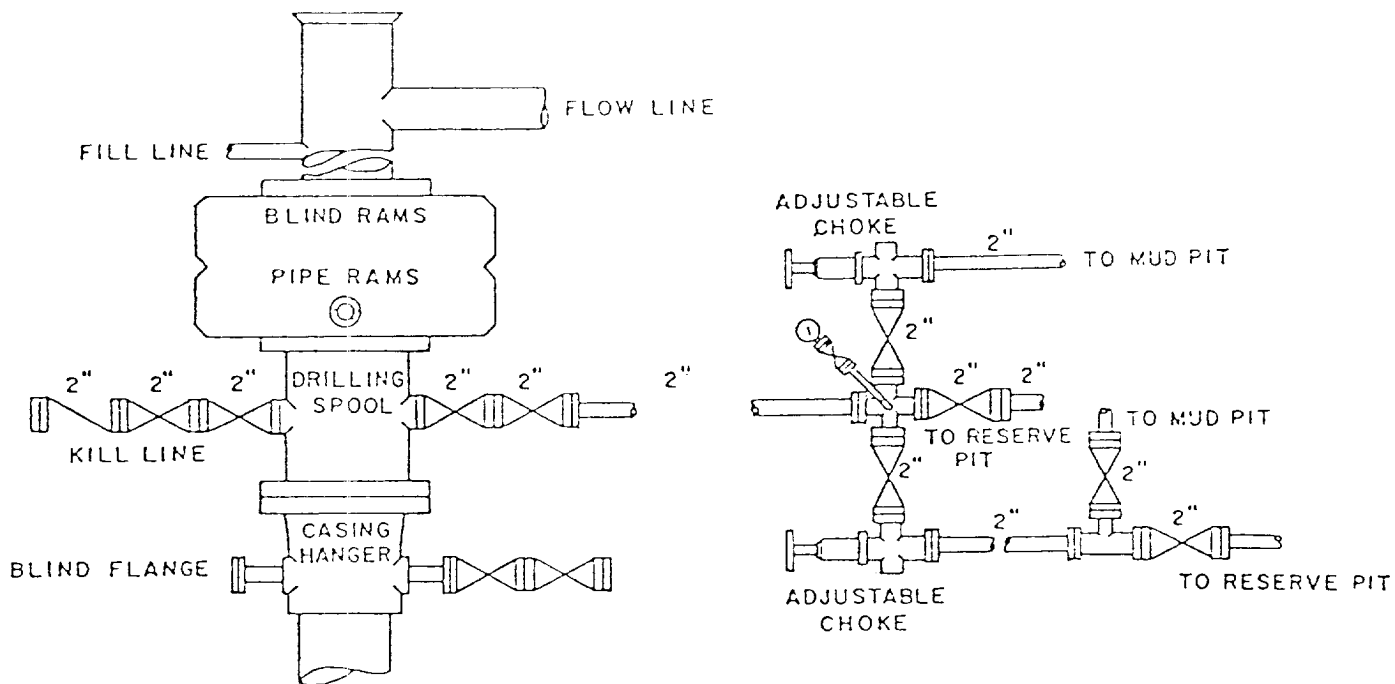
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RIG LAYOUT

- | | |
|-----------------|---------------------------|
| 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 DIAGRAM

3000# Working Pressure
Rams Operated Daily