

N. M. O. C. E. COPY

SUBMIT IN TRI-STATE*
(Other instructions on
reverse side)Form approved,
Budget Bureau No. 42-R1425.UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
Honeysuckle Exploration Corporation

3. ADDRESS OF OPERATOR
1610 North J, Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface **2310' FNL & 1980' FEL**
At proposed prod. zone **Queen-Grayburg**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
13 miles SE of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) **330'**

16. NO. OF ACRES IN LEASE **320**

17. NO. OF ACRES ASSIGNED TO THIS WELL **40**

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **990' N of #2**

19. PROPOSED DEPTH **4100'**

20. ROTARY OR CABLE TOOLS **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **3657.8' GR**

22. APPROX. DATE WORK WILL START* **Feb. 1, 1977**

5. LEASE DESIGNATION AND SERIAL NO.
LC 029392 B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
3

10. FIELD AND POOL, OR WILDCAT
Shugart

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 26, T18S, R31E

12. COUNTY OR PARISH
Eddy

13. STATE
N. Mex.

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	23	800'	500 sx
7 7/8	4 1/2	10.5	4100'	275 sx

Surface - Class "C" w/2% CaCl

Production String - 50-50 Poz w/8# salt & 1/2 of 1% CPR2/sx

A 10" 900 Series Model E Schaeffer Double gate blowout
preventor 3000# WP and 6000# test.

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ARTESIA, NEW MEXICO

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 Neal A. Bayler TITLE Agent DATE Jan. 1, 1977

(This space for Federal or State office use)

PERMIT NO.

APPROVED BY 1/10/77
CONDITIONS OF APPROVAL, IF ANY:

ACTING DISTRICT ENGINEER

THIS APPROVAL IS RESCINDED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS
EXPIRES MAY 10 1977

*See Instructions On Reverse Side

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 1-75
Supersedes O-128
Effective 1-1-75

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

Operator HONEYSUCKLE EXPLORATION CORP.			Lease Federal "26"		Acres 3
Unit Letter G	Section 26	Township 18 South	Range 31 East	County Eddy	
Actual Well Location of Well: 2310 feet from the north line and 1980 feet from the east line.					
Ground Level Elev. 3657.8	Producing Formation y-SR Q-G		Depth 4000	Other Data 40	

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 lease (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well have the interests been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes" type of consolidation _____

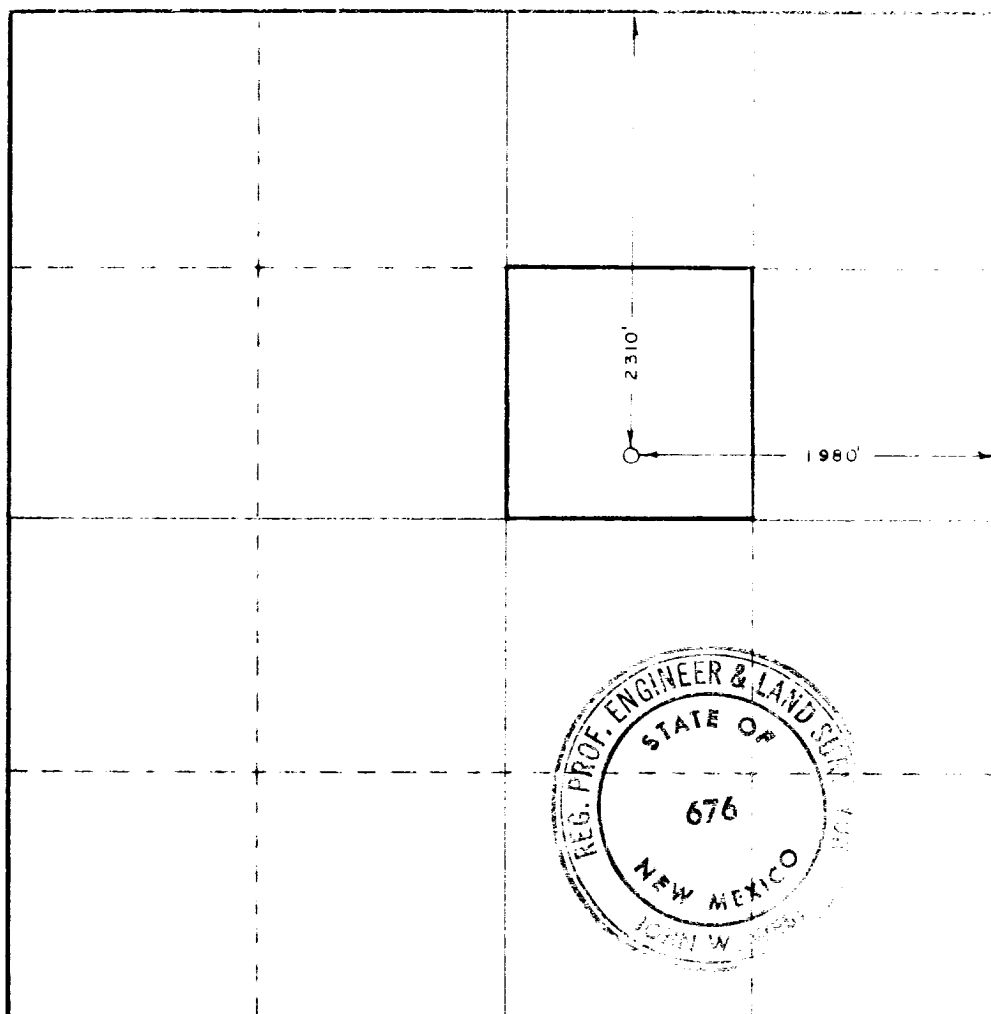
If answer is "no," list the owners and tract descriptions which have actually been consolidated (also reverse side of this form if necessary.) _____

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.

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CERTIFICATION

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

Neal A. Taylor

Agent

Company
Honeysuckle Exploration Corp.

Date
1/6/77

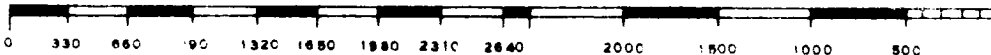
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Dec. 31, 1976

Registered Professional Engineer
in Oil and Gas Surveying

John W. West

Certificate No. **676**



DRILLING PROGNOSIS

HONEYSUCKLE EXPLORATION CORP.

FEDERAL 26-3

RE: NTL-6

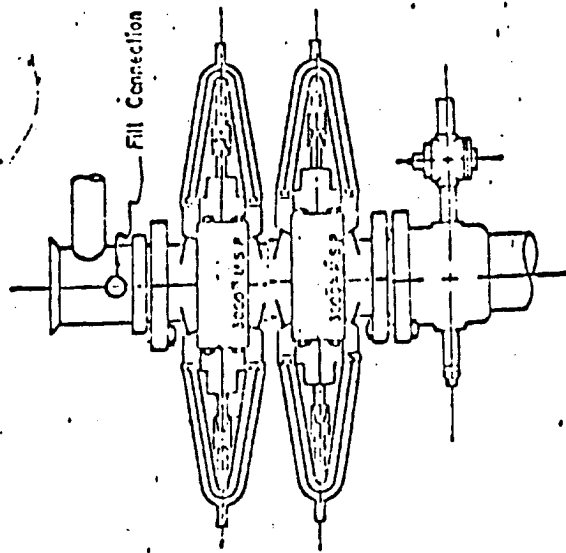
Attachment to Application for Permit to Drill

1. Location: Eddy County, N.M. T-18-S, R-31-E, Sec. 26 2310 FNL, 1980 FEL
2. Elevation: 3657.8 ground level
3. Surface Formation: Alluvium Sands
4. Drilling Tools: Rotary rig.
5. Proposed T.D.: 4100'
6. Estimated Tops:

Rustler	-	700'
Salt	-	900'
Base Salt	-	2120'
Yates	-	2325'
7 Rivers	-	2610'
Queen	-	3420'
Grayburg	-	3730'
7. Anticipated Pays: Yates, Seven Rivers, Queen, Grayburg.
8. Casing Program: Surface pipe 8 5/8", 24#, J-55, New
Production pipe 4 1/2", 10.5#, J-55, New
9. Setting Depth: 8 5/8" @ 800' w/500 sx
4 1/2" @ 4100' w/275 sx
10. Pressure Control: Shaeffer Double Gate blowout preventer - 3000# W.P.
6000# test. See exhibit.
11. Circulating Medium: Surface hole - Native mud
800' to T.D. - Brine water w/jel added for viscosity.
12. No testing or coring are anticipated.

Logging: Gamma Ray Sonic log with Caliper.
13. Abnormal Pressures: None anticipated.
14. Starting Date: February 5, 1977. Duration of operations - 30 days.

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ARTESIA, NEW MEXICO



Shaffer Type E Series 900
Hydraulic B.O.P.

3,000 PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

Series 900 Flange, or Baller

SURFACE USE PLAN

HONEYSUCKLE EXPL. CORP., FEDERAL 26-#3
2310' FNL & 1980 FEL of Sec. 26, T18S, R31E
Lease LC029392B, Eddy County, N. M.

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U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

This plan is to accompany "Application for Permit to Drill" the subject well which is located approximately 13 miles southeast of Loco Hills, New Mexico. The following is a discussion of pertinent information concerning possible effect which the proposed drilling of the well may have on the environment of the well and road sites and surrounding acreage. A copy will be posted on the derrick floor so that all contractors and subcontractors will be aware of all items of this plan.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a USGS topographic map, Eddy County, New Mexico, showing existing black top roads. Approximately 7 miles south of the intersection of U.S. Highway 82 and N.M. State Highway 31, a lease road colored red on Exhibit "A" goes east to a point approximately 990 feet south of the proposed well site.
- B. Exhibit "B" is a plat showing all existing roads within a one-mile radius of the well site and the planned access road.

2. PLANNED ACCESS ROADS:

- A. Length and Width: The required new access road will be 12 feet wide and 990 feet long. The new road is labeled and color coded red on Exhibit "B". The center line of the proposed new road from the edge of the well site to the existing access road has been staked and flagged with the stakes being visible from one stake to the next.
- B. Surfacing Material: Six inches of caliche, watered, compacted and graded.
- C. Maximum Grade: 3 percent
- D. Turnouts: One new turnout proposed.
- E. Drainage Design: New road will have a drop of 6 inches from the center line to each edge of the road.
- F. Culverts: None required.
- G. Cuts and Fills: None required.
- H. Cattleguards: There are no fences so none are required.

3. LOCATION OF EXISTING WELLS:

All existing wells within a one-mile radius of the proposed drill site are shown on Exhibit "C".

4. LOCATION OF EXISTING AND PROPOSED PRODUCTION FACILITIES:

- A. Existing Facilities: There are currently 2 producing wells located on the subject lease which are associated with the Shugart Pool. The location of existing tank battery, oil flow lines are shown on Exhibit "B".
- B. Proposed Facilities: As shown on exhibit "B", if commercial production is established at this location, the existing oil flow line will be extended from the #2 well to the #3 or new well. Electrification if deemed necessary, will be submitted at a later date on an amended surface use plan. Additional tank batteries, if required, will also be submitted on an amended surface use plan. Protective measures will be maintained around surface pits in order to minimize hazards to livestock.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water for drilling the proposed well will be purchased in Loco Hills and will be trucked approximately 13 miles to the well site.

6. SOURCE OF CONSTRUCTION MATERIALS:

Caliche for surfacing the road and well pad will be obtained from an existing pit located in the SW/4 SE/4 Sec. 26, T-18-S, R-31-E. The pit is on land owned by the U.S. Government. Location of the pit is shown in Exhibit "B".

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill Cuttings: Drill cuttings will be disposed of in drilling pits.
- B. Drilling Fluids: Drilling fluids will be allowed to evaporate in drilling pits until the pits are dry.
- C. Formation Water and Oil: Any produced formation water will be disposed of in a storage tank. Oil produced from the well during tests will be stored in test tanks until sold.
- D. Human Waste: All current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, Waste Paper, Garbage and Junk: All trash, waste paper,

garbage and junk will be buried in a trash pit located adjacent to the reserve pit and will be covered with a minimum of 24 inches of dirt. Before burial, the waste material will be contained to prevent scattering by the wind. The location of the trash pit is shown in Exhibit "D".

- F. Trash Burial: All trash and debris will be buried or removed from the well site within 30 days after finishing completion operations.

8. ANCILLARY FACILITIES:

None required.

9. WELLSITE LAYOUT:

- A. Wellsite Boundries: The boundries of the wellsite have been staked and flagged.
- B. Rig Components: Exhibit "D" shows the relative location and dimensions of the well pad, mud pits, reserve pit, trash pit and location of major rig components.
- C. Wellsite Levelling: Only minor levelling of the wellsite will be required. No cuts or fills will be necessary.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. Equipment Removal: After the finishing of drilling and/or completion operations, all drilling equipment and other material not needed for routine operations will be removed from the wellsite. Pits will be filled and the location cleaned of all trash and junk thus leaving the wellsite in an aesthetically pleasing condition.
- B. Unguarded Pits: Any unguarded pits containing fluid will be fenced until they are back-filled.
- C. Well Abandonment: Upon abandoning the proposed well, the surface restoration will be in accordance with the B.L.M. As stated above, the pits will be filled and the location will be cleaned. The pit area, well pad and all unneeded access roads will be ripped to promote vegetation. Rehabilitation will be accomplished within 90 days after abandonment.

11. OTHER INFORMATION:

- A. Terrain: Low rolling sand hills. See Exhibit "A", topographic map of area.

- B. Soil: Sandy soil.
- C. Vegetation: Sparse vegetation, being mostly grease wood, shinnery and other semi-desert plants with sparse grass and small seeds.
- D. Ponds and Streams: There are no rivers, streams, ponds or lakes in the area.
- E. Residences and Other Structures: There are no residences in a 2 mile radius.
- F. Archeological, Historical and Cultural Sites: None observed in the area.
- G. Land Use: Grazing
- H. Surface Ownership: Wellsite is on surface owned by the B.L.M.

12. OPERATORS REPRESENTATIVES:

The field representatives responsible for assuring compliance with the approved Surface Use and Operations Plan are as follows:

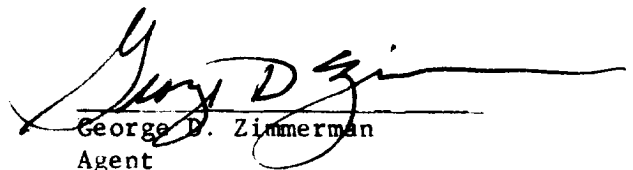
Neal A. Taylor
1610 North J
Midland, Texas 79701
Phone: 915-682-2257

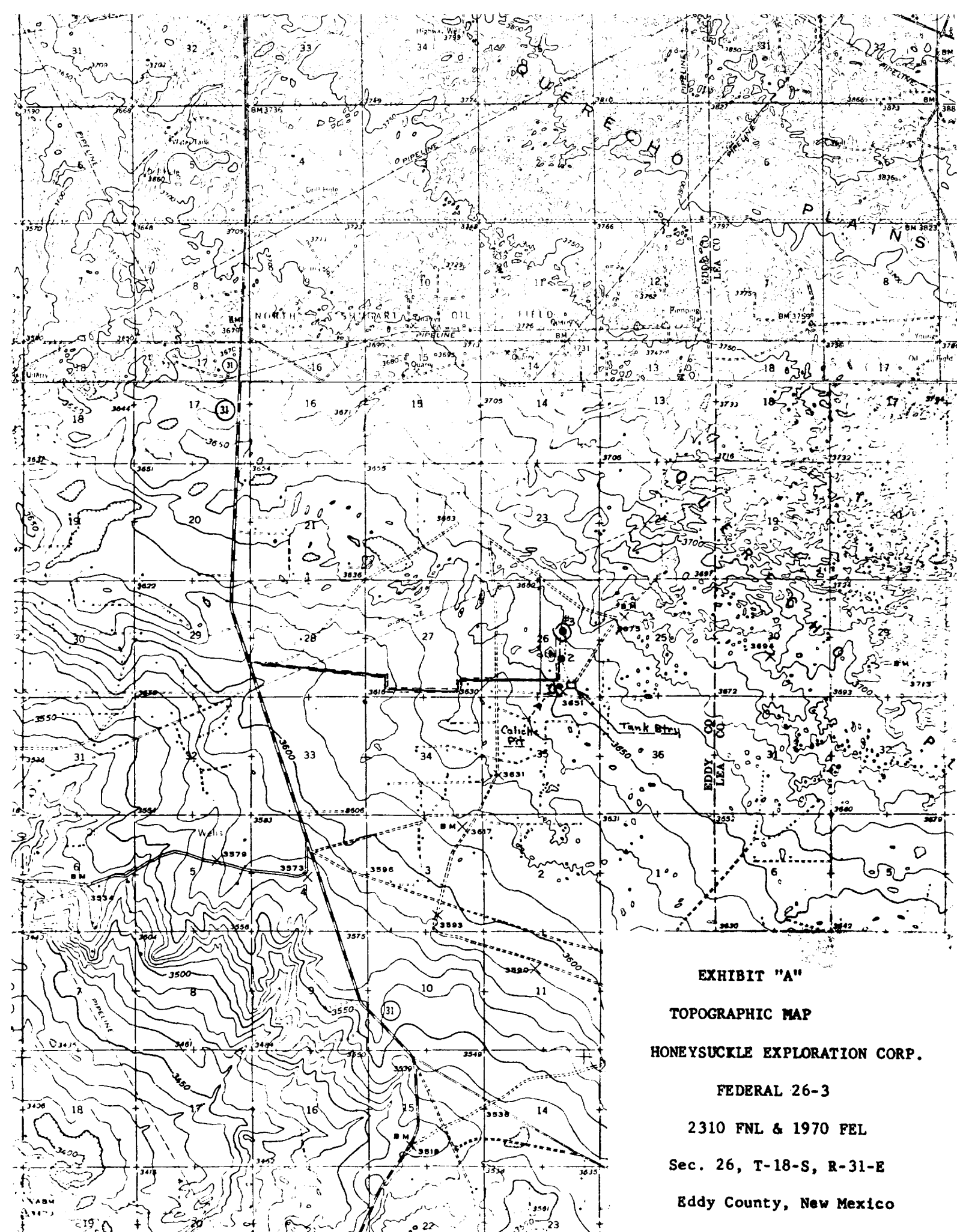
George D. Zimmerman
314 Petroleum Building
Midland, Texas 79701
Office Phone: 915-683-5986
Home Phone: 915-694-7440

13. CERTIFICATION:

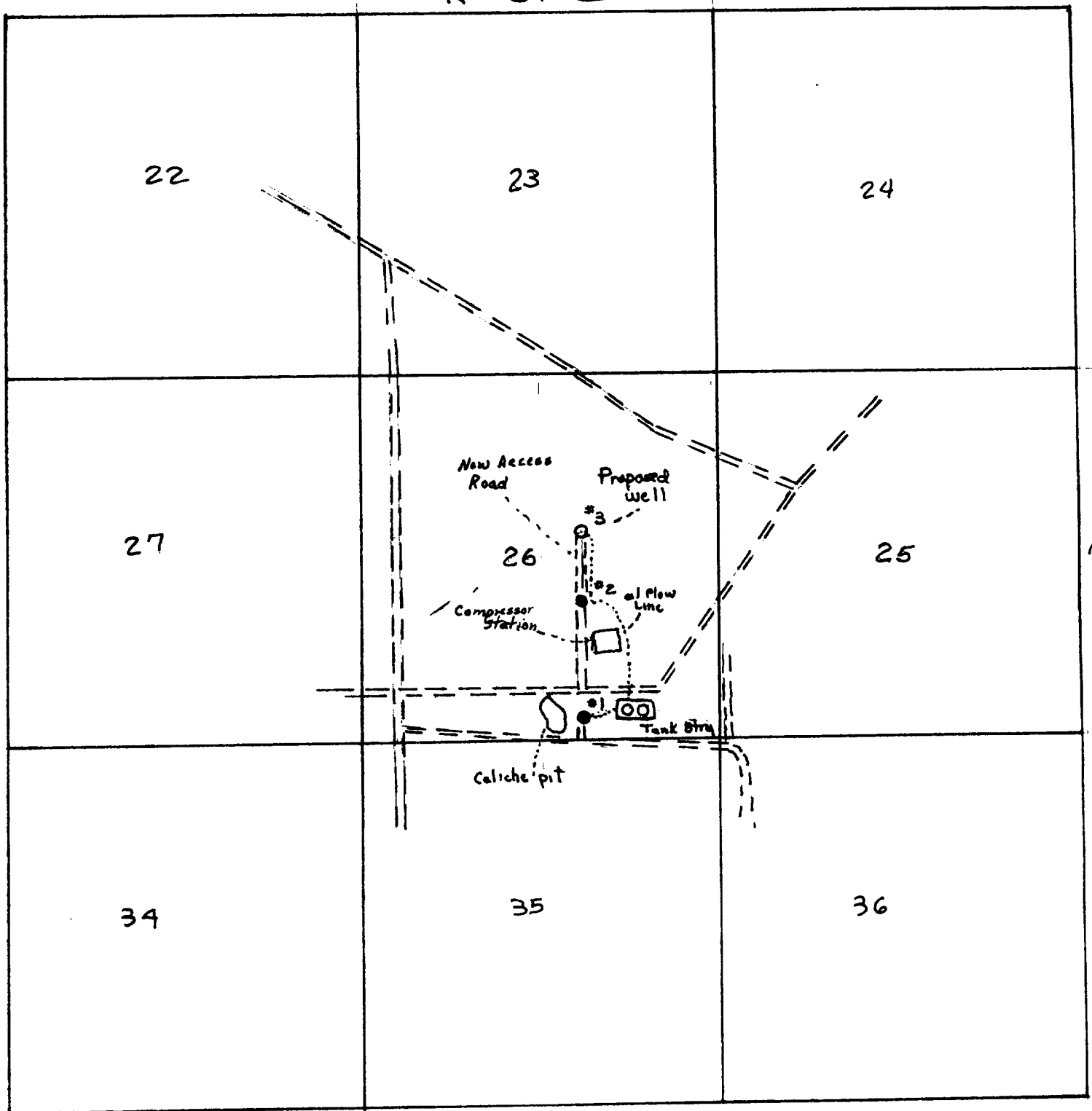
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by Honeysuckle Exploration Corporation and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

1-6-77
Date


George D. Zimmerman
Agent



R-31-E



T
18
S

Exhibit "B"

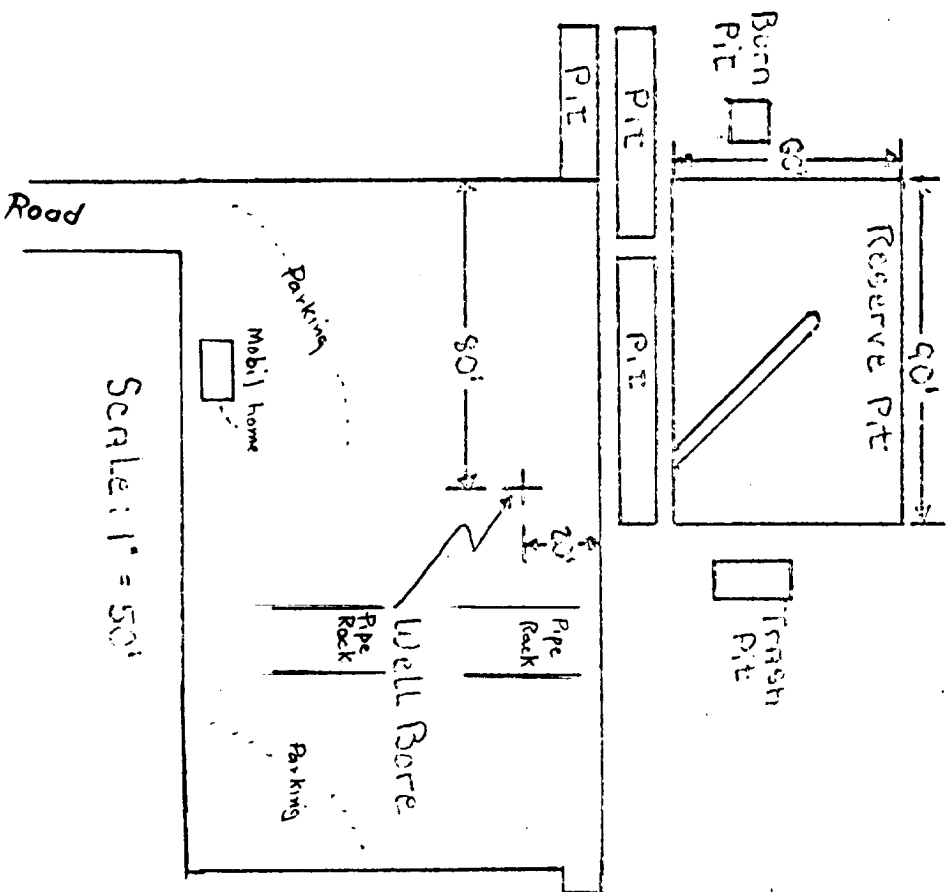
Existing Roads

Honeysuckle Explor Corp

Fed 26 Lease

26-18-31

Eddy Co. NM.



SURFACE USE PLAN: EXHIBIT "D"

Honeysuckle Expl. Corp.
 Fed. 26 Well #3
 2310' FNL & 1980 FEL
 Sec. 26, T18S, R31E

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U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

SURFACE USE PLAN

HONEYSUCKLE EXPL. CORP., FEDERAL 26-#3
2310' FNL & 1980 FEL of Sec. 26, T18S, R31E
Lease LCO29392B, Eddy County, N. M.

This plan is to accompany "Application for Permit to Drill" the subject well which is located approximately 13 miles southeast of Loco Hills, New Mexico. The following is a discussion of pertinent information concerning possible effect which the proposed drilling of the well may have on the environment of the well and road sites and surrounding acreage. A copy will be posted on the derrick floor so that all contractors and subcontractors will be aware of all items of this plan.

1. AREAL ROAD MAP - Exhibit "A" is a portion of a USGS topographic map, Eddy County, New Mexico, showing existing black top roads. Approximately 7 miles south of the intersection of U. S. Highway 82 and N. M. State Highway 31, a lease road colored red on Exhibit "A" goes east to a point approximately 660 feet south of the proposed well site.
2. LOCATION OF EXISTING WELLS - Several shallow wells have been drilled within a two-mile radius and are shown on Exhibit "B" with the proposed location and access road.
3. PROPOSED WELL MAT AND IMMEDIATE AREA - Refer to Exhibit "C" for direction orientation and road access.
 - a. MAT SIZE - 180' X 110'
 - b. SURFACED - Will be topped with 6" of caliche, bladed, watered and compacted. Caliche to be purchased from BLM by dirt contractor.
 - c. RESERVE PIT - 90' X 60' pit lined with plastic, joining mat to the north.
 - d. CUT & FILL - Location is nearly level, only general leveling will be required.
 - e. DRILL SITE LAYOUT - Exhibit "C" shows position of mat, reserve pits, burn pits, trash pits, and mud pits in relation to the well bore. Rig will be erected with the V-Door to the east.
 - f. SETTING AND ENVIRONMENT -
 - (1) TERRAIN - Low rolling sand hills. See Exhibit "A", topographic map of area.
 - (2) SOIL - Sandy soil.
 - (3) VEGETATION - Sparse vegetation, being mostly grease wood, shinnery and other semi-desert plants with sparse grass and small weeds.
 - (4) SURFACE USE - Grazing.

- (5) OTHER - Drill site, which is in nearly flat semi-arid desert country, is in a low environmental risk area. The total effect of drilling and producing this and other wells in this area would be minimal.

g. DISTANCES TO:

- (1) PONDS AND STREAMS- There are no surface waters within 1/2 mile.
- (2) WATER WELLS - No water well or windmill could be seen within 1/2 miles.
- (3) RESIDENCES AND BUILDINGS - There are no houses or buildings within 1/2 mile.
- (4) ARROYOS, CANYONS, ETC. - Outside of low rolling sand hills, there are no surface features within 1/2 mile. See Exhibit "A".

- h. WELL SIGN: Sign identifying and locating well will be maintained at drill site with the spudding of the well.

- i. OPEN PITS - All pits containing mud or other liquids will be fenced or guarded.

4. ROADS:

- a. EXISTING ROADS - All existing roads within three miles of well site are shown on Exhibit "A".
- b. PLANNED ROADS - Plan to construct 990' of new 12 foot wide road with one 12' passing turnout, all to be topped with caliche. New road is colored in red on Exhibit "B" and is a northern extension of existing lease roads.
- c. FENCES, GATES AND CATTLEGUARDS - None.

5. TANK BATTERY - Existing lease tank battery will be used.

6. LEASE PIPELINES:

- a. EXISTING - None.
- b. PLANNED - If production is encountered, all lease lines are to be constructed on well mat.

7. WASTE DISPOSAL - Well cuttings will be disposed in reserve pit. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures. All detrimental waste will be hauled away, burned or buried with a minimum cover of 24" of dirt. See Exhibit "C" for location of pits. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. Any produced water will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the Survey for appropriate approval.

8. WATER SUPPLY - Supply water will be hauled.

9. ARCHAEOLOGICAL RESOURCES - None observed.
10. RESTORATION OF SURFACE - If well is productive, pits will be backfilled and leveled as soon as practical to original condition.
11. OPERATOR'S REPRESENTATIVE - Field personnel who can be contacted concerning compliance of this Surface Use Plan are as follows:

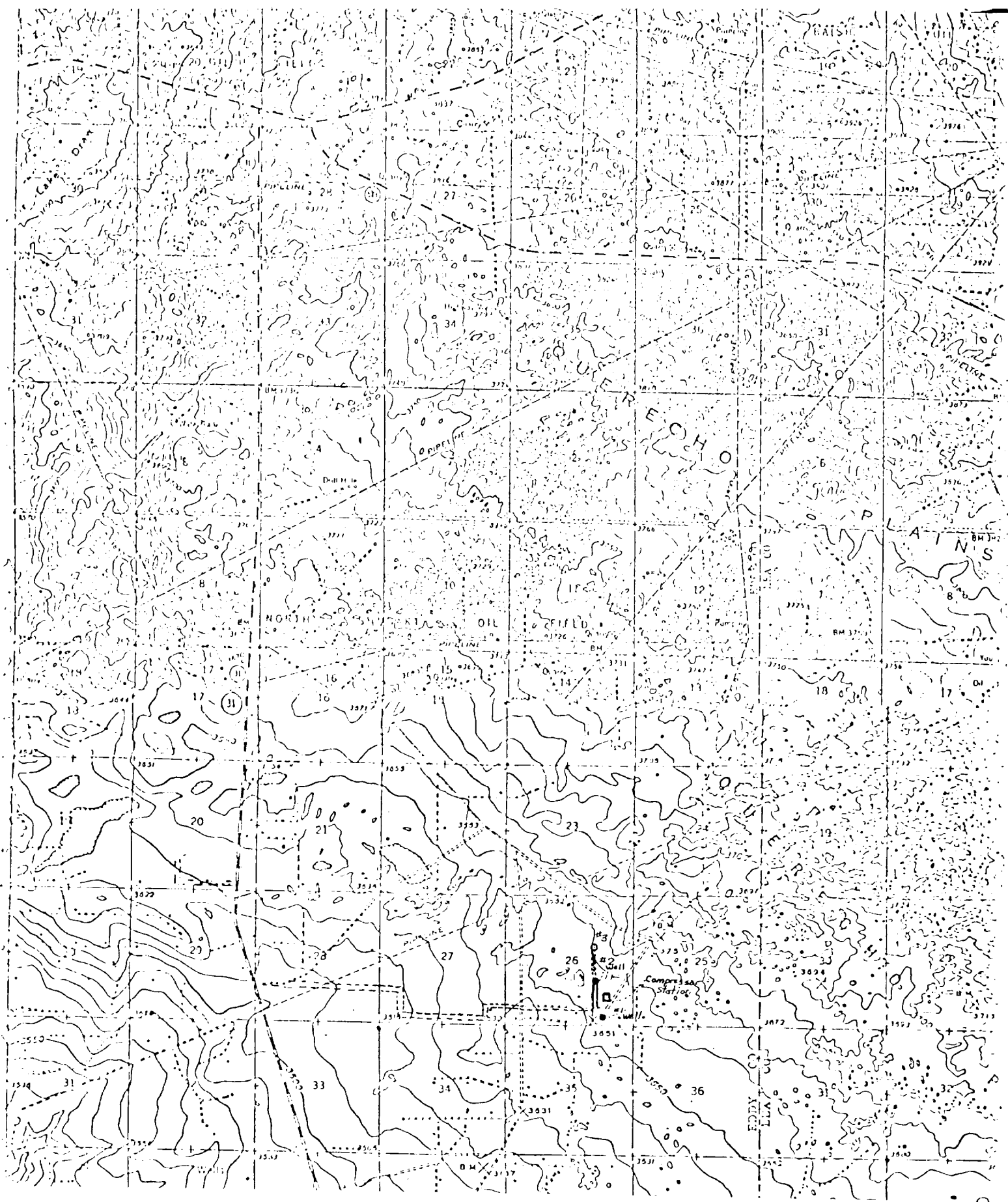
Neal A. Taylor
1610 North "J"
Midland, Texas 79701
Phone 915-682-2257

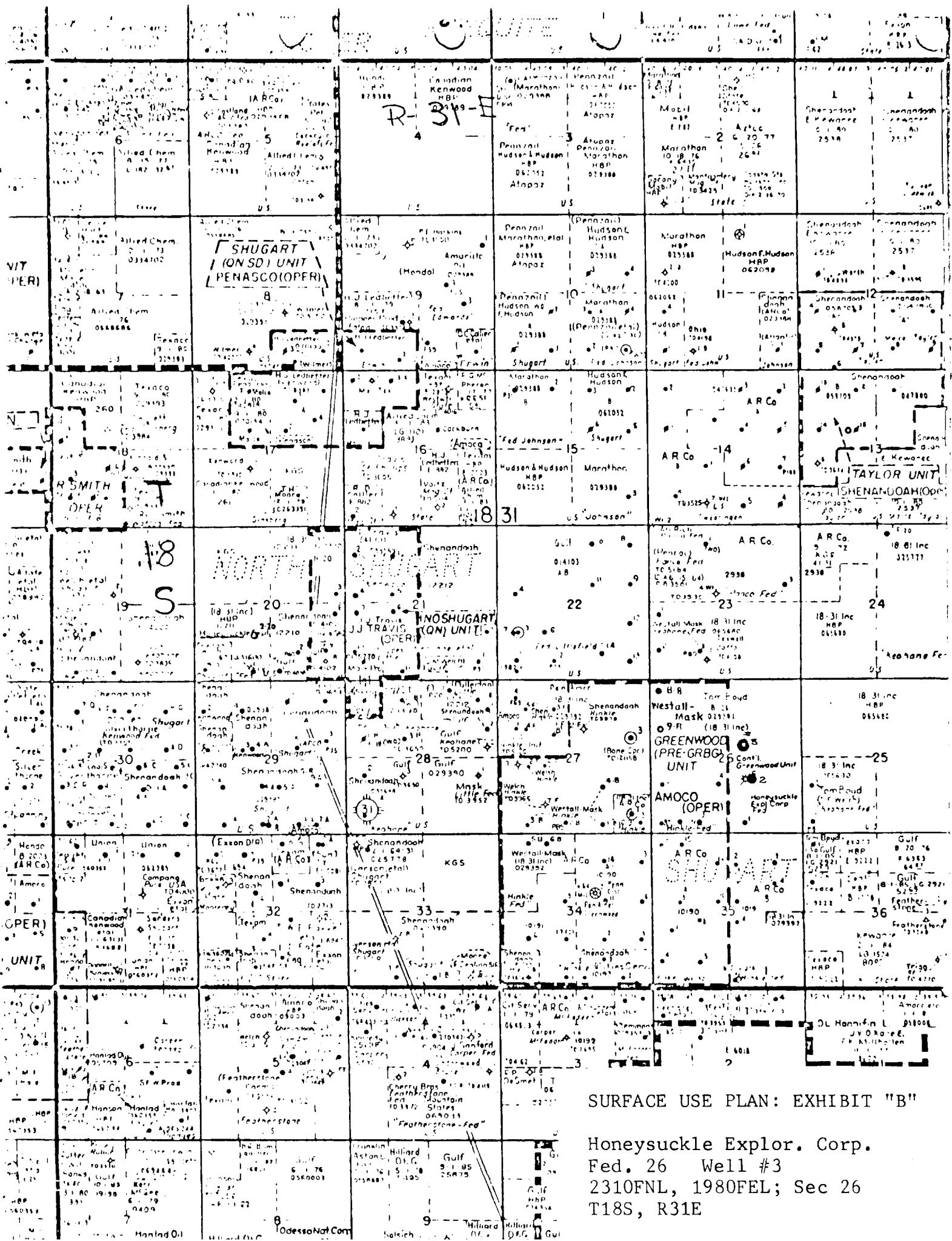
12. CERTIFICATION:

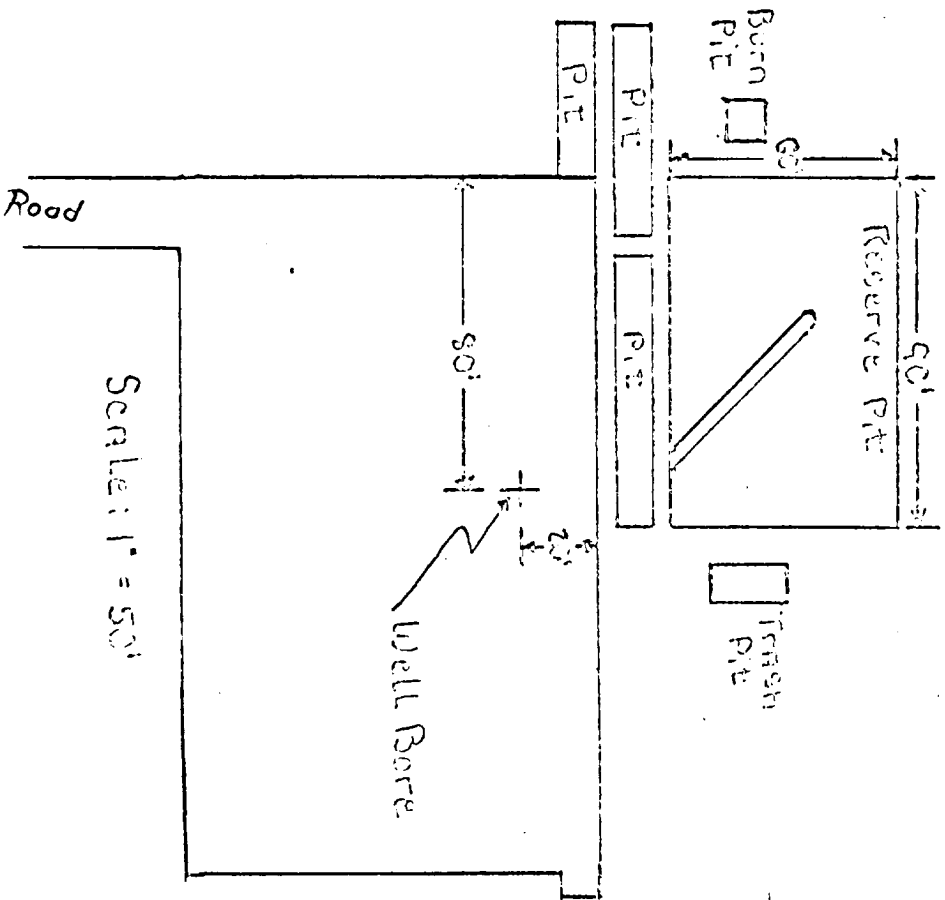
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions as they actually exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the proposed work performed by Honeysuckle Exploration Corporation and its contractors and sub-contractors will conform to this plan.

1-5-77
Date

Neal A. Taylor
Neal A. Taylor







SURFACE USE PLAN: EXHIBIT "C"
 Honeysuckle Expl. Corp.
 Fed. 26 Well #3
 2310' FNL & 1980 FEL
 Sec. 26, T18S, R31E