

N. M. Oil Cons. Division

811 S. 1ST ST

ARTESIA, NM 8821 34

cl/h

Form 3160-3
(July 1992)

SUBMIT IN TRIPPLICATE*

(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

6. LEASE DESIGNATION AND SERIAL NO.
NM-86025

8. BY INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

6. FARMOR LEASE NAME, WELL NO
10617
Arco Federal # 4

9. API WELL NO
30-015-29355

10. FIELD AND POOL OR WILDCAT
Grayburg-Jackson; TRURS
-On, Grbg, San A.

11. SEC., T., R. N., OR BLE.
AND SURVEY OR AREA 28509
Sec. 17 T17S-R30E

12. COUNTY OR PARISH
Eddy Co.

13. STATE
New Mexico

1a. TYPE OF WORK
DRILL DEEPEN

b. TYPE OF WELL
OIL WELL GAS WELL OTHER SINGLE BORE MULTIPLE BORE

2. NAME OF OPERATOR
SOUTHWEST ROYALTIES INC. *21355* (Nelson Patton)

3. ADDRESS AND TELEPHONE NO
P.O. BOX 11390 MIDLAND, TEXAS 79702 Ph. 915-686-0027

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*)
At surface 1650' FSL & *990'* FWL SEC. 17 T17S-R30E EDDY CO. NM
At proposed prod. bore Same Unit L

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
1.2 miles Northwest of Loco Hills New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest Spig. Unit Lic. if any)
490'

16. NO. OF ACRES IN LEASE
180

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'

19. PROPOSED DEPTH
5000'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3647' GR.

22. APPROX. DATE WORK WILL START*
As soon as approved

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	20" Conductor	NA	40'	Cement to surface/Redi-Mix
12 1/4"	J-55 8 5/8"	24	550'	225 Sx. circulate to surface
7 7/8"	J-55 5 1/2"	15.5	5000'	500 Sx. T.C. 600' of upper pay

1. Drill 26" hole to 40'. Set 40' of 20" conductor and cement to surface with Redi-Mix.
2. Drill 12 1/4" hloe to 550'. Run and set 550' of J-55 8 5/8" 24# ST&C casing. Cement with 225 Sx. Class "C" + 2% CaCl + 1/2# Flocele/ Sx. Circulate cement to surface.
3. Drill 7 7/8" hole to 5000'. Run and set 5000' of J-55 5 1/2" 15.5# ST&C casing. Cement with 500 Sx. Class "C" cement + 2% Gel + 5# Salt/Sx. + 10# Microbond. + .4% LAP-1. Top of cement to be 600' above upper most Hydrocarbon bearing zone.

*posted ID-1
NMA API
2-7-97*

RECEIVED
FEB 10 25 AM '96

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

SIGNED: *Jose T. Juicca* TITLE: Agent DATE: 11/01/96

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY: (ORIG. SGD.) TONY J. FERGUSON TITLE: ADM. MINERALS DATE: 1/24/97

*See Instructions On Reverse Side

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

AMENDED REPORT

DISTRICT IV
P.O. Box 2066, Santa Fe, NM 87504-2066

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29355	Pool Code 28509	Grayburg Jackson; QUEEN, GRAYBURG, SAN ANDRES	Pool Name TRURS
Property Code	Property Name ARCO FEDERAL		Well Number 4
OGRID No. 021355	Operator Name SOUTHWEST ROYALTIES INC.		Elevation 3644

Surface Location

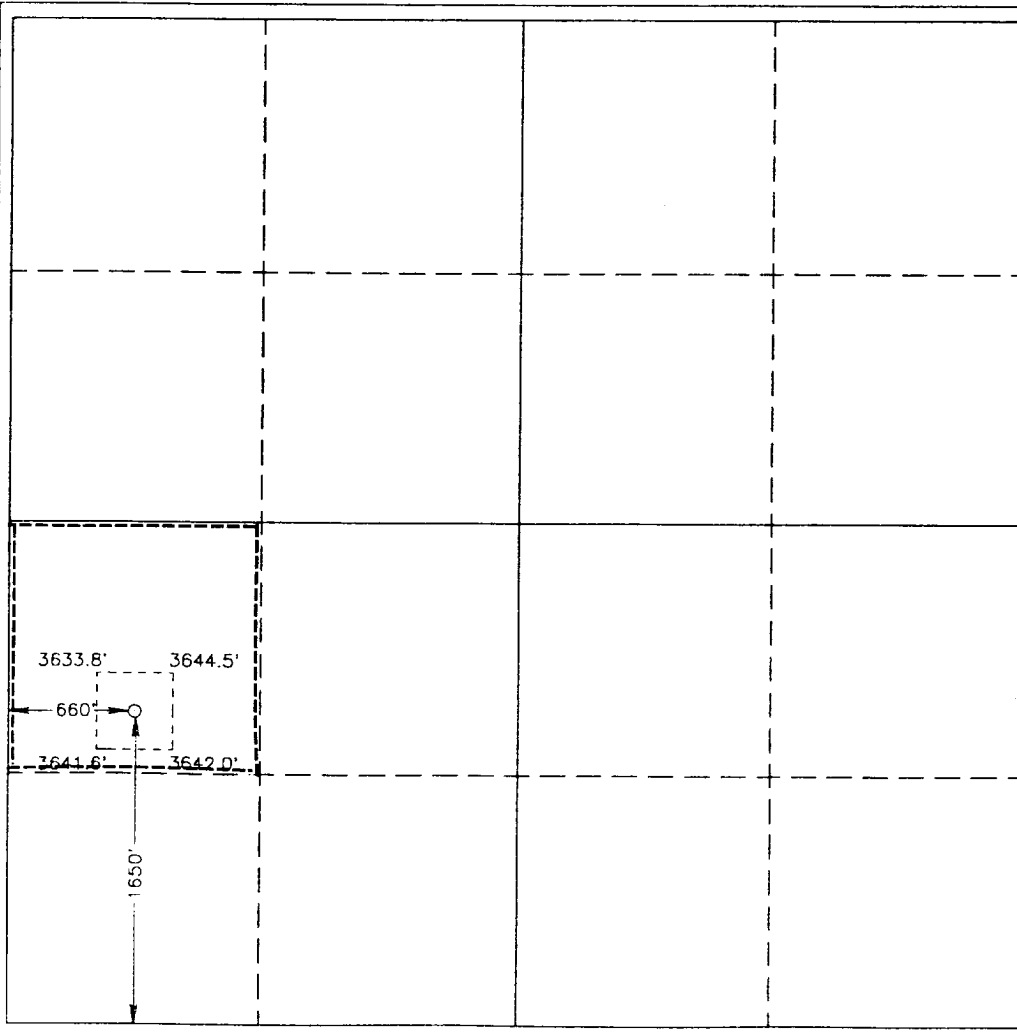
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	17	17 S	30 E		1650	SOUTH	660	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Joe T Janica
Signature

Joe T. Janica
Printed Name

Agent
Title

01/15/97
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was picited 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 belief.

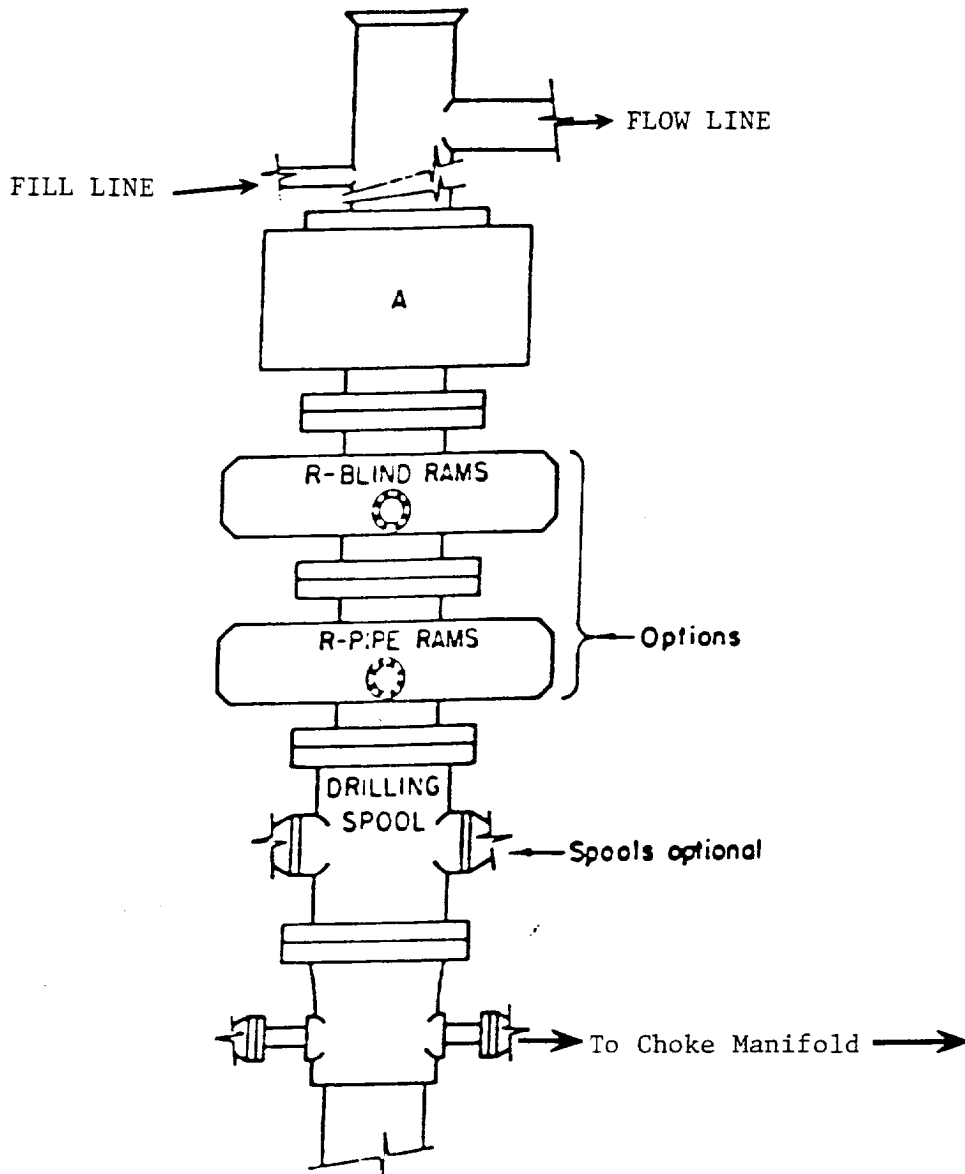
JANUARY 10, 1997
Date Surveyed

JLP

Signature & Seal of Professional Surveyor
Ronald J. Eidson

W.O. Num. 87-1140058

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239
RONALD J. EIDSON, 12641



ARRANGEMENT SRRA

900 Series
3000 PSI WP

EXHIBIT "E"
B.O.P. SKETCH TO BE USED ON
SOUTHWEST ROYALTIES INC.
ARCO FEDERAL # 4
1650' FSL & 990' FWL SEC. 17
T17S-R30E EDDY CO. NM