

Ray Westall

N. M. Oil Cons. Division

811 S. 1ST

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT ARTESIA, NM 80 2894

clb

6. LEASE DESIGNATION AND SERIAL NO. LC 058709 A

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

6. IF INDIAN, ALLOTEE OR TRIBE NAME

1a. TYPE OF WORK DRILL [x] DEEPEN []

7. UNIT AGREEMENT NAME Taylor Unit

b. TYPE OF WELL OIL WELL [x] GAS WELL [] OTHER [] SINGLE ZONE [x] MULTIPLE ZONE []

8. FARM OR LEASE NAME, WELL NO. Taylor # 18 11714

2. NAME OF OPERATOR Ray Westall 18862

9. API WELL NO. 30-015-29497

3. ADDRESS AND TELEPHONE NO. P.O. Box 4, Loco Hills, NM 88255 505-677-2370

10. FIELD AND POOL, OR WILDCAT 56439 Shugart - Yates - Trous - ON - 6R

4. LOCATION OF WELL (REPORT LOCATION CLEARLY AND IN ACCORDANCE WITH ANY SPECIAL REQUIREMENTS) AT SURFACE 2620' FWL & 20' FSL

11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Sec. 12 T18S, R31E

AT PROPOSED PROD. ZONE Same Unit N

12 COUNTY OR PARISH Eddy 13. STATE New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 10 Miles Southeast of Loco Hills NM

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 20'

16. NO. OF ACRES IN LEASE 640

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. 660'

19. PROPOSED DEPTH 3800'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3748 Gr. CAPITAN CONTROLLED WATER BASIN

APPROX. DATE WORK WILL START ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

Table with columns: SIZE OF HOLE, GRADE, SIZE OF CASING, WT PER FT, SETTING DEPTH, QUANTITY OF CEMENT. Includes rows for 12 1/4" and 7 7/8" hole sizes.

ALL CASING WILL BE NEW CEMENT WILL BE CIRCULATED ON T 8 CEMENT QUANTITIES AND ADDITIVES ARE SUBJECT TO CHANGE DUE TO HOLE CONDITIONS.

RECEIVED

NSL-

MAR 07 97

Table for PROPOSED MUD PROGRAM with columns for depth, fluid type, and viscosity.

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

MUD PROGRAM SUBJECT TO CHANGE DUE TO HOLE CONDITIONS IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM...

24. SIGNED [Signature] Randall Harris TITLE Geologist DATE 3/6/97

(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.

APPROVED BY (ORIG. SGD.) TONY L. FERGUSON TITLE COM. MINERALS DATE 4-7-97

TITLE 18 U.S.C. SECTION 1001, MAKES IT A CRIME FOR ANY PERSONS KNOWINGLY AND WILLFULLY TO MAKE TO ANY DEPARTMENT OR AGENCY OF THE UNITED STATES ANY FALSE, FICTITIOUS OR FRAUDULENT STATEMENTS OR REPRESENTATIONS AS TO ANY MATTER WITHIN ITS JURISDICTION

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name SHUGART
Property Code	Property Name Taylor Unit		Well Number 18
OGRID No.	Operator Name Ray Westall, Operator		Elevation 3748

¹⁰ Surface Location

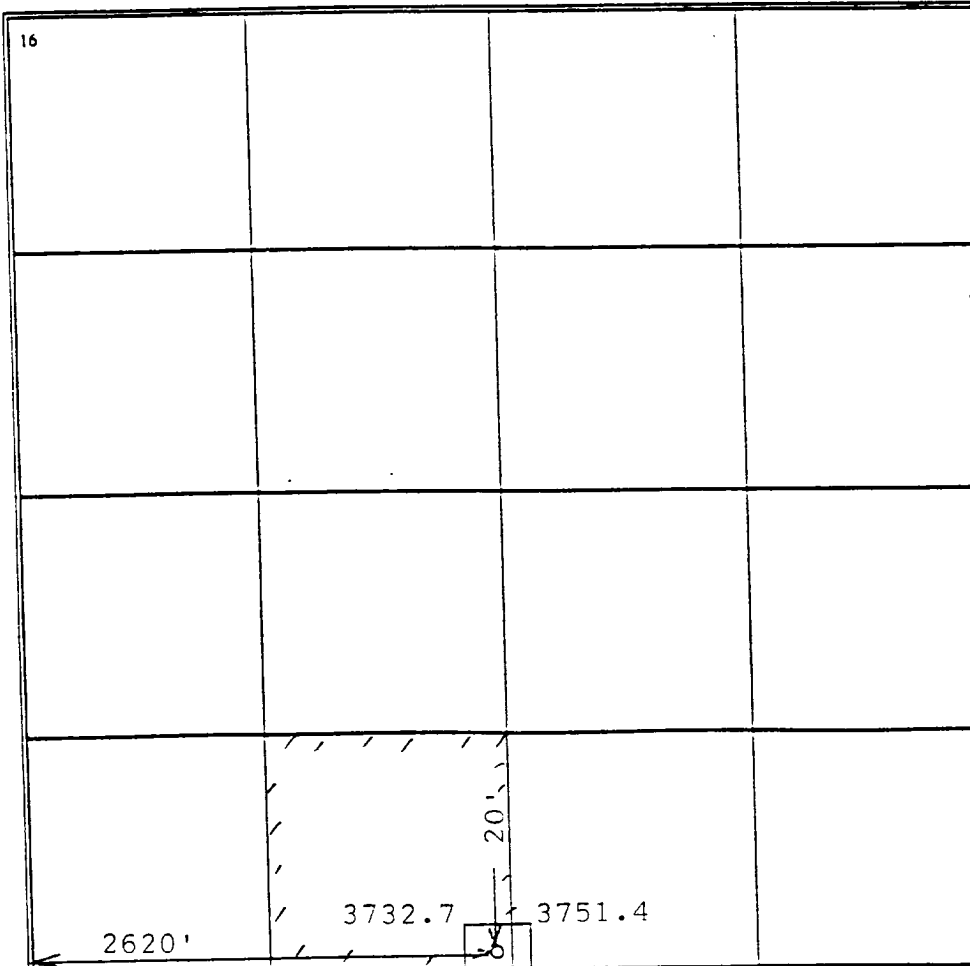
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
N	12	18s	31e		20	South	2620	West	Eddy

¹¹ Bottom Hole Location If Different From Surface

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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



¹⁷ OPERATOR CERTIFICATION

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

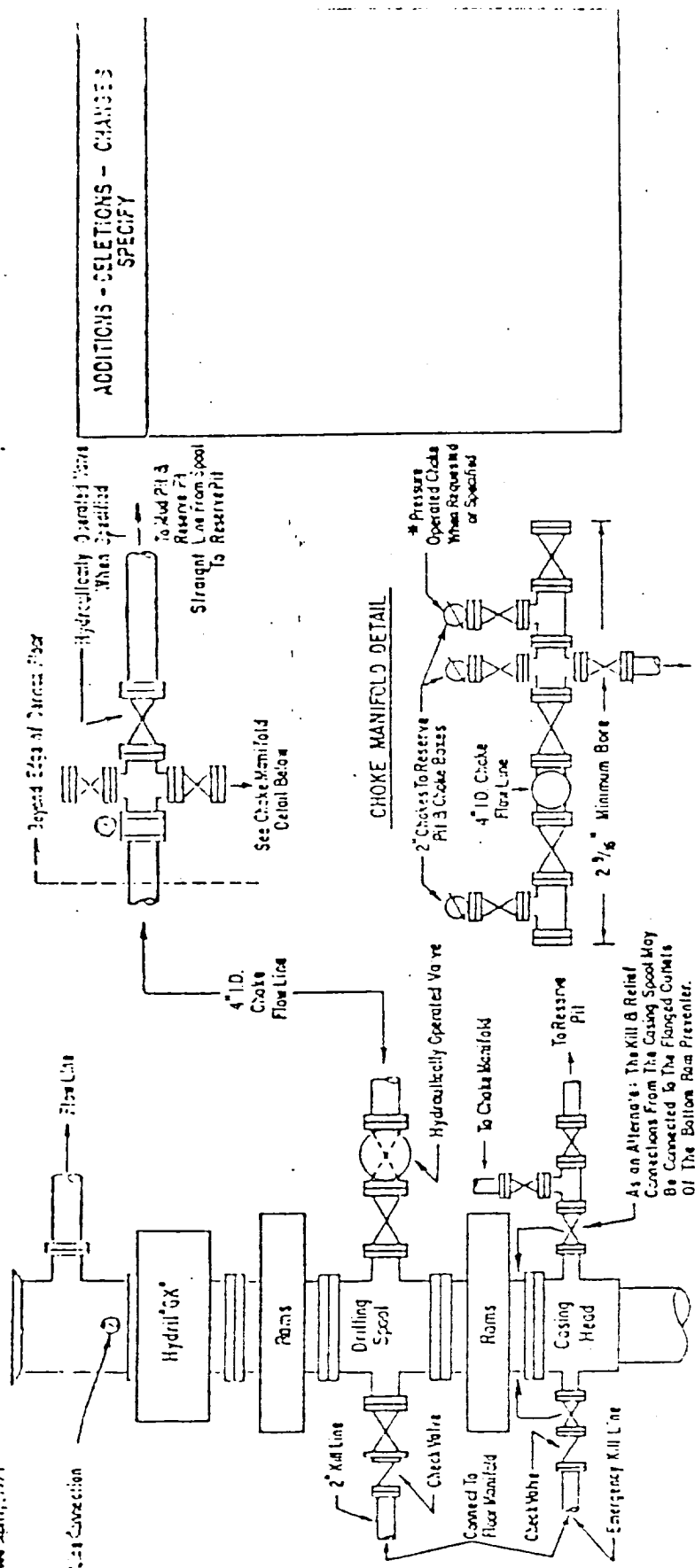
Signature: *[Handwritten Signature]*
 Printed Name: **RANDALL HARRIS**
 Title: **REGISTERED GEOLOGIST**
 Date: **3/4/97**

¹⁸ SURVEYOR CERTIFICATION

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 belief.

Date of Survey: **December 27, 1996**
 Signature and Seal of Professional Surveyor: *[Handwritten Signature]*
 P.R. **RANDALL HARRIS**
 Certificate Number: **112**

CRATING TO J
Revised April, 1971



ADDITIONS - SELECTIONS - CHANGES SPECIFY

3000 PSI WORKING PRESSURE BLOWOUT PREVENTER HOOK-UP

The blowout preventer assembly shall consist of one blind ram preventer and one pipe ram preventer, both hydraulically operated, a Hydril "GX" preventer, valves; chokes and connections as illustrated. If a tapered drill string is used, a ram preventer must be provided for each size of drill pipe. Casing and tubing rams to fit the preventer shall be available as needed. If correct in size, the flanged outlets of the ram preventer may be used for connecting to the 4-inch I. D. choke flow line and kill line, except when oil or gas drilling. The substructure height shall be sufficient to install a rotating blowout preventer.

Minimum operating equipment for the preventers and hydraulically operated valves shall be as follows: (1) Multiple pumps, driven by a continuous source of power, capable of fluid charging the total accumulator volume from the nitrogen precharge pressure to its rated pressure within _____ minutes. Also, the pumps are to be connected to the hydraulic operating system which is to be a closed system. (2) Accumulators with a precharge of nitrogen of not less than 750 PSI and connected so as to receive the alarm-initiated fluid charge. With the charging pump shut down, the pressurized fluid volume stored in the accumulators must be sufficient to close all the pressure-operated devices simultaneously within _____ seconds; after closure, the remaining accumulator pressure shall be not less than 1000 PSI with the remaining accumulator fluid volume at least _____ percent of the original. (3) When requested, an additional source of power, remote and equivalent, is to be available to operate the above pumps; or there shall be additional pumps operated by separate power and equal in performance capabilities.

The closing manifold and remote closing manifold shall have a separate control for each pressure-operated device. Controls are to be located, with control handles indicating open and closed positions. A pressure reducer and regulator must be provided for operating the Hydril preventer. When requested, a second pressure reducer shall be available to limit operating fluid pressures to non pressure equipment.

The choke manifold, choke flow line, and choke lines are to be supported by metal stands and adequately anchored. The choke flow line and choke lines shall be constructed as straight as possible and without sharp bends. Easy and safe access is to be maintained to the choke manifold. All valves are to be selected for operation in the presence of oil, gas, and drilling fluids. The choke flow line valves connected to the drilling spool and all ram type preventers must be equipped with stem extensions, universal joints if needed, and hand wheels which are to extend beyond the edge of the dentlex substructure. All other valves are to be equipped with handles.

* To include dentlex floor-mounted controls.