

**UNORTHODOX
LOCATION**

OCD Hobbs

SECRETARY'S POTASH

14-885

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

**HOBBS OCD
MAR 09 2017
RECEIVED**

5. Lease Serial No.
SHL: NM-56264 BHL: NM-105221

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
North Lea 10 Fed Com #3H (317199)

9. API Well No.
30-025-43681 (50461)

10. Field and Pool, or Exploratory
Quail Ridge; Bone Spring, South

11. Sec., T. R. M. or Blk. and Survey or Area
Sec. 10 T-20S R-34E

1a. Type of work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator Read and Stevens, Inc. (18917)

3a. Address 400 N. Pennsylvania Ave #1000
Roswell, NM 88201

3b. Phone No. (include area code)
575-622-3770

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface 420' FNL 2290' FWL (C)
At proposed prod. zone 330' FSL 2290' FWL (N)

14. Distance in miles and direction from nearest town or post office*
26 miles WSW of Hobbs

12. County or Parish
Lea

13. State
NM

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)
420'

16. No. of acres in lease
640

17. Spacing Unit dedicated to this well
160

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. See raduis maps
attached.

19. Proposed Depth
10,866'TVD / 14,960'MD

20. BLM/BIA Bond No. on file
NM-2310

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
GL - 3637.8' RKB - 3659.8'

22. Approximate date work will start*
07/15/2017

23. Estimated duration
60 days until completion

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification
- 6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature

Name (Printed/Typed)
Rory McMinn

Date
10/27/2016

Title
Project Manager

Approved by (Signature) /s/Cody Layton

Name (Printed/Typed)

Date FEB 24 2017

Title
FIELD MANAGER

Office
CARLSBAD FIELD OFFICE

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, are attached. **APPROVAL FOR TWO YEARS**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person 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.

(Continued on page 2)

*(Instructions on page 2)

Capitan Controlled Water Basin

Kz
03/10/17

Approval Subject to General Requirements
& Special Stipulations Attached

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**