

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address SOUTHWEST ROYALTIES, INC. P.O. BOX 11390 MIDLAND, TEXAS 79702		² OGRID Number 0 2 1 3 5 5
		³ API Number 30 - 0 2 5 - 36474 36493
³ Property Code 3 3 0 9 7	⁵ Property Name AFT	⁶ Well No. #1 - Y

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	26	12-S	32-E		760'	NORTH	1 9 3 5'	WEST	LEA

⁸ Proposed 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

⁹ Proposed Pool 1 CAPROCK, EAST DEVONIAN	¹⁰ Proposed Pool 2 CAPROCK, EAST ATOKA
--	--

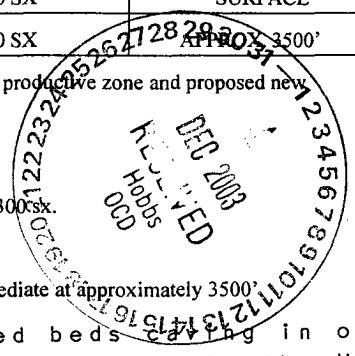
¹¹ Work Type Code N	¹² Well Type Code OIL	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type Code STATE	¹⁵ Ground Level Elevation 4327'
¹⁶ Multiple SINGLE	¹⁷ Proposed Depth 11,500'	¹⁸ Formation DEVONIAN	¹⁹ Contractor KEY ENERGY	²⁰ Spud Date 11/15/03

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	12-3/4"	35#	400'	300 SX	SURFACE
11"	8-5/8"	32#	3700'	650 SX	SURFACE
7-7/8"	5-1/2"	17#	11,500'	650 SX	APPROX 3500'

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

- Set 40' of 20" conductor pipe and cement to surface.
 - Drill 17-1/2" hole to approximately 400' and run 12-3/4" 35# LS casing and cement to surface with 300sx.
 - Drill 11" hole to approximately 3700' and run 8-5/8" 32# casing. Cement to surface with 650 sx.
 - Drill 7-7/8" hole to 11,500' and run 5-1/2" 17# casing. Cement with 650 sx and tie back into intermediate at approximately 3500'.
 - Test Devonian Formation.
- * Well #1 P&A'd due to red beds caving in on BHA. Well will be skid over 45' to the West.
- Note: BOP information attached.



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Dawn M. Howard*

Printed name: Dawn M. Howard

Title: Operations Assistant

E-mail Address: dhoward@swrinc.com

Date: 12-01-03

Phone: 432/686-9927

OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY

Title: CHRIS WILLIAMS

Approved Date: DEC 02 2003

Expiration Date:

Conditions of Approval:

Attached ☐

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

DISTRICT I

P.O. Box 1880, Hobbs, NM 88241-1880

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., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36474	Pool Code 8930	Pool Name CAPROCK, EAST DEVONIAN
Property Code 33097	Property Name AFT	Well Number 1-Y
OGRID No. 021355	Operator Name SOUTHWEST ROYALTIES, INC.	Elevation 4327'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	26	12-S	32-E		760'	NORTH	1935'	WEST	LEA

Bottom Hole Location If Different From Surface

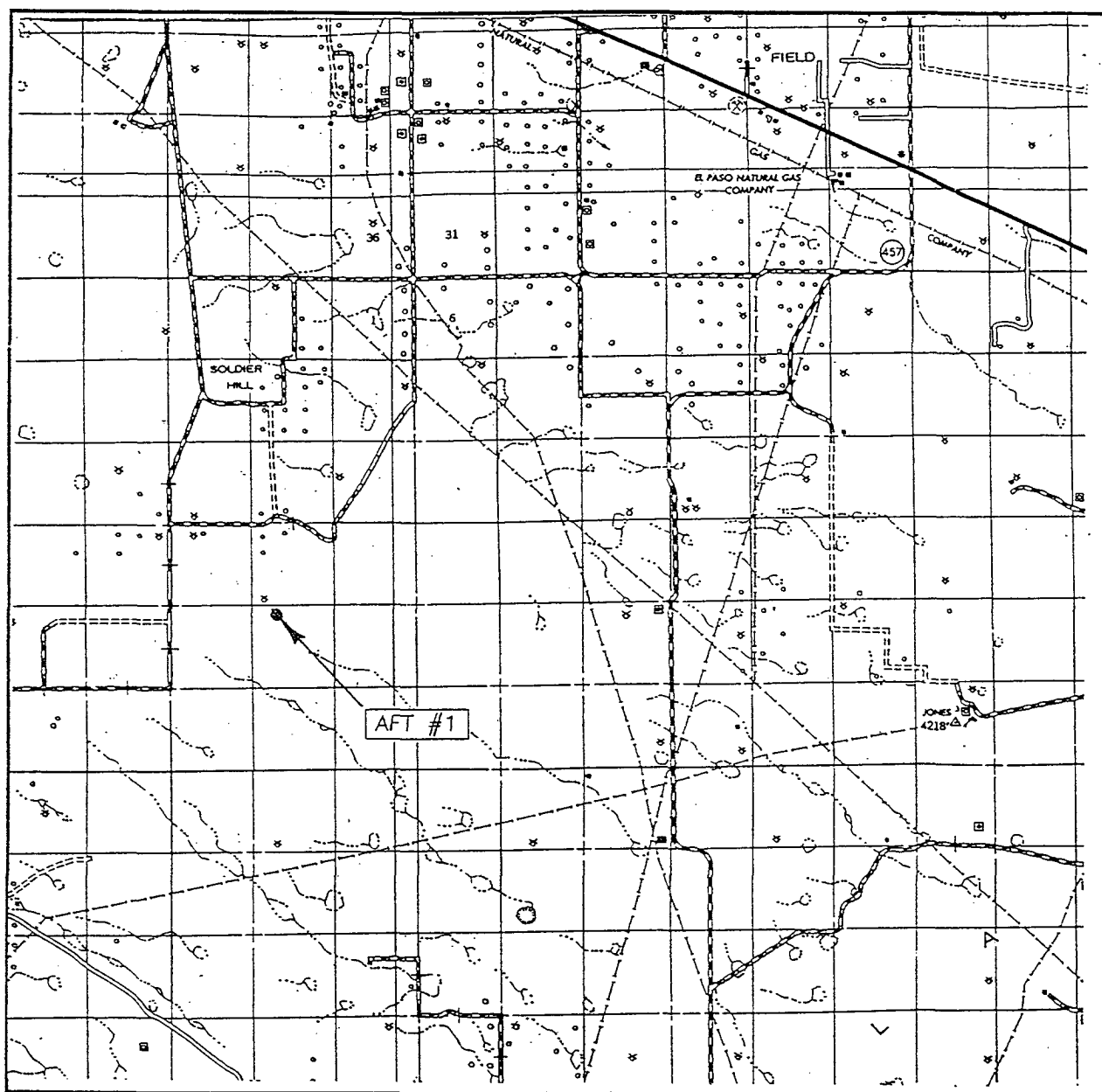
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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. Signature Dawn M. Howard Printed Name Operations Assistant Title 12/1/03 Date
	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. October 16, 2003 Date Surveyed Signature & Seal of Professional Surveyor Certificate No. GARY EIDSON 12641
	GEODETIC COORDINATES NAD 27 NME Y = 820806.4 N X = 696639.3 E LAT. 32°15'17.15"N LONG. 103°41'24.34"W

VICINITY MAP



SEC. 26 TWP. 12-S RGE. 32-E

SCALE: 1" = 2 MILES

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 760' FNL 1980' FWL

ELEVATION 4327'

OPERATOR SOUTHWEST ROYALTIES, INC.

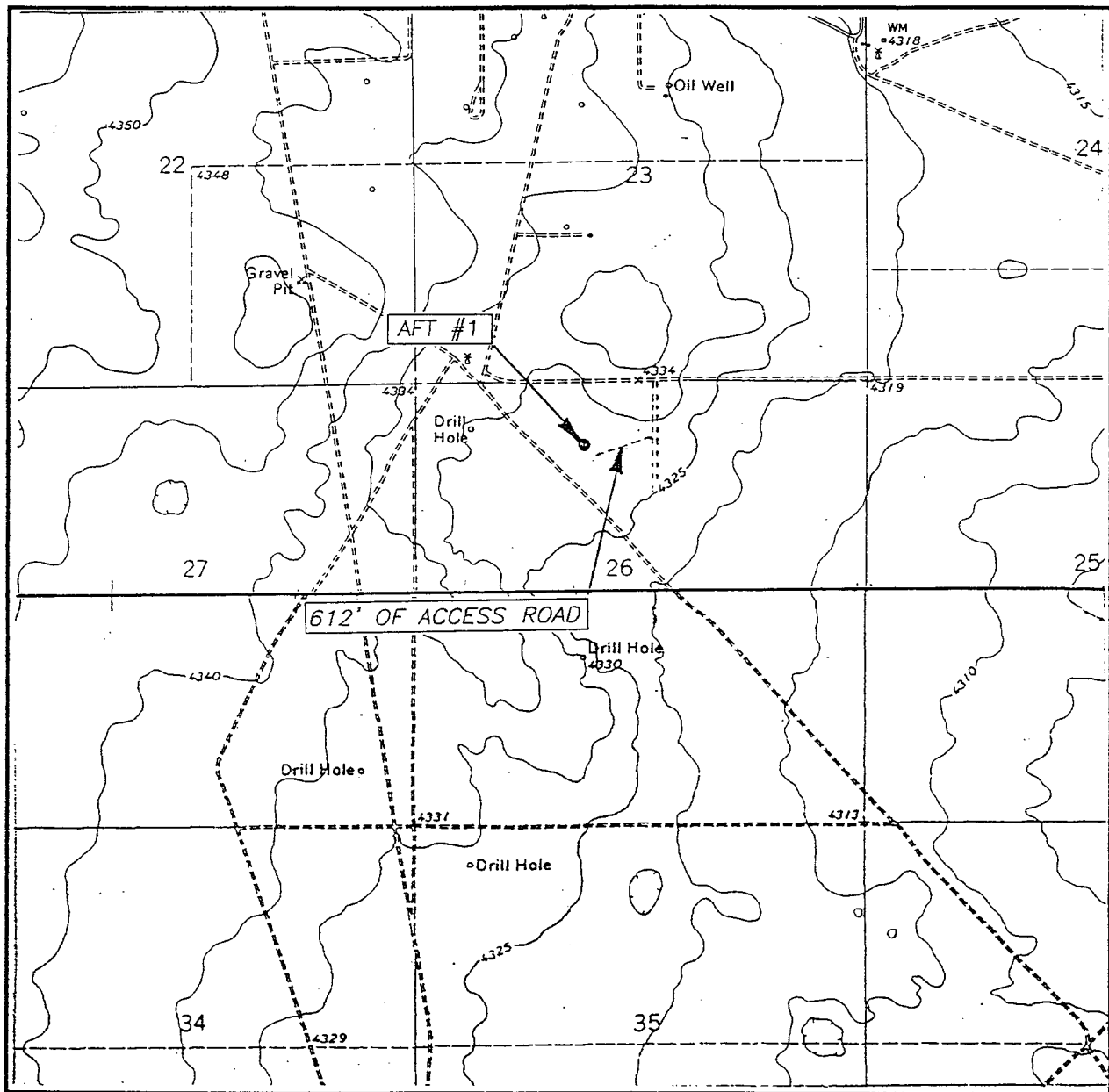
LEASE AFT

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

DRIVING DIRECTIONS

FROM THE INTERSECTION OF U.S. HIGHWAY 380 AND U.S. HIGHWAY 457, GO NORTHWEST ALONG U.S. HIGHWAY 380 6.4 MILES TO BUTTON MESA RD. GO SOUTH ALONG BUTTON RD (PAVEMENT ENDS 4.0 MILES AND BUTTON MESA CHANGES TO MOORE RD.) 7.5 MILES PASSING A RANCH HOUSE ON THE SOUTH SIDE OF RD. GO NORTHWEST ALONG CALICHE RD. APPROXIMATELY 0.8 MILES, TURN SOUTH AND GO APPROXIMATELY 0.7 MILES, TURN EAST (ALONG SAME CALICHE RD.) AND GO APPROXIMATELY 0.3 MILES, TURN SOUTH AND GO APPROXIMATELY 0.4 MILES (ALONG SAME CALICHE RD.) LOOK WEST INTO PASTURE APPROXIMATELY 600' TO SWR AFT #1.

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 5'
SOLDIER HILL, N.M.
COOPER-GOOD RANCH

SEC. 26 TWP. 12-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 760' FNL 1980' FWL

ELEVATION 4327'

OPERATOR SOUTHWEST ROYALTIES, INC.

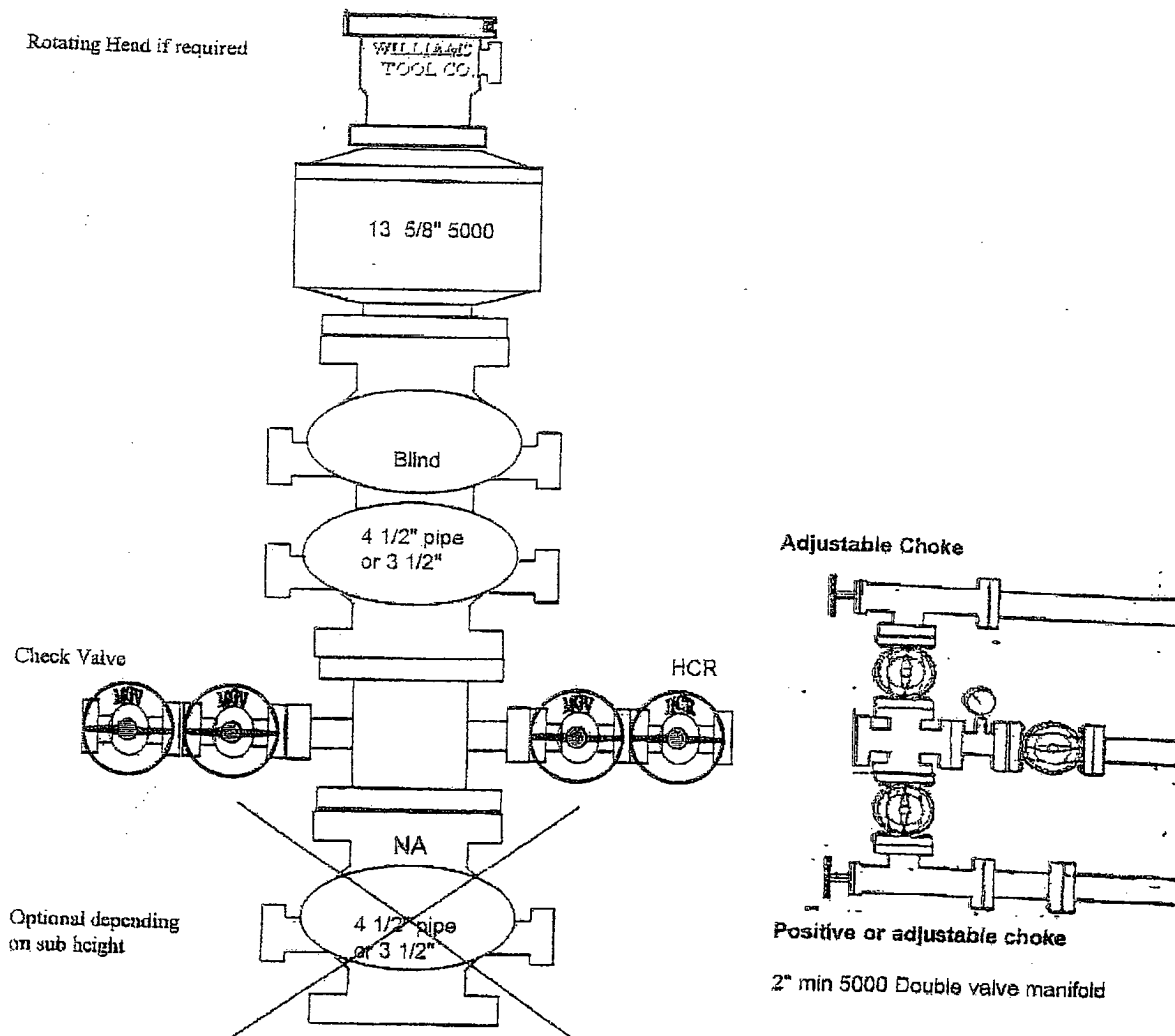
LEASE AFT

U.S.G.S. TOPOGRAPHIC MAP
SOLDIER HILL & COOPER-GOOD RANCH, N.M.,

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

BOPE Schematic

Southwest Royalties #1 A F T



Other instructions:

1. Keep inside BOP and full-open TIW safety valve on the rig floor at all times. Test when pressure testing BOP's. all test will be charted, low pressure test will be held for minimum of 1 minute, high pressure test will be held for a minimum of 5 minutes.
2. Test plug of same manufacture of wellhead will be kept on location with spare O-rings.
3. Before all trips in and out, fill out trip sheet's and monitor trip tank every 5 stand's of drill pipe and every stand of drill collars pulled and document on trip sheet to ensure the hole is taking the proper amount of fluid. Fill the hole periodically if drill string is on the bank for extended period of time.
4. All trips should be made at moderate speeds to prevent excessive surge and swab pressures.
5. Open HCR valve and close blind ram's while changing out bit or lower part of BHA. Inform rig crew before opening ram's.
6. Mud pits will be marked and monitored, upon any gain in pit volume due to a kick, stop drilling, raise kelly slowly with mud pump running, kick out pump and check for flow.
7. On drilling breaks, drill 1'-3' of break and check for flow.
8. Record slow pump rates on both pumps daily, and record on IADC sheet.
9. Observe flowline for flow during logging operations. Keep hole loaded if hole is seeping.
10. BOP and choke manifold will be mechanically checked on each trip and pressure tested every 4 weeks or as dictated by length of well.
11. BOP drills will be held weekly on each tour.
12. Double valve active annulus. Bull plug on one side is acceptable.