

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 Re-Entry

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

CHALLENGER MINERALS INC.

3. ADDRESS OF OPERATOR

P.O. Box 60120

Houston, Texas 77205

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1980'FSL, 660'FEL Sec.11-9S-34E

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

5.5 miles northwest of Crossroads, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

80

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.

None

19. PROPOSED DEPTH

9300'

20. ROTARY OR CABLE TOOLS

Rotary

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

4219.8 GR

22. APPROX. DATE WORK WILL START*

As Soon As Possible

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48#	359'	375 sx Circulation
11"	8-5/8"	32#	4035'	1150 sx
7-7/8"	5-1/2"	17#	9850'	275 sx

Original well was cased as above. The 5-1/2" casing was shot at 4198' and pulled when the well was plugged.

Operator proposes to:

1. Install 10" double ram BOP and drill out plugs to 9300'±.
2. Run 5-1/2" packer type casing patch into 5-1/2" casing stub at 4198' with 5-1/2", 15.5#, K-55 LT&C casing tied back to surface.
3. Cement squeeze casing patch, drill out and test to 2500 psi.
4. Perforate "Upper Wolfcamp" zone of interest and treat with acid.
5. Set packer on 2-7/8" tubing.
6. Test to tank

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

JERRY W. LONG

TITLE Agent

DATE October 15, 1987

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

Orig. Signed by Richard L. Manus

AREA MANAGER

TITLE CARLSBAD RESOURCE AREA

DATE

10/30/87

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

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

Operator CHALLENGER MINERALS INC.			Lease Bate Federal		Well No. 1
Unit Letter I	Section 11	Township 9S	Range 34E	County Lea	
Actual Postage Location of Well: 1980' feet from the South line and 660' feet from the East line					
Ground Level Elev. 4219.8	Producing Formation Wolfcamp		Pool Undesignated Jenkins - Wolfcamp		Dedicated Acreage: 40 Acres

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

☐ Yes ☐ No If answer is "yes," type of consolidation NA

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use 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 Division.

DEDICATED ACREAGE FOR RE-ENTRY
(See Attached Original Survey Plat)

CERTIFICATION

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

Jerry W. Long
Name
JERRY W. LONG

Position
Agent

Company
CHALLENGER MINERALS INC.

Date
October 15, 1987

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

Registered Professional Engineer and/or Land Surveyor

Certificate No.



NE. MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-124
Effective 1-1-65

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

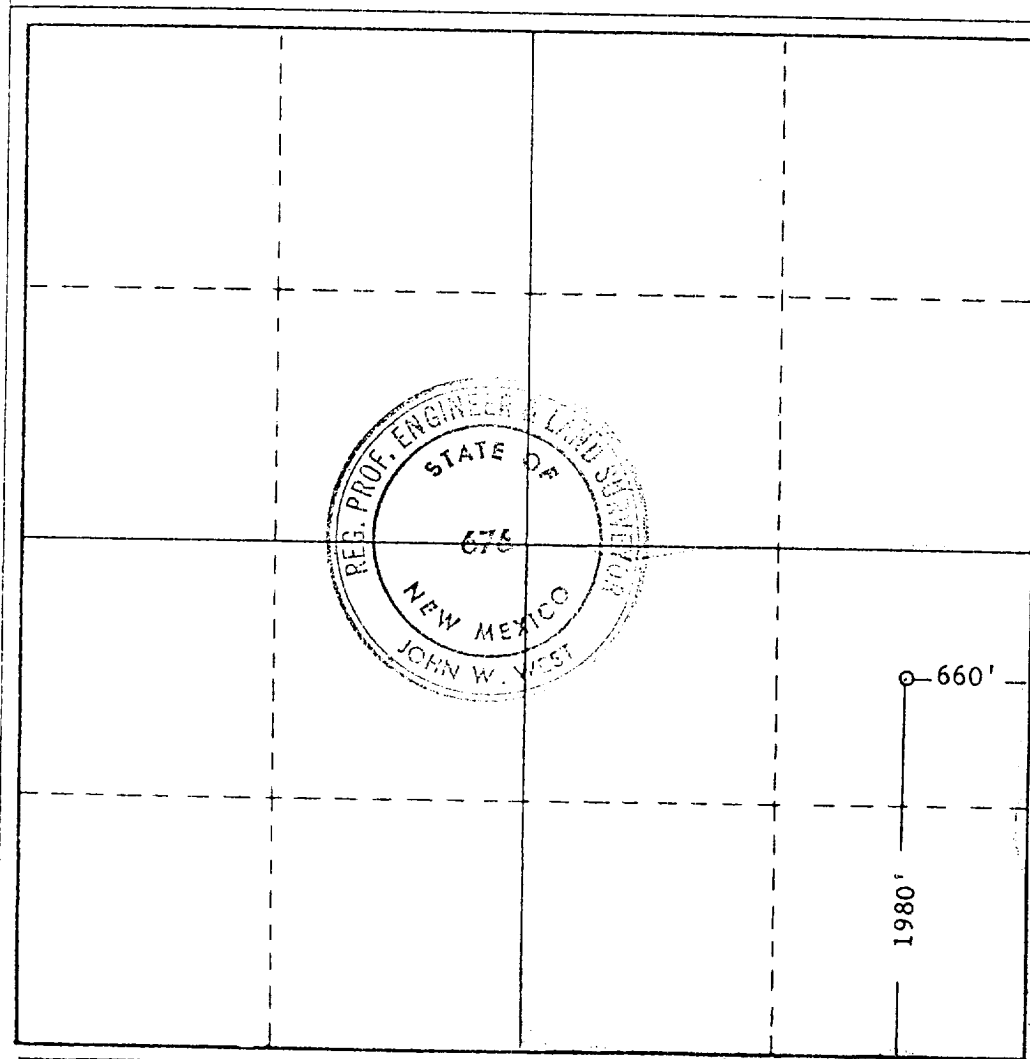
Operator TENNECO OIL COMPANY			Lease BATE FED. COMM		Well No. 1
Unit Letter I	Section 11	Township 9 SOUTH	Range 34 EAST	County LEA	
Actual Footage Location of Well: 1980' Section SOUTH line and 660 feet from the EAST line					
Ground Level Elev. 4219.3	Producing Formation BOUGH C.	Pool VADA	Dedicated Acreage: 16.0 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use 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.



CERTIFICATION

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

Name Donald R. Kinnick

Position Asst. Prof. Clerk

Company Tenneco Oil Co

Date 12-2-68

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
11-21-1968

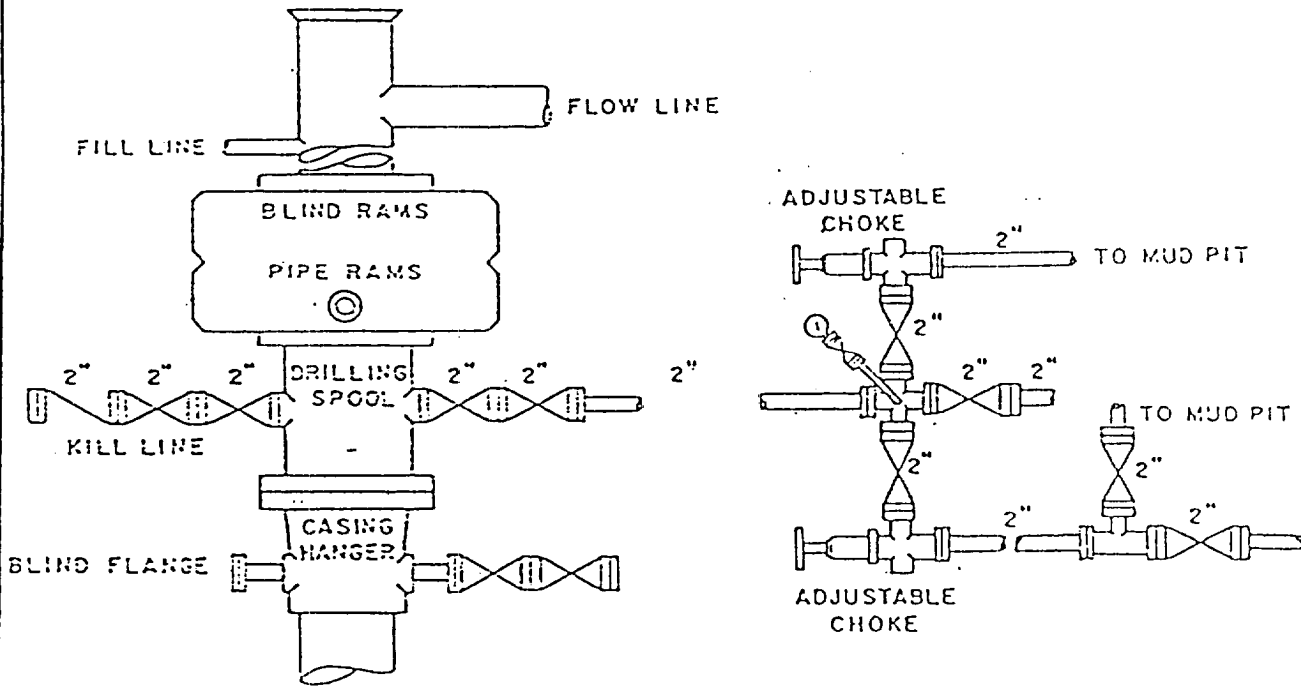
Registered Professional Engineer
and/or Land Surveyor

John W. West
Certificate No. **676**

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

RECEIVED
NOV 4 1987
OCD
HOBBS OFFICE

CHALLENGER MINERALS INC.
No.1 Bate Federal
NESE Sec.11-9S-34E
Lea County, N.M.



SERIES 900 BOP STACK

(Rams operated daily)

RECEIVED
NOV 4 1987
BCD
HOBBS OFFICE