

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | |
|---|---|--|
| 1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> | | 5. LEASE DESIGNATION AND SERIAL NO. NM 55001 |
| b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____ |
| 2. NAME OF OPERATOR SPENCE ENERGY COMPANY | | 7. UNIT AGREEMENT NAME _____ |
| 3. ADDRESS OF OPERATOR 4849 Greenville Ave., 381 Two Energy Square Dallas, Texas 75206 | | 8. FARM OR LEASE NAME Federal "25" |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980'FSL 1980'FEL Sec.25-9S-32E At proposed prod. zone Same | | 9. WELL NO. 1 |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 25 miles northwest of Tatum, New Mexico | | 10. FIELD AND POOL, OR WILDCAT South Flying M-Bough "C" (EXT) |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) | 16. NO. OF ACRES IN LEASE 660' | 11. SEC. AND TWP. UNDENGINATED Sec.25-9S-32E |
| 17. NO. OF ACRES ASSIGNED TO THIS WELL 80 | 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None | 12. COUNTY OR PARISH Lea |
| 19. PROPOSED DEPTH 9500' | 20. ROTARY OR CABLE TOOLS Rotary | 13. STATE N.M. |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4303' GL | | 22. APPROX. DATE WORK WILL START* January 1, 1985 |

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# H-40 ST&C | 400'± | 400 sx Class C - Circulate |
| 11" | 8-5/8" | 28# H-40 ST&C | 3800'± | 900 sx Lite + 200 sx Class C - Circulate |
| 7-7/8" | 5-1/2" | 17# & 15.5# | 9500'± | 210 sx Class H to Isolate Water, Oil & Gas Zones |

See Supplemental Drilling Data for casing and BOP details.

Propose to drill to approximately 9500' to test Bough and intermediate formations.

Run 5-1/2" production casing, perforate favorable zones.

Run tubing and stimulate as necessary.

Swab to clean up and test. Produce to tanks.

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 December 24, 1984
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE 12-27-84

CONDITIONS OF APPROVAL:

Subject to
Like Approval

Location

*See Instructions On Reverse Side

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

RECEIVED

DEC 31 1984

O.C.D.
HOBBS OFFICE