

Form 3160-3
(December 1990)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK

DRILL ☐DEEPEN ☒

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐

2. NAME OF OPERATOR

Knox Industries, Inc.

3. ADDRESS AND TELEPHONE NO.

P.O. Box 3023 Midland, Texas 79702

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

At surface 1880 FWL, 660 FNL of Sec 3

At proposed prod. zone 1880 FWL, 660 FNL, of Sec 3

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

3 miles NW of Crossroads, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drilg. unit hse. if any) 660 FNL

16. NO. OF ACRES IN LEASE

640

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.

NA

19. PROPOSED DEPTH

9800'

20. ROTARY OR CABLE TOOLS

Rotary Foam Equipment

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

KB 4184'

22. APPROX. DATE WORK WILL START*

12/14/92

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
4 3/4				

We propose to deepen this well from its present depth of 9740' to 9800' to produce the Boug "C" zone commingled with the now producing Abo zone at 8920' to 8950'. We will use a foam air drilling procedure to drill out the 40' of cement in the 5 1/2" casing and the 60+ feet of the Boug "C" formation. We will then pull out of the hole and run 2 7/8" tubing to 9800' +/- with pumping assembly. Then run rods and down hole pump and pump both zones together. A pit 25' wide by 35' long will be used for this workover. After the workover is completed the pit will be emptied and backfilled.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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. Bruce L. Groce
SIGNED Bruce L. Groce TITLE Production Supervisor DATE 11/23/92

(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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY David A. Elvas

TITLE

PETROLEUM ENGINEER

DATE

12/28/92

*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 statement.

M. OIL CONS. COMMISS'
P.O. BOX 1330
SABER, NEW MEXICO 88246

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

TYPE OF WELL

WELL ☒

WELL ☐

OTHER ☐

NAME OF OPERATOR

Purvis Oil Corp.

SINGLE

MULTIPLE

ADDRESS OF OPERATOR

960 One First City Center, 500 W. Texas, P. O. Box 11006
Midland, Texas 79702

M. Aron Oyle & Assoc. Inc.

915-682-7346

1. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface

1880' FWL & 660' FNL (Unit C)

At proposed prod. zone
same

11. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:
Four (4) miles North of Crossroads

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. well line, if any) 560' FLL
560' FUL

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR ABANDONED, ON THIS LEASE, FT.

None

19. NO. OF ACRES IN LEASE

160.43

19. PROPOSED DEPTH

9900'

17. NO. OF ACRES ASSIGNED TO THIS WELL

160 acres

20. ROTARY OR CABLE TOOL

Rotary

4173 Gr.

22. APPROX. DATE WORK WILL START

8-10-90

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13-3/8"	48	H-40	ST&C CIRCULATE	375	375sx
11"	8-5/8"	24 & 32	J-55	ST&C CIRCULATE	4000	500sx
7-7/8"	5-1/2"	15.5 & 17.0	K-55	LT&C	9850	500sx

Purvis Oil Corp. proposes to drill to and test the Bough "C" formation and other possible intermediate pay zones. Approximately 375' of 13-3/8" surface casing will be set and cemented to surface. After drilling to approximately 4000' 8-5/8" intermediate casing will be set and cemented with 500 sacks. Thereafter, if commercial pay(s) is encountered it is anticipated 5 1/2" production casing will be set at TD and cemented with sufficient volumes to adequately cover all pay sections.

NOTE: This well will be a replacement offset for an unsuccessful re-entry attempt made in December, 1989 by Purvis Oil Corp.

MUD PROGRAM: Surface - 375': Fresh water native spud mud.

375 - 4000': Cut brine native mud w/LCM as needed

4000 - 9800': Cut brine system with mud up anticipated @ $\pm$ 7500' to control hole conditions. From 9200' - TD anticipate having salt gel starch system with required hole controlling qualities through logging operations at TD.

(OVER)

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.

PURVIS OIL CORP.

SIGNED

J. H. Purvis

TITLE

President

(This space for Federal or State office use)

DATE July 5, 1990

PERMIT NO.

APPROVAL DATE

AREA MANAGER

CARLOS AD. RESCURRE AND

TITLE

DATE

SEP 13 1991

*See Instructions On Reverse Side

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

ATTACHED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

COMPLETION OR RECOMPLETION REPORT AND LOG *

OIL WELL ☒ GAS WELL ☐ DRY ☐ Other ☐
COMPLETION: WORK OVER ☐ DEEP EN ☐ PLUG BACK ☐ DIFF. RESV. ☐ Other ☐

OPERATOR

vis Oil Corp.

OF OPERATOR

O. Box 11006, Midland, Texas 79702

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

1880' FWL & 660' FNL, Section 3, T-9-S, R-35-E

top prod. interval reported below

8920'
at total depth

9740'

14. PERMIT NO.

DATE ISSUED

Approved

8-15-90

5. DATE SPUDDED

9-4-90

16. DATE T.D. REACHED

10-3-90

17. DATE COMPL. (Ready to prod.)

10-8-90

18. ELEVATIONS (OF RKB, RT, GR, ETC.)*

KB-4184'

12. COUNTY OR PARISH

Lea

13. STATE

NM

20. TOTAL DEPTH, MD & TVD

9740'

21. PLUG. BACK T.D., MD & TVD

9679'

22. IF MULTIPLE COMPL. HOW MANY*

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
8920' to 8950', Milnesand Abo

Yes

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

GRN Log

27. WAS WELL CORED
No

28.

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	54.50#	385	17-1/2"	420 sx cmt circ	
8-5/8"	28#/32#	4050'	11"	1240 sx cmt circ	
5-1/2"	17#/20#	9740'	7-7/8"	360 sx	

29.

LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	30. SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	8871.57'	8882.57'

31. PERFORATION RECORD (Interval, size and number)

8920'-8950', 2 holes per ft, total 60

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
8920'-8950'	5000 gals NEA

33.*

PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
10-8-90		Flowing				Producing	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
10-9-90	24	28/64	→	135	138	6	1000-1
FLOW. TUBING PRESS.	CASINO PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
100	0	→	135	138	6	40	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)							
Vented - Sales Connection Pending							
35. LIST OF ATTACHMENTS						TEST WITNESSED BY	
GRN Log						Jim Lundy	

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

TITLE

PRESIDENT

DATE 10-12-90

*(See Instructions and Spaces for Additional Data 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 or to knowingly conceal any material information.



AREA OFFICE
P.O. Box 60527
Midland, Texas 79711
(915) 335-5080
(915) 563-2805

POOL COMPANY (TEXAS) INC.

A subsidiary of
Pool Energy Services Co.

SALES OFFICE
415 W. Wall
Suite 1104
Midland, TX 79701
(915) 687-4912

October 9, 1992

Knox Industries
P. O. Box 3023
Midland, TX 79702

ATTN: Mr. Bruce Groce

Dear Mr. Groce:

Pool Company (Texas), Inc. is pleased to supply you with an estimated cost to deepen the Federal 3-C #2 in Lea County, New Mexico. The rig price shown is a 5% discount off the list price. These are only an estimated costs, the final invoice would reflect the total cost.

RIG

DAY 1	Road rig to location	12.5 hrs. at \$104.50/hr	\$1,306.00
	Rig up	1 hr. crew travel at	
	POOH with rods	\$55.00/hr.	\$ 82.50
	Install BOP and POOH w/ tubing	H ₂ S Equipment	\$ 30.00
	Pick up bit and drill collars and RIH	Wiper Rubber	\$ 35.00
	RIH with tubing from derrick	BOP and Drill Collars - 5 day min.	\$ 715.00
	Pick up remainder of tubing and RIH	Trucking BOP & drill collars	\$ 100.00
	Rig up all FOAMAIR equipment		\$2,268.50
	Shut well in		
	Road crew in yard		
DAY 2	Road crew to location	16.5 hrs. rig @ \$104.50	\$2,508.00
	Drill up 61' of cement and shoe	1.5 hrs. crew travel @ \$55.00/hr/	\$ 82.50
		H ₂ S Equipment	\$ 30.00
	Start drilling formation		\$2,620.50
DAY 3	Continue drilling formation	15 hrs. rig @ \$104.50/hr	\$1,567.50
	Rig foam equipment down	H ₂ S Equipment	\$ 30.00
	POOH with tubing, drill collars & bit	Wiper rubber	\$ 35.00
	RIH with packer, seating nipple and tubing		\$1,632.50
	Rig up acidizers		
	Acidize well		

To T.O. 9400'

FFWELL NEEDS TO BE ACIDIZED
WE WILL

Rig down acidizers
RIH with pump and rods
Hang well on
Rig down
Road rig to yard

FOAMAIR

Foam Unit Transportation	16 hrs. at \$75.00/hr.	\$1,200.00
Operating Cost (2 foam units)	18 hrs. at \$166.00/hr	\$2,988.00
Rig Up & Rig down Cost	3 hours at \$90.00/hr	\$ 270.00
Out-Of-Town Expense	2 men @ \$55.00 per day	\$ 110.00
Chemical Cost	18 hours Surfactant/Corrosion at \$12.00/gallon \$100.00/hr (est.)	\$1,800.00
Operator Vehicle Charge	\$250 per day each	\$ 500.00
String Checks	2 @ \$75.00 each/day	\$ 150.00
Power Swivel	Rental	\$ 250.00
JU Rubber		<u>\$ 200.00</u>
		\$7,468.00
	Less 5%	(373.40)
		\$7,094.60

If you have any questions, please do not hesitate to call the undersigned at (915) 335-5080. As per our agreement, invoice will be payable on completion on job. Pool Company appreciates this opportunity to be of service to Knox Industries.

Sincerely,



Gilbert "Aggie" Turner
Field Sales
Southwest District

GLT/gkh

Federal 3-C #

drill out down to Bouglic zone

5 1/2" casing

8920' - 8950' PERFS (Abo)

top of Cement shoe join

9767.7'

61'

9740'

160'

9580'

5 1/2" casing 9740'

FORMATION

Bouglic