

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"/> *RE-ENTRY DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-58537
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 Petroleum Production Management, Inc.			7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR Suite 200/Sutton Place Bldg., Wichita, Kansas 67202			8. FARM OR LEASE NAME Irex Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1980' FWL & 660' FSL, SE/4SW/4, Unit letter N At proposed prod. zone Same			9. WELL NO. 1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10 miles east of Milnesand, New Mexico			10. FIELD AND POOL, OR WILDCAT Allison Penn
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 20, T8S, R37E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A			12. COUNTY OR PARISH Roosevelt
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4040' GR			13. STATE N.M.
16. NO. OF ACRES IN LEASE 640			17. NO. OF ACRES ASSIGNED TO THIS WELL 80
19. PROPOSED DEPTH 9555'			20. ROTARY OR CABLE TOOLS Completion Unit
22. APPROX. DATE WORK WILL START* ASAP			

23. PROPOSED CASING AND CEMENTING PROGRAM
EXISTING

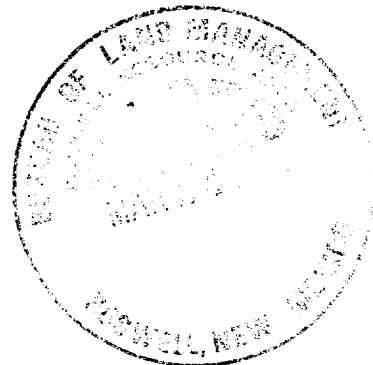
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48.0#	410'	350 sx(Circulated)
12 1/4"	9 5/8"	36.0#	4215'	2441 sx(Circulated)
8 3/4"	5 1/2"	17.0#	4008-9561'	250 sx

Re-entry of Iron L. Ingram Mc Nail Fed #5

Propose to drill out cement plugs to the Bough "C" formation and test for possible commercial production of oil and gas.

Attachments:-

Proposed Drilling Plan
Proposed Re-Entry Procedure
BOP sketch
Wellbore Diagram
Pertinent Lease Data
Surface Use Plan



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 Larry W. Franklin TITLE Agent DATE March 29, 1988

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY S/Phil Kirk TITLE Area Manager DATE APR 25 1988

PLEASE BE ADVISED THAT THERE SHALL BE NO EXCAVATION OR CONSTRUCTION OF THE WELL OR ANY OTHER STRUCTURE WITHOUT PAYMENT OF THE PERMIT FEE IN ADVANCE. APPROVAL OF THIS APPLICATION DOES NOT CONSTITUTE A GUARANTEE OF THE ACCURACY OF THE INFORMATION SUBMITTED HEREON. SEE INSTRUCTIONS ON REVERSE SIDE.

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

FORM O-177
Revised 3/3/87

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

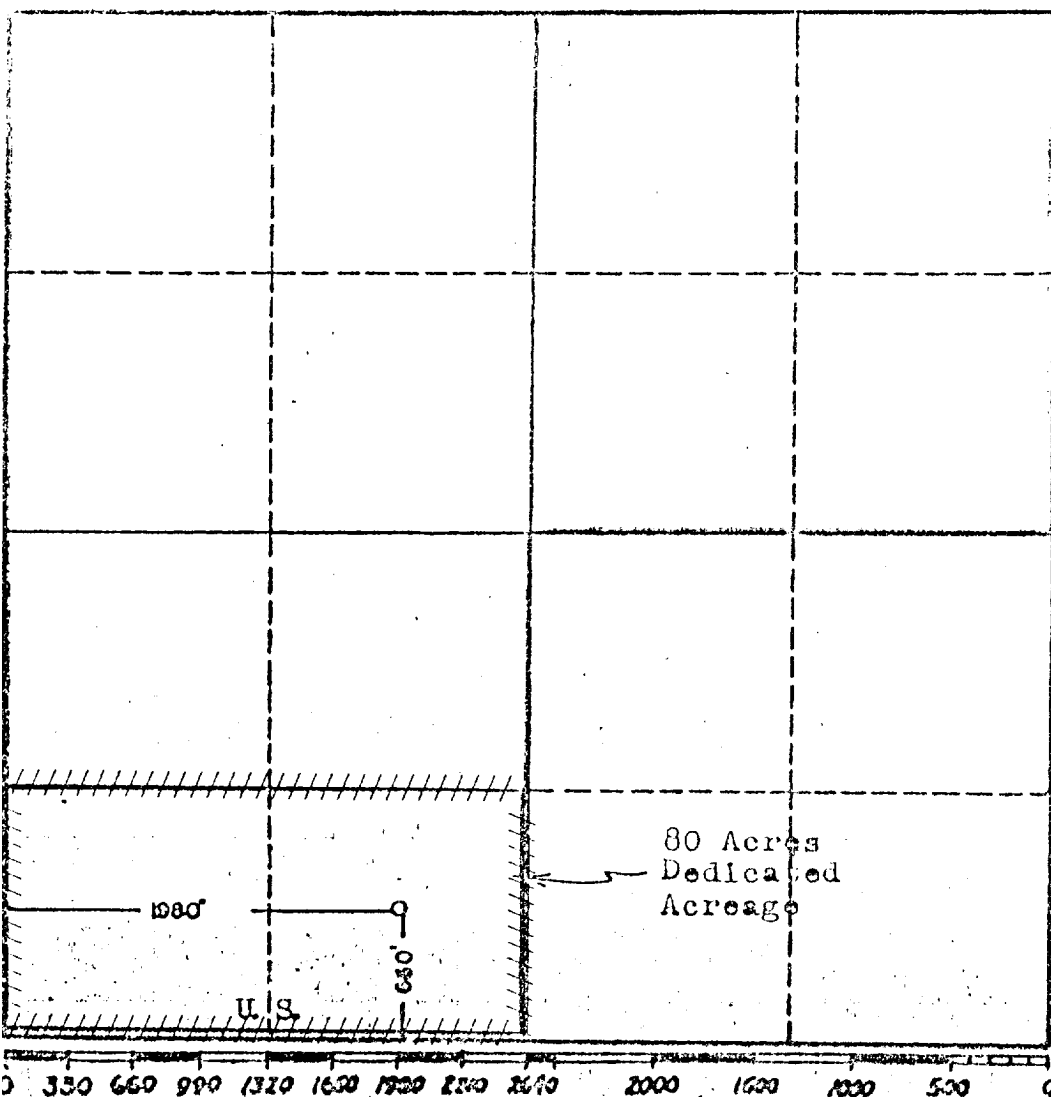
SECTION A

Operator Petroleum Production Management, Inc.		Lease Irex Federal		Well No. 1
Unit Letter N	Section 20	Township 8 South	Range 37 East	County Roosevelt
Actual Footage Location of Well: 1980 feet from the West line and 660 feet from the South line				
Ground Level Elev. 4040'	Producing Formation Bough "C"	Pool Allison Penn	Dedicated Acreage: 80 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES ☒ NO ☐ ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES ☐ NO ☐ If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B



CERTIFICATION

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Terry W. Franklin
Name
Terry W. Franklin
Position
Agent
Company
Petroleum Prod. Mgt., Inc.
Date
March 30, 1988

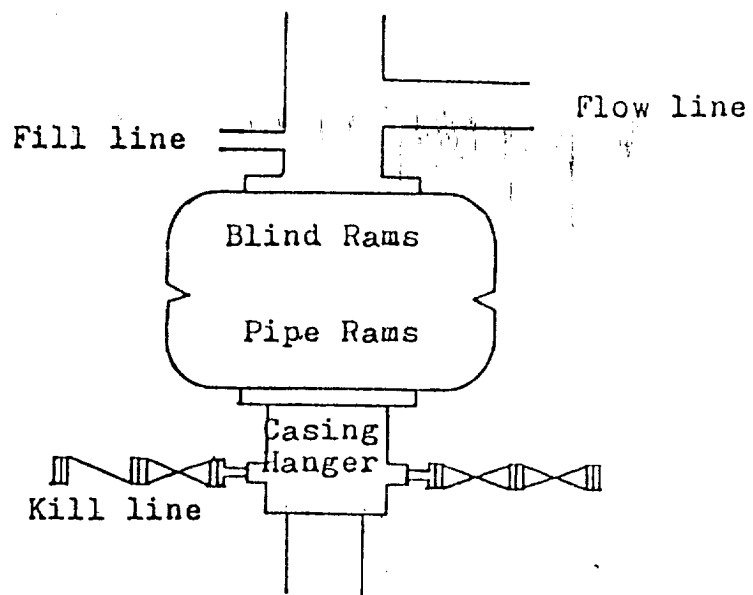
I hereby certify that the well location shown on the plat in SECTION B was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

ENGINEER & LAND SURVEYOR
STATE OF NEW MEXICO

Date Surveyed
3-21-80

Registered Professional Engineer and Land Surveyor, JOHN W. WEST

Certificate No. 11111
N. M. - P. E. - L. S. NO. 678



Blowout Preventer
3000 psi working pressure

HOBBES OFFICE
APR 29 1988
RECEIVED

Pertinent Lease Data

Petroleum Production Management, Inc.
McGrail Federal No. 5
1980' FWL & 660' FSL
Sec. 20, T8S, R37E
Roosevelt County, N.M.

NM-58537



Located: 10 miles east of Milnesand, New Mexico

Lease Number: NM-58537

Lease Issued: June 1, 1984

Record Lessee: IREX OPERATING COMPANY

Bond Coverage: \$10,000 Lease Bond
Petroleum Production Management, Inc.

Acres in Lease: 640 acres

Surface Ownership: Private: James W. Smith
Milnesand, New Mexico 88125
Telephone: (505)356-8621

Pool Rules: 80 acre spacing pool rules-Allison Bagley Penn

Exhibits:

- A. Directional Highway Map
- B. C-102 Plat
- C. Topographic map displaying access roads
- D. Wellsite plat
- E. Oil & Gas Plat