N. M. O. C. C. COPY

Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instruct. on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: NM 1536

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]

8. FARM OR LEASE NAME: Parrott-Federal

2. NAME OF OPERATOR: Dalport Oil Corporation

9. WELL NO.: 1

3. ADDRESS OF OPERATOR: 3471 First National Bank Bldg., Dallas, Tx 75202

10. FIELD AND POOL, OR WILDCAT: SE Chaves-Queen

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1980' FS & WL
At proposed prod. zone: Same

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: 5-13S-31E

JAN 10 1977
O. C. C.
ARTESIA, OFFICE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 25 miles north of Maljamar

12. COUNTY OR PARISH: Chaves

13. STATE: N.M.

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	17. NO. OF ACRES ASSIGNED TO THIS WELL
1980'	948	~~160~~ 320
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
None	2650'	Rotary

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

22. APPROX. DATE WORK WILL START*: Feb. 1, 1977

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11	8-5/8	20	290	150 Sx 'C' - Circulate
7-7/8	4-1/2	9.5	2650	125 Sx Lite, 150 Sx 'C'

Will evaluate Queen at approx. 2500'. If productive, will cement 4-1/2" casing, perforate w/2 SPF, acidize w/1250 gal. 15%, and fracture, if necessary, w/20,000 gal. gelled water + 30,000# sand.

If dry, will plug as per NMOCC instructions, set 4' steel marker, and clean and level location.

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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 Kevin M Kemper TITLE Geologist DATE Dec. 16, 1976

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: THIS APPROVAL IS RESCINDED IF OPERATIONS ARE NOT COMMENCED WITHIN 3 MONTHS

EXPIRES APR 7 1977

JAN 13 1977

ACTING DISTRICT ENGINEER

*See Instructions On Reverse Side

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

U.S. GOVERNMENT PRINTING OFFICE : 1963—O-711-396
839-171

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NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator	Lease	Well No.
DALPORT OIL CORP.	Parrott-Federal	1

Unit Letter	Section	Township	Range	County
K	5	13 South	31 East	Chaves

Actual Footage Location of Well:
1980 feet from the south line and 1980 feet from the west line

Ground Level Elev.	Producing Formation	Pool
4036.8	Queen	Southeast Chaves Queen

320

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

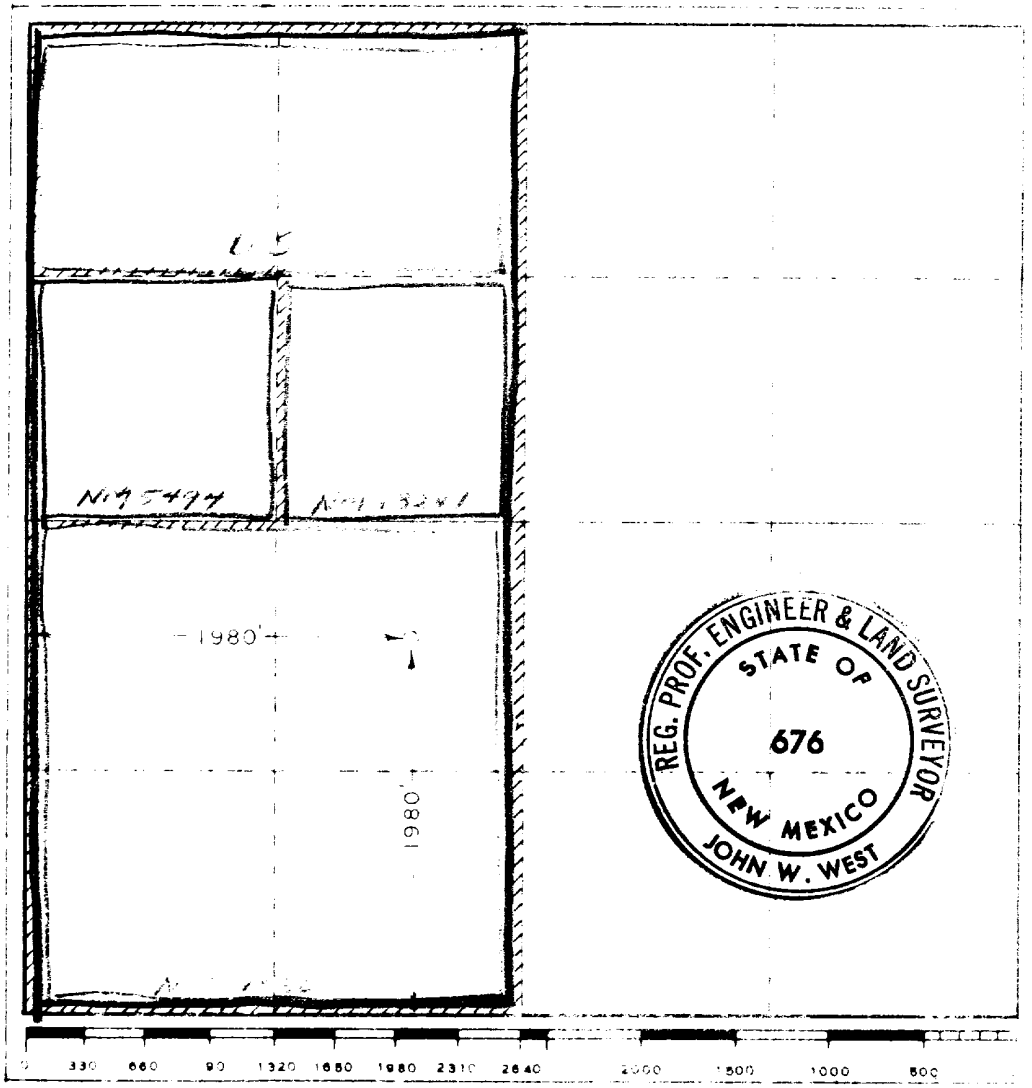
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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 to be communitized

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.



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ARTESIA, NEW MEXICO

REG. PROF. ENGINEER & LAND SURVEYOR
STATE OF
676
NEW MEXICO
JOHN W. WEST

John W. West
Agent
Dalport Oil Corp.
Dec. 17, 1976

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.

Dec. 16, 1976

John W. West
676

DALPORT OIL CORPORATION
1134 THE 600 BUILDING
CORPUS CHRISTI, TEXAS 78401

CODE 512-882-7863

SURFACE USE PLAN

DALPORT OIL CORP. #1 PARROTT-FEDERAL
1985 FS & WL - SEC. 5, 13S-31E
CHAVES COUNTY, NEW MEXICO
LEASE NM 1536
(Field Well)

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ARTESIA, NEW MEXICO

1. EXISTING ROADS - for relationship within 3 miles of drillsite see Exhibits "A" and "B". From Roswell go to Hagerman, turn east on #31 for 33 miles. Turn north on #172 for 11 miles to Marker 24. Turn west on caliche road approximately 3 miles. Turn north on new road 600' to location.

2. PLANNED ROADS - Refer to Exhibit "C". (No cattle guards). Will construct 600' of new 12-foot wide road to be topped with caliche. No culverts or special drainage features are necessary. New road is colored red. Existing caliche road is colored blue and may be bladed and partially caliched in rough spots. The center line of the proposed new access road has been staked and flagged.

3. LOCATION OF EXISTING WELLS - Exhibit "A". Nearest production is one mile to the south and 1-1/2 miles to east.

4. TANK BATTERIES, PRODUCTION FACILITIES AND LEASE PIPELINES - No batteries or pipelines on lease. If oil production is found, a battery will be constructed along the road on southeast part of map (Exhibit "D").

5. WATER SUPPLY - Water will be trucked from nearest commercial source.

6. CONSTRUCTION MATERIAL - Caliche will be obtained from an existing pit in the SW 1/4, Sec. 3, 13S-31E, and purchased from the BLM by Bill Sweatt, the dirt contractor. Construction materials will be hauled along existing road to proposed new road and drillsite. See Exhibit "A".

7. WASTE DISPOSAL - Exhibit "D". Well cuttings will be disposed of in reserve pit. Barrel trash containers to be in accessible locations within drillsite area during drilling and completion procedures. All detrimental wastes will be hauled away, burned, or buried with a minimum cover of 36" of dirt. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. Any produced water will be collected in tanks until hauled to an approved disposal system. No waste water pits will be constructed without prior approval of the U.S.G.S.

8. ANCILLARY FACILITIES - No camps, airstrips, etc. will be constructed.

9. WELLSITE LAYOUT - See Exhibit "D".

   A. Mat size - 200' X 170'.

   B. Cut and fill - location is rolling and will be cut and filled as necessary.

10. RESTORATION OF SURFACE - If well is productive, pits will be back-filled and leveled as soon as practical. All plastic lining and other waste material will be removed or buried with at least 36" of cover. At time of final abandonment other U.S.G.S. and B.L.M. restoration stipulations will be complied with.

11. OTHER INFORMATION.

A. Setting and Environment

Terrain - low rolling sand hills. See Exhibit "B," Topographic Map of Area.

Soil - sandy.

Vegetation - sparse, being mostly grease woods, shinnery, and other semi-desert plants with very little grass.

Distance to nearest ponds and streams - no surface waters within 1/2 mile.

Water wells - none within 1/2 mile.

Residences and buildings - none within 1/2 mile.

Arroyos, canyons, hills, etc. - outside of low rolling sand hills, there are no surface features within 1/2 mile. See Exhibit "B".

Surface use - grazing, some hunting.

Effect on environment - drillsite is nearly flat, semi-arid country, is in a low environmental risk area. The total effect of drilling and producing this and other wells in this area would be minimal.

B. Surface Ownership - the proposed drillsite is on federal surface with a grazing lease issued to Larry Williams. All new and reconstructed roads are also on federal surface.

C. Open Pits - All unattended pits containing mud or other liquids will be fenced.

D. Well Sign - Identification and location sign will be maintained at drillsite commencing when well is spudded.

12. OPERATOR'S REPRESENTATIVES - Field personnel who can be contacted concerning surface use plan are:

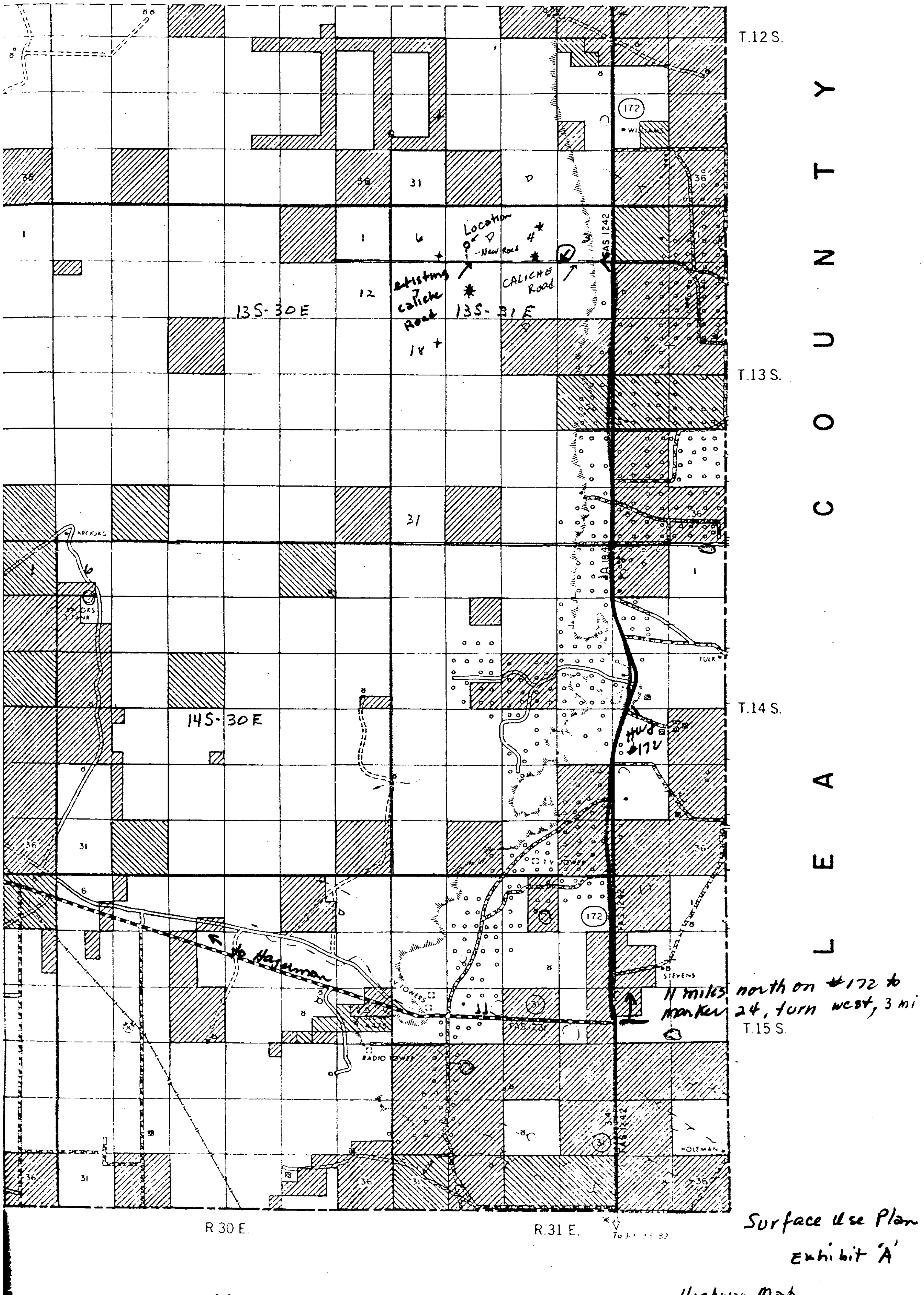
A. C. Magee, 3304 Trailing Heart Road, Roswell, New Mexico 88201. Home Phone 623-5868
Mobile phone 676-3330.

13. CERTIFICATION - I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Dalport

Oil Corp. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. A copy of this plan will be posted at the wellsite during the drilling of the well for reference by all contractors and subcontractors.

December 27, 1976
Date

Leon M. Lampert, Geologist



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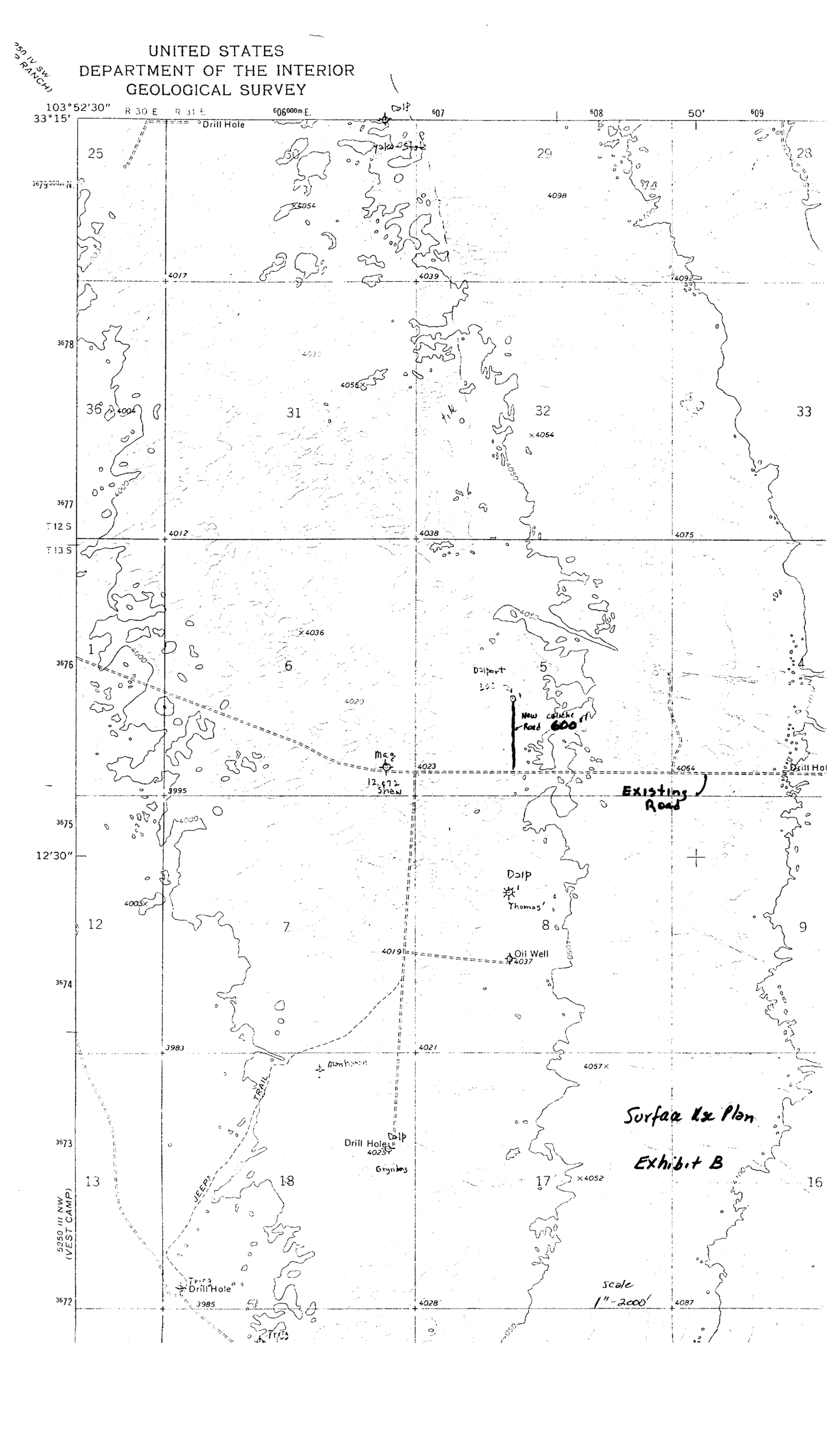
Surface Use Plan
Exhibit 'A'
Highway Map

(V) Caliche Pit


UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
103°52'30"
33°15'
R 30 E
R 31 E
606000m E.
607
608
50'
609
Drill Hole
25
29
28
3679000m N.
4098
4017
4039
4092
3678
36
31
32
33
4056
4054
3677
T 12 S
T 13 S
4012
4038
4075
1
6
5
4
4036
3676
Depart
New caliche Road 600'
Mag
12,972
Shaw
4023
4064
Drill Hol
3995
Existing Road
3675
12'30"
Dalp
Thomas'
12
7
8
9
4005
4019
Oil Well
4037
3674
3983
4021
Monument
TRAIL
4057
Surface Use Plan
Exhibit B
3673
Drill Hole
4023
Dalp
Grynbos
13
18
17
4052
16
JEEP
5250 III NW
(VEST CAMP)
Trig
Drill Hole
3985
3672
4028
4087
Scale
1"-2000'

SURFACE USE PLAN

DALPO IL CORP # 1 Parrott - Federal

TOWNSHIP 13 S RANGE 31 E COUNTY Chaves

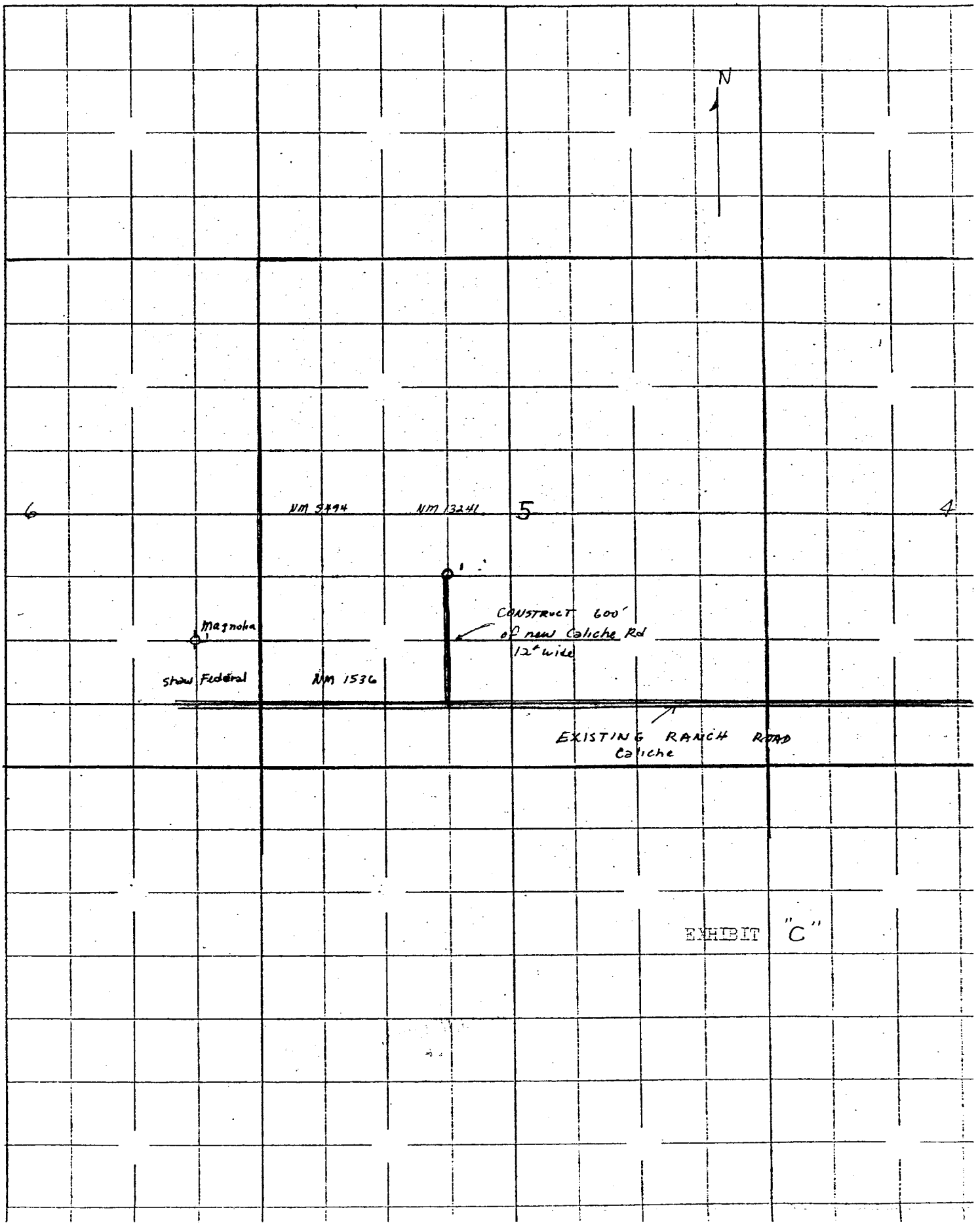
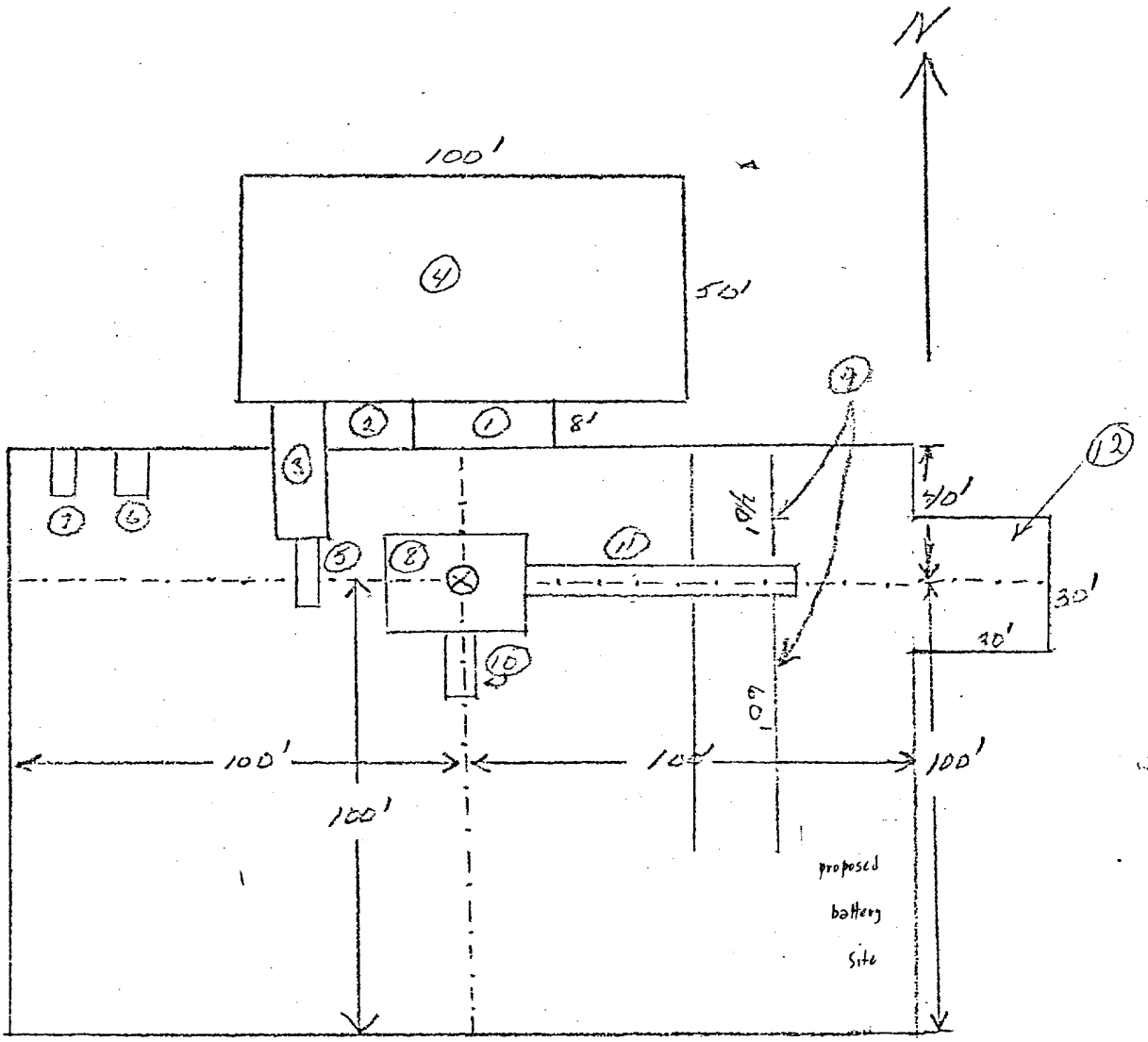


EXHIBIT "C"

WEK DRILLING CO., INC.
RIG #1 LOCATION & MUD PIT SPECS.



1. Shale Pit 30' x 8'
2. Mud Pit 20' x 8'
3. Suction Pit 30' x 8'
4. Reserve Pit 100' x 50'
5. Pump
6. Water Tank
7. Fuel Tank
8. Rig
9. Pipe Racks
10. Dog House
11. Cat Walk 60'
12. Stinger

Surface Use Plan
Exhibit 'D'

Schaeffer Type E 10" Series 900 Hydraulic BOP. The waste and debris from this well will be disposed of in a reserve pit and covered up.

SHAFFER HYDRAULIC BLOWOUT PREVENTERS

(Patented)

TYPE B and TYPE E PREVENTERS

Shaffer Type B and Type E Blowout Preventers are similar in basic design and construction, except that the Type B has a *non-rising* locking shaft (for applications where end dimensions must be kept to a minimum) —and the Type E has a *rising* locking shaft (to provide quick indication of ram position where end dimensions are not critical). Externally, the only visual difference between the two designs is in the end caps, as shown in Fig. 52 and 53. Internally, there are differences in the locking shaft parts, as shown in the exploded views, Figs. 58 and 61.

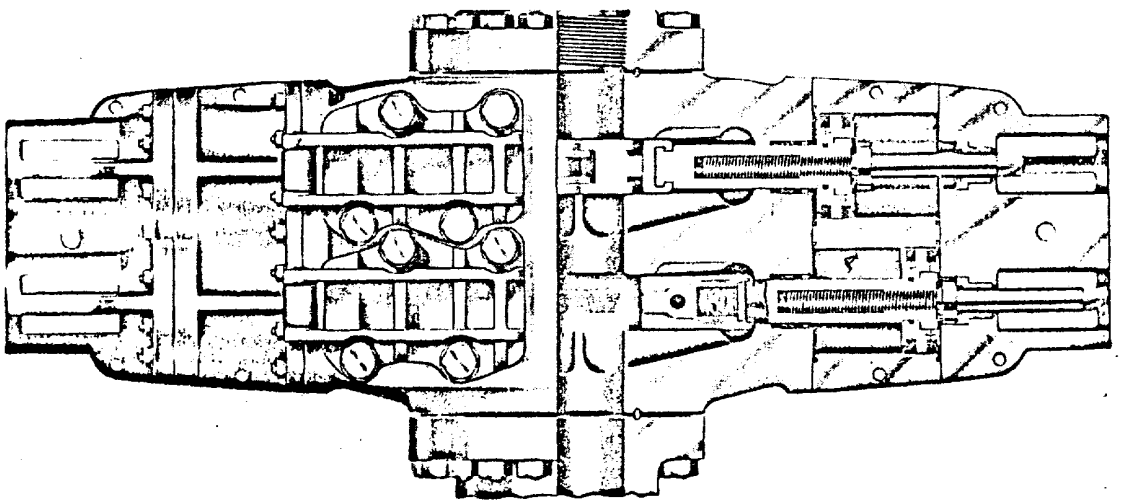


Fig. 52
Shaffer Type E Hydraulic Double Blowout Preventer—Front View

10" Shaffer Type B Series 900, Double Hydraulic w/Payne Closing Unit.

SIDE DOOR RAM CHANGES

In Type B and Type E Preventers, access to the ram compartments is through heavily-ribbed side doors, which are hinged and bolted to the body. The doors are fitted with adequate packing to amply withstand the pressure rating of the Preventer, and are opened by simply loosening four cap screws in each door, whereupon they can be readily swung open. The cap screws remain in the door when opened, eliminating risk of losing or misplacing them.

Each side door incorporates a horizontal guide which, in conjunction with integral guides in the opposite side of the body, holds the ram assemblies in accurate horizontal alignment when the doors are closed. Therefore, the ram assemblies are automatically centered in the Preventer body by simply closing and bolting the doors. Note in Figs. 15 through 18, Page 4347, the ease with which rams are changed through the side-opening doors.

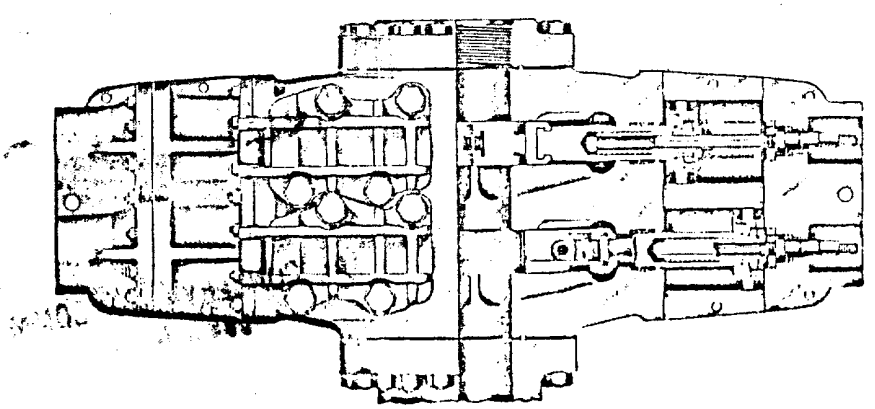


Fig. 53
Shaffer Type B Hydraulic Double Blowout Preventer—Front View