

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER injection

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Northland Operating Company

3. ADDRESS AND TELEPHONE NO.

3500 Oak Lawn, Suite 380, Lock Box 31, Dallas, Tx 75219-4398

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

330' FWL - 140' FSL
At proposed prod. zone

Horizontal well from 330' FWL - 140' FSL drilling northward to 2630' FSL - 330' FWL

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

40 miles southeast of Roswell, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 140'

16. NO. OF ACRES IN LEASE

360.0

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80.0

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

575'

19. PROPOSED DEPTH

3100'

20. ROTARY OR CABLE TOOLS

Rotary

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

4258' GR

22. APPROX. DATE WORK WILL START*

August 9, 1998

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	380'	200 Sx Class C
7 7/8"	5 1/2"	14#	+3000'	250 Sx Hall light & 200 Sx Class C

Northland Operating Company proposes to drill an injection pilot well to 3100' TVD and drill horizontal 2490' lateral. Northland will use fresh water from surface to approximately 350', then will mud up and condition hole with mud as necessary for catching samples, until TD.

BOP Program: BOP will be installed on the 8 5/8" casing and tested daily. Working pressure for the BOP is approximately 3000#.

OPER. OGRID NO. 149936
PROPERTY NO. 20414
POOL CODE 8551
EFF. DATE 8-24-98
API NO. 30-005-21157

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.

SIGNED

[Signature]

TITLE consultant

DATE 7-22-98

(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:

Acting

Assistant Field Office Manager,
Lands and Minerals

APPROVED BY

[Signature]

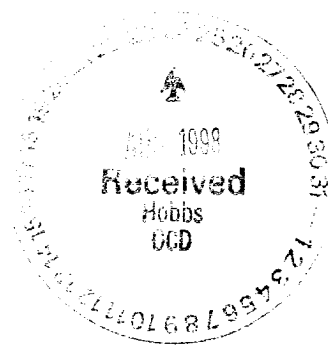
TITLE

DATE

AUG 20 1998

*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



RECEIVED
JUL 28 1998
ROSWELL, NM

District I
PO Box 1900, Hobbs, NM 88241-1900
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-005-21157		Pool Code 8553	Pool Name Caprock Queen
Property Code 20414	Property Name Drickey Queen Sand Unit		Well Number 55
OGRID No. 149936	Operator Name Northland Operating Company		Elevation 4258

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	15	14S.	31E.		140'	South	330'	West	Chaves

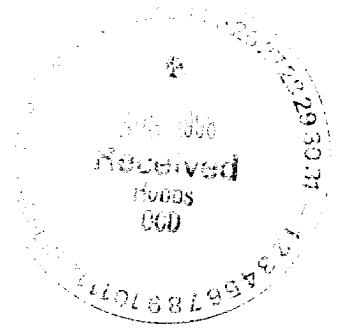
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	15	14S	31E		2630'	South	330'	West	Chaves

" Dedica d Acres 80.0	" Joint or Infill	" Consolidation Code	" Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p>	<p>Section 15, T-14S, R-31E, NMPM</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Sam L. Shackelford</i></p> <p>Signature Sam L. Shackelford</p> <p>Printed Name consultant</p> <p>Title</p> <p>7-22-98</p> <p>Date</p>
		<p>18 SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>7/2/98</p> <p>Date of Survey</p> <p>Signature and Seal of Registered Surveyor</p> <p><i>Robert J. [Signature]</i></p> <p>6675</p> <p>REGISTERED PROFESSIONAL SURVEYOR</p> <p>P.S. [Signature]</p> <p>Certificate Number</p>



PERTINENT INFORMATION

For

NORTHLAND OPERATING COMPANY
Drickey Queen Sand Unit #55
W/2SW/4 of Section 15, T-14S, R-31E, NMPM
Chaves County, New Mexico
LC-060811

<u>LOCATED:</u>	39 air miles Southeast of Roswell, N.M.
<u>LEASE NUMBER:</u>	LC-060811
<u>LEASE ISSUED:</u>	September 1, 1944
<u>RECORD LESSEE:</u>	Matador Petroleum Corp.
<u>BOND COVERAGE:</u>	BLM Bond #NM2423 State of New Mexico #579286
<u>AUTHORITY TO OPERATE:</u>	Designation of Operator
<u>ACRES IN LEASE:</u>	360.0 acres
<u>SURFACE OWNERSHIP:</u>	Fee
<u>OWNER:</u>	G. P. Sims
<u>POOL RULES:</u>	General Statewide Rules
<u>EXHIBITS:</u>	A. Road Map B. Contour Map C. Rig Layout D. BOP Diagram E. Lease and well Map F. Location Topography



SUPPLEMENTAL DRILLING DATA

NORTHLAND OPERATING COMPANY
Drickey Queen Sand Unit #55
W/2SW/4 of Section 15, T-14S, R-31E, NMPM
Chaves County, New Mexico
LC-060811

The following items supplement Form 9-331C in accordance with instruction contained in NTL-6.

1. SURFACE FORMATION: Quaternary
2. ESTIMATED TOPS OF GEOLOGICAL MARKERS:

Anhy.	-	1210'
Top/Salt	-	1300'
Bottom/Salt	-	1940'
Yates	-	2050'
7 Rivers	-	2160'
Queen	-	2793'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:

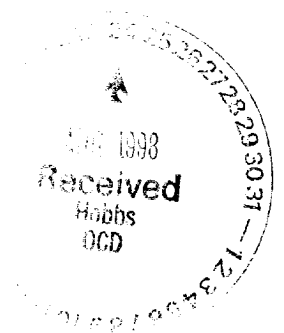
Fresh Water	-	In surface formation above 300'
Oil	-	In the Queen formation below 2793'
4. PROPOSED CASING PROGRAM: See Form 9-331C
5. PRESSURE CONTROL EQUIPMENT: Blowout preventer will consist of at least a double-ram blowout preventer rated to 3000#WP. The BOP will be tested to 1100 PSI through the rig pumps. We feel that this is a sufficient test, because the target producing formation is historically a low pressure reservoir and will not exceed 1000 PSI.
6. CIRCULATING MEDIUM:

Fresh water	spud mud from the surface to 350'.
From 350' to TD	mud-up sufficient for samples.
7. AUXILIARY EQUIPMENT: Full-opening drill string safety valve fit for the drill string in use, will be kept on the rig floor at all times.
8. TESTING, LOGGING AND CORING PROGRAM:

Samples:	Catch samples from surface to TD.
DST'S:	One DST of determined pay zone
Logging:	Dual Lateral/Micro-SFL w/Gamma Ray & Caliper TD to surface. Compensated Neutron/Formation Density w/Gamma Ray- TD to surface
Coring:	Core of determined pay zone

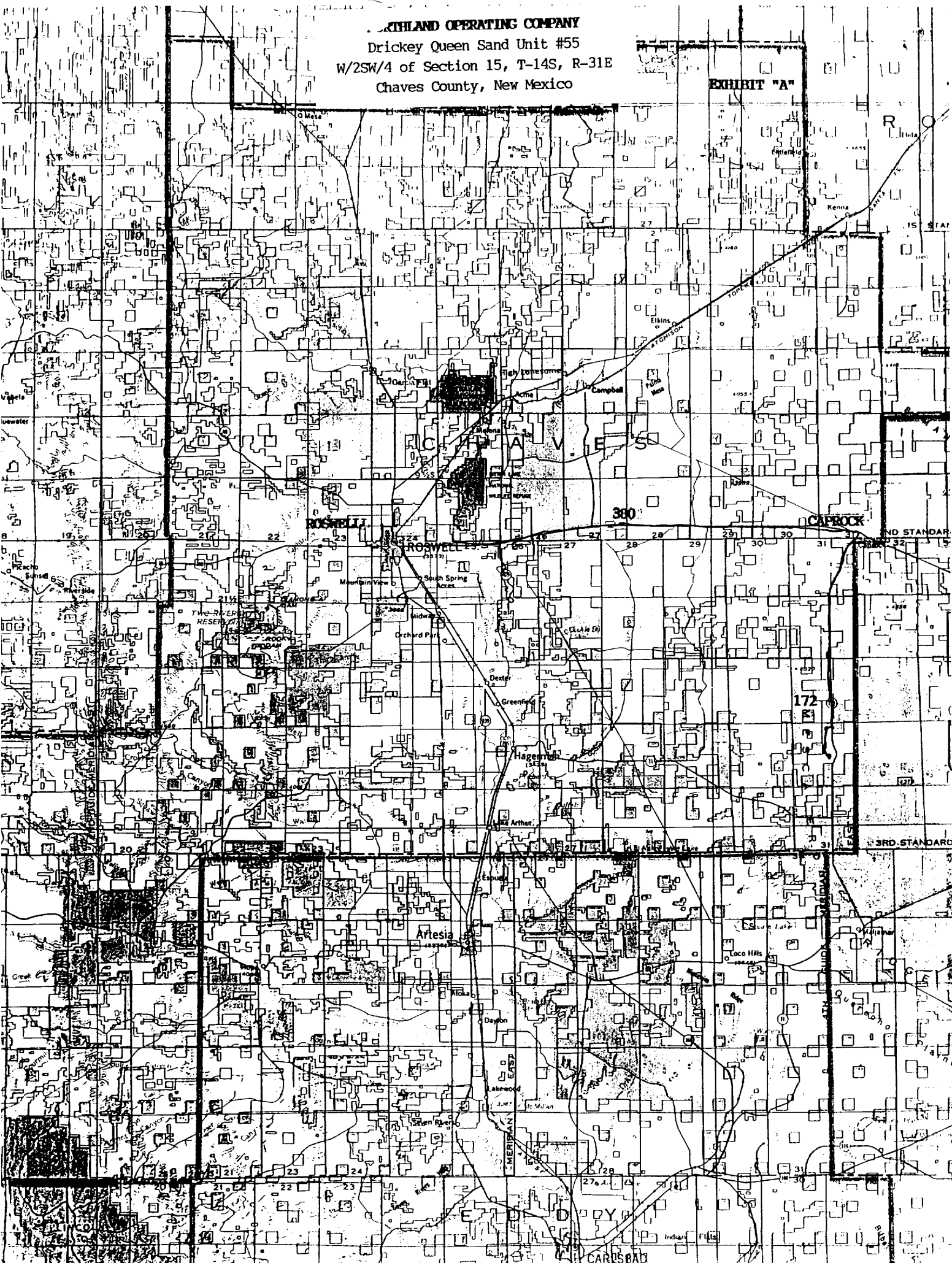


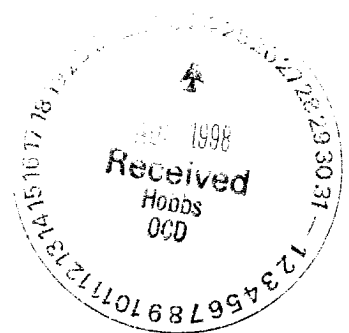
9. ABNORMAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE:
None anticipated.
10. ANTICIPATED STARTING DATE: August 9, 1998
Drilling should be completed within 30 days.
Completion operations (perforations and stimulation)
will follow drilling operations.



ORTHLAND OPERATING COMPANY
Drickey Queen Sand Unit #55
W/2SW/4 of Section 15, T-14S, R-31E
Chaves County, New Mexico

EXHIBIT "A"

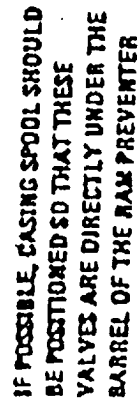
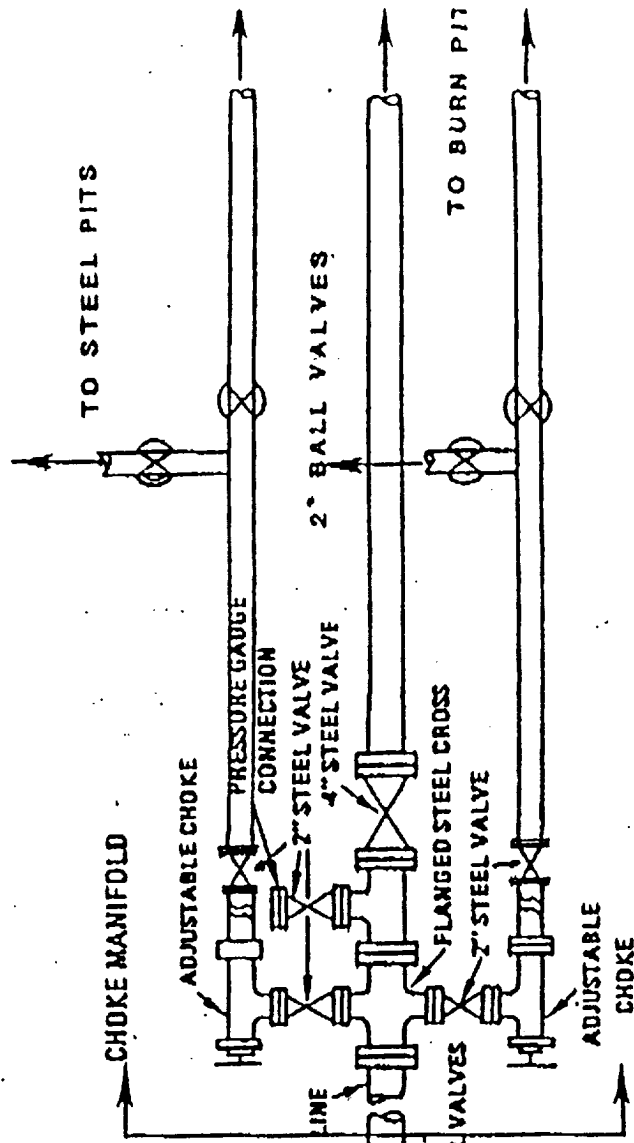




Drickev Queen Sand Unit #55

Chaves County, New Mexico

CLASS THREE PREVENTER

[illegible]

Beyond Edge of Derrick Floor

ELF
5/8/02
ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED

