Form 3160-3 (July 1992)

N.M. OIL CONS. COMMISSION

FORM APPROVED OMB NO. 1004-0136

P.O. BOX 1980 SUBMIT IN TRIPLICATE UNIT FIGURE AT NEW MEXICO 88240 instructions on DEPARTMENT OF THE NEW MEXICO 88240 [everse side]

Expires February 28, 1995

| BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR DEEPEN | | | | | | 5. LEAS | 5. LEASE DESIGNATION AND SERIAL NO. NM 0315712 09015 | | |
|---|-------------------|-----------------------------|---------------------|---------------------------|--------------------------|---------------------------------------|---|-----------------------|--|
| | | | | | | | NM- 03157 | 1 2 -09015 | |
| 1a. TYPE OF WORK Drill X Deepen | | | | | 6. iF IN | 6. IF INDIAN, ALLOTTEE OR TRIBE NAMES | | | |
| | Drill | _ | Deepen | | | 7 (1) | | | |
| b. TYPE OF WELL Oil Well X | Gas Well | Other | | Single Zone | X Multiple Zone | | agreement name laljamar Graybi | urg Unit | |
| 2. NAME OF OPERATO | OR | The Wiser Oil (| Company | | -1.10 | 8. FAR | M OR LEASE NAME, V Well No. 9 | | |
| 3. ADDRESS AND TEL | EDHONE NO | The Wiser On C | Dompany | | | Q APIN | WELL NO. | | |
| 3. ADDRESS AND TEL | EFFICINE NO. | 207 West McK | av | | | J. A. 1 | 30-025- | | |
| | | Carlsbad, NM | | (505) 885-5 | 433 | 10. FIE | LD AND POOL, OR W | ILDCAT | |
| 4. LOCATION OF WEL | L (Report loca | tion clearly and in accord | | e requirements.*) | | | Maljamar Grayburg Sa | n Andres | |
| At surface | | | | | | 11. SEC | C., T., R., M., OR BLK. | | |
| 281' FSL & 1360' FEL, Unit O | | | | | AND SU | AND SURVEY OR AREA | | | |
| At proposed prod. zone | | | | | | | Sec. 4-T17S-F | R32E | |
| 14 DISTANCE IN MILE | ES AND DIREC | CTION FROM NEAREST | TOWN OR POST | OFFICE * | | 12. CO | UNTY OR PARISH | 13. STATE | |
| | | est of Maljamar, | | | | | Lea | | |
| 15. DISTANCE FROM | | | | 16. NO. OF ACR | ES IN LEASE | 17. NO. OF A | CRES ASSIGNED | | |
| LOCATION TO NEARE | ST | | 3679' | | 2200 | TO THIS WEL | | | |
| PROPERTY OR LEASE | | | | | 3280 | | 40 | | |
| (Also to nearest drig. ur 18. DISTANCE FROM | | OCATION* | | 19. PROPOSED I | DEPTH | 20 ROTARY | OR CABLE TOOLS | | |
| TO NEAREST WELL, | | | | 10. 1 1101 0020 1 | 22. 11. | 25. 10.1111 | O. C. O. DEE . C. O. D. O. C. | | |
| OR APPLIED FOR, ON | THIS LEASE, | FT. | 942' | | 4400' | | Rotary | | |
| 21. ELEVATIONS (Sho | w whether DF, | RT, GR, etc.) | 4133' GR | | | 1 | 22. APPROXIMATE DATE WORK WILL START February 1, 1996 | | |
| 22 | | | | NG AND CEMEN | TING PROGRAM | · | y 1, 1000 | | |
| SIZE OF HOLE | GRADE | SIZE OF CASING | | PER FOOT | SETTING DEPT | | QUANTITY OF CE | MENT | |
| 12 1/4" | | 5/8" J-55 | | | 500 1200 | | | | |
| 7 7/8" | | 1/2" J-55 | | 17# | 4400' | | ient to bring to | o of cement | |
| | | | | | | | se of 8 5/8" csg | | |
| | | | | | | | 6 | | |
| ا ساد | | ram: 500 | Duill with from | -h | | | \$ ··· | : | |
| 70 | | 0 - 1200' | Drill with free | | | | € | | |
| .5 | 00' 126 | 10 - TD | Drill with brir | ie water | | | | | |
| • | BOP Prog | ram: | | | | | - | • | |
| Ĭ | Will install | on the 8 5/8" sur | face casing | a 10" Series 90 | 0 Type "E" Sha | affer Doub | le Hydraulic | of vital | |
| | | vill test before dr | | | | | • | | |
| | | | | | | | | A | |
| | | OSED PROGRAM: If pro | ` | | | | | saHist | |
| | ionally, give per | tinent data on subsurface | locations and me | asured and true vertica | al depths. Give blowou | ut preventer pro | gram, if any. | | |
| 24. | /// , | . 11 | 1. | $\int_{-\infty}^{\infty}$ | , | | 1/4/0 | | |
| SIGNED | Illa | wa far | W TITLE | 22022 | ent | DATE | 1/8/9 | 6 | |
| | | OPER. C | IGRID NO | 00 00 | | | 5 13 (52, 513 6 k) - CO : | DIENT TA | |
| (This space for Federal | or State office | use) PROPER | RTY NO. | 11844 | *** | | APPROVAL SU | | |
| PERMIT NO. | | POOL C | ODE_4 | 3320 | APPROVAL D | ATE | GENERAL REQ | ULATIONS | |
| Application approval do | es not warrant | or certify that the applica | t holds legal of | uitable title o tose ric | thts in the subject leas | se which would | entitle the applicant to | | |
| operations thereon. | | | 21 | 16 23 | 272 | | es an musaeme | | |
| CONDITIONS OF APP | ROVAL, IF AN | c API NO. | 30 ~ CC | 12-20 | NAGER | | | a / | |
| APPROVED BY (O) | RIG. SGD | .) RICHARD L | MANUS | AKEA | 414144 | _ DATE _ | 4-3-1 | 76 | |

*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, ficticious ro fraudulent statements or representations as to any matter within its jurisdiction.

District I PO Box 1980, Hobbs, NM \$2241-1980 District II PO Drawer DD. Artenia. NM \$2211-0719

1000 Rio Brazos Rd., Azter, NM 87410

District III

District IV

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised February 10, 1994 Instructions on back

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

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

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|------------------------------|----------------|---------------|------------------------|---------------|------------------|--|--|---|---------------|--|
| API Nemo | e? | | ¹ Pool Code | | | ' Pool Na | | | | |
| 30-025- | | | 329 | | Maljamar Gra | ayburg Sar | n Andre | ···· | | |
| * Property Code | | | 3 Property | | · | Name | | | ' Well Number | |
| 011844 | Malja | mar G | Fraybur | g Unit | | | | | 98 | |
| ' ogadd n∘. 022922 | isar | Oil Co | • | MOT Name | | | 4133 | | | |
| | THE W | 1361 | | | ce Location | | | | | |
| l a si- | Townsian | Range | Lot lon | Feet from the | | Feet from the | East/West i | ine County | | |
| Lariotea. Section | 17 S | | | 281 | South | 1360 | East | Lea | | |
| 0 4 | 1 17 31 | | tom Hoi | | n If Different F | | 1 2 | 1 | | |
| | \ - | | Lot Ida | Feet from th | | Feet from the | East/West | ine County | | |
| Lor sot no. Section | Township | Range | Loc les | real from th | TOTAL SHELL ELE | 7 | | | | |
| Dedicated Acres 13 Joi | | | on Code 13 (| | | | ! | | | |
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| | | | | | | Signature Printed N | Lelanie 12/1/9 | Lie Harker | ren i | |
| | | | | | | Signature Printed N. Tale Date -18 SUF I hereby come she or me corrected and correcte | AGENT VEYOR Party that the top of from field and the best of the | CERTIFICA Weil location shows an one of actual surveys medical surveys medical, and that the same | TIC state 5 | |
| | | | | | 281' | Signature Printed N Tale Date -18 SUF I hereby of was stored ne or see she corner Sept | AGENT 12/1/9 EVEYOR PORTED THE TOTAL OF THE PORTED THE | CERTIFICA weil location shows on the same of actual surveys in size, and that the same of my belief. | TIC this; | |

See Amended Plat

APPLICATION FOR DRILLING

THE WISER OIL COMPANY MALJAMAR GRAYBURG UNIT WELL NO. 98 281' FSL & 1360' FEL, UNIT O SECTION 4, TOWNSHIP 17 SOUTH, RANGE 32 EAST LEA COUNTY, NEW MEXICO LEASE NO. NM-0315712

In connection with Form 3160-3, Application for Permit to Drill subject well, The Wiser Oil Company submits the following items of pertinent information in accordance with BLM requirements:

- 1. The geological surface formation is recent Permian with quaternary alluvium and other surficial deposits.
- 2. The estimated tops of geological markers are as follows:

| Rustler Anhydrite | 1060' |
|-------------------|-------|
| Top of Salt | 1290' |
| Base of Salt | 2220' |
| Queen | 3350' |
| Grayburg | 3800' |
| San Andres | 4100' |
| T.D. | 4400' |

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: There is little, if any, fresh water in this section.

Oil: Grayburg and San Andres below 3900'.

Gas: None anticipated.

4. Proposed Casing Program:

| Hole Size | Interval | Casing OD | Weight, Grade, Type |
|-----------------------------|--|-----------------------------------|---|
| 18" 12 1/4" 7 7/8" Tm | 0-40(500) O' 40' 1200' / O'1200'-TD | \$J\$) 74" 8 5/8" 5 1/2" | Conductor 24# 8RD J-55 ST&C New 17# 8RD J-55 LT&C New |

18" Conductor Casing:

Cemented with ready-mix to surface.

8 5/8" Intermediate Casing: Cemented with 300 sx Class "C" cmt w/ 2% CaCl. Circulate

Received
Hebbs
OCD

to surface.

5 1/2" Production Casing:

Cemented with 700 sx Halliburton Lite w/ 1/4# Flocele, 325 sx Premium Plus w/ .5% Halad-9 & 325 sx Premium Plus w/ 5% Halad-344 w/ 3% KCl.

The above cement volumes could be revised pending the caliper measurement from the open hole log. The top of cement is designed to reach 100' above 8 5/8" casing shoe.

- 5. Proposed Control Equipment: The blowout preventor equipment (BOP) will consist of a (3M System) double ram type (3000 psi WP) preventor. Both units will be hydraulically operated and the ram type preventor will be equipped with blind rams. Both BOP's will be installed on the 8 5/8" surface casing and utilized completely until total depth is reached. Prior to drilling out the 8 5/8" casing shoe, the BOP's and Hydril will be function tested as per BLM Drilling Operations Order #2.
- 6. Mud Program: The well will be drilled to total depth using brine & fresh water. Depths of systems are as follows:

| <u>Depth</u> | Type | Weight (ppg) | Viscosity (1/sec) | Water Loss (cc/30 min) |
|-----------------------------------|----------------------------|-----------------|-------------------|--------------------------|
| 560/ -tm 0=550/ 500/ 550-TD | Fresh Water Brine Water | 8.8 9.5-10.5 | 30 28 | No Control No Control |

- 7. Auxiliary Equipment: Blowout preventer, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valve.
- 8. Testing, Logging and Coring Programs:

Drill Stem Tests: None planned.

Logging: GR-DLL-MSFL-Cal T.D. - 2300' GR-CNL-CDL-Cal T.D. - Surface

- 9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered, the proposed mud program will be modified to increase the mud weight. The anticipated bottom hole pressure is 1980 psi.
- 10. Notice of Staking was sent to Carlsbad, New Mexico BLM office. A Cultural Resources Examination will be completed by Archaeological Survey Consultants and a copy forwarded to the Carlsbad, New Mexico BLM office.

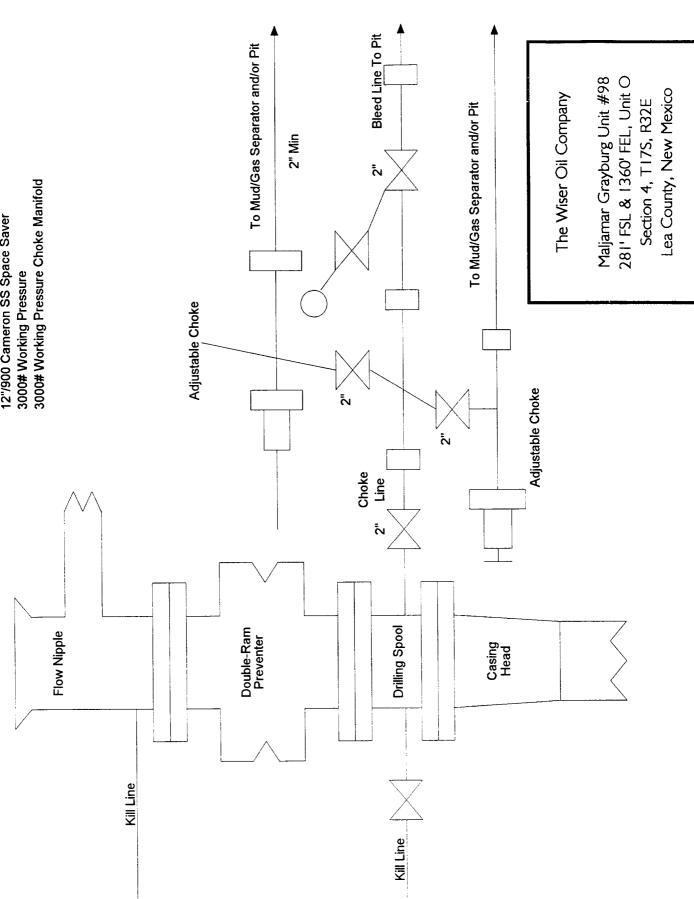
Road and location preparation will not be undertaken until approval has been received from

the BLM. The anticipated spud date is approximately February 1, 1996. The drilling operation should require approximately 9 days. If the well is deemed productive, completion operations will require, at minimum, an additional 30 days of testing to ascertain whether permanent production facilities will be constructed.

BOP & CHOKE MANIFOLD

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12"/900 Cameron SS Space Saver



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