Form 3160-3
(July 1992)

N.M. OIL C... P.O. BOX ... HOBBS, N... UNITE... DEPARTMENT ... BUREAU OF L...

OPER. OGRID NO. 5073
PROPERTY NO. 19491
POOL CODE ✓
EFF. DATE 9/17/96
API NO. 30-025-33584

...LICATE* ...se on ...)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PE...

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐

b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ OTHER — SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR: Conoco, Inc. (915) 686-6548

3. ADDRESS AND TELEPHONE NO.: 10 Desta Dr. Ste 100W, Midland, TX 79705

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1780' FNL & 1980' FWL
At proposed prod. zone: 1780' FNL & 1980' FWL Unit F

5. LEASE DESIGNATION AND SERIAL NO.: LC 029405(a)
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT AGREEMENT NAME:
8. FARM OR LEASE NAME, WELL NO.: Elvis No. 1
9. API WELL NO.: 30-25-
10. FIELD AND POOL, OR WILDCAT: Wildcat Devonian
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 20, T-17S, R-32E
12. COUNTY OR PARISH: Lea
13. STATE: NM

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

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: 40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
19. PROPOSED DEPTH: 14,600'
20. ROTARY OR CABLE TOOLS: Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3982'
22. APPROX. DATE WORK WILL START*: 9/15/96

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" K-55	54.5#	650'	700 circ.
12-1/4"	9-5/8" L-80	40#	4600'	1535 circ.
8-3/4"	7" L-80	29#	14,600'	2015 - top @ 1600'

It is proposed to drill this wellbore as a vertical wildcat Devonian producer according to the drilling plan outlined in the following attachments:

1. Well Location & Acreage Dedication Plat (C-102)
2. Proposed Well Plan Outline
3. Cementing Program
4. Surface Use Plan
5. EXHIBIT A - Vicinity Map
6. EXHIBIT B - Topo & Lease Road Map
7. EXHIBIT C - Powerline plat
8. Standard Rig Layout
9. BOP and Choke Manifold Specifications (2 diagrams)
10. H2S Drilling Operations Plan & Diagram

...ject to ...l Requirements and Special Stipulations Attached

An archeological survey will be ordered for this location and forwarded when completed. The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described above and as covered by BLM Bond File No. ES-0085.

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 Sr. Conservation Coordinator DATE 8/6/96

(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 (ORIG. SGD.) RICHARD L. MANUS TITLE Area Manager DATE SEP 10 1996

*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 statements or representations as to any matter within its jurisdiction.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-025-33584	NA	Wildcat Devonian

Property Code	Property Name	Well Number
NA 19491	ELVIS	1

OGRID No.	Operator Name	Elevation
005073	CONOCO, INC.	3982

Surface Location

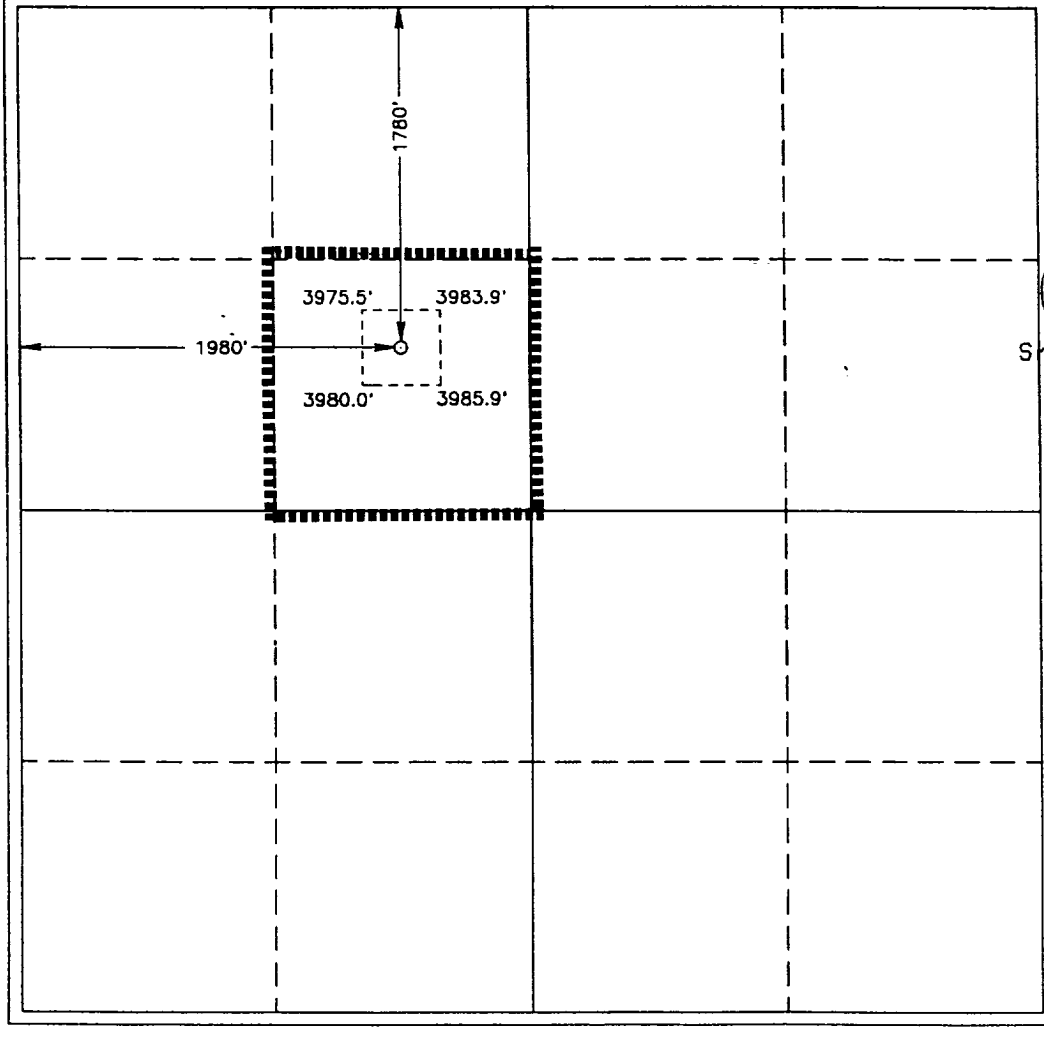
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	20	17 S	32 E		1780	NORTH	1980	WEST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Jerry W. Hoover
Printed Name

Conservation Coordinator
Title

8/5/96
Date

SURVEYOR CERTIFICATION

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 supervison, and that the same is true and correct to the best of my belief.

APRIL 25, 1996
Date Surveyed JLP

Signature & Seal of Professional Surveyor

RONALD J. EIDSON
NEW MEXICO

8303-96

W.O. Num. 96-11-0468

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239
GARY G. EIDSON, 12541

PROPOSED WELL PLAN OUTLINE

WELL NAME **ELVIS #1**

LOCATION **660'FNL 1650'FWL SECT. 20 T-17S R-32E LEA CO.**

TVD IN 1000'	MD	FORMATION TOPS & TYPE W/ 18' KB	DRILLING PROBLEMS	TYPE OF FORMATION EVALUATION	HOLE SIZE	CASING SIZE DEPTH	FRAC GRAD	FORMATION PRESSURE GRADIENT	MUD WT	MUD TYPE	DAYS
0			RED BEDS LOST CIRCULATION		17-1/2"	PRESET 40' CONDUCTOR		BELOW NORMAL	8.4 - 8.7	SPUD	
		RUSTLER @625'									
1				MUD LOGGERS AND EQUIPMENT ON @ 650'		13-3/8" @ 650' CIRC. CEMENT 700 sacks					3
2		YATES @2044'			12-1/4"			9.0 PPG	9.0-10.0	BRINE	
3		QUEEN @ 3071'	H2S	H2S EQUIPMENT ON PRIOR TO QUEEN FORMATION							
		SAN ANDRES @ 3751'	POSSIBLE OVERPRESSURED WITH C02								
4											
5		PADDOCK @ 5231'				9-5/8" @ 4600' CIRC. CEMENT 1535 sacks					17
6			SEEPAGE LOSSES								
		TUBB @ 6541'			8-3/4"						
7								8.5- 9.0 PPG	9.0-9.3	CUT BRINE	
		ABO @ 7756'									
8											
9		WOLFCAMP @ 9007'									
		WOLFCAMP/MZ @ 9464'								BRINE/ POLYMER	
10		CISCO @ 10284'	SEEPAGE LOSSES								
		CANYON @ 10860'									
11		STRAWN @ 11385'									
		ATOKA @ 11803'									
12		MORROW @ 12044'									
		BARNETT @ 12749'									
13			REACTIVE SHALES								
		SILURIAN @ 13608'		POSSIBLE DST							
14								BHP = 6300psi			
		TD @ 14600'									
				GR-CAL-DLL-MSFL-CNL-LDT							
15				GR-CAL-SONIC CBIL		7" @ 14600 TOC @ 1600' 2015 sacks					66
16											

DATE AUGUST 2, 1996

APPROVED ROGER WILLIAMSON

ENGINEER

Well Name : Elvis Project

Location : _____

Casing Program

Surface : 13 3/8" casing in 17 1/2" Hole at 650 ft.

1st Intermediate : 9 5/8" casing in 12 1/4" Hole at 4600 ft.

Production Liner : 7" casing in 8 3/4" Hole at 14,600 ft.

Cementing Program :

Surface

Lead 700 sacks Class C Mixed at 14.8 ppg
Additives 2% CACL2 + 0.25 pps Cello Flake

1st Intermediate

Lead 1385 sacks Class C Mixed at 12.8 ppg
Additives 35:65:6 (Poz:Cem:Gel) + 10 pps Salt + 0.25 pps Cello Flake

Tail 150 sacks Class C Mixed at 14.8 ppg
Additives 2% CACL2

Production

(1st Stage)

Lead 655 sacks Class H Mixed at 14.4 ppg
Additives 50:50:2 (Poz:Cem:Gel) + 1% FloBlok 210 + 0.6% R-3 + 0.3% CD-32 + 1% Micro Seal

Tail 180 sacks Class H Mixed at 15.6 ppg
Additives 1% FloBlok 210 + 0.3% CD-32 + 0.6% R-3 + 0.2 SMS + 1% Micro Seal

(2nd Stage)

Lead 1180 sacks Class H Mixed at 14.4 ppg
Additives 50:50:2 (Poz:Cem:Gel) + 1% FloBlok 210 + 0.6% R-3 + 0.3% CD-32 + 1% Micro Seal

SURFACE USE PLAN
Conoco Inc.

Elvis No. 1

The following is required information concerning the possible effect which the drilling of this well may have on the environment, existing road sites, and surrounding acreage. A copy will be posted on the derrick floor so all contractors and sub-contractors will be aware of all items of this plan.

1. Existing Roads

   A. The proposed well site is 1780' FNL & 1980' FWL, Sec. 20, T-17S, R-32E, Lea County, New Mexico.

   B. Exhibit "A" is a Vicinity road and well map. Directions to the location are as follows:

      From Hobbs go west on Hwy. 80 to junction with Hwy 529. Proceed west on Hwy 529 to junction with Hwy 126. Turn north on Hwy 126 for 1.9 miles. Turn left for 1 1/2 miles and then turn right for 3/10 miles to location.

   C. No improvement or maintenance is anticipated for the existing roads.

2. Planned Access Roads

   A. No new access road will be required.
   B. No turnout will be required.
   C. No culverts will be required.
   D. No gates, cattleguards, or fences will be required.

3. Topographic Map and Well Location

   A 7.5" quadrangle topo map of the area is included as Exhibit "B".

4. Additional Right-of-Ways

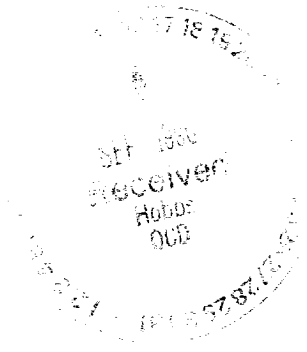
   No additional right-of-ways will be required.

5. Water Supply

   Water will be secured from the MCA Battery #2 and trucked to location.

6. Source of Construction Materials

   Caliche will come from a pit located in the NE/4 NE/4 Sec. 4, T-17S, R-32E.



7. Methods of Handling Waste Disposal

Waste Disposal: Well cuttings will be disposed in reserve pit. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures. All detrimental waste will be hauled away. See Exhibit "D" (rig layout) for location of pits. 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, or separate disposal applications will be submitted to survey for appropriate approval.

8. Ancillary Facilities

None.

9. Wellsite Layout

See Exhibit "D". The V-door faces East. The reserve pit will be lined with plastic and the pad and pits are staked. All unguarded pits containing liquids will be fenced and any unguarded pit containing oil and/or toxic liquids will be covered with a fine mesh netting to protect wildlife, if necessary.

10. Plans for Restoration of Surface

Pits will be backfilled and leveled to original condition when they are dry. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed within 45 days from commencement.

11. Surface Ownership

Federal

12. Other Information

An Archeological study for this location has been ordered and will be filed as soon as completed.

13. Operator's Representative and Certification

The person who can be contacted concerning compliance of this Surface Use Plan is:

Jerry W. Hoover
10 Desta Drive West
Midland, Texas 79705
(915) 686-6548

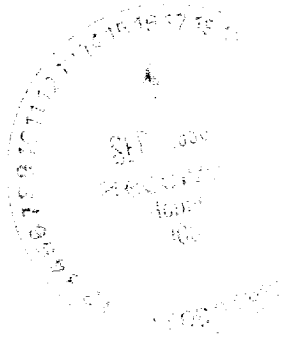
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drilling site; that I am familiar with the conditions which currently exist; that the statements made in this plan, are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Conoco Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Roger Williamson

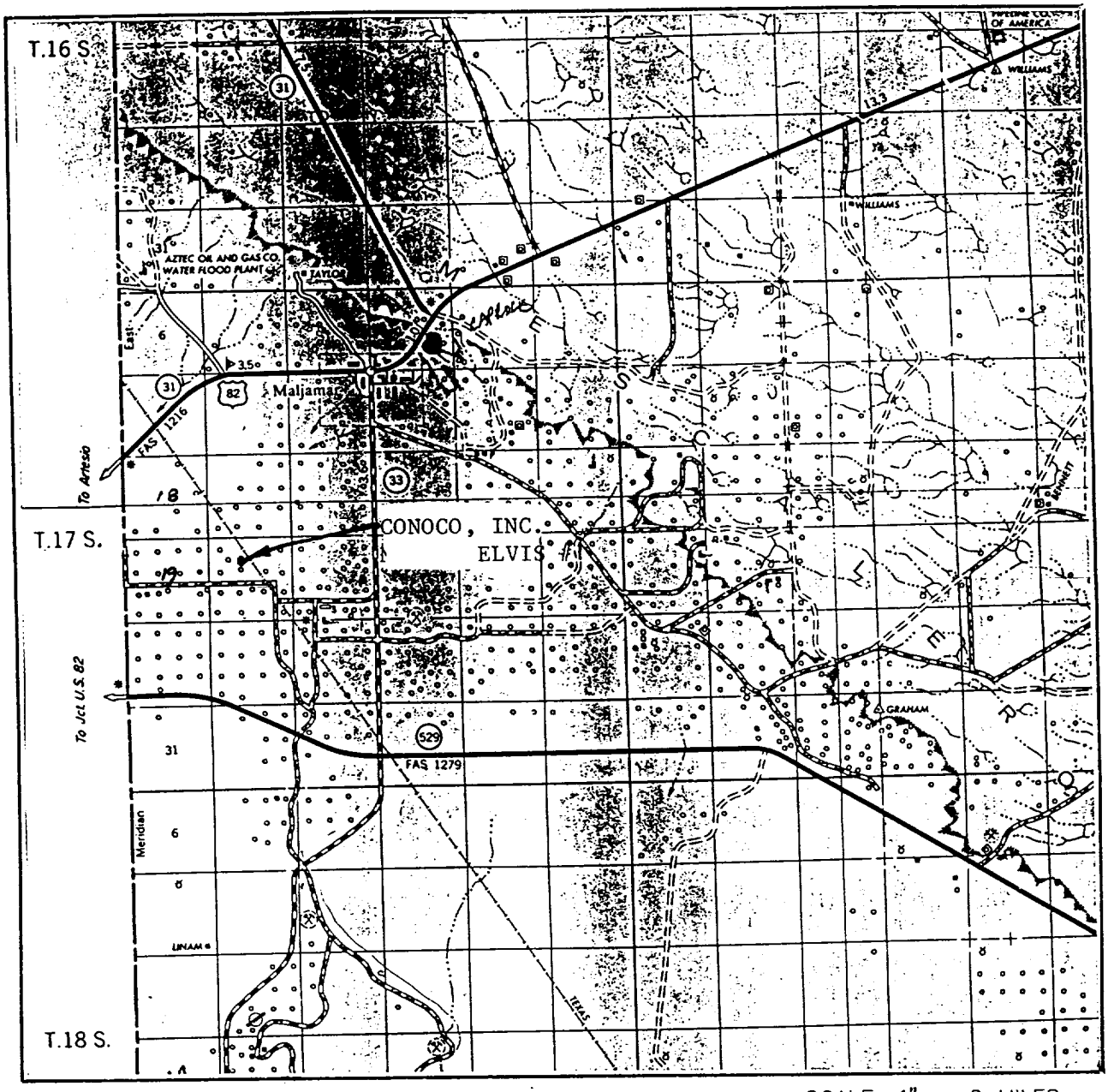
for Gary L. Smith,
Drilling Manager

8/6/96

Date



VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 20 TWP. 17-S RGE. 32-E

SURVEY M.N.P.M.

COUNTY LEA STATE N.M.

DESCRIPTION 1780' FNL & 1980' FWL

ELEVATION 3982

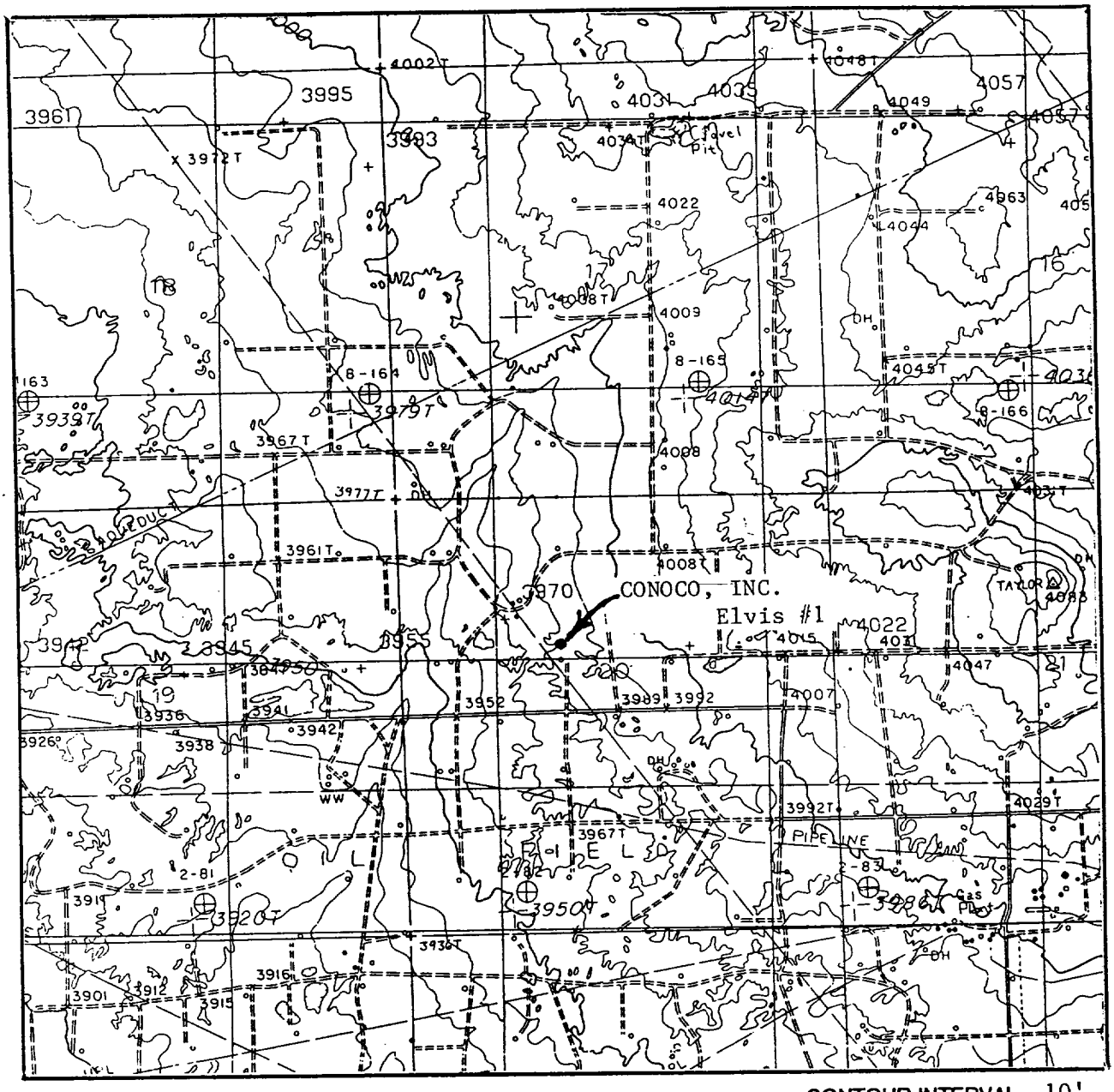
OPERATOR CONOCO, INC.

LEASE ELVIS

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

EXHIBIT A

LOC. TION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL 10'

SEC. 20 TWP. 17-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA STATE N.M.

DESCRIPTION 1780'FNL & 1980' FWL

ELEVATION 3982'

OPERATOR CONOCO, INC.

LEASE ELVIS

U.S.G.S. TOPOGRAPHIC MAP

MALJAMAR, NEW MEXICO

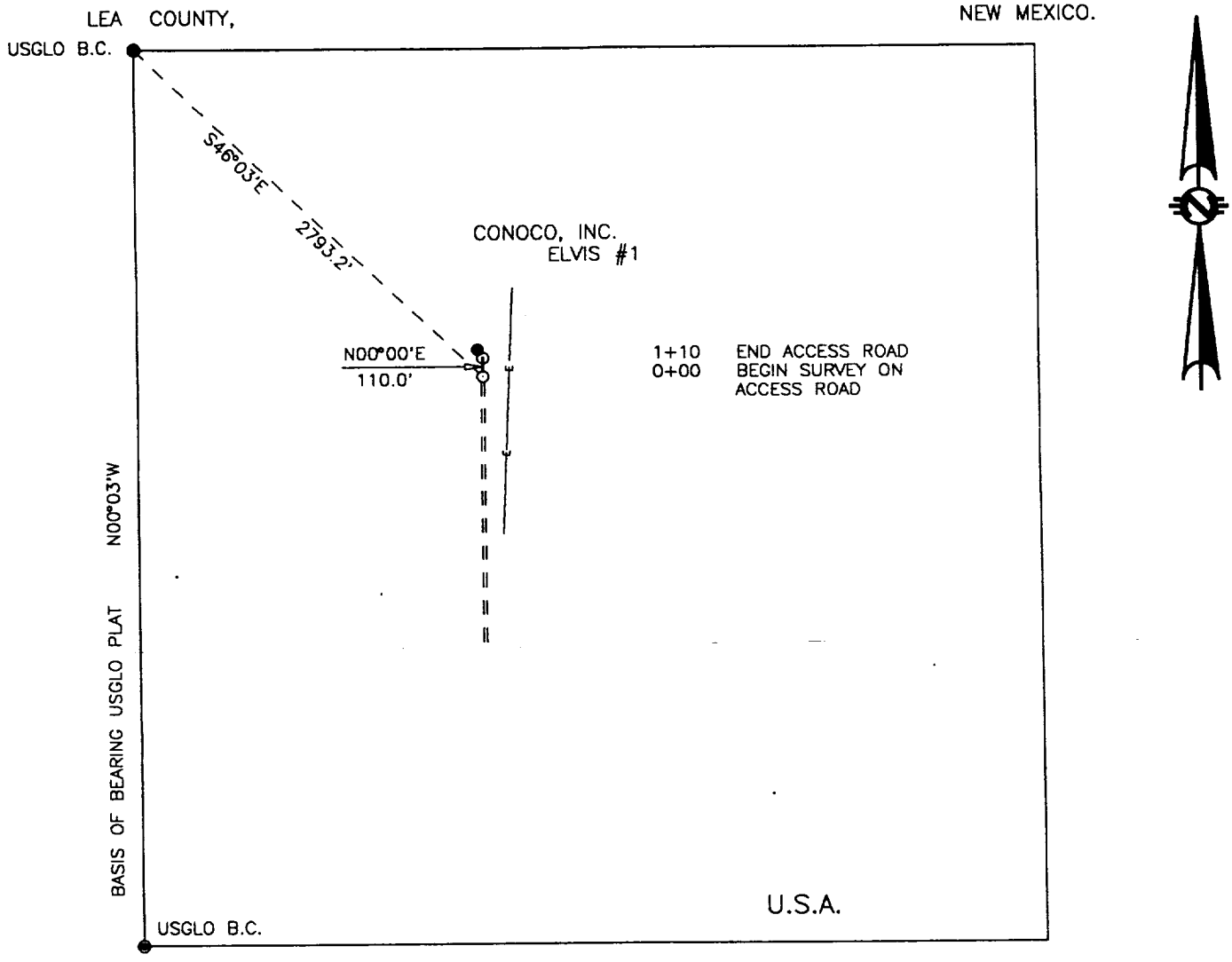
JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

EXHIBIT B


SEP 1996
Received

SECTION 20, TOWNSHIP 17 SOUTH, RANGE 32 EAST, N.M.P.M.,

LEA COUNTY, NEW MEXICO.



DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE AND 110.0 FEET OR 0.021 MILES IN LENGTH AND BEING 25.0 FEET RIGHT AND 25.0 FEET LEFT OF THE ABOVED PLATTED SURVEY OF CENTERLINE:

1000 0 1000 2000

SCALE: 1"=1000'

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

Ronald J. Eidson 5-07-96

JOHN W. WEST	N.M. P.E. & P.S.	No. 676
	TEXAS P.L.S.	No. 1138
RONALD J. EIDSON	N.M. P.S.	No. 3239
	TEXAS P.L.S.	No. 1883
GARY G. EIDSON	N.M. L.S.	No. 12641
	TEXAS P.L.S.	No. 4735

JOHN W. WEST ENGINEERING COMPANY

CONSULTING ENGINEERS & SURVEYORS – HOBBS, NEW MEXICO

CONOCO, INC.

AN ACCESS ROAD CROSSING U.S.A. LAND LOCATED IN SECTION 20, TOWNSHIP 17 SOUTH, RANGE 32 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 4/25/96	Sheet 1 of 1 Sheets
W.O. Number: 96-11-0468	Drawn By: J. L. Presley
Date: 5/7/96	DISK: JLP#157

EXHIBIT C


SEP 1995
Received

STANDARD RIG LAYOUT

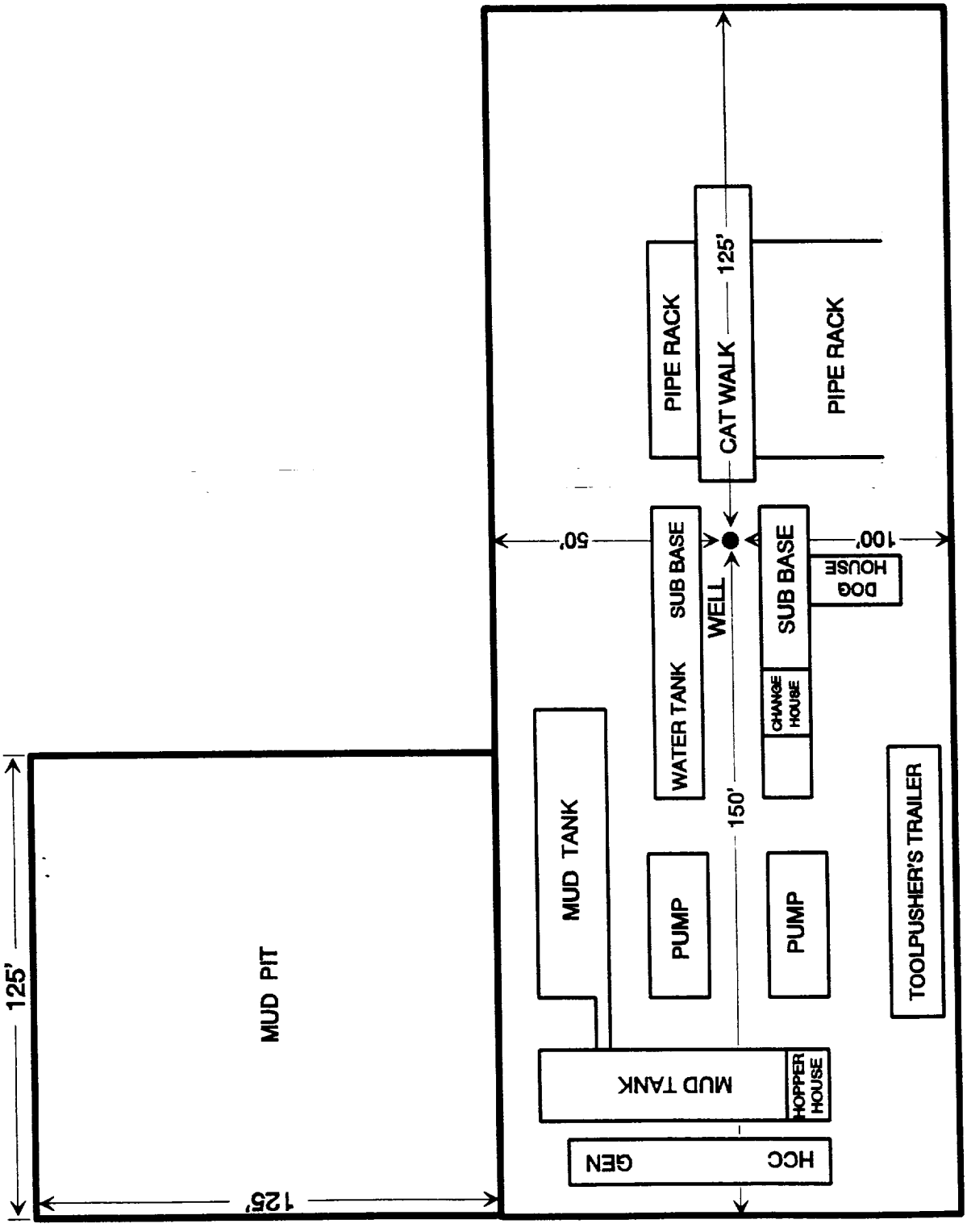
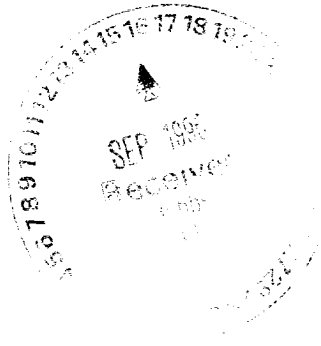


EXHIBIT D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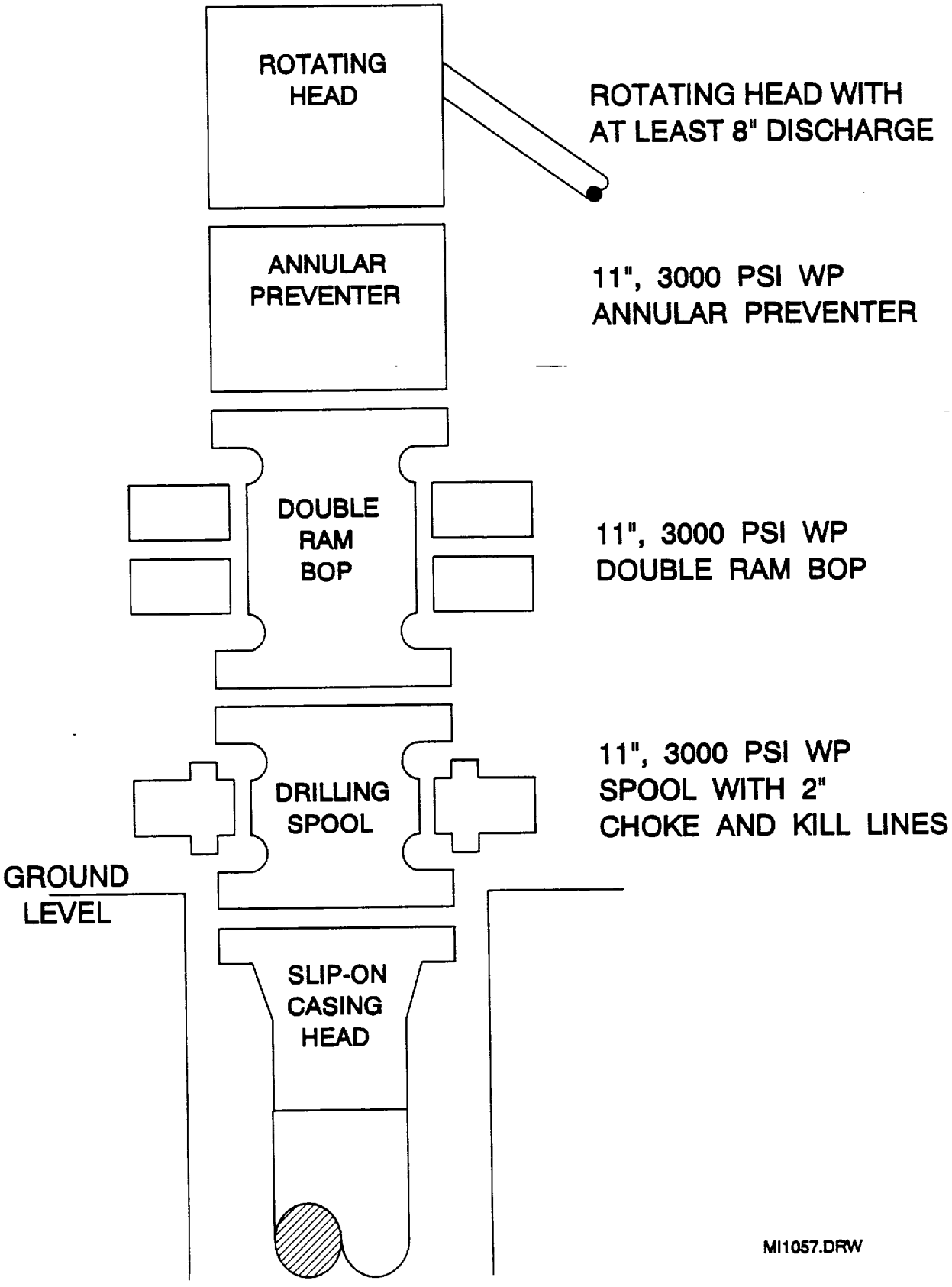
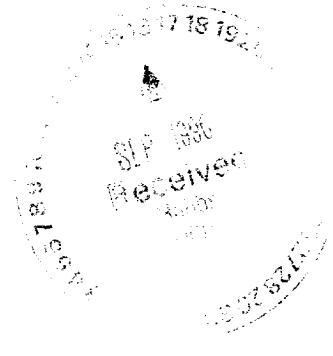
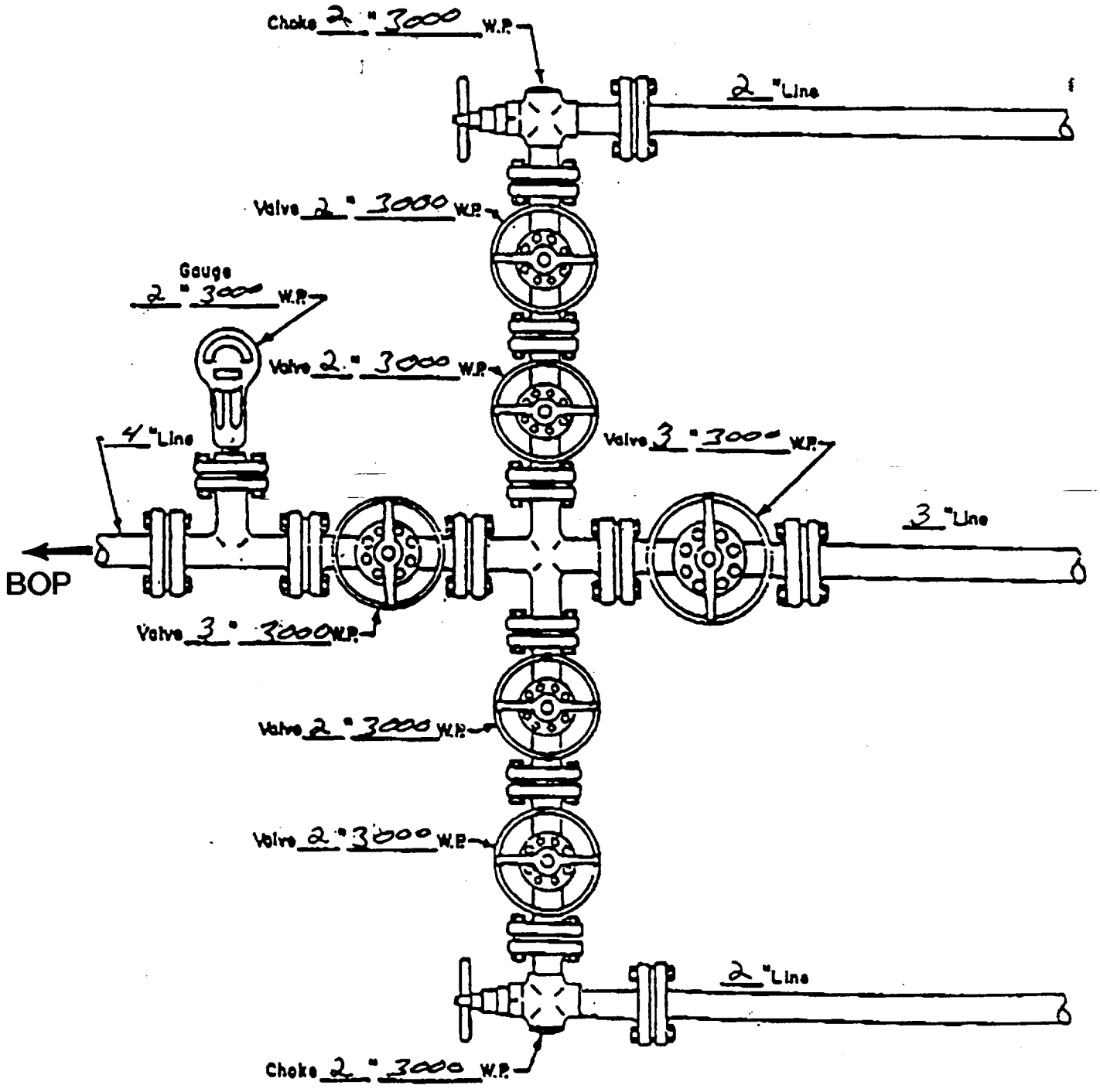
BOP SPECIFICATIONS




SEP 1880
Received

CHOKE MANIFOLD DIAGRAM



MANIFOLD
3000 #W.P

☒ Manuel
☐ Hydraulic

H2S DRILLING OPERATIONS PLAN

I. Hydrogen Sulfide Training

All contractors and subcontractors employed by Conoco will receive or have received training from a qualified instructor within the last twelve months in the following areas prior to commencing drilling operations on this well.

1. The hazards and characteristics of hydrogen sulfide (H2S)
2. Safety precautions
3. Operations of safety equipment and life support systems.

In addition, contractor supervisory personnel will be trained or prepared in the following areas:

1. The effect of H2S on metal components in the system, especially high tensile strength tubulars are to be used.
2. Corrective action and shut-down procedures when drilling or reworking a well, blowout prevention and well control procedures, if the nature of work performed involves these items.
3. The contents and requirements of the contingency plan when such plan is required.

All personnel will be required to carry documentation of the above training on their person.

II. H2S EQUIPMENT AND SYSTEMS

1. Safety Equipment

The following safety equipment will be on location:

A. Wind direction indicators as seen in attached diagram.
B. Automatic H2S detection alarm equipment (both audio and visual).
C. Clearly visible warning signs as seen on the attached diagram. Signs will use the words "POISON GAS" and "CAUTION" with a strong color contrast.
D. Protective breathing equipment will be located in the dog house and at briefing areas as seen in the attached diagram.

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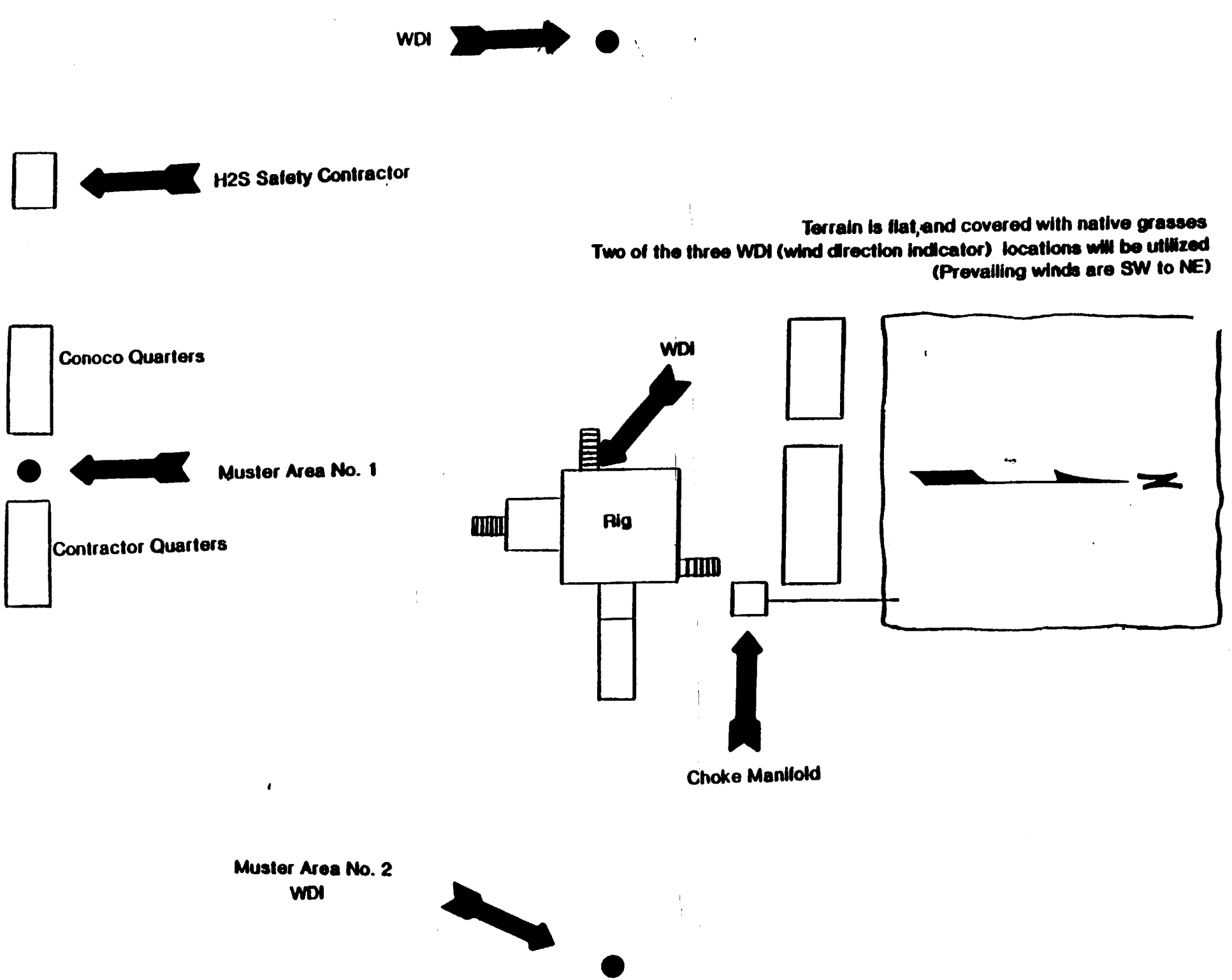
WDI
H2S Safety Contractor
Terrain is flat,and covered with native grasses
Two of the three WDI (wind direction indicator) locations will be utilized
(Prevailing winds are SW to NE)
Conoco Quarters
Muster Area No. 1
Contractor Quarters
WDI
Rig
Choke Manifold
Muster Area No. 2
WDI