

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 & Natural Resources Department
OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. The Wiser Oil Company c/o J. O. Easley, Inc. P. O. Box 1796, Roswell, NM 88202-1796		² OGRID Number 22922
		³ API Number 30-025- 33621
⁴ Property Code 14578	⁵ Property Name Caprock Maljamar Unit	⁶ Well No. 263

⁷ 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	20	17S	33E		430	South	990	West	Lea

⁸ Proposed 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
⁹ Proposed Pool 1 Maljamar Grayburg San Andres						¹⁰ Proposed Pool 2 43329			

¹¹ Work Type Code N	¹² Well Type Code I	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4118'
¹⁶ Multiple	¹⁷ Proposed Depth 5500'	¹⁸ Formation San Andres	¹⁹ Contractor	²⁰ Spud Date 10-10-96

²¹ Proposed Casing and Cement Program

Hole size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8" J-55	20#	350'	300 Class "C"	
7 7/8"	5 1/2" J-55	17#	5500'	700 Halli Lite	
				650 Premium Plus	

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See attached Exhibits "A" through "C" for complete Drilling Program

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Michael R. Burch</i>		OIL CONSERVATION DIVISION	
Printed name: Michael R. Burch, CPL		Approved by: <i>Orig. Signed by Paul Kautz</i>	
Title: Agent for The Wiser Oil Company		Title: Geologist	
Date: 10-7-96		Approval Date: OCT 09 1996	Expiration Date:
Phone: (505) 623-3758		Conditions of Approval: Attached <input type="checkbox"/>	

Exhibit "A"
to APD for CMU #263

DRILLING PROGRAM

I. The geological surface formation is recent Permian with quaternary alluvium and other surficial deposits.

II. Estimated Tops of Geological Markers:

<u>FORMATION</u>	<u>DEPTH</u>
Rustler Anhydrite	540'
Top of Salt	670'
Base of Salt	1570'
Queen	2650'
Grayburg	3050'
San Andres	3430'
TD	5500'

III. Estimated depths at which water, oil, gas, or other mineral-bearing formations are expected to be encountered:

<u>SUBSTANCE</u>	<u>DEPTH</u>
Fresh Water	There is little, if any, in this section
Oil	Fren 7-Rivers; Grayburg and San Andres below 3200'
Gas	None anticipated

IV. A. Proposed Casing Program:

<u>HOLE SIZE</u>	<u>CASING SIZE</u>	<u>GRADE</u>	<u>WEIGHT PER FOOT</u>	<u>DEPTH</u>
12 ¼"	8 5/8"	New 8RD ST&C J-55	20#	350'
7 7/8"	5 ½"	New 8RD LT&C J-55	17#	5500'

B. Proposed Cement Program:

8 5/8" Cmt w/ 300 sx Class "C" cmt w/2% CaCl. Circulate to surface.

5 1/2" Cmt w/ 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 top of cement is designed to reach 100' above 8 5/8" casing shoe.

V. Proposed Mud Program:

The well will be drilled to total depth using brine & fresh water. Depths of systems are as follows:

<u>INTERVAL</u>	<u>MUD TYPE</u>	<u>MUD WT.</u>	<u>VISCOSITY</u>
0-350'	Fresh Water	8.8 ppg	30
350'-TD	Brine Water	9.5-10.5 ppg	28

VI. Proposed Control Equipment:

Will install on the 8 5/8" surface casing a 10" Series 900 Type "E" Shaffer Double Hydraulic BOP and will test before drilling in the Queen formation. BOP working pressure: 3000 psi. See Exhibit "C" for BOP layout.

VII. Auxiliary Equipment:

Blowout preventor, gas detector, kelly cock, pit level monitor, flow sensors, and stabbing valve.

VIII A. Testing Program:

Drill Stem Tests: None planned

B. Logging Program:

<u>LOG</u>	<u>Interval</u>
GR-DLL-MSFL-Cal	T.D. - 2,300'
GR-CNL-CDL-Cal	T.D. - Surface

C. Coring Program:

None planned

IX 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 estimated maximum bottom hole pressure is 1980 psi.

EXHIBIT "B"
to APD for CMU #263

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

I. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H₂S).
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

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

1. The effects of H₂S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H₂S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

II. H₂S Safety Equipment and Systems

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating, the first zone containing, or reasonably expected to contain, H₂S.

1. Well Control Equipment:
 - A. Flare line with electronic igniter or continuous pilot.
 - B. Choke manifold with a minimum of one remote choke.
 - C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
 - D. Auxiliary equipment to include annular preventer, mud-gas separator, rotating head, and flare gun with flares.
2. Protective equipment for essential personnel:
 - A. Mark II Surviveair 30-minute units located in the dog house and at briefing areas, as indicated on Exhibit "D".
3. H₂S detection and monitoring equipment:
 - A. Two portable H₂S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H₂S levels of 20 ppm are reached.
 - B. One portable SO₂ monitor positioned near flare line.
4. Visual warning systems:
 - A. Wind direction indicators as shown on Exhibit "D"
 - B. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used when appropriate.
5. Mud program:
 - A. The mud program has been designed to minimize the volume of H₂S circulated to the surface. Proper mud weight, safe drilling practices, and the use of H₂S scavengers will minimize hazards when penetrating H₂S-bearing zones.
 - B. A mud-gas separator and an H₂S gas buster will be utilized.

6. Metallurgy:
 - A. All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H₂S service.
 - B. All elastomers used for packing and seals shall be H₂S trim.
7. Communication:
 - A. Radio communications in company vehicles including cellular telephone and 2-way radio.
 - B. Land Line (telephone) communications at field office.
8. Well testing:
 - A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity which are necessary to safely and adequately conduct the test. The drill stem testing will be conducted during daylight hours, and formation fluids will not be flowed to the surface. All drill stem testing operations conducted in an H₂S environment will use the closed chamber method of testing.

DISTRICT I
P.O. Box 1000, Hobbs, NM 88241-1000

State of New Mexico Exhibit "C"
Energy, Minerals and Natural Resources Department

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

DISTRICT II
P.O. Drawer 80, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025- 33621	Pool Code 43329	Pool Name Maljamar Grayburg San Andres
Property Code 14578	Property Name CMU	Well Number 263
OGEID No. 22922	Operator Name THE WISER OIL COMPANY	Elevation 4118'

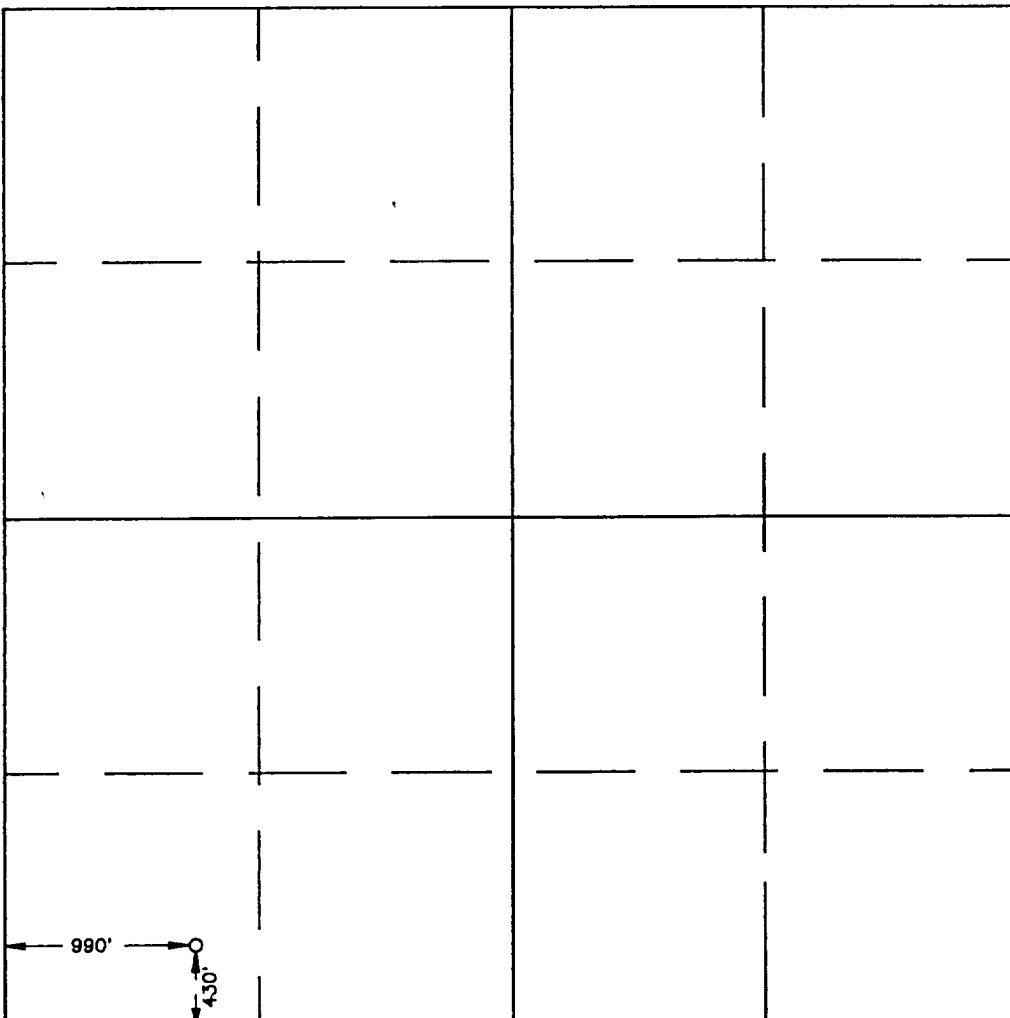
Surface Location

UL or lot No. M	Section 20	Township 17 S	Range 33 E	Lot Idn	Feet from the 430	North/South line SOUTH	Feet from the 990	East/West line WEST	County LEA
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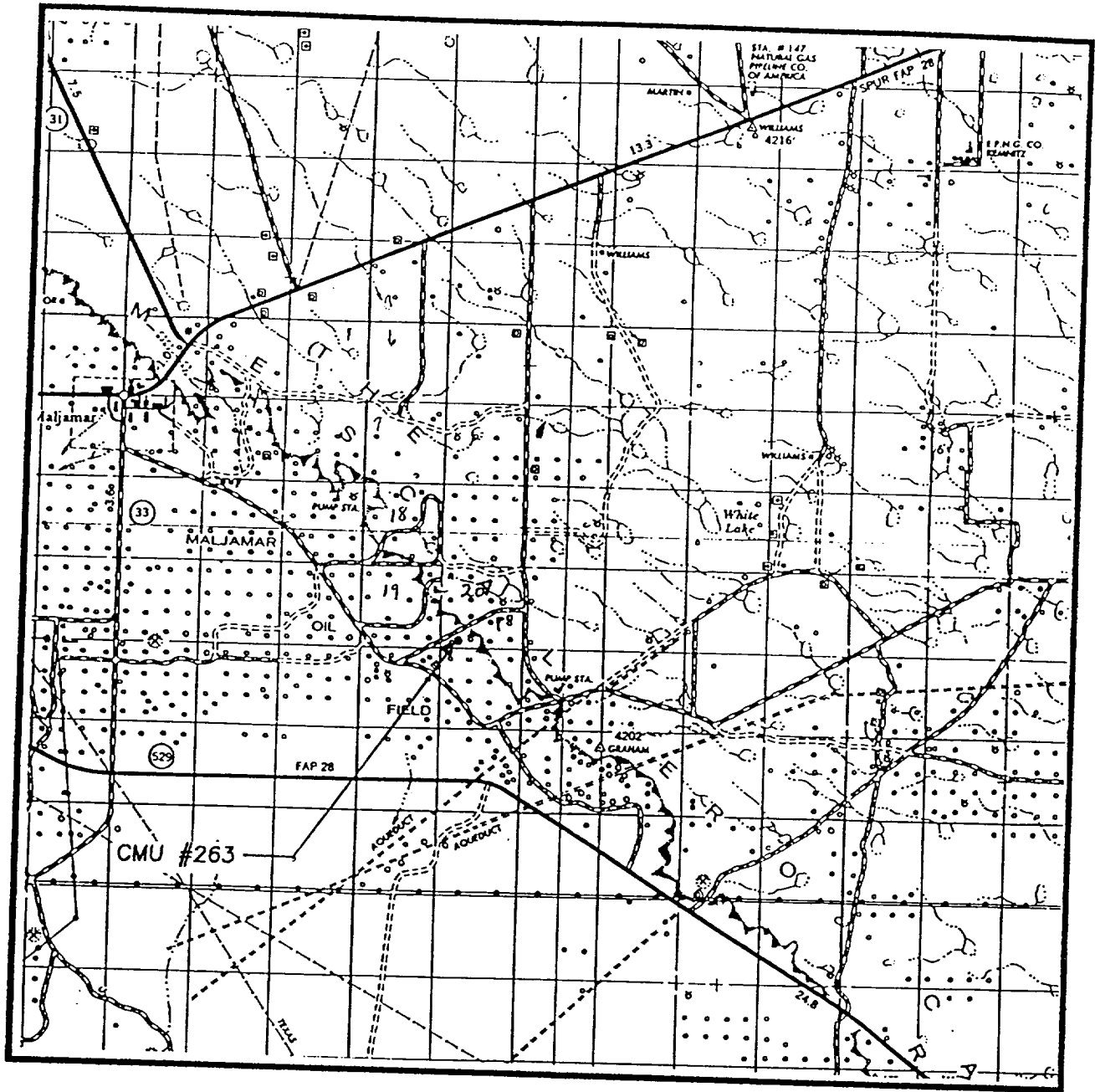
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Michael R. Burch, CPL Printed Name Agent for The Wiser Oil Company Title 10-7-96 Date	
	SURVEYOR CERTIFICATION <i>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.</i> OCTOBER 2, 1996 Date Surveyed Signature Professional Surveyor RES NEW MEXICO W.O. Num. 96-1266 Certificate No. JOHN W. WEST 676 RONALD E. EIDSON 3239 EIDSON 12641	

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 20 TWP. 17-S RGE. 33-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 430' FSL & 990' FWL

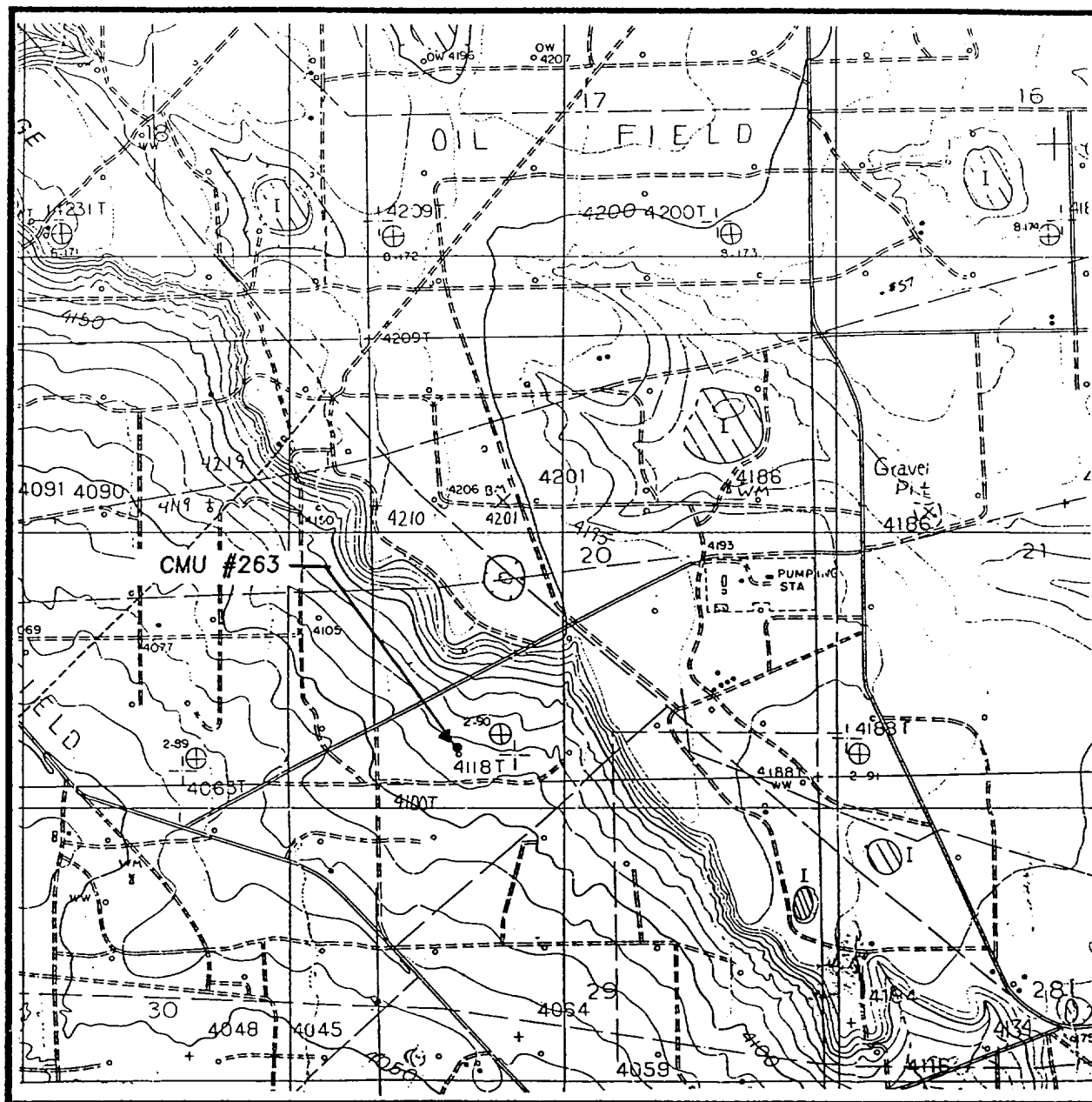
ELEVATION 4118'

OPERATOR THE WISER OIL COMPANY

LEASE CMU

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

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
DOG LAKE - 10'
SUPPLEMENT - 5'

SEC. 20 TWP. 17-S RGE. 33-E

SURVEY N.M.P.M.

COUNTY _____ LEA _____

DESCRIPTION 430' FSL & 990' FWL

ELEVATION 4118'

OPERATOR THE WISER OIL COMPANY

LEASE CMU

U.S.G.S. TOPOGRAPHIC MAP

DOG LAKE, N. MEX.

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