Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instruction 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

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

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

2. NAME OF OPERATOR
C. W. Trainer

3. ADDRESS OF OPERATOR
c/o Oil Reports and Gas Services, P.O. Box 763, Hobbs NM 88240

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
1980' FSL & 660' FEL of Section 1
At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.
NM-4312

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Pennzoil Federal

9. WELL NO.
2

10. FIELD AND POOL, OR WILDCAT
Wildcat (110)

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec.1, T 19S, R 33E

12. COUNTY OR PARISH: Lea | 13. STATE: NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
26 miles West Hobbs, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	660'	16. NO. OF ACRES IN LEASE 320	17. NO. OF ACRES ASSIGNED TO THIS WELL 320
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	1320'	19. PROPOSED DEPTH 13,600	20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3776.4 GR

22. APPROX. DATE WORK WILL START*
1/31/78

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

See attachments for casing program, blow out preventors, mud and other details of operation.

3-18-78

CONDITIONS OF APPROVAL

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 Warren Hall TITLE Agent DATE 12/20/77

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVED AS AMENDED
JAN 18 1978
ARTHUR R. BROWN
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

NE. EXICO OIL CONSERVATION COMMISSIO

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.
C. W. Trainer	Pennzoil Federal	2

Unit Letter	Section	Township	Range	County
I	1	19 South	33 East	Lea

Actual Footage Location of Well:
1980 feet from the South line and 660 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
3776.4	Morrow	~~Wildcat~~ UNDESIGNATED	320 Acres

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

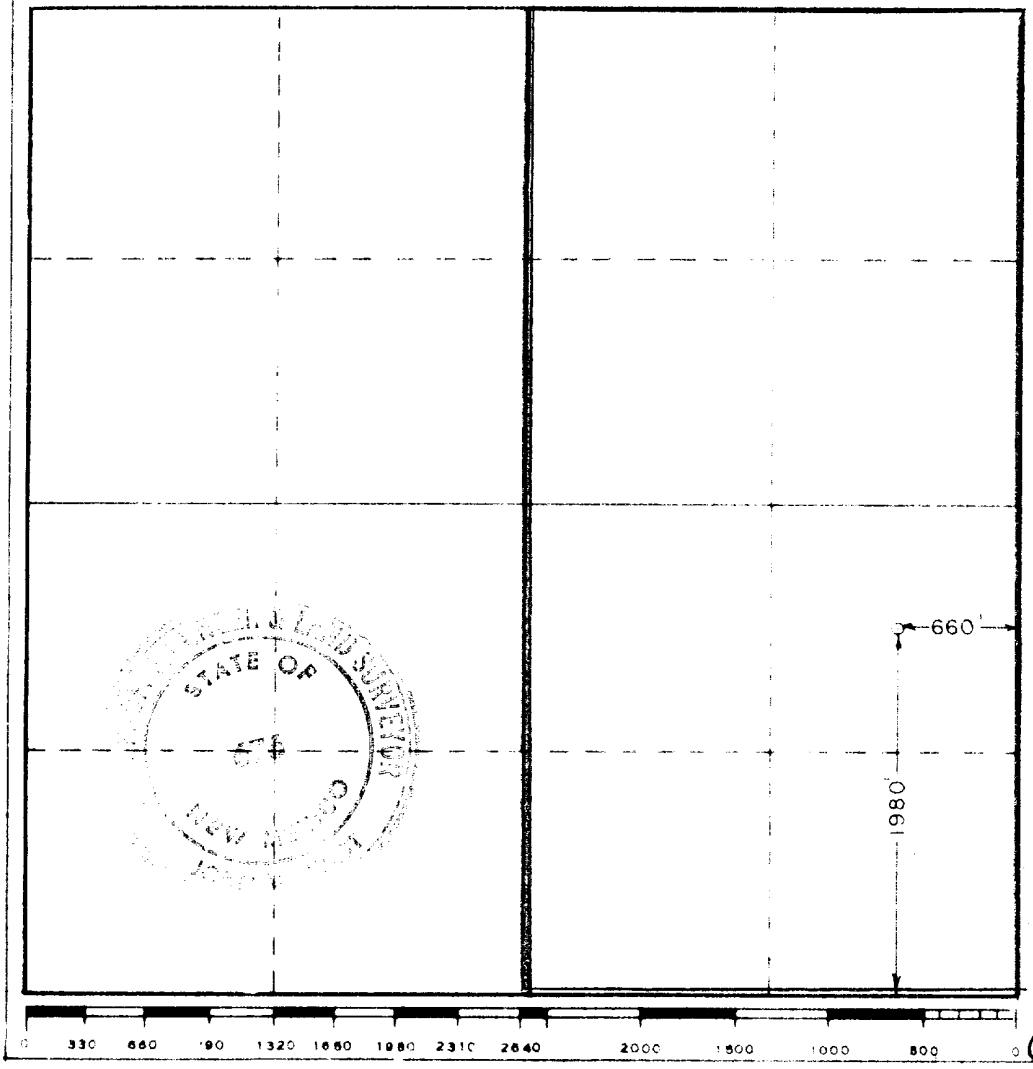
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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 _____

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.



CERTIFICATION

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

Name
Agent

Company
C. W. Trainer

Date
December 20, 1977

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.

Date Surveyed
December 13, 1977

Registered Professional Engineer and/or Land Surveyor
John W. West

Certificate No.
676

Attachment Form 9-331-C

C. W. Trainer
Pennzoil Federal No. 2
660' FSL & 1980' FEL of Sec. 1, T19S, R33E, Lea County, New Mexico
NM-4312

1. Surface formation: Quaternary Alluvium

2. Estimated tops of geologic markers: Base Salt 2900
San Andres 5000
Bone Spring 7400
Wolfcamp 10,600
Morrow 13,400

3. Estimated depth of mineral bearing formations: Fresh water 100 to 700
Bone Spring - oil 7400
Morrow - gas 13,400

4. Casing program:

Hole Size	Size of Casing	Weight Per Ft.	Cond	Grade	Depth	Sacks Cement	
17 1/2	13 3/8	48#	New	H-40	350	350	
12 1/4	8 5/8	24# & 32#	New	J-55	4,500	1000	- DV collar @ 1360
7 7/8	5 1/2	17# & 20#	New	N-80	13,600	500	

5. Blowout preventers: One 10" x 1500 series Shaffer LWS hydraulic double and one Hydril 10" x 1500 series as per attached diagram. Pipe rams to be activated at least once each 24 hours and blind rams each time the drill pipe is out of the hole.

6. Mud program: 0-350 - Spud mud consisting of Bentonite flocculated with lime. 350-4500 - Fresh water with soils control by circulating through the reserve pit, other mud properties as required.
3400-10,000 - Fresh water and lime with lost circulation material as needed.
10,000-13,000 - 10# brine water with lost circulation material as needed.
13,000-TD - 10# brine water circulating through steel pits. Mud up with Drispac. Properties should be viscosity 34-36, weight 9.8 - 10 ppg, filter loss below 10 cc and ph 10. If higher than anticipated pressures are encountered, increase weight with Baroid and viscosity with Baroco clay and Flosal.

7. Auxiliary equipment: Mud monitoring equipment to record pit level, measure mud volume and a flow sensor; kelly valve; safety sub with full opening valve; drill pipe float valve.

8. Logging & testing: All shows will be drillstem tested. It is anticipated that the Bone Spring and Morrow will be tested. Logs to consist of Neutron-formation Density and Dual induction Laterolog.

9. Anticipated pressures and potential hazards: Prior wells drilled in the area indicate that maximum pressure will be 6500 psi and that hydrogen sulfide will not be encountered.

10. Starting date and duration: Starting date to be January 31, 1978 with operation to be completed in 120 days.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

C. W. Trainer
Pennzoil Federal No. 2
1980' FSL & 660' FEL of Section 1, T19S, R33E,
Lea County, New Mexico
Federal Lease NM-4312

1. Existin Roads:

Exhibit "A" is a portion of United States Geological Survey topographic map showing the location of the proposed well and its relationship to US 62-180. Existing area roads to be utilized are shown in blue and the proposed new road construction is shown in red. The proposed road deviates from the south line of Sections 1 and 6 in order to by-pass large sand dunes.

Existing area roads will be repaired where needed. Repairs will consist of blading and watering.

2. Planned Access Road:

Length and Width: New road required will be 12 feet wide and 4,480 feet long. Proposed road is shown in red on Exhibit "A". The center line of the proposed road has been staked and flagged with the stakes being visible from any one to the next.

Surfacing Material: Six inches of caliche, watered, compacted and graded.

Maximum Grade: One percent.

Turnouts: Two required; one midway of east-west portion and one midway of north-south portion of road.

Drainage Design: None required.

Culverts: None required.

Cuts and Fills: None required.

Gates and Cattleguards: None required.

3. Location of Existing Wells:

Exhibit "B" is a portion of a Lea County ownership map showing all existing wells within a radius of 3 miles.

4. Location of Existing and/or Proposed Facilities:

There are no existing facilities. If the proposed well is completed for production the tank battery will be located due east of the well and no additional surface disturbance will occur.

5. Location and Type of Water Supply:

Water for drilling will be purchased from Steve Carter at Maljamar and trucked over the roads shown in Exhibit "A". Water for roads and drilling pad will be produced water from Pennzoil Company, Mescalero Ridge Unit No. 1, SW/4 SW/4 Section 20, T19S, R34E.

6. Source of Construction Materials:

Caliche for roads and location pad will be obtained from an existing pit in the NW/4 SE/4 of Section 7, T19S, R34E, on Federal land.

7. Methods of Handling Waste Disposal:

Drill cuttings will be disposed of in the drilling pits.

Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.

Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.

Current laws and regulations pertaining to the disposal of human waste will be complied with.

Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of trash pit is shown on the rig layout.

All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities:

None required.

9. Wellsite Layout:

The rig layout diagram shows the relative location and dimensions of the well pad, mud pits, reserve pit, burn pit, and location of major rig components.

The wellsite will require minor levelling of blow sand. No cuts and fills will be necessary.

The reserve pit will be plastic lined.

10. Plans for Restoration of the Surface:

After completion of drilling and/or completion operations all equipment and other material not needed for operations will be removed. Pits will be filled and location cleaned of all trash and junk to leave the wellsite in an aesthetically pleasing condition as possible.

Any unguarded pits containing fluids will be fenced until they are filled.

After abandonment of the well, any special rehabilitation and/or revegetation requirements of the surface management agency will be complied with and accomplished as expeditiously as possible. Weather permitting, all pits will be filled and levelled within 90 days after abandonment.

11. Other Information:

Topography: Land surface is rolling sand dunes. As shown in Exhibit "A" the land slopes to the southwest at about 50 feet per mile.

Soil Soil is deep sand underlain by clay.

Flora and Fauna: Vegetative cover is sparse and consists of mesquite, shin oak, sage and native grass. Wildlife consists of coyotes, rabbits, rodents, reptiles, dove, quail and crows.

Ponds and Streams: There are no streams, lakes or ponds in the area.

Residences and Other Structures: There are no residences within a radius of 3 miles. Exhibit "B" shows the relative location of pipelines and power lines.

Archeological, Historical and Cultural Sites: None observed in the area.

Land Use: Grazing and hunting in season.

Surface Ownership: The wellsite is on Federal surface.

12. Operator's Representative:

The field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

C. W. Trainer
9205 Highway 71 West
Austin, Texas 78746
Phone: 512-288-2613

Marvin C. Gross
P. O. Box 358
Roswell, New Mexico 88201
Phone: 505-623-3539

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 C. W. Trainer and his contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

December 21, 1977

C. W. Trainer, Operator

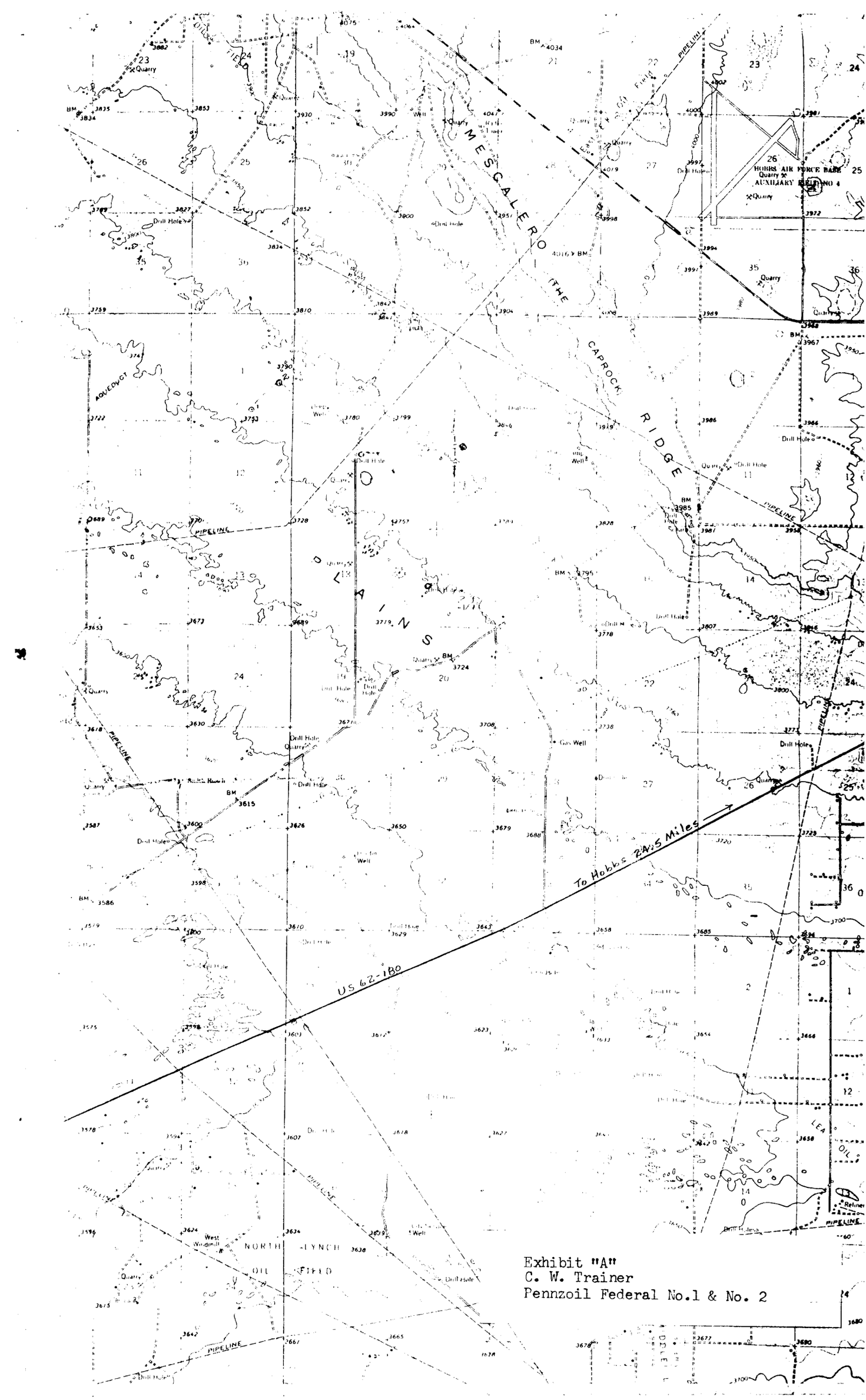


Exhibit "A"
C. W. Trainer
Pennzoil Federal No.1 & No. 2

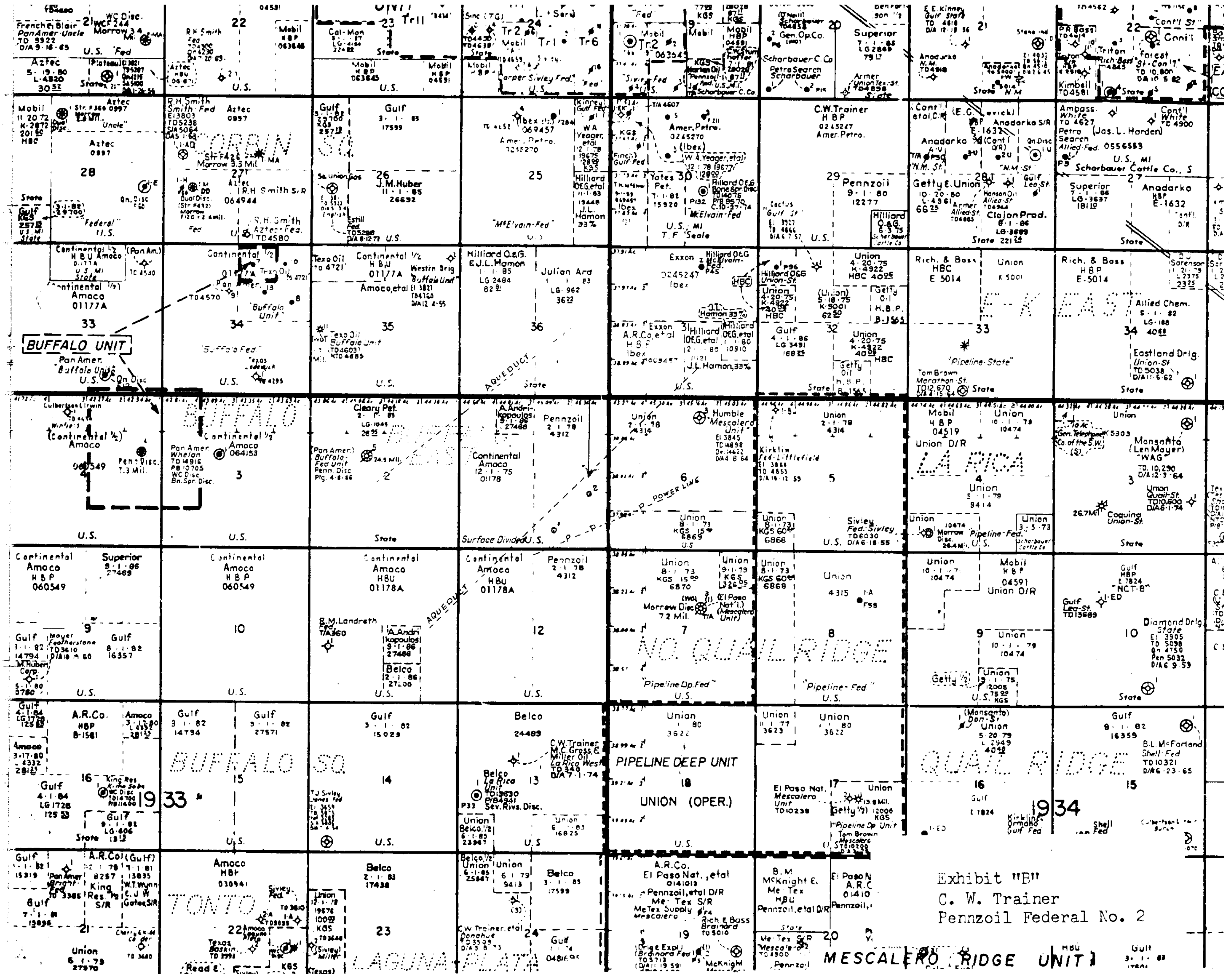
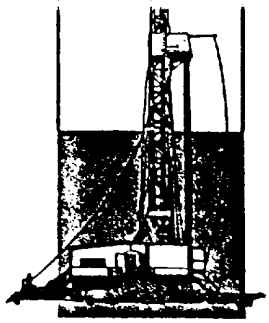


Exhibit "B"
C. W. Trainer
Pennzoil Federal No. 2



DRAWWORKS
Mid Continent U-712A
Drum: 1¼" Lebus grooved
Compound: 2-engine oil bath chain drive
Brake: Hydromatic Parkersburg 46" Double

ENGINES
Two 610-H.P. D379TA Caterpillar Diesel

DERRICK
Lee C. Moore, 131', 550,000 lb. nominal capacity

SUBSTRUCTURE
Lee C. Moore, 18' high, 550,000 lb. nominal capacity

MUD PUMPS
Pump No. 1: Emsco F-800 Triplex. 800 H.P. with steel fluid end. 4¾" - 6½" liners, 9" stroke stroke. Compound-drive.
Pump No. 2: Emsco DB550, powered by D379 Caterpillar Diesel.

DRILL STRING
3000' 4½" Grade E, 20 lb.
Tool Joints: 4½" H-90, 6¼" OD,
12000' 4½" Grade E, 16.60 lb.
Tool Joints: 4" H-90, 6" OD
Thirty Drilco spiral-grooved 6½" OD, 2¼" ID. With 4" H-90 Joints.
Other sized drillpipe & drillcollars available.

BLOWOUT PREVENTERS
One Shaffer LWS hydraulic double 10" x 1500 series. One Hydril 10" x 1500 series. Choke manifold 4" x 1500 series flanged connections. Payne 4 valve accumulator closing unit.

MUD SYSTEM
3 – 30 x 8 x 6 steel pits, with 750 Bbl. capacity. Complete low pressure circulating system, consisting of four submerged mud guns and two counter sunk jets in each pit. System utilizes two – 6 x 8 centrifugal pumps, powered by diesel.

MUD HOUSE
One - 8' x 30' Steel Storage House.

COMMUNICATIONS
24 - Hour direct telephone interconnection through Hobbs (A.C. 505–397-3291) or Midland - Odessa (A.C. 915–563-0562).

OTHER EQUIPMENT
BLOCKS – Oilwell 350 Ton

HOOK – BJ4300 350 Ton

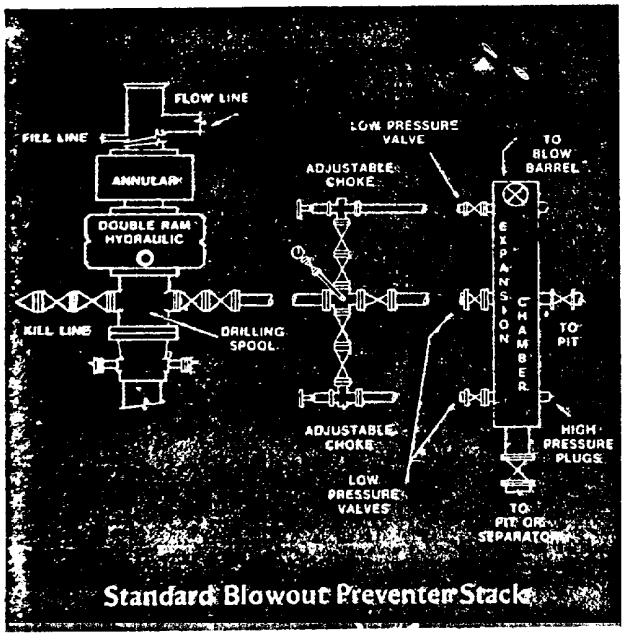
SWIVEL – NAT P400 350 Ton

LIGHT PLANTS – One 40 KW and one 15 KW AC generators, powered by diesel engines.

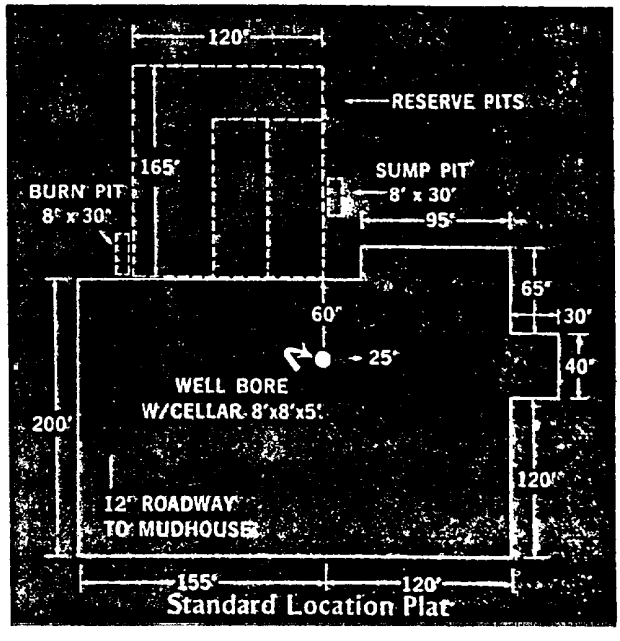
LIGHTS – AC fluorescent or mercury – All vapor proof.

FRESH WATER STORAGE – two 500 Bbl. and one 400 Bbl. horizontal tanks.

HOUSING – 1 - 8' x 36' airconditioned trailer house, with sleeping and cooking facilities.



Standard Blowout Preventer Stack



Standard Location Plat

U. S. Geological Survey

HOBBS DISTRICT

C. W. Trainer
No. 2 Pennzoil Federal
NE¼SE¼ sec. 1-19S-33E
Lea County, N. M.

Above Data Required on Well Sign

CONDITIONS OF APPROVAL

1. Drilling operations authorized are subject to compliance with the attached General Requirements for Drilling Operations on Federal Oil and Gas Leases, dated January 1, 1977.

2. Notify this office (telephone (505) 393-3612) when the well is to be spudded and in sufficient time for a representative to witness all cementing operations. Attached are names and telephone numbers of Geological Survey and Bureau of Land Management personnel who are available for consultation during construction, drilling, completion, and rehabilitation activities.

3. Immediate notice is required of all blowouts, fires, spills, and accidents involving life-threatening injuries or loss of life.

4. Secure prior approval of the District Engineer for variance from the approved drilling program and before commencing plugging operations, plug-back work, casing repair work, corrective cementing operations, or suspending drilling operations indefinitely.

5. Blowout prevention equipment is to be installed, tested, and in working order before drilling below the surface casing and shall be maintained ready for use until drilling operations are completed.

6. Operator will provide the dirt contractor with a copy of the enclosed Bureau of Land Management "Standard Requirements for all Drilling in Relation to Oil and Gas Activities in the Roswell Distrct" prior to commencing construction of road, pad, or other associated developments.

7. 13-3/8" surface casing should be set in the Rustler Anhydrite formation and cement circulated to the surface. If surface casing is set at a lesser depth, the 8-5/8" casing must be cemented from the casing shoe to the surface or cemented to the surface through a stage tool set at least 50 feet below the top of the Rustler, after cementing around the shoe with sufficient cement to fill to the base of the salt section.

8. After setting the 8-5/8" casing string and before drilling into the Pennsylvanian formation, the blowout preventers and related control equipment shall be pressure tested to rated working pressures by an independent service company. Any equipment failing to test satisfactorily shall be repaired or replaced. This office should be notified in sufficient time for a representative to witness the tests and shall be furnished a copy of the pressure test report.

9. In the event the oil or gas test results in a dry hole, the drill pad and access road will be ripped in accordance with "BLM Roswell District's Ripping Recommendations for Caliche or Compacted Drill Pads and Access Roads". (Reseeding of the affected areas may be required at the discretion of the BLM authorized officer).

10. All ripped surfaces are to be protected from vehicular travel by constructing a dead-end ditch and earthen barricade at the entrance to these ripped areas. The barricade is to be constructed using spoil material from the ditch and should be of sufficient magnitude to discourage vehicle entry.

11. All above ground structures, not subject to applicable conservation and safety requirements, shall be painted to blend with the natural surroundings. The paint used should be a nonglare, nonreflective, nonchalking color that simulates Fed. Stand. No. 595, color 30318.