

Form 3160-3
(July 1992)

SUBMIT IN 1 COPIES
(Other instructions on
reverse side)

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

(TPO)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

734

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☐

OTHER

SWD ☒
INJECTION

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Pronghorn SWD System

3. ADDRESS AND TELEPHONE NO.

P.O. Box 1979, Hobbs, NM 88241 505-392-8292

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

At surface
330' FNL & 1650' FEL

At proposed prod. zone

330' FNL & 1650' FEL

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

32 miles west southwest of Hobbs, NM

18. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

330'

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

N/A

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

3620' GL

Capitan Controlled Water Basin

22. APPROX. DATE WORK WILL START*

9/1/94

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15"	J-55, 10 3/4"	40.5#	1100' WITH 500	1000 sx Lite + 250 sx Class C
9 7/8"	J-55, 7"	23#	3300'	1000 sx Lite + 300 sx Class C

CIRCULATE

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It is proposed to drill a straight hole to a T.D. of 3500' with the objective of completing as a salt water disposal well in the lower Yates/upper Seven Rivers formations. Casing will be run to 3300' and completion effected in open hole.

Please see attached Drilling Program and Surface Use and Operating Plan.

OPER. OGRID NO. 37402

PROPERTY NO. 16004

POOL CODE 96141

EFF. DATE 10/12/94

API NO. 30-025-32735

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CART
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Approved Subject to
General Requirements and
Special Stipulations
Attached

SWD 536

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

Larry L. Scott

TITLE Agent

DATE

7/29/94

(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

Timothy P. O'Brien

Acting
AREA MANAGER

DATE

10-12-94

*See Instructions On Reverse Side

WILCOX HOBBS

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SEP 11 1967

AMERICAN

837-8177

EXHIBIT NO. 2

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-80Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 8 copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87604-2088

DISTRICT I

P.O. Box 1900, Hobbs, NM 88240

DISTRICT II

P.O. Box 88, Artesia, NM 88210

DISTRICT III

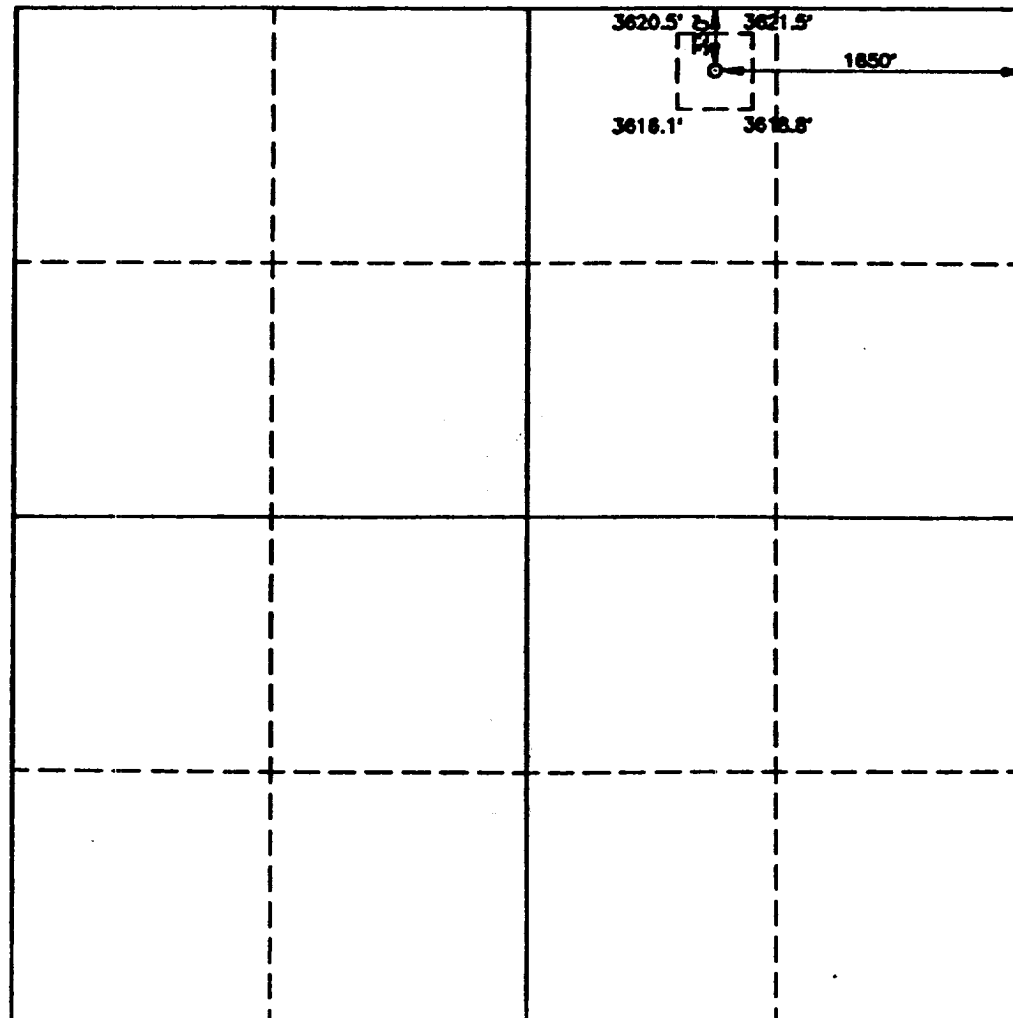
1000 E. Bruce Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator PRONGHORN SWD SYSTEM			Lease PRONGHORN SWD		Well No. 1
Unit Letter B	Section 24	Township 19 SOUTH	Range 32 EAST	County LEA	
Actual Footage Location of Well:					
330 feet from the NORTH line and		1650 feet from the EAST line			
Ground Level Elev. 3620'	Producing Formation		Pool	Dedicated Acreage: Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hardware 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 interest 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 of owners and trust descriptions which have actually been consolidated. (Use reverse side of this form necessary.) _____
- No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Larry B. Scott
Signature

Larry B. Scott
Printed Name

Agent

Position

Pronghorn SWD System
Company

Date

7/29/94

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 supervision, and that the same to be true and correct to the best of my knowledge and belief.

Date Surveyed FEBRUARY 12, 1994

John W. West
Signature of Professional Surveyor



Certificate No. JOHN W. WEST, 876
RONALD J. EDDSON, 3230
GARY L. JONES, 7877

94-11-0311

DRILLING PROGRAM

Attached to Form 3160-3
Pronghorn SWD System
Pronghorn SWD No. 1
330' FNL & 1650' FEL
NW/4 NE/4 Section 24, T-19S, R-32E
Lea County, New Mexico

1. Geologic Name of Surface Formation:

Triassic

2. Estimated Tops of Important Geologic Markers:

Triassic	Surface
Rustler Anhy.	1065'
Base of Salt	2958'
Yates	3045'
Seven Rivers	3295'
TD	3500'

3. Estimated Depths to Formations Containing Fresh Water, Oil, or Gas:

No formations are expected to produce oil, gas, or fresh water in measurable quantities.

4. Casing Program: As per Form 3160-3

5. Pressure Control Equipment:

The blowout preventer equipment as shown in Exhibit No. 1 will consist of a double ram-type blowout preventer rated to 3000 psi WP. The preventer will be hydraulically operated and will be equipped with blind rams on top and drill pipe rams on the bottom. The BOP will be tested to 1000 psi prior to drilling out the surface casing.

6. Proposed Mud System:

Natural fresh water mud will be used to 1100'. Brine water will be used to 3500'. It is not anticipated that any gelling agents or other additives will be required. Paper will be used as required to maintain circulation.

7. Auxiliary Well Control Equipment:

A full opening kelly cock, to fit the drill string in use, will be kept on the rig floor at all times.

8. Logging, Testing, and Coring Program:

The electric logging program will consist of a Gamma Ray/Neutron log run from TD to 1100'. No cores or drillstem tests are anticipated.

9. Abnormal Conditions, Pressures, Temperatures, & Potential Hazards:

No abnormal pressures or temperatures are anticipated. The estimated maximum bottom-hole pressure (BHP) is 1500 psig. No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. A possible lost circulation zone has been reported in the area over the interval 3200'-3500'.

10. Anticipated Starting Date and Duration of Operations:

Location work will not begin until approval has been received from the BLM. The expected spud date is September 1, 1994. Once commenced, the drilling operation should be finished in approximately ten days. Surface facility installation will require approximately 20 days to complete.