

District I
PO Box 1980, Hobbs, NM 88241-1980

District II

PO Drawer DD, Artesia, NM 88211-0719

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO 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 Altura Energy LTD P.O. Box 4294 Houston, Texas 77210-4294		² OGRID Number 157984
		³ API Number 30-025-34375
⁴ Property Code 19520	⁵ Property Name North Hobbs G/SA Unit	⁶ Well No. 433

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
K I	32	18-S	38-E		1650	South	630	East	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 Hobbs; Grayburg - San Andres					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code 0	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3636'
¹⁶ Multiple No	¹⁷ Proposed Depth 4700'	¹⁸ Formation San Andres	¹⁹ Contractor Key Energy	²⁰ Spud Date June, 1998

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
18	14	Conductor	40	50 sx	
12-1/4	8-5/8	24	1700	800 sx	Surface
7-7/8	5-1/2	15.5	4700	700 sx	Surface

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 for proposed drilling program

BOP Program 3000# Ram Preventer

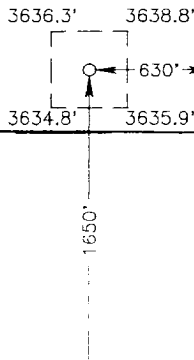
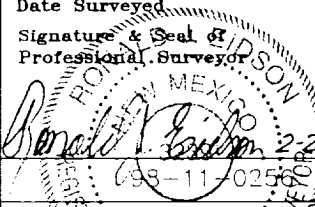
Note: Well will be drilled closed loop - Altura intends to haul drilling fluids and cuttings to Parabo Inc., Eunice, New Mexico

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <u>Mark Stephens</u>		OIL CONSERVATION DIVISION Approved by: <u>Paul [Signature]</u> Title: <u>Geologist</u>	
Printed name: Mark Stephens		Title:	
Title: Business Analyst (SG)		Approval Date: <u>APR 21 1998</u>	Expiration Date:
Date: 4/13/98	Phone: (281) 552-1158	Conditions of Approval: Attached <input type="checkbox"/>	

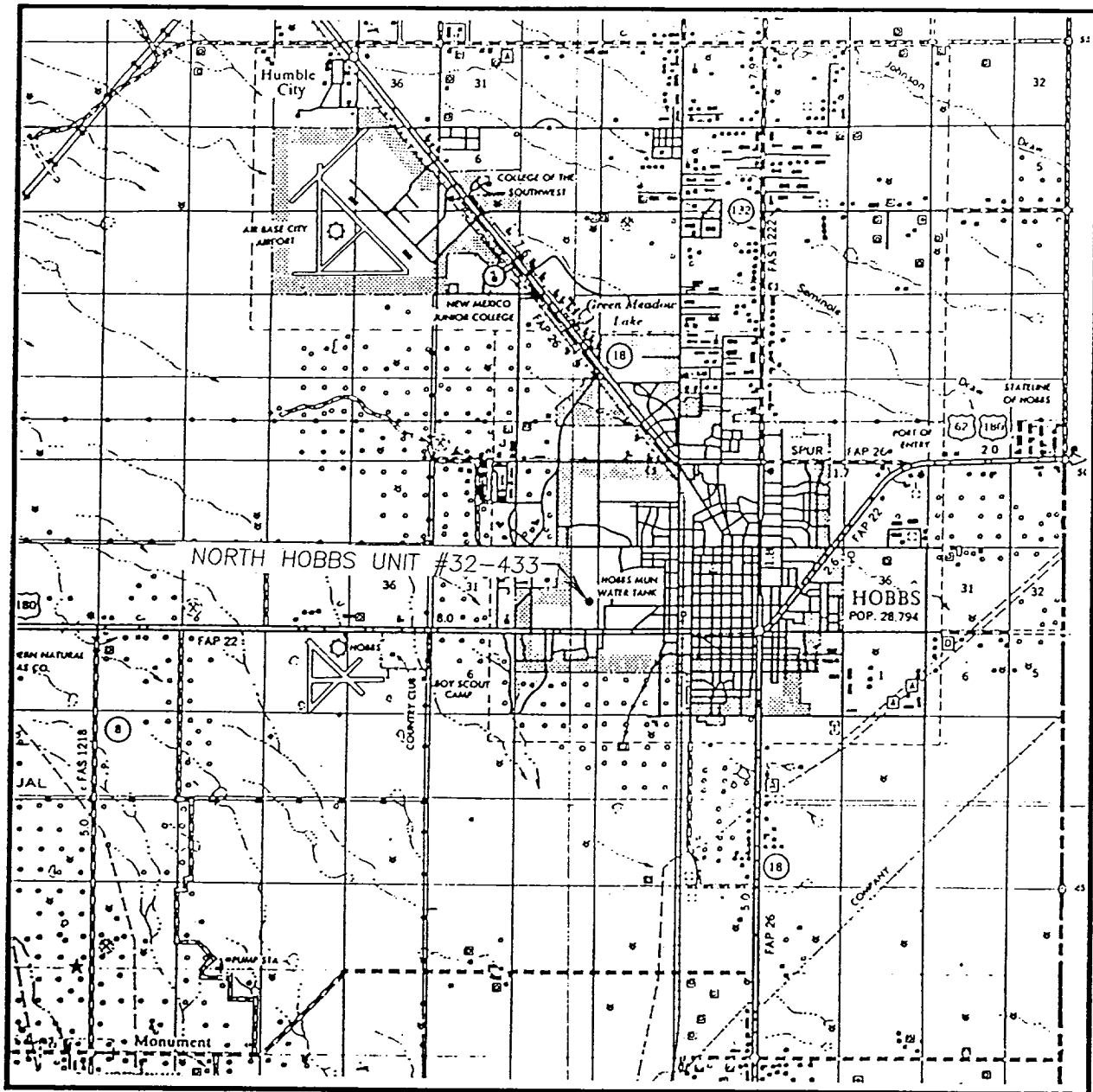
Proposed Drilling Program
North Hobbs G/SA Unit No. 32-433
Lea County, New Mexico

A 12-1/4" hole will be drilled from surface to approximately 1725'. This will allow for protection of all water zones and casing off of the Red Beds. A full string of 8-5/8", 24#, J-55 surface casing will be run and set 25' into the top of the Rustler Anhydrite with cement circulated to surface. The cement will be allowed to set for a minimum of eight (8) hours (minimum 500# compressive strength) and will then be tested to 1500 psi for 30 minutes before drilling resumes. After the casing is run and cemented, weld on 8-5/8" X 11" 3M casinghead housing and nipple up BOP stack (3000# Ram Preventer).

A 7-7/8" hole will be drilled out from surface casing point (1700') to +/- 4700' TVD. A full string of 5-1/2", 15.5#, J-55 casing will be run to TD and cemented to surface (casing test to 1500 psi will be done by the completion rig).

		<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><u>Mark Stephens</u> Signature</p> <p><u>Mark Stephens</u> Printed Name</p> <p><u>Business Analyst (SG)</u> Title</p> <p><u>April 10, 1998</u> Date</p>
	<p>NEW MEXICO EAST NAD 1927 Y=620729 X=859836</p> <p>32°42'03.69" N 103°09'48.96" W</p> 	<p>SURVEYOR CERTIFICATION</p> <p><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></p> <p>FEBRUARY 18, 1998</p> <p>Date Surveyed _____ CDG</p> <p>Signature & Seal of Professional Surveyor  </p> <p>Certificate No. RONALD K. GIBSON 3239 12641</p>

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 32 TWP. 18-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1650' FSL & 630' FEL

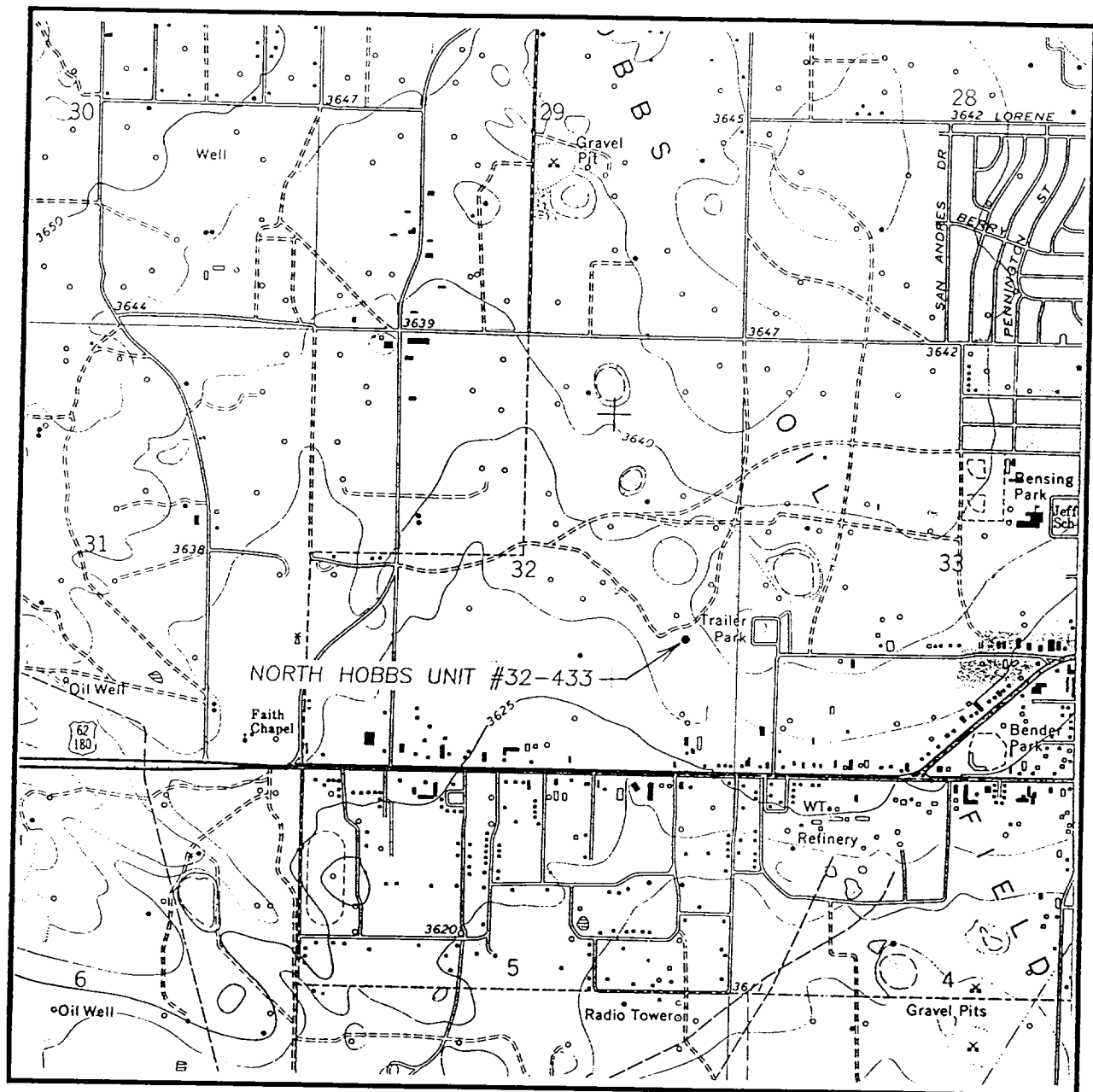
ELEVATION 3636'

OPERATOR ALTURA ENERGY LTD.

LEASE NORTH HOBBS UNIT

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

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL - 5'

SEC. 32 TWP. 18-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1650' FSL & 630' FEL

ELEVATION 3636'

OPERATOR ALTURA ENERGY LTD.

LEASE NORTH HOBBS UNIT

U.S.G.S. TOPOGRAPHIC MAP

HOBBS WEST, NM

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

ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED

DTF