

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 Sahara Operating Company P.O. Box 4130 Midland, Texas 79704		² OGRID Number 020077
⁴ Property Code 23939	⁵ Property Name Hobbs "7" #1	³ API Number 30-025-34548 ⁶ Well No. 1

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 Lot 4	7	18S	38E		398	South	384	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 WILDCAT (ABO)					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code OIL	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elvation 3676'
¹⁶ Multiple NO	¹⁷ Proposed Depth 7700'	¹⁸ Formation ABO	¹⁹ Contractor UNKNOWN	²⁰ Spud Date Feb 10, 1999

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13.375"	48.0 lb/ft	400'	440 sx	surface
11"	8-5/8"	32.0 lb/ft	3700'	800 sx	surface
7-7/8"	5.500"	17.0 lb/ft	7600'	550 sx	3000'

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.

Drill 17.5" surface hole. Set 13.375" casing and cement to surface. NU BOP's & H₂S equipment. Drill 11" hole to 3700'. Set and cement 8.625" casing. ND BOP, NU WH and NU BOP. Drill 7.875" hole to TD. Set and cement 5.500" casing. ND BOP's and NU WH. Release rig. Set anchors, move in completion unit, rig up H₂S equipment & NU BOP. Perforate pay zone, run tubing, acidize (if necessary), and place well on test.

Note: BOP Schematic will be provided to the OCD immediately upon selection of a drilling contractor.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed Name: **Robert McAlpine**Title: **President**Date: **12/11/98**Phone: **(915) 697-0967**

OIL CONSERVATION DIVISION

Approved by: **GRACE A. WILLIAMS**

Title:

Approval Date: **DEC 15 1998**

Expiration Date:

Conditions of Approval:
Attached ☐

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34548	Pool Code	Pool Name WILDCAT	
Property Code 23939	Property Name HOBBS 7		Well Number 1
OGRID No. 020077	Operator Name SAHARA OPERATING COMPANY		Elevation 3676

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 4	7	18 S	38 E		398	SOUTH	384	WEST	LEA

Bottom Hole Location If Different From Surface

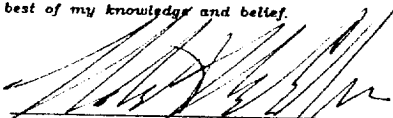
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 37.61	Joint or Infill N	Consolidation Code		Order No.					

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

LOT 1			
37.57 ACRES	LOT 2		
37.58 ACRES	LOT 3		
37.60 ACRES	LOT 4		
<p>384'</p> <p>398'</p> <p>37.61 ACRES</p> <p>NAD 83 NME Y=640597.54 X=891289.40</p> <p>NAD 27 Y=640537 X=850110</p>			

OPERATOR CERTIFICATION

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



Signature

Robert McAlpine

Printed Name

President

Title

December 11, 1998

Date

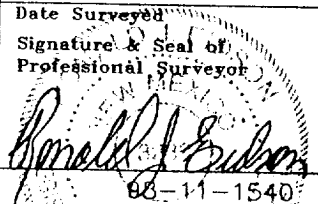
SURVEYOR CERTIFICATION

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

DECEMBER 8, 1998

Date Surveyed

Signature & Seal of Professional Surveyor

 12-10-98

88-11-1540

Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12641
MACON McDONALD 12185

OCT 16 1998

LEEDE OPERATING COMPANY, L.L.C.

October 12, 1998

City of Hobbs - City Managers Office
300 N. Turner
Hobbs, NM 88240
ATTN: Mr. David Hooten

RE: Sahara's Hobbs "7" #1 Well
SW/SW-7-T18S R38E, NMPM
Lea County, New Mexico

Dear David:

As a follow-up to our telephone conversation of several weeks ago, please be advised that Leede Operating Company, L.L.C. and its co-venturer, Sahara Operating Company, plan to begin filing for regulatory approval to drill and complete the captioned well in search of oil and/or gas by the end of October 1998.

Enclosed is another copy of a topographical map indicating our preferred location of the well which will be 400 feet from the south line and 400 feet from the west line of Section 7, T18S R38E. We hope to survey and stake the location in the next couple of weeks and also begin discussing the settlement of surface damages with the City of Hobbs. According to our review of the Lea County, New Mexico records, the City of Hobbs owns the surface at our proposed location.

Prior to surveying or staking the location our drilling engineer Mr. Rob McAlpine will contact you about surface access and a convenient date to conduct the survey in the event anyone from the City Manager's office would like to be present.

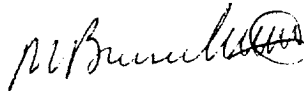
After we have surveyed our proposed location we will be filing our application for a permit to drill. Once we have filed for our drilling permit we will want to meet with officials for the City of Hobbs - City Manager's office to discuss our operations in detail. This will enable all parties to discuss the important issues surrounding our operations, answer any questions, and determine what, if any, special requirements may be imposed upon us during the drilling of our well.

City of Hobbs - City Managers Office
ATTN: Mr. David Hooten
October 12, 1998
Page Two

We look forward to working with the City of Hobbs on this project and Rob and I will be contacting you in the near future.

In the meantime, if you have any questions or concerns, please contact me at 1-800-351-1454.

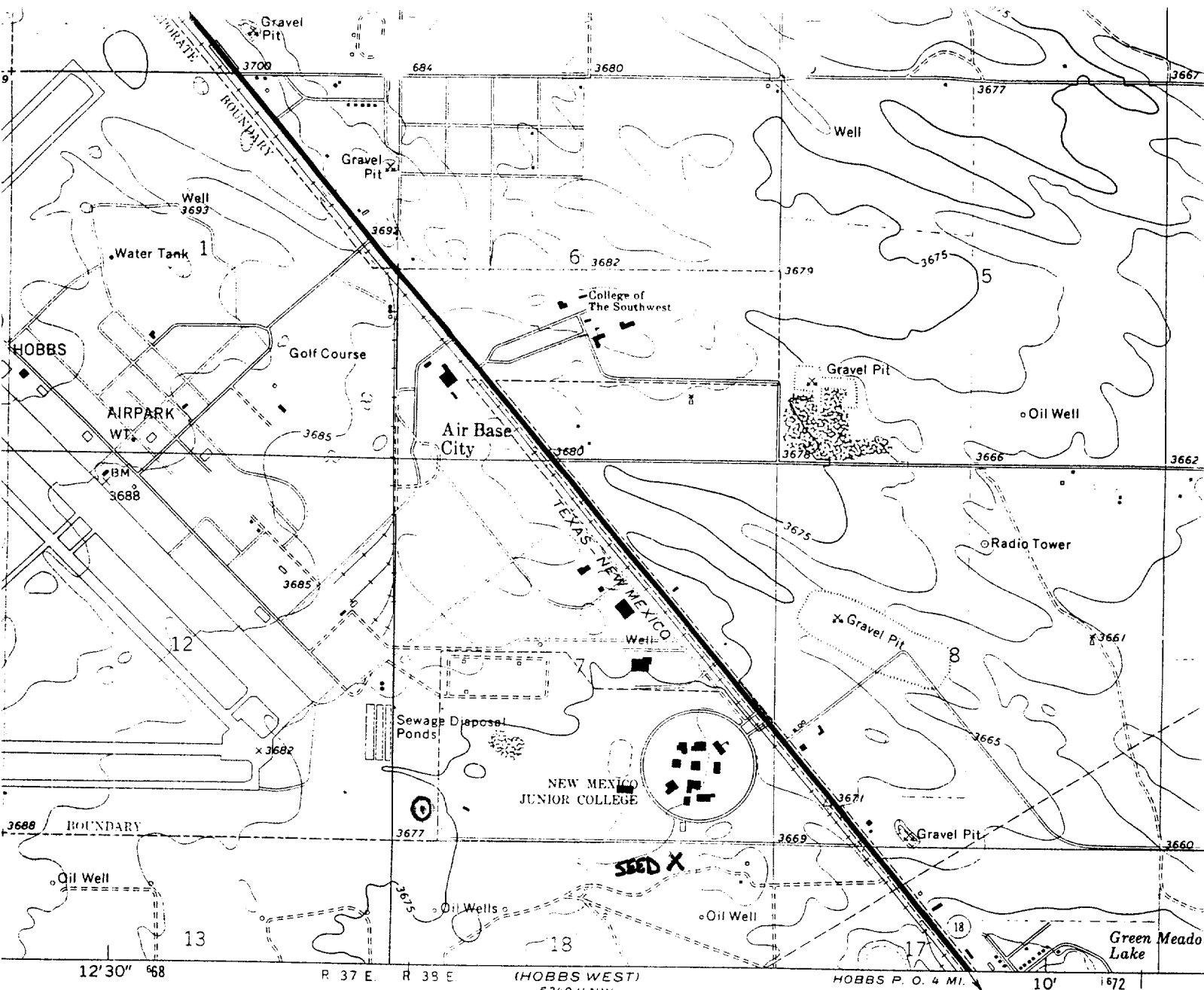
Very truly yours,

A handwritten signature in black ink, appearing to read "Rusty Brusenhan", with a circular flourish at the end.

Rusty Brusenhan
Land Manager

RB/raa

cc: Sahara Operating Company



ORTH
ET
Datum 1983
and
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