

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised October 18, 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, TX 77210-4294		² OGRID Number 157984
⁴ Property Code 19520	⁵ Property Name North Hobbs G/SA Unit	³ API Number 30-0 25-34643
		⁶ Well No. 521

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
C	33	18-S	38-E		990	North	1500	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 Hobbs; Grayburg - San Andres					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3646
¹⁶ Multiple No	¹⁷ Proposed Depth 4600'	¹⁸ Formation San Andres	¹⁹ Contractor Key Energy	²⁰ Spud Date July, 1999

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	Surface
12-1/4	8-5/8	24	1650	795	Surface
7-7/8	5-1/2	15.5	4600	800	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

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: Mark Stephens Printed name: Mark Stephens (281) 552-1158 Title: Business Analyst (SG) 6/16/99	OIL CONSERVATION DIVISION Approved by: ORIGINAL SIGNED BY [Signature] WILLIAMS Title: DISTRICT SUPERVISOR Approval Date: JUN 21 1999 Expiration Date:
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Proposed Drilling Program
North Hobbs G/SA Unit No. 33-521
Lea County, New Mexico

A 14" conductor will be set and cemented to surface with 50 sx. cement. A 12-1/4" hole will be drilled from surface to approximately 1650'. 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 (1650') to +/- 4400' TVD. A full string of 5-1/2", 15.5#, J-55 production casing will be run to TD and cemented to surface (casing test to 1500 psi will be done by the completion rig).
