

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 30-025-34993
		⁶ Well No. 524

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
N	33	18-S	38-E		1082	South	1673	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
N	33	18-S	38-E		845	South	1352	West	Lea

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 3633
¹⁶ Multiple No	¹⁷ Proposed Depth 4500'	¹⁸ Formation San Andres	¹⁹ Contractor Key Energy	²⁰ Spud Date June, 2000

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	775	Surface
7-7/8	5-1/2	15.5	4500	750	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

Subject well is to be drilled as a water injection well. Injection will not commence until approval for same is granted by the EMRD - Santa Fe.

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

Signature: Mark Stephens	OIL CONSERVATION DIVISION	
Printed name: Mark Stephens (281) 552-1158	Approved by: Paul R. [Signature] Geologist	
Title: Business Analyst (SG)	Title:	
	Approval Date: MAY 9 2000	Expiration Date:

Good For 1 Year From Approval
Drilling Underway

[Handwritten signature]

Proposed Drilling Program
North Hobbs G/SA Unit No. 33-524
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 1700'. 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 +/- 4500' 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).

DISTRICT I
P.O. Box 1880, Hobbs, NM 88241-1880

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Ed., Artesia, NM 87410

DISTRICT IV
P.O. BOX 2068, SANTA FE, N.M. 87504-2068

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34993	Pool Code 31920	Pool Name HOBBS: GRAYBURG - SAN ANDRES
Property Code 19520	Property Name NORTH HOBBS G/SA UNIT	Well Number 524
OGRD No. 157984	Operator Name ALTURA ENERGY LTD.	Elevation 3633

Surface Location

UL or lot No. N	Section 33	Township 18 S	Range 38 E	Lot Idn	Feet from the 1082	North/South line SOUTH	Feet from the 1673	East/West line WEST	County LEA
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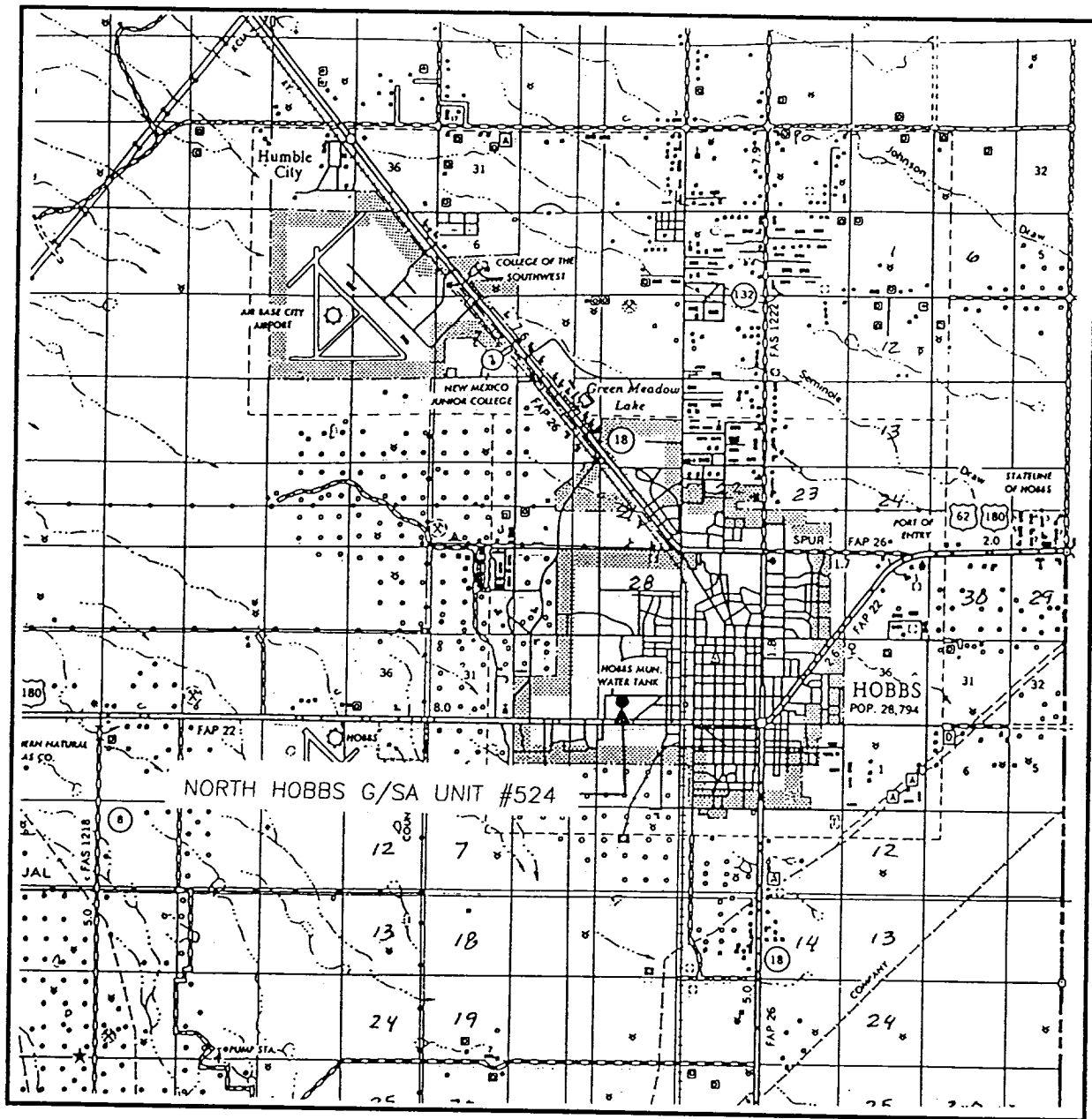
Bottom Hole Location If Different From Surface

UL or lot No. N	Section 33	Township 18 S	Range 38 E	Lot Idn	Feet from the 845	North/South line SOUTH	Feet from the 1352	East/West line WEST	County LEA
Dedicated Acres 40	Joint or Infill I	Consolidation Code U	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

GEOGRAPHIC LOCATION NAD 83 LAT. = 32°41'58.52" N LONG. = 103°09'23.64" W (TRUE BRG.) S55°57'W - 331' SURF. TO PROP. PENETRATION PT. (TRUE BRG.) S53°38'W - 400' SURF. TO PROP. BOTTOM HOLE LOC. PROPOSED SURFACE LOC. NAD 27 NM EAST ZONE Y = 620191 X = 862154 PROPOSED PENETRATION POINT • 3878' TVD PROPOSED BOTTOM HOLE LOCATION 1673' 1400' 1352' 897' 1082' 330' UNIT BOUNDARY OFFSET LINE NORTH HOBBS (GRAYBURG-SAN ANDRES) UNIT BOUNDARY	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>Mark Stephens</u> Signature <u>Mark Stephens</u> Printed Name <u>Business Analyst (SG)</u> Title <u>March 23, 2000</u> 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. <u>JANUARY 18, 2000</u> Date Surveyed <u>DC</u> Signature & Seal of Professional Surveyor <u>3/15/2000</u> 99-11-1109 Certificate No. RONALD J. EIDSON 3239 GARY EIDSON 12641 MACON McDONALD 12185
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VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 33 TWP. 18-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1082' FSL & 1673' FWL

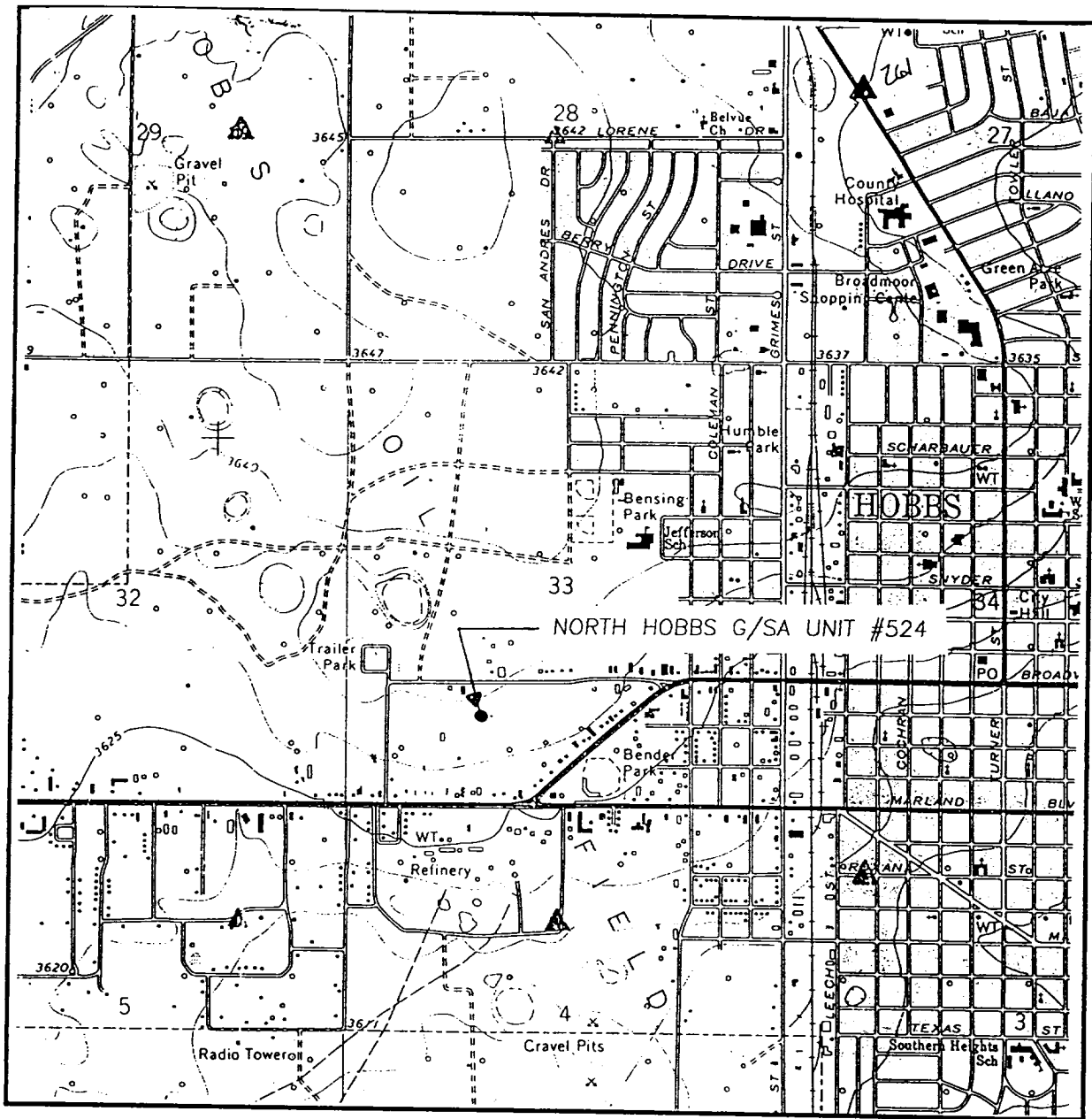
ELEVATION 3633

OPERATOR ALTURA ENERGY LTD.

LEASE NORTH HOBBS G/SA UNIT

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

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
HOBBS WEST - 5'

SEC. 33 TWP. 18-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1082' FSL & 1673' FWL

ELEVATION 3633

OPERATOR ALTURA ENERGY LTD.

LEASE NORTH HOBBS G/SA UNIT

U.S.G.S. TOPOGRAPHIC MAP

HOBBS WEST, N.M.

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

Scientific Drilling Inc.

Planning Report

Company: Altura Energy Ltd.
Field: North Hobbs GSA Unit
Site: Lea County New Mexico
Well: NHGSAU "33" #524
Wellpath: OH Original hole

Date: 03/08/2000 **Time:** 15:33:21 **Page:** 1
Co-ordinate(NE) Reference: Site: Lea County New Mexico, True North
Vertical (TVD) Reference: SITE 0.0 above Mean Sea Level
Section (VS) Reference: Site (0.0E, 0.0N, 235.9Azi)
Plan: Plan #1

Field: North Hobbs GSA Unit

Map System: US State Plane Coordinate System 1927
Ellipsoid: Clarke - 1866
Sys Datum: Mean Sea Level

Map Zone: New Mexico, Eastern Zone
North Reference: True
Geomagnetic Model: IGRF2000

Site: Lea County New Mexico

Site Position:
From: Local Only **Northing:** ft **Latitude:**
Position Uncertainty: 0.0 ft **Easting:** ft **Longitude:**
Water Depth: 0.0 ft **Magnetic Declination:** 0.00 deg
Grid Convergence: deg

Well: NHGSAU "33" #524

Well Position: +N/-S 0.0 ft **Northing:** ft **Latitude:**
From Slot: +E/-W 0.0 ft **Easting:** ft **Longitude:**
Position Uncertainty: 0.0 ft

Wellpath: OH Original hole

Drilled From: Surface
Tie-on Depth: ft
V.Section Direction: 235.90 deg
Above System Datum: Mean Sea Level

Vertical Section: +N/-S 0.0 ft
From: Site +E/-W 0.0 ft
Measured Depth Reference: SITE 0.0 ft

Plan: Plan #1

Date Composed: 02/10/2000
Version: 1

Principal: Yes

Locked: No

Plan Section Information

MD ft	Incl deg	Azlm deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.0	0.00	235.89	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
2000.0	0.00	235.89	2000.0	0.0	0.0	0.00	0.00	0.00	0.00	
2453.5	11.34	235.89	2450.5	-25.1	-37.0	2.50	2.50	0.00	235.89	
4149.0	11.34	235.89	4113.0	-212.0	-313.0	0.00	0.00	0.00	0.00	Midpoint Pay-524
4373.4	11.34	235.89	4333.0	-236.7	-349.5	0.00	0.00	0.00	0.00	

Section 1 : Start Hold

MD ft	Incl deg	Azlm deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
0.0	0.00	235.89	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
100.0	0.00	235.89	100.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
200.0	0.00	235.89	200.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
300.0	0.00	235.89	300.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
400.0	0.00	235.89	400.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
500.0	0.00	235.89	500.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
600.0	0.00	235.89	600.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
700.0	0.00	235.89	700.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
800.0	0.00	235.89	800.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
900.0	0.00	235.89	900.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
1000.0	0.00	235.89	1000.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
1100.0	0.00	235.89	1100.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
1200.0	0.00	235.89	1200.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
1300.0	0.00	235.89	1300.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
1400.0	0.00	235.89	1400.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
1500.0	0.00	235.89	1500.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
1600.0	0.00	235.89	1600.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
1700.0	0.00	235.89	1700.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
1800.0	0.00	235.89	1800.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
1900.0	0.00	235.89	1900.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89
2000.0	0.00	235.89	2000.0	0.0	0.0	0.0	0.00	0.00	0.00	235.89

Scientific Drilling Inc.

Planning Report

Company: Allura Energy Ltd.
 Field: North Hobbs GSA Unit
 Site: Lea County New Mexico
 Well: NHGSAU "33" #524
 Wellpath: OH Original hole

Date: 03/08/2000 Time: 15:33:21 Page: 2
 Co-ordinate(NE) Reference: Site: Lea County New Mexico, True North
 Vertical (TVD) Reference: SITE 0.0 above Mean Sea Level
 Section (VS) Reference: Site (0.0E,0.0N,235.9Az)
 Plan: Plan #1

Section 2 : Start Build 2.50

MD ft	Incl deg	Azimuth deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
2100.0	2.50	235.89	2100.0	-1.2	-1.8	2.2	2.50	2.50	0.00	0.00
2200.0	5.00	235.89	2199.7	-4.9	-7.2	8.7	2.50	2.50	0.00	0.00
2300.0	7.50	235.89	2299.1	-11.0	-16.2	19.6	2.50	2.50	0.00	0.00
2400.0	10.00	235.89	2398.0	-19.5	-28.8	34.8	2.50	2.50	0.00	0.00
2453.5	11.34	235.89	2450.5	-25.1	-37.0	44.7	2.50	2.50	0.00	0.00

Section 3 : Start Hold

MD ft	Incl deg	Azimuth deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
2500.0	11.34	235.89	2496.1	-30.2	-44.6	53.9	0.00	0.00	0.00	0.00
2600.0	11.34	235.89	2594.2	-41.2	-60.9	73.5	0.00	0.00	0.00	0.00
2700.0	11.34	235.89	2692.2	-52.3	-77.1	93.2	0.00	0.00	0.00	0.00
2800.0	11.34	235.89	2790.3	-63.3	-93.4	112.8	0.00	0.00	0.00	0.00
2900.0	11.34	235.89	2888.3	-74.3	-109.7	132.5	0.00	0.00	0.00	0.00
3000.0	11.34	235.89	2986.4	-85.3	-126.0	152.2	0.00	0.00	0.00	0.00
3100.0	11.34	235.89	3084.4	-96.4	-142.3	171.8	0.00	0.00	0.00	0.00
3200.0	11.34	235.89	3182.5	-107.4	-158.5	191.5	0.00	0.00	0.00	0.00
3300.0	11.34	235.89	3280.5	-118.4	-174.8	211.1	0.00	0.00	0.00	0.00
3400.0	11.34	235.89	3378.6	-129.4	-191.1	230.8	0.00	0.00	0.00	0.00
3500.0	11.34	235.89	3476.6	-140.4	-207.4	250.4	0.00	0.00	0.00	0.00
3600.0	11.34	235.89	3574.7	-151.5	-223.6	270.1	0.00	0.00	0.00	0.00
3700.0	11.34	235.89	3672.7	-162.5	-239.9	289.8	0.00	0.00	0.00	0.00
3800.0	11.34	235.89	3770.8	-173.5	-256.2	309.4	0.00	0.00	0.00	0.00
3900.0	11.34	235.89	3868.8	-184.5	-272.5	329.1	0.00	0.00	0.00	0.00
4000.0	11.34	235.89	3966.9	-195.6	-288.7	348.7	0.00	0.00	0.00	0.00
4100.0	11.34	235.89	4064.9	-206.6	-305.0	368.4	0.00	0.00	0.00	0.00
4149.0	11.34	235.89	4113.0	-212.0	-313.0	378.0	0.00	0.00	0.00	0.00

Section 4 : Start Hold

MD ft	Incl deg	Azimuth deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg
4200.0	11.34	235.89	4163.0	-217.6	-321.3	388.1	0.00	0.00	0.00	0.00
4300.0	11.34	235.89	4261.0	-228.6	-337.6	407.7	0.00	0.00	0.00	0.00
4373.4	11.34	235.89	4333.0	-236.7	-349.5	422.1	0.00	0.00	0.00	0.00



Field: North Hobbs GSA Unit
Site: Lea County New Mexico
Well: NHGSAU "33" #524
Wellpath: OH Original hole
Plan: Plan #1

Altura
ENERGY LTD.

