| (May 196'0   | IL CONS. COMMISE<br>OX 1980<br>NEW MEXICAN<br>DEPARTMEN |              | S<br>INTERIO      | (01)      | IT IN TRIPL.<br>aer instructions<br>reverse side) | · · ·   | Form approv<br>Budget Bures<br>30 - 022<br>5. LEASE DESIGNATION | nn No. 42-R1425.<br>-28050 |  |
|--|---|--------------|-------------------|-----------|---|---|---|----------------------------|--|
|  | GEOL  | OGICAL SUR   | VEY               |           |   | 1   | M-04371-A   |                            |  |
| APPLICATION  | FOR PERMIT  | TO DRILL,    | DEEPEN,           | , OR P    | LUG BAC   | K   | 6. IF INDIAN, ALLOTT  | CE OR TRIBE NAME           |  |
| 1a. TYPE OF WORK DRIL b. TYPE OF WELL  | L X   | DEEPEN       |                   | PLU       | JG BACK   | ··•   | 7. UNIT AGREEMENT   | NAME                       |  |
| OIL X GAS  |   |              | SINGLE<br>ZONE    | •         | MULTIPLE<br>ZONE                                  |   | 8. FARM OR LEASE N.   | AMB                        |  |
| 2. NAME OF OPERATOR  |   |              |                   |           |   | 1   | Federal "Q"   |                            |  |
| Petroleum Corporation of Texas   |   |              |                   |           |   |   | 9. WELL NO.<br>1  |                            |  |
| P. O. Box 501 Kermit, Texas 79745<br>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)<br>At surface |   |              |                   |           |   | <sup>10</sup> UNDESIGNATED<br>Querecho Plains       |   |                            |  |
| 660' FSL & 1650' FEL   |   |              |                   |           |   | 11. SEC., T., B., M., OR BLK.<br>AND SURVEY OR ABEA |   |                            |  |
| At proposed prod. zone<br><b>Sa</b> me   |   |              |                   |           |   |   | Section 22-T  | 18 <b>5-</b> R32E          |  |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*  |   |              |                   |           |   | 12. COUNTY OR PARISH   13. STATE                    |   |                            |  |
| 18 mile  | s south of Ma   | ljamar, NM   |                   |           |   |   | Lea   | New Mexico                 |  |
| 15. DISTANCE FROM PROPOS<br>LOCATION TO NEAREST<br>PROPERTY OR LEASE LI<br>(Also to nearest drlg.  | SED*  | 330'         | 16. NO. OF        | ACRES IN  | LEASE 17.   | 7. NO. OF ACRES ASSIGNED<br>TO THIS WELL. 40        |   |                            |  |
|  |   |              | 19. propos<br>43( |           | 20.   | _   | Rotary  |                            |  |
| 21. ELEVATIONS (Show whet  | her DF, RT, GR, etc.)                                   |              |                   |           |   |   | 22. APPBOX. DATE W  | ORK WILL START*            |  |
| 3754.9   | GR  |              |                   |           |   |   | December 6,   | 1982                       |  |
| 23.  |   | PROPOSED CAS | ING AND CE        | EMENTING  | PROGRAM   |   |   |                            |  |
| SIZE OF HOLE   | SIZE OF CASING  | WEIGHT PER   | FOOT              | SETTING D | ЕРТН  |   | QUANTITY OF CEM   | ENT                        |  |

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT          |  |  |  |
|--------------|----------------|-----------------|---------------|-----------------------------|--|--|--|
| 17 1/2"      | 13 3/8"        | 54.7#           | 201           | 4 yds ready mix             |  |  |  |
| 11"          | 8 5/8"         | 24 #            | 1200'         | 800 Sx Class "C" Circulated |  |  |  |
| 7 7/8"       | 5 1/2"         | 15.5#           | 43001         | 450 Sx Class "C"            |  |  |  |

Propose to drill and test the Queen and intermediate formations with a total depth of 4300'. If well proves commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

BOP Program: A Shaffer LWS series 900 double BOP hydraulic operated, will be installed and tested daily. See Exhibit "E".

Mud Program:

|                      | Fresh water spud mud, Wt. 8.8 - 9.2 ppg, Vis. 32 - 35, No WL control.      |
|----------------------|--|
| 1200' - 3850'        | Brine and native mud, mud wt. 9.9-10.2 ppg, Vis. 32 - 35, No WL control.   |
| 3850' <b>-</b> 4300' | Mud up with salt water base, mud wt. 10.1+ ppg, Vis. 36 - 38, WL 10-15 cc. |

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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.<br>signed <u>De</u> | reger Smith                                    |                      | Agent for<br>Petroleum | :<br>Corporation | of Texas                 | November | 17, 1982 |
|-------------------------|--|----------------------|------------------------|------------------|--------------------------|----------|----------|
| (This space for ]       | Federal or State Whice use)<br>(Orig. Sgd.) GE | DRGE H. STEWAR'      | T<br>APPROVAL DA       | тк               | 12.                      |          |          |
| APPROVED BY             | NÜV 2 2  | 1982                 |                        |                  | DATE                     |          |          |
| CONDITIONS OF AP        | PROVAL, IF ANY :<br>JAMES A.<br>DISTRICT SI    | GILLHAM<br>IPERVISOR |                        |                  | 4. J                     | 2 7 1982 | Y        |
|                         |  |                      |                        |                  | MINERALS P<br>ROSWELL, N | EW ME    |          |
|                         |  |                      |                        |                  |                          | MEXICO   |          |