

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells) <u>30-025-30614</u>	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. B-2317	
7. Lease Name or Unit Agreement Name M. E. Hale	
8. Well No. 20	
9. Pool name or Wildcat Vacuum Gb/SA	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>					
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					
2. Name of Operator Phillips Petroleum Company					
3. Address of Operator 4001 Penbrook Street, Odessa, Texas 79762					
4. Well Location Unit Letter <u>N</u> : <u>1090</u> Feet From The <u>south</u> Line and <u>1870</u> Feet From The <u>west</u> Line Section <u>35</u> Township <u>17-S</u> Range <u>34-E</u> NMPM Lea County					
10. Proposed Depth 4900'		11. Formation Grayburg-San Andres		12. Rotary or C.T. Rotary	
13. Elevations (Show whether DF, RT, GR, etc.) 4020.6' GR unprepared		14. Kind & Status Plug. Bond Blanket		15. Drilling Contractor Will advise later	
16. Approx. Date Work will start Upon approval					
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	54.5# J-55 ST&C	1610'	1500 sx "C", 2% CaCl	Surface
11"	8-5/8"	24# J-55 ST&C	3200'	800 sx "C", 5% salt*	
7-7/8"	5-1/2"	14# J-55 ST&C	4800'	Caliper + 30%**	Surface

* 8-5/8" liner will be run only if waterflow encountered.

** If 8-5/8" liner not set circulate to surface; if 8-5/8" liner set circulate to 1500' and temperature survey will be run.

Lead: Class "C" 65/35 Poz + 6% Bentonite

Tail: Class "C" Neat

Phillips Petroleum Co. operates all wells sharing proration unit.

Use mud additives as required for control.

BOP Equip: Series 900, 3000# WP (See attached schematic - Fig. 7-9 or 7-10)

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE L. M. Sanders TITLE Regulation & Proration Supervisor DATE May 10, 1989

TYPE OR PRINT NAME L. M. Sanders

TELEPHONE NO. 915/367-1488

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.

JUN 6 1989

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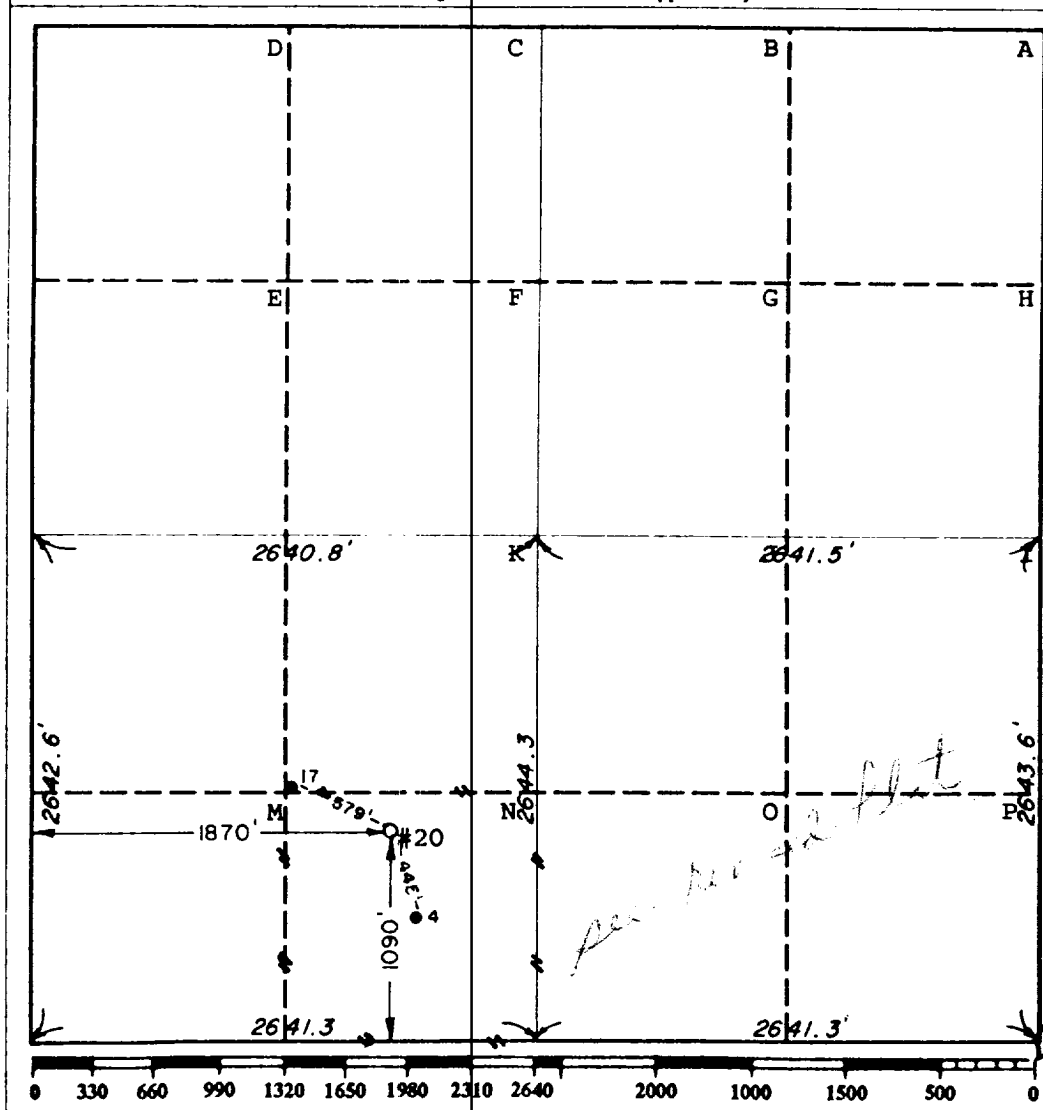
OIL CONSERVATION DIVISION

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Phillips Petroleum Company			Lease M.E. Hale		Well No. 20
Unit Letter N	Section 35	Township 17 South	Range 34 East	County Lee	
Actual Footage Location of Well: 1090 feet from the South line and 1870 feet from the West line					
Ground level Elev. 4020.6	Producing Formation Grayburg-San Andres		Pool Vacuum Grayburg-San Andres	Dedicated Acreage: 40 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>					



OPERATOR CERTIFICATION

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

Signature

L. M. Sanders

Printed Name

L. M. Sanders

Position

Regulation & Proration Supv.

Company

Phillips Petroleum Company

Date

May 10, 1989

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 knowledge and belief.

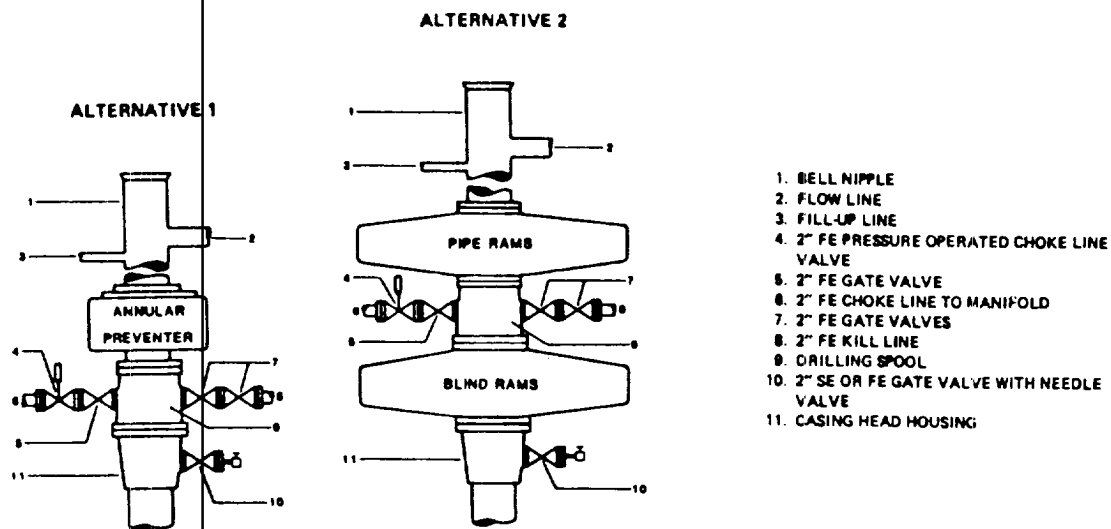
Date Surveyed

May 2, 1989

Signature & Seal of
Professional Surveyor

John W. West

Certificate No. JOHN W. WEST, 678
RONALD J. EIDSON, 3239



NOTE: THE DRILLING SPOOL MAY BE LOCATED BELOW BOTH SETS OF RAMS IF A DOUBLE PREVENTER IS USED AND IT DOES NOT HAVE SUITABLE OUTLETS BETWEEN RAMS

Figure 7-9. Standard Hydraulic Blowout Preventer Assembly (2 M or 3 M Working Pressure) Alternative 1

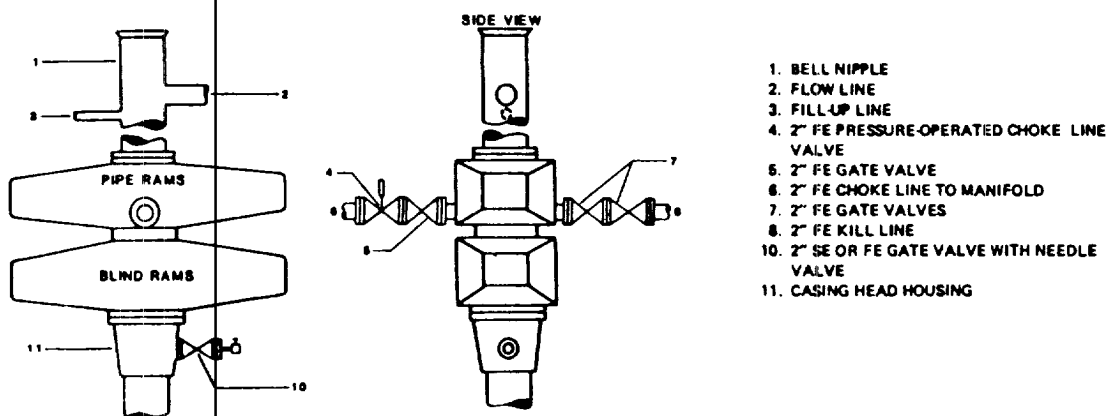


Figure 7-10. Standard Hydraulic Blowout Preventer Assembly (2 M or 3 M Working Pressure) Alternative 3 (without Drilling Spool)

b.s.-b-b 82724

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RECEIVED

MAY 12 1989

OCD
HOBBS OFFICE