

Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN 1 PLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Orion Oil & Gas Properties

3. ADDRESS OF OPERATOR

P.O. Box 2523, Roswell, NM 88202-2523

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface 2310' FSL & 500' FWL, NW $\frac{1}{4}$ SW $\frac{1}{4}$, Unit Letter L

At proposed prod. zone same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15 miles SE Loco Hills, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

500'

16. NO. OF ACRES IN LEASE

80

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

150'

19. PROPOSED DEPTH

4500'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3711' GR

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 $\frac{1}{4}$ "	8 5/8"	24# J-55 8rd	375'	250 sxs circ
7 7/8"	5 1/2"	15.5# J-55 8rd	4500'	350 sxs (tie back)

Selectively Perforate and Treat Pay Zone.

Attachments:

Survey Plat (C-102)
Supplemental Drilling Data
Surface Use Plan

OPER. OGRID NO. 148454

PROPERTY NO. 17736

POOL CODE 56439

EFF. DATE 10/10/95

API NO. 30-025-33140

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.

SIGNED

Handwritten signature

TITLE

Vice President

DATE

8/21/95

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

*See Instructions On Reverse Side

District I
PO Box 1980, Hobbs, NM 88240-1980
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-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-025-33140		* Pool Code 56439	* Pool Name Shugart Y-7Rvrs-0-GB
* Property Code 17736	* Property Name ORION FEDERAL		* Well Number 1
* OGRID No. 148454	* Operator Name ORION OIL & GAS PROPERTIES		* Elevation 3711.

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	19	18S	32E		2310	SOUTH	500	WEST	LEA

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 1 2 3 4	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>Harold D. Justice</u> Printed Name: <u>Harold D. Justice</u> Title: <u>Vice President</u> Date: <u>8/21/95</u>	
	¹⁸ 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. Date of Survey: <u>APRIL 4, 1995</u> Signature and Seal of Professional Surveyor: Certificate Number: <u>5412</u> NM DISTRICT: <u>17</u>	

SUPPLEMENTAL DRILLING DATA
ORION OIL AND GAS PROPERTIES
ORION FEDERAL #1
2310' FSL & 500' FWL
Section 19: T18S, R32E
Lea County, New Mexico
Lease Number: NM-9017

The following items supplement "Onshore Oil and Gas Order No. 1":

1. The geologic surface is quaternary.

2. The estimated geological marker tops:

Yates	2372'
Seven Rivers	2548'
Queen	3599'
Grayburg	3974'

3. Estimated depths to water, oil or gas:

Water:	Approx. 220'
Oil or Gas:	4100'

4. Proposed casing program:

<u>Size</u>	<u>Interval</u>	<u>Weight</u> ^{SJS}	<u>Grade</u>	<u>Joint</u>	<u>New or Used</u>
8 5/8"	0'-375'	24#	J-55	ST&C	New
5 1/2"	0'-4500'	15.5#	J-55	ST&C	New

5. Pressure Control Equipment: The blowout preventer will be a double ram type preventer. A sketch is attached.

6. Mud Program:

0-375': Fresh water and native mud adding gel and lime for sufficient viscosity to insure clean hole for running casing.

275'-4500': Drill out with native becoming brine, adding starch & salt gel to maintain vis. of 30-32, mud wt. 9.8-10#/gal, pH 8.0.

7. Auxiliary Equipment: A kelly cock will be installed on the rig floor while drilling operations are in progress.

8. Testing & coring programs: None anticipated.

Logging: Compensated Neutron-Formation Density-Gamma Ray-Caliper-Dual Laterlog-RXO @ 2600'-TD.

9. No abnormal pressures or temperature zones are anticipated. There has not been H2S encountered while drilling formations from surface to T.D. Therefore, we do not have any contingency plans for this well.

10. Anticipated starting date: Commence building location June 1, 1995 upon BLM approval.

SURFACE USE PLAN
FOR
DRILLING, COMPLETING AND PRODUCING

ORION OIL AND GAS PROPERTIES
Orion Federal #1
2310' FSL & 500' FWL
Section 19: T18S, R32E
Lea County, New Mexico
Lease Number: NM-9017

LOCATED: 15 miles Southeast of Loco Hills, New Mexico

FEDERAL LEASE NUMBER: NM-9017

LEASE ISSUED: January 7, 1946
This portion NM-9017 segregated from LC-063559
February 1, 1969.

RECORD LESSEE: Conoco, Inc.

BOND COVERAGE: \$25,000 Bond of Orion Oil and Gas Properties

ACRES IN UNIT: 80

SURFACE OWNERSHIP: Federal

GRAZING PERMITTEE: Virgil Linan Estate

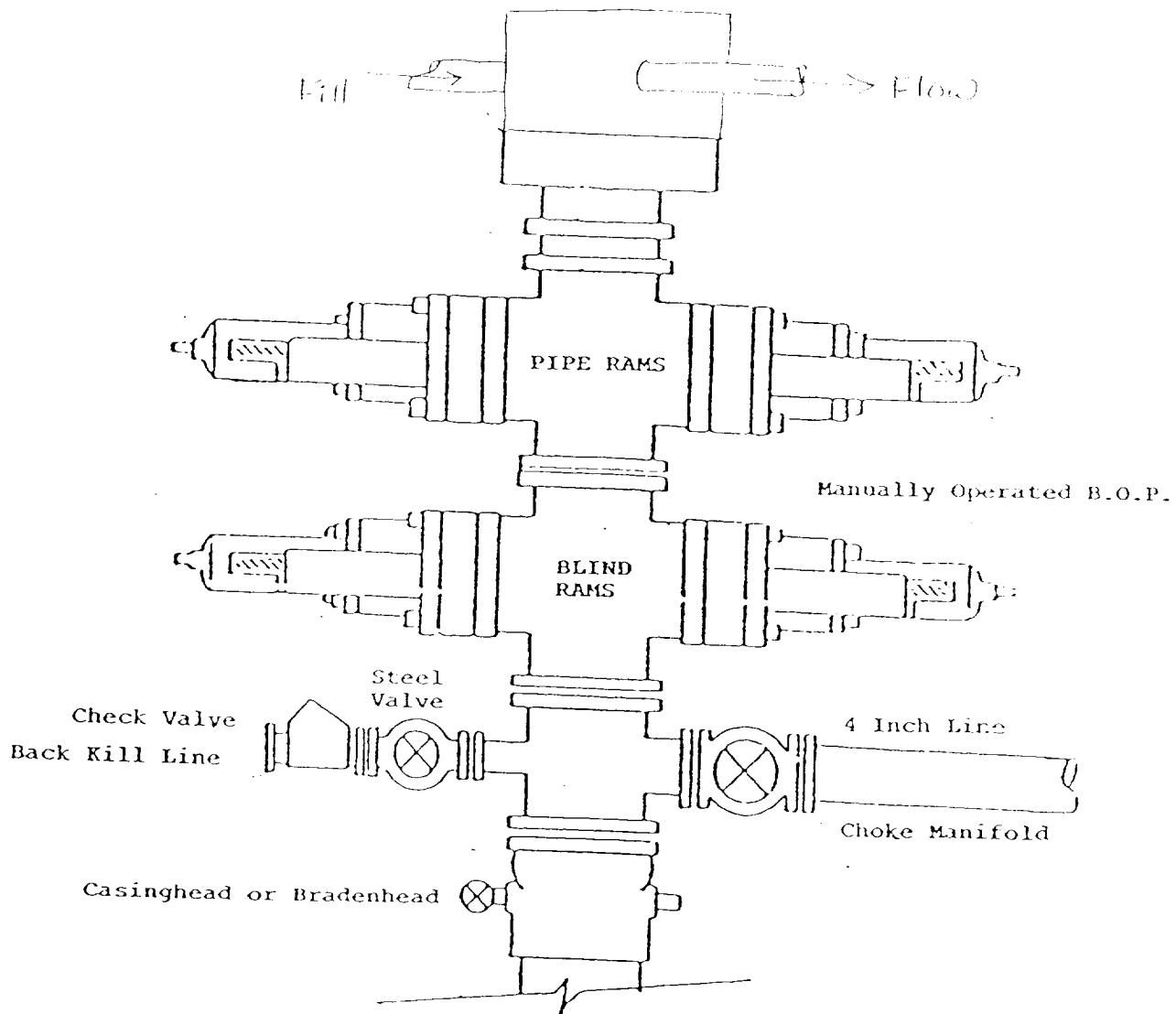
POOL: Shugart Y-7Rvrs-Q-GB

EXHIBITS:

- A. Area Road Map
- B. Topographic Map Showing Access Route
- C. Lease Map Showing Well Site
- D. Sketch of Well Pad

BOP DIAGRAM

RATED 3000#





P. O. BOX 2523, ROSWELL, NEW MEXICO 88202

TELEPHONE (505) 622-2202

FAX (505) 623-1440

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Orion Oil and Gas Properties
P.O. Box 2523
Roswell, NM 88202-2523

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No. NM-9017

Legal Description of Land: Section 19, T18S, R32E
2310' FSL & 500' FWL
NW $\frac{1}{4}$ SW $\frac{1}{4}$, Unit Letter L
Lea County, New Mexico

Formations: Queen and Penrose

Bond Coverage: \$25,000 State-wide bond

BLM Bond File No.: Pending

Signed Cathy Batley-Seely
Cathy Batley-Seely
Regulatory Specialist

Date: August 21, 1995

cc:file