

R. H. BIL
P. O. BOX 1980
HOBBS, NEW MEXICOSUBMIT IN
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ 1997 AUG 4 P 3:46

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
Read & Stevens, Inc. ROSWELL OFFICE 505/622-3770

3. ADDRESS AND TELEPHONE NO.
P. O. Box 1518 Roswell, NM 88202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 480' FSL & 2310' FWL
At proposed prod. zone Same Unit A

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
30 miles SW of Hobbs, NM

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 480'

16. NO. OF ACRES IN LEASE 120

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. N/A

19. PROPOSED DEPTH 10,400'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3651' GL

22. APPROX. DATE WORK WILL START*
September 15, 1997

5. LEASE DESIGNATION AND SERIAL NO.
NM-94622

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
Pearl 33 Federal

9. API WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Wildcat Quail Ridge Bone Spring

11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA
Sec. 33-T19S-R34E

12. COUNTY OR PARISH
Lea

13. STATE
New Mexico

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8" H40	48.0#	450'	Circ. 475 sx "C" to surf.
11"	8 5/8" J55	32.0#	4,250'	Tie back w/1200 sx "C"
7 7/8"	5 1/2" N-80	17.0#	10,400'	Tie back w/1000 sx "C"

Mud Program:

0' - 450': Fresh water native mud:	Mud Wt. 8.4 ppg	Vis. 32	W/L Control No W/L control
450' - 4250': Brine mud:	10.0 ppg	28	No W/L control
4250' - 10,400': Fresh water mud w/starch:	8.4 ppg	28	No W/L control

BOP Program:

A 11" 5000 psi wp Shaffer Type LWS BOP, with a 5000 psi wp 11" GK Hydril, will be installed on the 13 3/8" casing. Casing and BOP will be tested before drilling out with 11". BOP will be tested daily as 5000 psi wp system.

* NOTE: If severe lost circulation is encountered, the following cement program will be followed:

8 5/8": Cement with DV tool in two stages starting at 3800':

1st stage: Lead 200 sx lite, tail in w/200 sx "C".

2nd stage: Lead 500 sx lite cement, tail w/200 sx "C". Cement to surface.

Approval Subject to
General Requirements and
Special Stipulations
Attached

19917
21501
50460
9/2/97
30-025-34119

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 George Smith TITLE Agent for: Read & Stevens, Inc. DATE Aug. 4, 1997

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY ADM. MINERALS TITLE _____ DATE 8.25.97

*See Instructions On Reverse Side

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer 80, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1984
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 3D-025-34119	Pool Code 5D46D	Pool Name Quail Ridge Bone Spring Undesignated Wildcat
Property Code 21501	Property Name PEARL 33 FEDERAL	Well Number 1
OGRID No. 18917	Operator Name READ & STEVENS, INC.	Elevation 3651

Surface Location

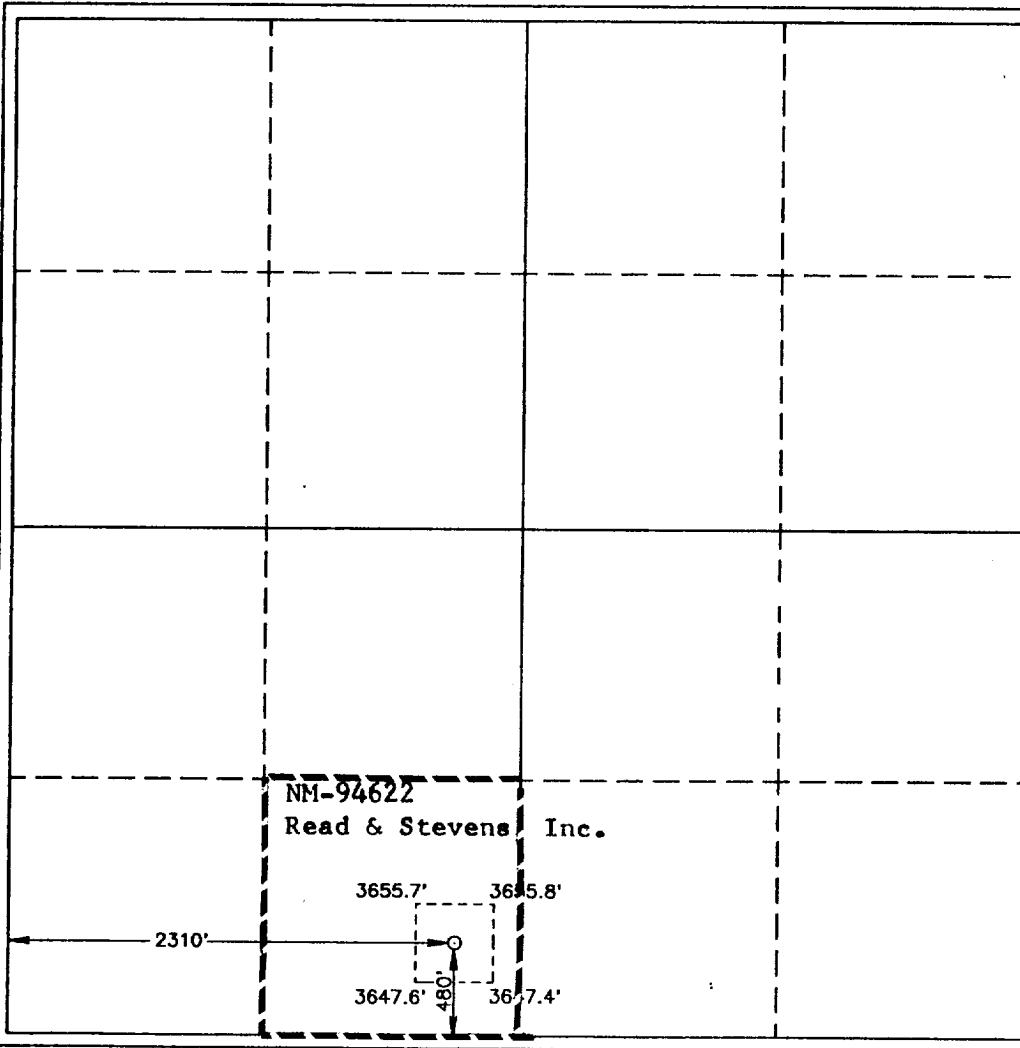
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	33	19 S	34 E		480	SOUTH	2310	WEST	LEA

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

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>George R. Smith</u> Signature George R. Smith, agent for Printed Name Read & Stevens, Inc. Title August 4, 1997 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. JULY 28, 1997 Date Surveyed <u>Ronald J. Eidson</u> Signature & Seal of Professional Surveyor W.D. Num. 97-11-1247 Certificate No. JOHNNY WEST, 676 RONALD J. EIDSON, 3239 GARY G. EIDSON, 12641

APPLICATION FOR DRILLING
READ & STEVENS, INC.
Pearl 33 Federal, Well No. 1
480' FSL & 2310' FWL, Sec 33-T19S-R34E
Lea County, New Mexico
Lease No.: NM-94622
(Exploratory Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Read & Stevens, Inc. submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
- 2.. The estimated tops of geologic markers are as follows:

Rustler	1,480'	Queen	3,600'
Top of Salt	1,700'	Delaware	5,480'
Base of Salt	3,080'	Bone Spring	8,180'
Yates	3,330'	T.D.	10,400'

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

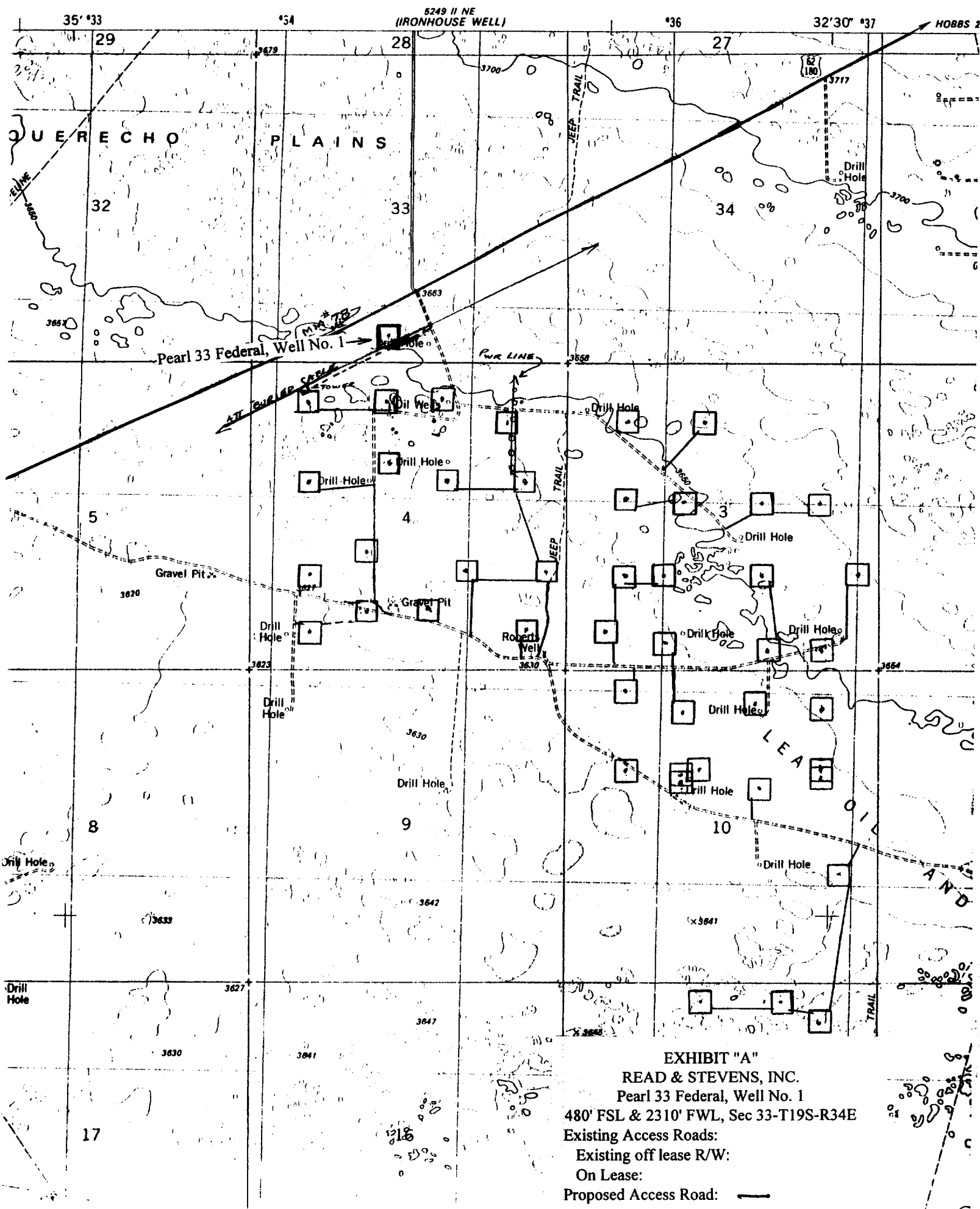
Water: Surface water in the Triassic between 80' - 230'.

Oil: Possible in the Delaware below 5500' and Bone Spring below 8,180'.

Gas: None expected.

4. Proposed Casing Program: See Form 3160-3.
5. Proposed Control Equipment: See Form 3160-3 and Exhibit "E".
6. Mud Program: See Form 3160-3.
7. Auxiliary Equipment: Blowout Preventer, gas detector, Kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging, and Coring Program:

Drill Stem Tests: None unless warranted.
Logging: T.D. to 4250': G/R, CNL-FDC, DLL, MSFL
4250' to surface: G/R, neutron
Coring: None planned.
9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight. Estimated BHP = 4160 psi (evac. hole) with temperature of 165°.
10. H₂S: None expected. None in previously drilled wells, but a Drilling Operations Plan, Exhibit "F", is being submitted to cover this contingency.
11. Anticipated starting date: September 15, 1997.
Anticipated completion of drilling operations: Approx. 3 weeks.



WEK

DRILLING CO., INC. — OIL WELL DRILLING CONTRACTORS

P. O. Box 1498 ROSWELL, NEW MEXICO 88202-1498
808/623-5070
ROSWELL, NM
808/746-2719
ARTESIA, NM

RIG #1

BLOWOUT PREVENTOR ARRANGEMENT

11" SHAFFER TYPE LWS, 5000 psi WP
11" GK HYDRIL, 5000 psi WP
80 GALLON, 4 STATION PAYNE ACCUMULATOR
3000 psi WP CHOKE MANIFOLD

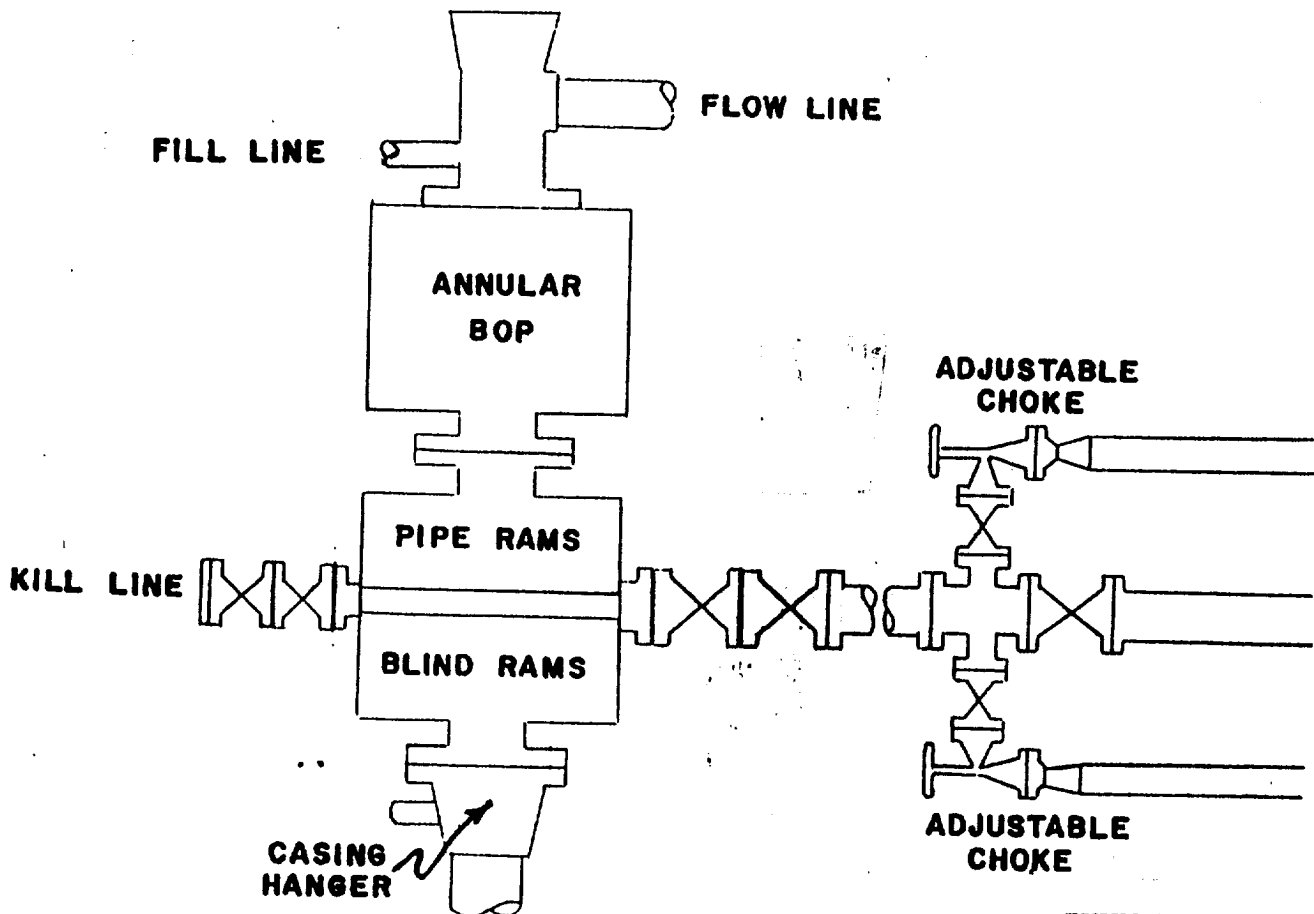


EXHIBIT "E"
READ & STEVENS, INC.
Pearl 33 Federal, Well No. 1
BOP Specifications

11/12/95

