

NEW Mexico Oil Conservation Division, Hobbs, NM 88240

BUREAU OF LAND MANAGEMENT

APPLICATION FOR F

1a. TYPE OF WORK

DRILL ☒ DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR

RAY WESTALL

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 4, LOCO HILLS, NEW MEXICO 88255

4. LOCATION OF WELL (REPORT LOCATION CLEARLY AND IN ACCORDANCE WITH ANY STATE REQUIREMENTS)

AT SURFACE 330' FSL & 990' FWL

AT PROPOSED PROD. ZONE

5. LEASE DESIGNATION AND SERIAL NO.

6. INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

CHI FEDERAL # 1

9. API WELL NO.

30-025-36054

10. FEILD AND POOL, OR WILDCAT

WISK DELEWARE

11. SEC., T., R., OR BLK

AND SURVEY OR AREA

SEC. 18, T19S, R-33E

12. COUNTY OR PARRISH

LEA

13. STATE

NM

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

14 MILES SW OF LOCO HILLS

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any) 330'

16. NO. OF ACRES IN LEASE

40

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.

0

19. PROPOSED DEPTH

7800'

20. ROTARY OR CABLE TOOLS

ROTARY

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

3622' (GR)

22. APPROX. DATE WORK WILL START

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

CAPTAN CONTROLLED WATER BASIN

SIZE OF HOLE	GRADE, SIZE OF CASING	WT PER FT	SETTING DEPTH	QUANTITY OF CEMENT
16"	13 3/8" - H40	48 # STC	1300'	350 SXS CIRCULATED
12 1/4"	8 5/8" - J-55	24 # STC	2900'	500 SXS CIRCULATED
7 7/8"	5 1/2" - J-55	17 # LTC	7800'	CIRCULATED

ALL CASING WILL BE NEW, OR USED MEETING BLM SPECS.

CEMENT WILL BE CIRCULATED ON 13 3/8" AND 8 5/8" CASING.

CEMENT QUANTITIES AND ADDITIVES ARE SUBJECT TO CHANGE DUE TO HOLE CONDITIONS.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED

PROPOSED MUD PROGRAM

0' - 500'	FRESH WATER
500' - 2900'	BRINE WATER
2900' - TD	CUT BRINE 8.9 - 9.2#

MUD PROGRAM SUBJECT TO CHANGE DUE TO HOLE CONDITIONS

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 susurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Ben Mathews TITLE PRODUCTION SECRETARY DATE 08/30/02

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE ONLY)

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 IS/ JOE G. LARA TITLE FIELD MANAGER DATE NOV 12 2002

TITLE 18 U.S.C. SECTION 1001, MAKES IT A CRIME FOR ANY PERSONS KNOWINGLY AND WILLFULLY TO MAKE TO ANY DEPARTMENT OR AGENCY OF THE UNITED STATES ANY FALSE, FICTITIOUS OR FRAUDULENT STATEMENTS AS TO ANY MATTER WITHIN ITS JURISDICTION

APPROVAL FOR 1 YEAR

API NO. 30-025-36054
POOL CODE 13390
EFF. DATE 11-14-02
PRODUCTION NO. 27524
CUT BRINE NO. 18862

1942

OFFICE OF THE
DIRECTOR OF THE
NATIONAL BUREAU OF
INVESTIGATION

ST. JOE, IN. 304 121

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR
RAY WESTALL

3. ADDRESS AND TELEPHONE NO.
P.O. BOX 4 LOCO HILLS, NM 88255 (505) 677-2370

4. LOCATION OF WELL (REPORT LOCATION CLEARLY AND IN ACCORDANCE WITH ANY STATE REQUIREMENTS)
AT SURFACE 330' FSL & 330' FWL
AT PROPOSED PROD. ZONE SAME

5. LEASE DESIGNATION AND SERIAL NO.
NM 97145

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
CHI FEDERAL #1

9. API WELL NO.
30-025-36054

10. FIELD AND POOL, OR WILDCAT
CRAZY HORSE

11. SEC., T., R., M., OR BLK
AND SURVEY OR AREA
SEC. 18, T19S-R33E

12. COUNTY OR PARISH
LEA

13. STATE
NEW MEXICO

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
14 MILES SW OF LOCO HILLS NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 330'

16. NO. OF ACRES IN LEASE 40

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. 0

19. PROPOSED DEPTH 7800'

20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3622 GR.

APPROX. DATE WORK WILL START 01-Jan-00

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WT PER FT	SETTING DEPTH	QUANTITY OF CEMENT
16"	13 3/8" H-40	48# STC	500' 1300'	350 SXS CIRCULATED
12 1/4"	8 5/8" J-55	24# STC	2900'	500 SXS CIRCULATED
7 7/8"	5 1/2" J-55	17# LTC	7800'	1200 SXS EST TOP 2400' (500' INSIDE 8 5/8")

ALL CASING WILL BE NEW, OR USED MEETING BLM SPECS.
CEMENT WILL BE CIRCULATED ON 13 3/8" AND 8 5/8" CASING.
CEMENT QUANTITIES AND ADDITIVES ARE SUBJECT TO CHANGE DUE TO HOLE CONDITIONS.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

PROPOSED MUD PROGRAM	
0-500'	FRESH WATER
500-2900'	BRINE WATER
2900-TD	CUT BRINE 8.9-9.2#

MUD PROGRAM SUBJECT TO CHANGE DUE TO HOLE CONDITIONS

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 [Signature] TITLE Geologist DATE 11/21/00

(THIS SPACE FOR FEDERAL OR STATE OFFICE USE)

PERMIT NO. _____ APPROVAL DATE _____


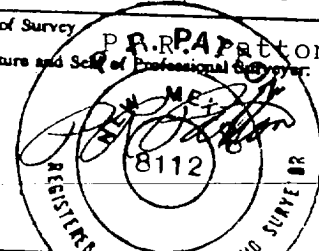
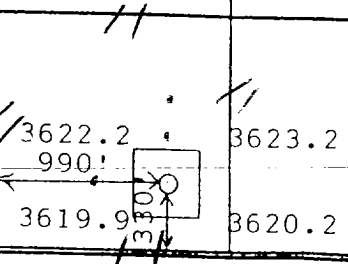
APPLICATION APPROVAL DOES NOT WARRANT OR CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE TITLE TO THOSE RIGHTS IN THE SUBJECT LEASE WHICH WOULD ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREON
CONDITIONS OF APPROVAL IF ANY:

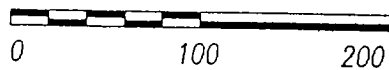
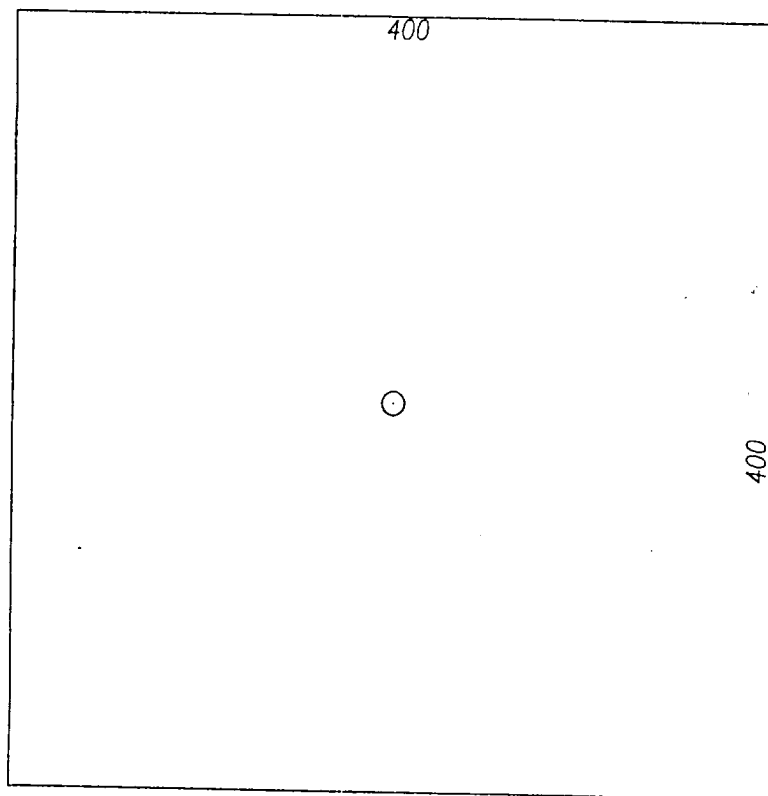
APPROVED BY [Signature] TITLE Assistant Field Manager, Lands And Minerals DATE 11/21/00

TITLE 18 U.S.C. SECTION 1001, MAKES IT A CRIME FOR ANY PERSONS KNOWINGLY AND WILLFULLY TO MAKE TO ANY DEPARTMENT OR AGENCY OF THE UNITED STATES ANY FALSE, FICTITIOUS OR FRAUDULENT STATEMENTS OR REPRESENTATIONS AS TO ANY MATTER WITHIN ITS JURISDICTION

APPROVED FOR 1 YEAR

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

16 					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature _____ Printed Name <u>RANDALL HARRIS</u> Title <u>GEOLOGIST</u> Date <u>11/21/00</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. <u>October 19, 2000</u> Date of Survey _____ Signature and Seal of Professional Surveyor: 
					<p style="transform: rotate(180deg); font-weight: bold;">RECEIVED</p> <p style="transform: rotate(180deg); font-weight: bold;">NOV 21 A 8:01</p> <p style="transform: rotate(180deg); font-weight: bold;">BUREAU OF LAND MGMT.</p> <p style="transform: rotate(180deg); font-weight: bold;">WILCOX BASIN RESOURCE AREA</p>



SITE PLAN
RAY WESTALL OPERATING
CHI FEDERAL WELL No. 1
330 FSL 990 FWL
SEC. 18, T19S, R33E
LEA Co., NM

FILED
HUBBS
OCD

APPLICATION FOR DRILLING

Ray Westall
Chi Federal #1
330' FSL & 330'FWL
Section 18
Township 19 South, Range 33 East
Lea County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill, Ray Westall submits the following ten items of pertinent information in accordance with BLM requirements:

1. The geological surface formation is Quaternary.
2. The estimated tops of geologic markers are as follows:

Yates	3470'
Delaware	5800'
Bone Springs	7600'
3. The estimated depths at which anticipated water, oil & gas formations are expected to be encountered:

Water	0-180'
Oil & Gas Zones	5800-7600'
4. Proposed casing program: See 3160-3
5. Pressure Control Equipment:
A 900s BOP will be installed on the 8 5/8" casing and tested prior to drill out.
6. Mud Program:

Fresh water in surface hole.
Brine in intermediate hole.
Cut brine in production hole.
7. Auxiliary Equipment: None
8. Logging Program: CNL/FDC/GR, DLL.
9. No abnormal pressures or temperatures are anticipated. Estimated BHP is 3100#, Estimated BHT is 125 F.
10. Anticipated Starting date: 01/01/01

Duration:	12 Days drilling
	5 Days completion

RECEIVED
HARRIS
OCT 1 1999

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

RAY WESTALL CHI FEDERAL NO. 1

This plan is submitted with form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operation.

1. Existing Roads.

Exhibit A is a portion of a USGS topographic map showing the wells and roads in the vicinity of the proposed location.

Directions, proceed west from Loco Hills to state road 529. Go east approximately 7 miles, turn south 9 miles, turn east 5 miles then south 0.9 miles, new road will start here and go west.

2. Planned Access Road.

Approximately 200' of road will be constructed west from the main road.

Location of Existing Wells.

Exhibit B is a topo map showing the existing wells.

3. Location of existing/or proposed facilities:

If productive a production facilities will be built on location. Power lines and poles will be routed along the existing ROW paralleling the road.

4. Location and Type of Water Supply.

It is planned to drill the proposed well with fresh and brine water system. The water will be obtained from commercial sources and will be hauled to the location by truck.

5. Source of Construction Materials.

The location and road will be from pit excavation and or will be hauled in from an approved caliche pit.

6. Methods of Handling Waste Disposal.

A. Drill cuttings will be disposed of in the reserve pit.

B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.

C. ~~Produced water during operations will be stored in reserve pits until dry.~~

- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper, garbage and junk will be stored in a wire cage preventing blowing or scattering by the wind. After drilling and completion all waste will be removed to an approved site.

7. Ancillary Facilities

None required.

8. Wellsite Layout.

Exhibit C shows the relative location and dimensions of the well pad, the reserve pit, a 400' X 400' area has been staked and flagged.

9. Plans For Restoration of The Surface.

- A. After finishing drilling and completion operations all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the Wellsite in as aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any containing fluids will be fenced until they have been filled.
- C. If the proposed well is non-productive, all rehabilitation and or vegetation requirements of the BLM and USGS will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.

10. Other Information:

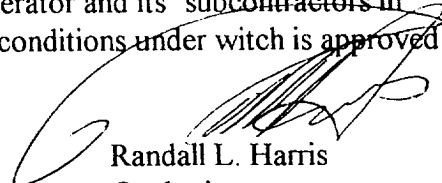
- A. Topography: The land surface in the vicinity of the Wellsite is sandy loam.
- B. Flora and Fauna: the vegetation cover consists of prairie grass, greasewood and miscellaneous desert growth. No wildlife was observed, but wildlife in the area probably includes those typical of semi-arid desert land. The area is used for cattle grazing.
- C. There are no ponds, lakes or rivers in the area.
- D. There are no inhabited dwellings in the vicinity of the proposed well.
- E. Surface ownership is federal.
- F. Evidence of archeological sites has been reported and previously filed by Archaeological Survey Consultants.

11. Operator's Representative:

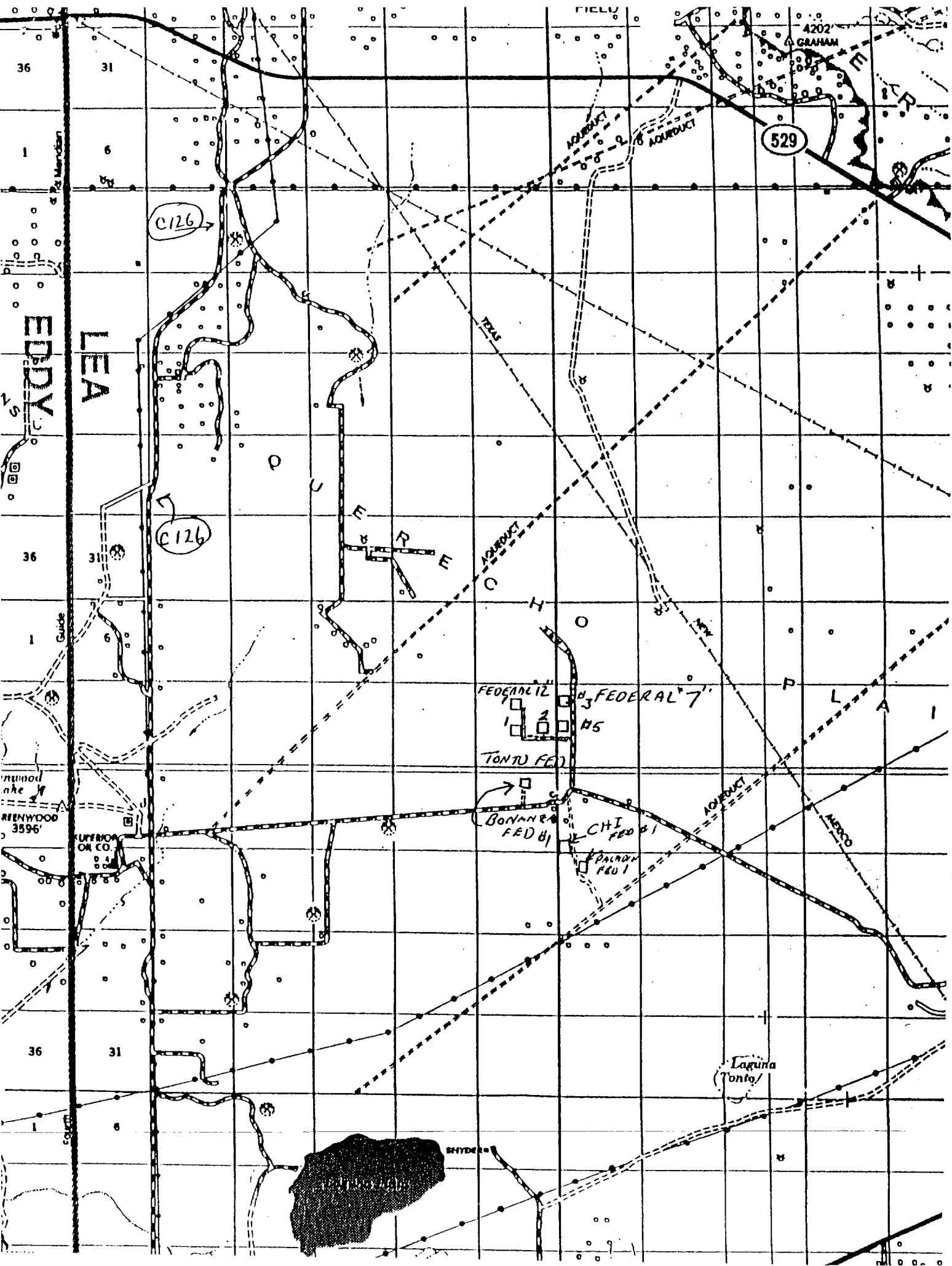
Ray Westall
P.O. Box 4
Loco Hills, NM 88255
(505) 677-2370

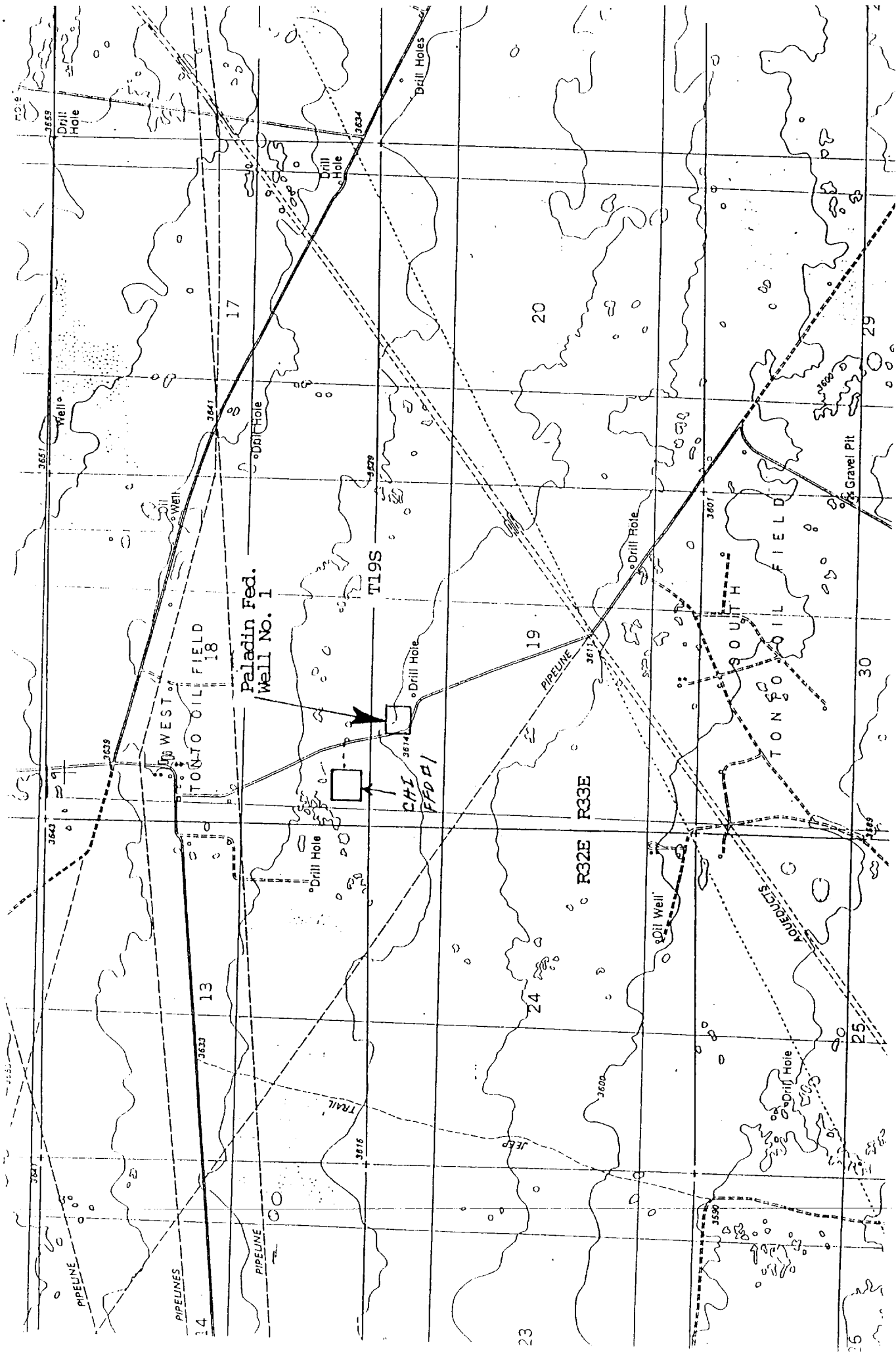
12. Certification:

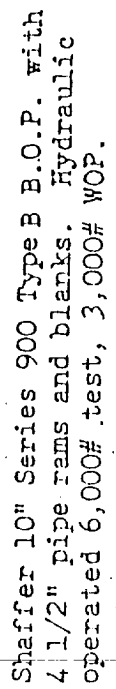
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge true and correct; and that the work associated with the operation proposed herein will be performed by the operator and its' subcontractors in conformity with this plan and the terms and conditions under witch is approved



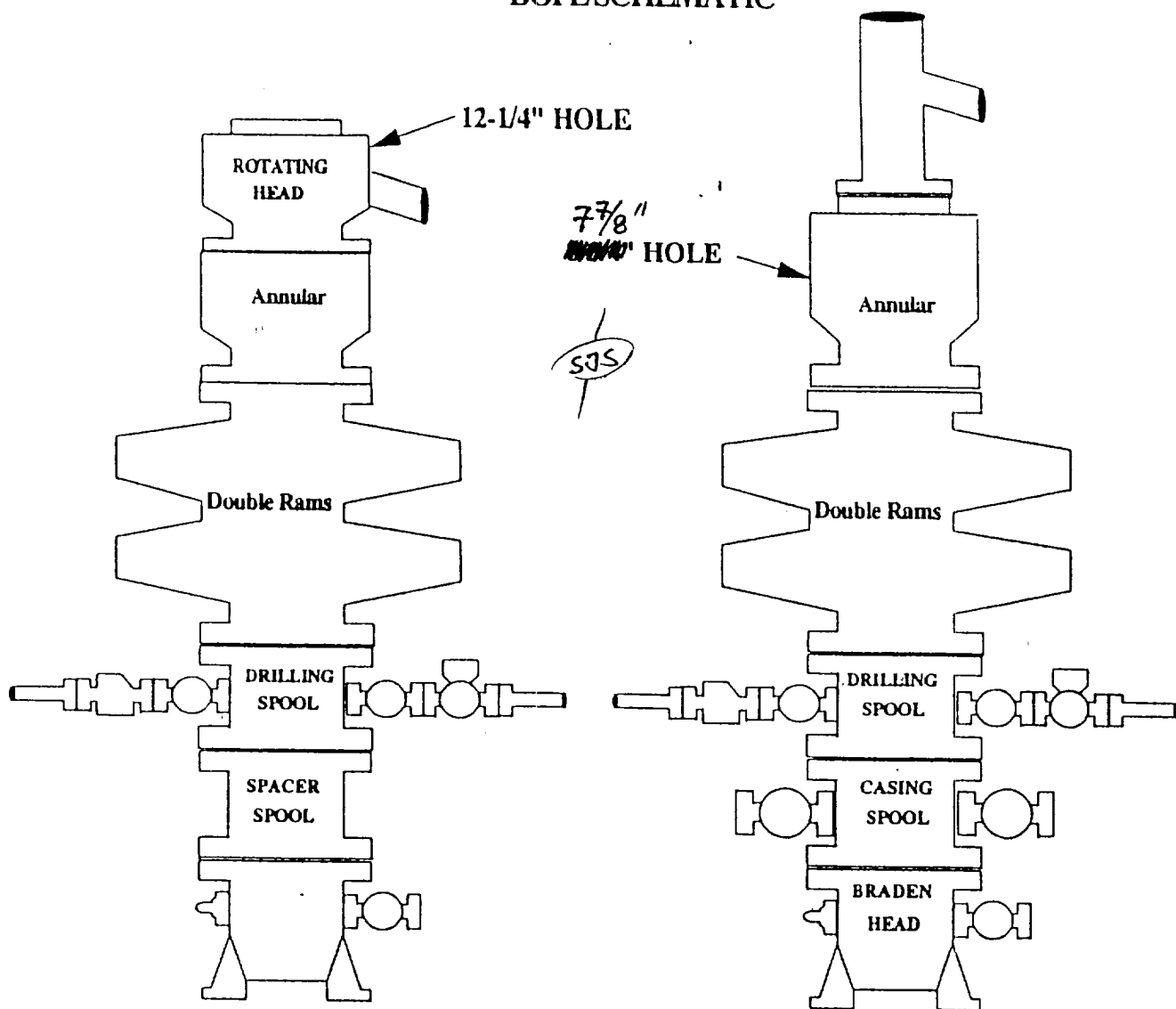
Randall L. Harris
Geologist



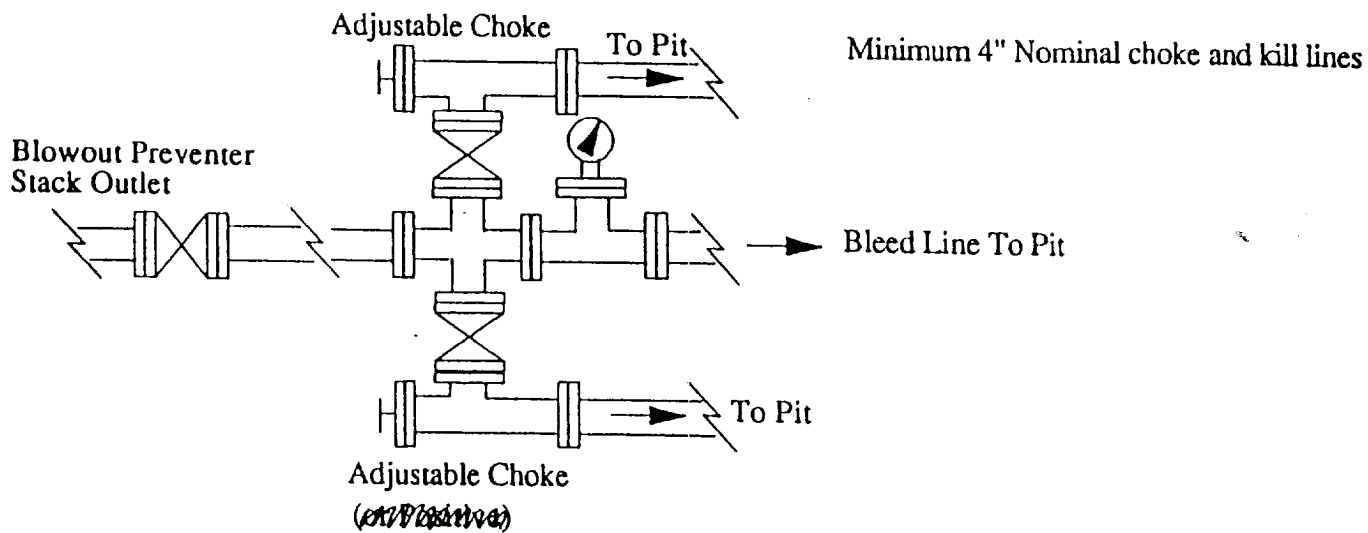




DOPE SCHEMATIC



Choke Manifold Requirement (3000 psi WP)



RAY WESTALL OPERATING

HYDROGEN SULFIDE DRILLING PLAN

1. HYDROGEN SULFIDE TRAINING

All personnel that are connected with the drilling or completion of a well within a known H₂S area will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- A. The hazards and characteristics of hydrogen sulfide.
- B. The proper use of personal protective equipment and life support systems.
- C. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.

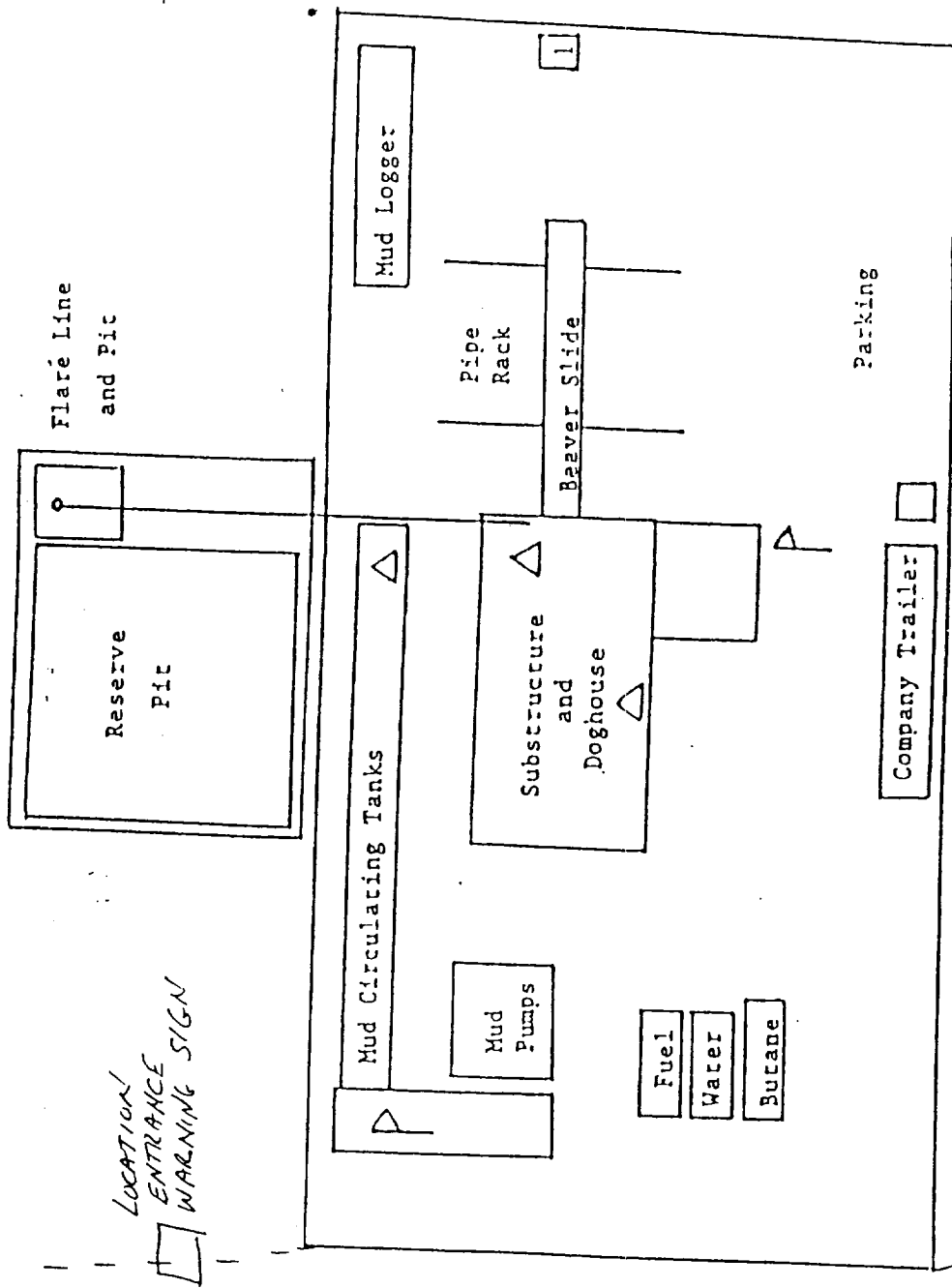
There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

2. H₂S SAFETY EQUIPMENT AND SYSTEMS

All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S.

- A. Well Control Equipment:
 - a. Choke manifold with a minimum of one remote choke.
 - b. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.

- B. Protective equipment for essential personnel:
 - a. Mark II Surviveair 30 minute units located in the dog house and at briefing areas, as indicated on well site diagram.
- C. H2S detection and monitoring equipment:
 - a. Two portable monitors positioned on location for best coverage and response. These units have warning lights and sirens when high levels of H2S is detected.
- D. Visual warning systems:
 - a. Wind direction indicators as shown on well site diagram.
 - b. Caution/Danger signs shall be posted on roads providing direct access to location.
- E. Mud program:
 - a. There is no known high pressure in this drilling area or known high concentrations of H2S that would necessitate any special drilling fluids.
- F. Metallurgy:
 - a. All drill stings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines and valves shall be suitable for H2S service.
- G. Communication:
 - a. Radio communications in company vehicles including cellular telephone and 2-way radio.
- H. Well testing:
 - a. There will be no DST's on this well.



△ - H2S Monitors with alarms at the bell nipple and shale shaker

P - Wind Direction Indicators

□ - Safe Refueling areas with caution signs and protective breathing equipment
Min. 150 feet from wellhead, 1 designates primary area

- B. Protective equipment for essential personnel:
 - a. Mark II Surviveair 30 minute units located in the dog house and at briefing areas, as indicated on well site diagram.
- C. H2S detection and monitoring equipment:
 - a. Two portable monitors positioned on location for best coverage and response. These units have warning lights and sirens when high levels of H2S is detected.
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