

N.M. OIL CONS.
P.O. BOX 1280
HOBBS, NEW MEXICO
BUREAU OF LAND

OPER. OGRID NO. 13754
PROPERTY NO. 18734
POOL CODE 30886
EFF. DATE 3/19/96
API NO. 30-225-20377

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERM

1a. TYPE OF WORK

DRILL ☒ Re-entry

Deepen ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

SINGLE ZONE ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Manzano Oil Corporation

505/623-1996

3. ADDRESS AND TELEPHONE NO.

P.O. Box 2017

Roswell, NM 88202

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

At surface

1980' FNL & 660' FEL

At proposed prod. zone

Same

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

22 mile SW of Hobbs, NM

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

360

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

13,970'

20. ROTARY OR CABLE TOOLS

Rotary

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

3699.7 GL

22. APPROX. DATE WORK WILL START*

March 20, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

Lea County Controlled Water Basin

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
16"	13 3/8"	61.0#	894'	Circ. 565 sx (Existing)
12 1/4"	9 5/8"	36&40#	5,498'	565 sx (existing) FULL 1425'
8 3/4"	7"	26&29#	14,151'	565 sx (existing) FULL 9000'
12 1/4"	9 5/8" J-55	36.0#	1,425'	Circ 500 sx "C" (To close gap
8 3/4"	7" N80&J55	26.0#	9,000'	300 SX "C" in casing)

Mud Program:

0' - 5298': Fresh water mud:
5498' - 13,970': Brine mud:

Mud Wt.

10.0 ppg
9.4-9.8 ppg

Vis.

28
50

W/L Control

No W/L cont.
W/L control 10cc

BOP Program:

A 11" 5000 psi wp Shaffer Type LWS BOP will be installed on the 9 5/8" casing. Casing and BOP will be tested before drilling out plug at 5498' depth. BOP will be tested daily. See exhibit "E" for BOP.

Note: Propose to re-enter well, drill out plugs and install 9 5/8" casing to a depth of 1,425'. Drill plugs and clean out hole to a depth of 9000' and install the 7" casing. Drill and clean out 7" casing to test and complete in the Morrow formation.

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 J. Smith

Agent for:

TITLE Manzano Oil Corp.

Feb. 15, 1996

DATE

(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

/s/ Yolanda Vega

TITLE

ASSISTANT MANAGER

DATE

MAR 15 1996

*See Instructions On Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Manzano Oil Corporation

3. Address and Telephone No.

P.O. Box 2017 Roswell, NM 88202 505/623-1996

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FNL & 660' FEL, Sec. 17-T20S-R35E

5. Lease Designation and Serial No.
NM-86172

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Appleseed Federal Com, #1

9. API Well No.

10. Field and Pool, or Exploratory Area

Lynch Penn.

11. County or Parish, State

Lea, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other **Re-enter P&A well.**
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Propose to re-enter P&A well, N.E. Lynch Unit, Well No. 1, drill out plugs, set casing as needed and attempt to recomplete well in the Morrow formation. See attached APD and Surface Use Plan.

14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title

Agent for:

Manzano Oil Corporation

Date **Feb. 16, 1996**

(This space for Federal or State office use)

Approved by

Title

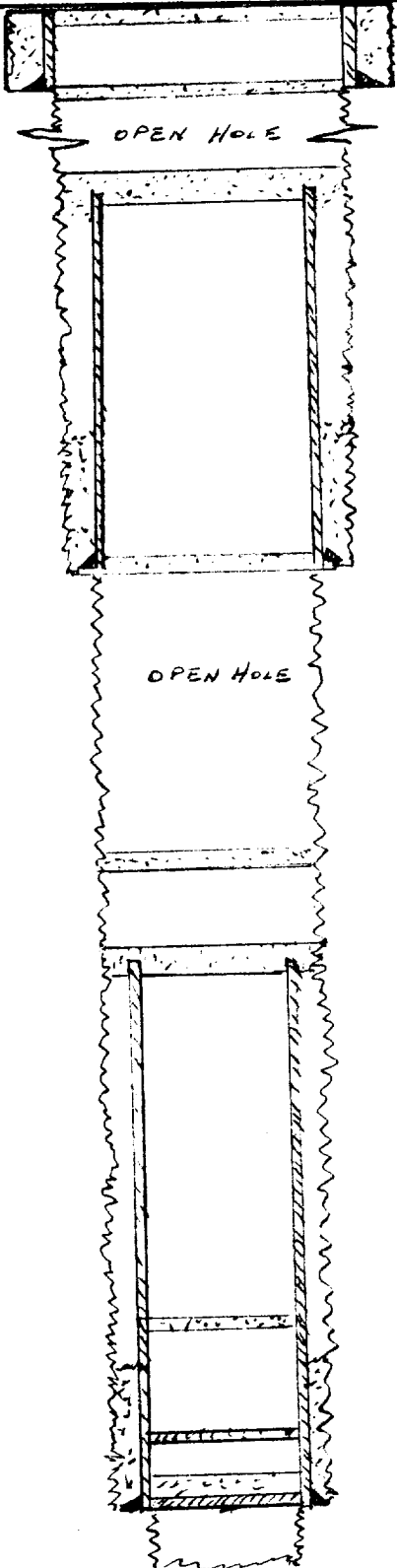
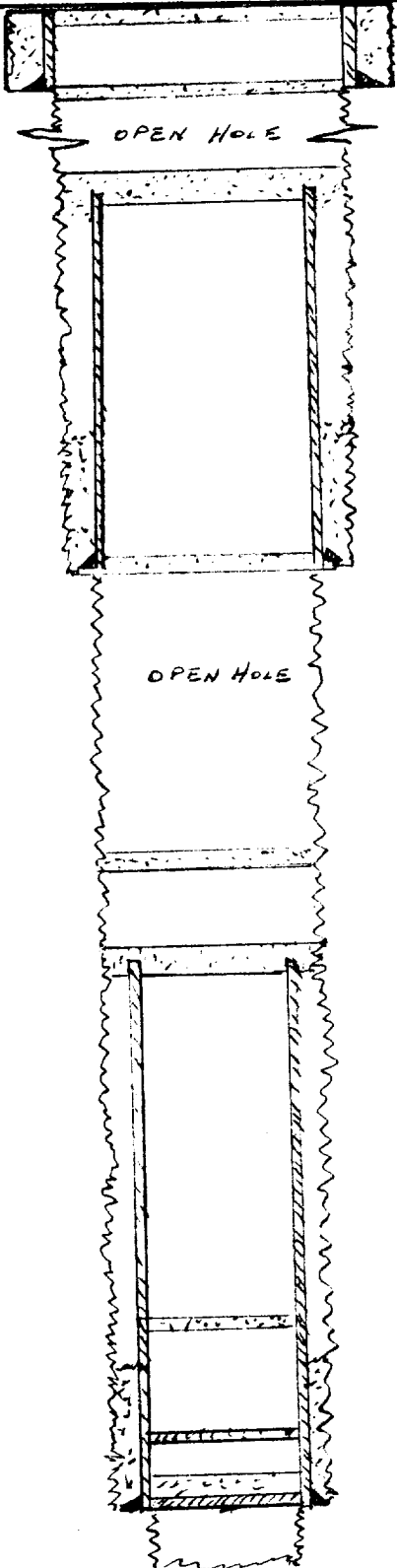
Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person 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.

***See instruction on Reverse Side**

EXHIBIT APD "A"
 MANZANO OIL CORPORATION
 Appleseed Federal, Well No. 1
 (N.E. Lynch Unit, Well No. 1)
 1980' FNL & 660' FEL, Sec. 17-T20S-R35E
 Spud Date: 12/26/62
 Plug Date: 4/10/64

PLUGGING	EXISTING CASING AND PLUGS	BIT	CASING	DEPTH	CEMENT
Spot 10 sx @ surface		16"	13 3/8"	894'	565 sx
Spot 25 sx @ 900'					
Spot 25 sx @ 1,425'			9 5/8" cut off @ 1,425'		
		12 1/4"	9 5/8"	5,498'	500 sx
Spot 25 sx @ 5,498'					
					
Spot 25 sx @ 8,300'					
Spot 25 sx @ 9,000'		8 3/4"	7" cut off @ 9,000'	14,151'	565 sx
Spot 25 sx @ 13,550'					
Baker "D" packer W/"DR" plug @ 13,628' P/Back to 13,970' w/25 sx CIBP @ 14,080'					

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

FORM C-12
Revised 5/1/5

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

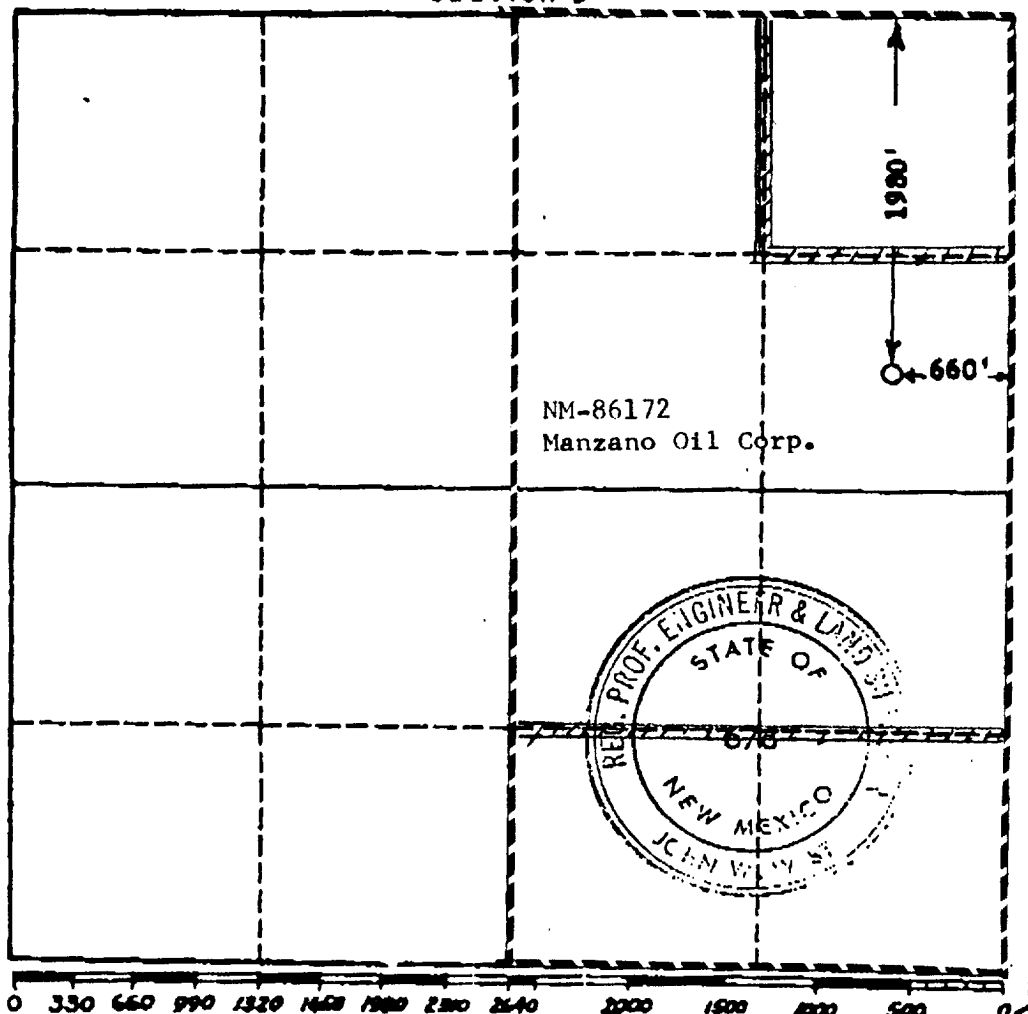
SECTION A

Operator New: Manzano Oil Corp. JAKE L. HAMON ET AL			Lease New: Appleseed Federal Com NORTHEAST LYNCH UNIT		Well No. 1
Unit Letter H	Section 17	Township 20 SOUTH	Range 35 EAST	County LEA	
Actual Footage Location of Well: 1980 feet from the NORTH line and 660 feet from the EAST line					
Ground Level Elev. 3699.7	Producing Formation MORROW		Pool Wildcat		Dedicated Acreage: Acres

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES X NO ____ . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (c) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES ____ NO ____ . If answer is "yes," Type of Consolidation ____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B



CERTIFICATION

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

Name Jake L. Hamon
 Position Production Superintendent
JAKE L. HAMON
 Company
November 30, 1962
 Date

I hereby certify that the well location shown on the plat in SECTION B 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 NOV. 21, 1962
 Registered Professional Engineer and/or Land Surveyor, JOHN W. WEST
John W. West
 Certificate No. 676
 N. M. - P. E. & L. S. NO. 676

APPLICATION FOR DRILLING

MANZANO OIL CORPORATION
Appleseed Federal, Well No. 1
1980' FNL & 660' FEL, Sec. 17-T20S-R35E
Lea County, New Mexico
Lease No.: NM-86172
(Re-entry Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Manzano Oil Corporation 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:

Top Salt	2250'	Bone Spring	8350'
Base/Salt	3640'	Wolfcamp	11,150'
Yates	3827'	Top Penn	12,164'
Queen	4700'	T.D	14,080'
San Andres	5113'		
Delaware	6055'		
3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water between 100' - 350'.

Oil: Possible in the Delaware, Bone Springs.

Gas: Morrow.
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: Possible in the Strawn and Wolfcamp.

Logging: Gamma Ray: Surf. Csg. to T.D.
CNL-LDT, DLL-MFL Below 9 5/8" to 9,000'

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 = 5600 psi (Exc. Hole), Temp. = 200°.
- 9a. H₂S: None expected, based on wells drilled in the area.
10. Anticipated starting date: March 20, 1996.
Anticipated completion of drilling operations: Approximately 6 weeks.



KEN REYNOLDS—PRESIDENT
ARNIE NEWKIRK—VICE-PRESIDENT

DRILLING CO., INC. — OIL WELL DRILLING CONTRACTORS

P. O. Box 1498 ROSWELL, NEW MEXICO 88202-1498
505/623-8070 505/746-2719
ROSWELL, NM ARTERIA, NM

RIG #2

BLOWOUT PREVENTOR ARRANGEMENT

11" SHAFFER TYPE LWS, 5000 psi WP
11" CAMERON SPHERICAL, 5000 psi WP
120 GALLON, 5 STATION KOOMEY ACCUMULATOR
5000 psi WP CHOKE MANIFOLD

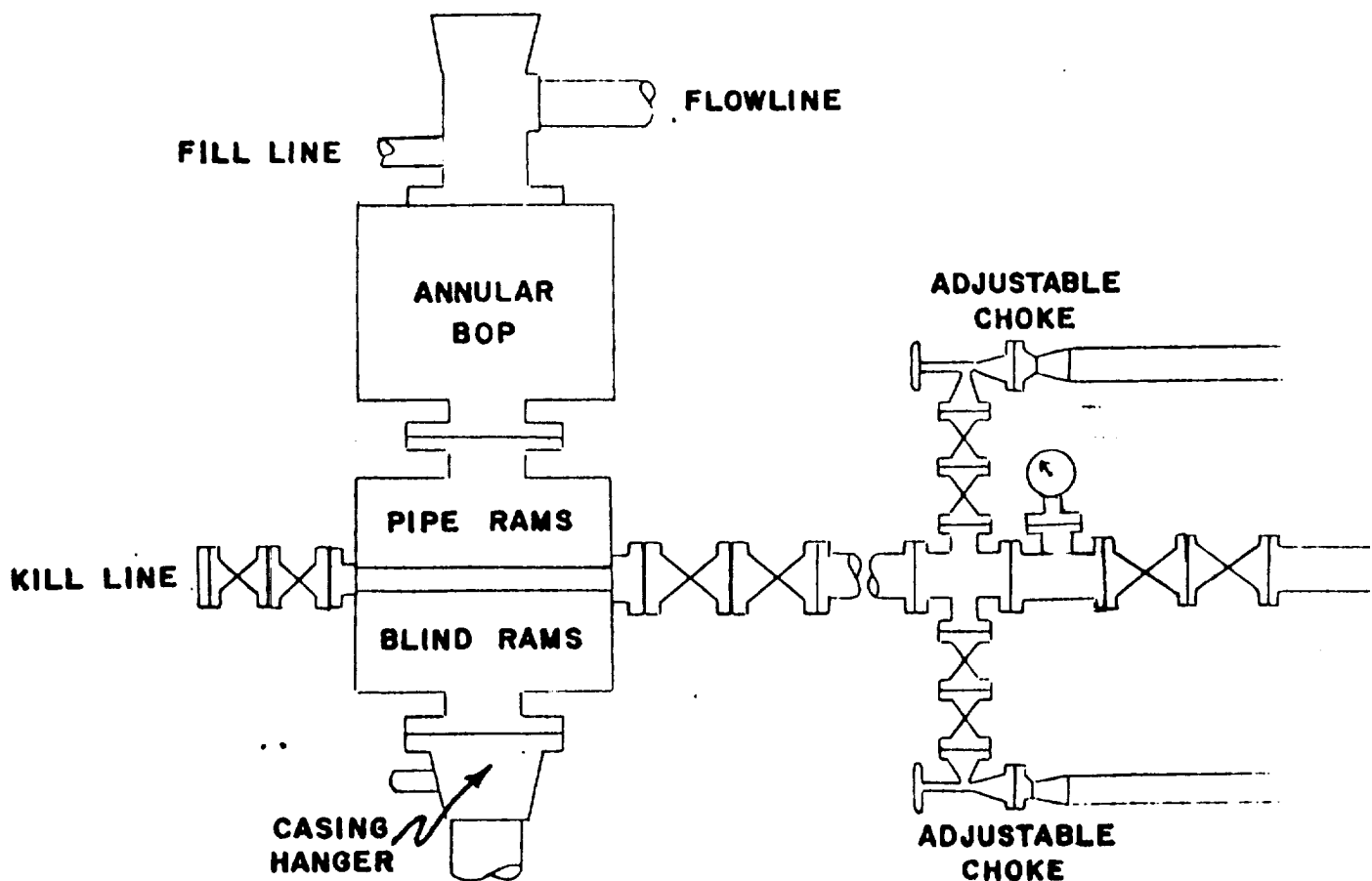


EXHIBIT "E"
MANZANO OIL CORPORATION
Appleseed Federal, Well No. 1
BOP Specifications