

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☐ DEEPEN ☐ PLUG BACK ☒			5. LEASE DESIGNATION AND SERIAL NO. API 30-025-23283	
b. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ OTHER ☐			6. IF INDIAN, ALLOTTEE OR TRIBE NAME NM-4437	
2. NAME OF OPERATOR Kaneb Operating Company, Ltd.			7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR 400 Wilco Bldg., Midland, Texas 79701			8. FARM OR LEASE NAME Aztec 14 Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980' FN & WL, Sec. 14, T20S, R34E At proposed prod. zone No direction survey run.			9. WELL NO. 2	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 32 miles S & W of Hobbs, New Mexico			10. FIELD AND POOL, OR WILDCAT Lea (Penn) Gas	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980' FN & WL, Sec. 14			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 14, T20S, R34E	
16. NO. OF ACRES IN LEASE 160			12. COUNTY OR PARISH Lea	
17. NO. OF ACRES ASSIGNED TO THIS WELL 160			13. STATE N.M.	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. NA			14. ROTARY OR CABLE TOOLS NA	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3651' GR 3669' DF			22. APPROX. DATE WORK WILL START* 12/29/86	

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

1. Abandon Original Penn. Zone 12,986'-13,288' with CIBP @ 12,900' & 35' of cement.
2. Isolate casing leak in 4-1/2" production casing. If leak below 9600', set CIBP over leak and cap CIBP with cement. If casing leak above 9600', perforate Bone Springs zone 9516'-9544' and test prior to casing leak repair.
3. If Bone Springs productive, repair casing leak. Set pumping equipment and produce.
4. If Bone Springs not productive, plug and abandon well.

Note: Mr. Dave Glass of BLM gave verbal permission on 12/23/86.

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 Jesse N. Sorensen TITLE Division Prod. Mgr. DATE 12/23/86

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY Orig: Sgd, Charles S. D. [unclear] TITLE _____ DATE 1-7-87
CONDITIONS OF APPROVAL, IF ANY _____

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.