

N. M. OIL CONS. COMMISSION
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 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

CONTACT R/ 3
OFFICE FOR NUMBER
(Other instructions on reverse side)

MEXICO 88240

10 40 AM '90

30-025-31015

BLM Rowell District
Modified Form No.
NM060-3160-2

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
 Grace Petroleum Corporation

3a. Area Code & Phone No.
 (405) 840-6600

3. ADDRESS OF OPERATOR
 6501 N. Broadway, Oklahoma City, OK 73116-8298

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface: 660' FSL & 1980' FEL
 At proposed prod. zone: same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 8 miles NE of Halfway & 28 miles SW of Hobbs, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'

16. NO. OF ACRES IN LEASE

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. 13,700'

19. PROPOSED DEPTH 13,700'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 [3613.8'] 3,612.3' GR

22. APPROX. DATE WORK WILL START* ASAP

5. LEASE DESIGNATION AND SERIAL NO.
 NM-40406

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Grace Federal

9. WELL NO.
 6-2

10. FIELD AND POOL, OR WILDCAT
~~Lea~~ N. Quail Marrow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 6-20S-34E

12. COUNTY OR PARISH 13. STATE
 Lea New Mexico

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2	13-3/8	48#	H-40	STC	470'	CIRCULATE
12-1/4	8-5/8	28 or 32#	S-80	STC	5200'	see below
7-7/8	5-1/2	17#	N-80	LTC	13,700')

13-3/8" Casing: Circulate to the surface using 500 sacks of premium plus cement containing 2% calcium chloride.

8-5/8" Casing: Cemented in two stages with a multiple stage cementer (D.V. tool) @ ± 3800'. First stage 600 sacks of light containing 16 lb. salt and 1/4 lb. flocele, tailing in with 200 sacks of premium plus containing 2% calcium chloride. Second stage with 1800 sacks of light containing 16 lb. salt and 1/4 lb. flocele tailing in with 200 sacks premium plus with 2% calcium chloride. Circulating to surface.

5-1/2" Casing: Two stages w/D.V. @ ± 10,200' tying back into the 8-5/8" string. First stage 825 sacks 50/50 premium pozmix containing .6% Halad-22A and 5 lbs KCL. Second stage 1250 sacks 50/50 premium pozmix containing 5 lbs salt and .5% Halad-322.

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 Marvin T. Jordan TITLE Operations Superintendent DATE August 15, 1990
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY Richard I. Adams TITLE AREA MANAGER DATE 8-17-90
 CONDITIONS OF APPROVAL, IF ANY: _____

*See Instructions On Reverse Side

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SEP 20 1996

CCC
HOBBS OFFICE

Submit to Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

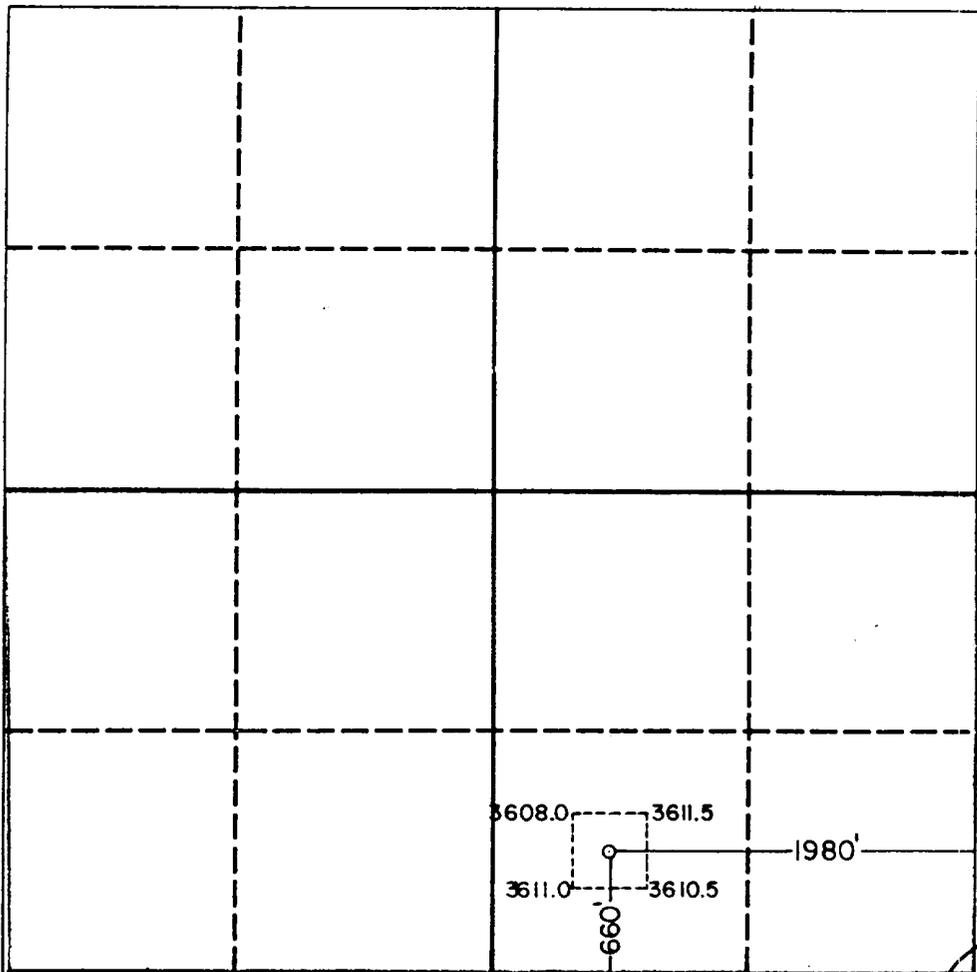
Operator GRACE PETROLEUM CORP.			Lease Grace Federal 6		Well No. 2
Unit Letter 0	Section 6	Township 20 South	Range 34 East	County Lea	
Actual Footage Location of Well: 660 feet from the South line and 1980 feet from the East line					
Ground level Elev. 3612.3	Producing Formation Morrow		Pool north Quail Ridge - Morrow	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Marvin T. Jordan*
Printed Name: Marvin T. Jordan
Position: Operations Superintendent
Company: Grace Petroleum Corporation
Date: August 2, 1990

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 knowledge and belief.

Date Surveyed: August 2, 1990

Signature & Seal of Professional Surveyor: *John W. West*

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239

125630

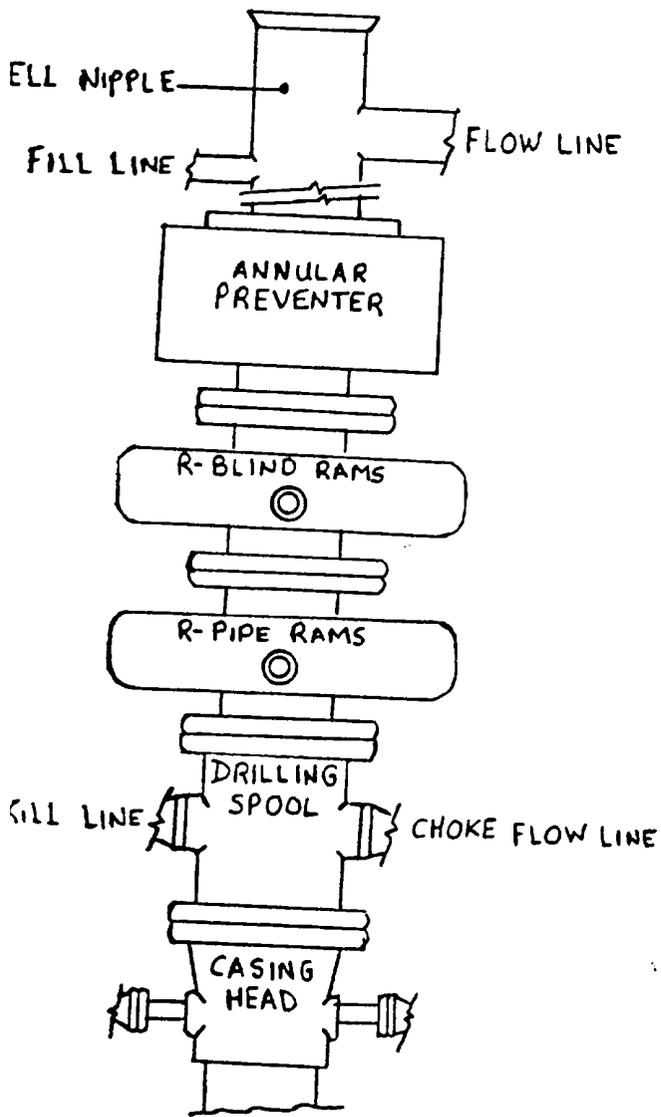
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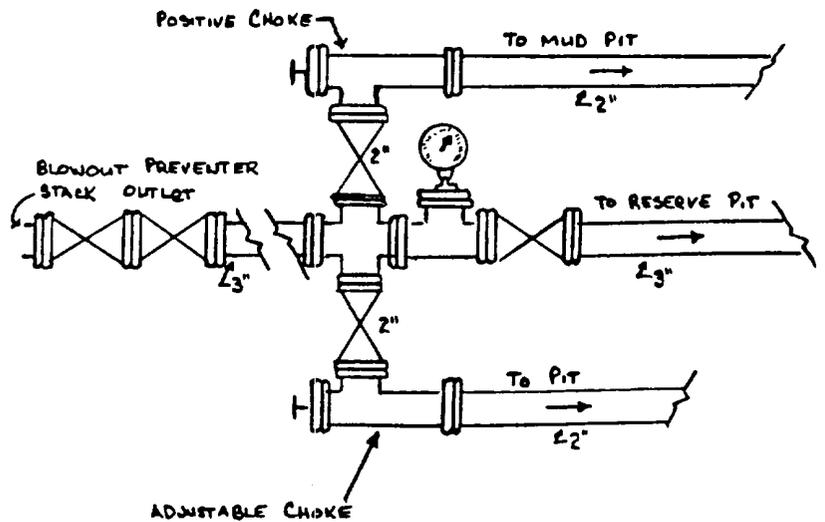
OCD
HQBBS OFFICE

GRACE PETROLEUM CORPORATION
 GRACE FEDERAL #6-2
 660' FSL & 1980' FEL
 SEC. 6, T-20-S, R-34 E
 LEA COUNTY, NEW MEXICO

BLOWOUT PREVENTER
 5000 PSI W.P.



* TAKEN FROM "RULES AND REGULATIONS"
 PART V (43 CFR PART 3160)



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CCD
HOBBS OFFICE