

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

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Collins & Ware, Inc.

3. ADDRESS AND TELEPHONE NO.

303 W. Wall, Suite 2200, Midland, TX 79701

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

At surface

1980' FSL & 1980' FWL of Sec. 6

At proposed prod. zone
same

Unit K

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

30 miles southwest of Hobbs, NM

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

320

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.

2550' south

19. PROPOSED DEPTH

13900'

20. ROTARY OR CABLE TOOLS

Rotary

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

3604' GR

Capitan Controlled Water Basin

22. APPROX. DATE WORK WILL START*

Upon approval

23.

PROPOSED CASING AND CEMENTING PROGRAM

See also's Potash R-111-P Potash

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
27.5"	H-40 20"	94#	450'	750 sx circulate
17.5"	K-55 13.375"	54.5-61#	3200'	2650 sx circulate
12.25"	J/S-55/95 9.625"	43.5-47#	5250'	1600 sx circulate
8.5	N-80 5.5"	15.5-20#	13900'	1600 sx tieback to 9.625" casing

Operator proposes to drill to the Morrow formation to test for possible commercial production of gas. If productive, a string of 5.5" casing will be set to TD. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal and State regulations and according to good engineering practice. Specific programs according to Onshore Oil and Gas Order #1 are outlined in the following attachments:

1. Well Location and Acreage Dedication Plat
2. Drilling Program
Exhibits #1 & 1A - Blowout Preventers
3. Surface Use and Operating Plan
Exhibit #2 - Existing Roads
Exhibit #2A - Planned Access Roads
Exhibit #3 - One Mile Radius Map With Lease Boundary
Exhibit #3A - Well Status
Exhibit #4 - Drilling Rig Layout
Exhibit #5 - Production Facilities Layout

ALL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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

G. Thane Akins

TITLE Agent

DATE June 15, 1992

(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

TITLE

DATE

*See Instructions On Reverse Side