

30-025-31823

OFFICIAL FILE COPY

3160(067)
NM-56264

Rwm 11-23-92

CERTIFIED--RETURN RECEIPT REQUESTED
P 864 872 933

DEC 1 1992

Read & Stevens, Inc.
Attention: George R. Smith
P.O. Box 1518
Roswell, NM 88202

for Cone
11/23/92

RE: North Lea Federal Well No. 10
NM-56264
660' FNL & 990' FEL, Sec. 10, T20S, R34E
Lea County, New Mexico

North Lea Federal Well No. 11
NM-56264
1650' FNL & 990' FWL, Sec. 10, T20S, R34E
Lea County, New Mexico

Dear Mr. Smith:

On September 24, 1992, Read & Stevens, Inc. filed Applications for Permit to Drill (APDs) at the above referenced locations. I am pleased to approve your APDs at the present locations. Your copies of the APDs, with attached stipulations, are enclosed.

Through our analysis of the APDs, we have determined that the well sites are located a sufficient distance from the ore zones that potash resources should not be impacted.

If you need any additional information, please contact Tony Herrell in the Carlsbad Resource Area at (505) 887-6544.

Sincerely,

Larry L. Woodard
Larry L. Woodard
State Director

2 Enclosures

bcc:
NM(910, L. Woodard)
NM(920, R. Smith)
NM(060, L. Cone)
NM(060, A. Lopez)
NM(067, T. Herrell)

067:Jolsen:nm:10/15/92:A:\NLF1010u.AL

30-025-31823

BLM Roswell District
Modified Form No.
NMD60-3160-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Read & Stevens, Inc.

3a. Area Code & Phone No.

505/622-3770

3. ADDRESS OF OPERATOR

P. O. Box 1518

Roswell, NM 88202

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

At surface

1650' FNL & 990' FWL

Unit E

At proposed prod. zone

Same

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

33 miles southwest of Hobbs, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

990'

(Also to nearest drilg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1016.4'

16. NO. OF ACRES IN LEASE

480

19. PROPOSED DEPTH

6600'

17. NO. OF ACRES ASSIGNED

TO THIS WELL 40

20. ROTARY OR CABLE TOOLS

Rotary

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

3638' GL

22. APPROX. DATE WORK WILL START*

June 15, 1993

23.

PROPOSED CASING AND CEMENTING PROGRAM

Secretary's Potash

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5#	J-55	STC	1600'	circ 1200 sx*
11"	8 5/8"	32.0#	S-80	LTC	5000'	Circ 1100 sx*
7 7/8"	5 1/2"	15.5#	J-55	STC	6600'	tie w/300 sx back 200' into 8 5/8"

Mud Program:

0' - 1600': Fresh water native mud:

Mud Wt.

8.4 ppg

Vis.

32

W/L Control

No W/L control

1600' - 5000': Brine mud:

10 ppg

28-32

No W/L control

5000' - 6600': Cut brine mud w/starch:

8.8 ppg

32-40

W/L control 15cc

1600' - 6600': Gel & lost circulation material will be added as needed.

BOP Program:

A 10" 3000 psi wp Shaffer Series 900 BOP will installed on the 13 3/8" casing. Casing and BOP will be tested before drilling out with 11". BOP will used as a 2000 psi wp system and will be tested daily.

* 13 3/8": Circulate 1000 sx lite, tail in with 200 sx C w/2% CaCl

* 8 5/8": Cement with DV tool in two stages starting at 3800':

1st stage: Lead 200 sx lite, tail in w/200 sx "C".

2nd stage: Lead 500 sx lite cement, tail w/200 sx neat. Cement to surface.

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.

Agent for:

Read & Stevens, Inc.

Sept. 21, 1992

SIGNED

TITLE

DATE

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

ATTACHED C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

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

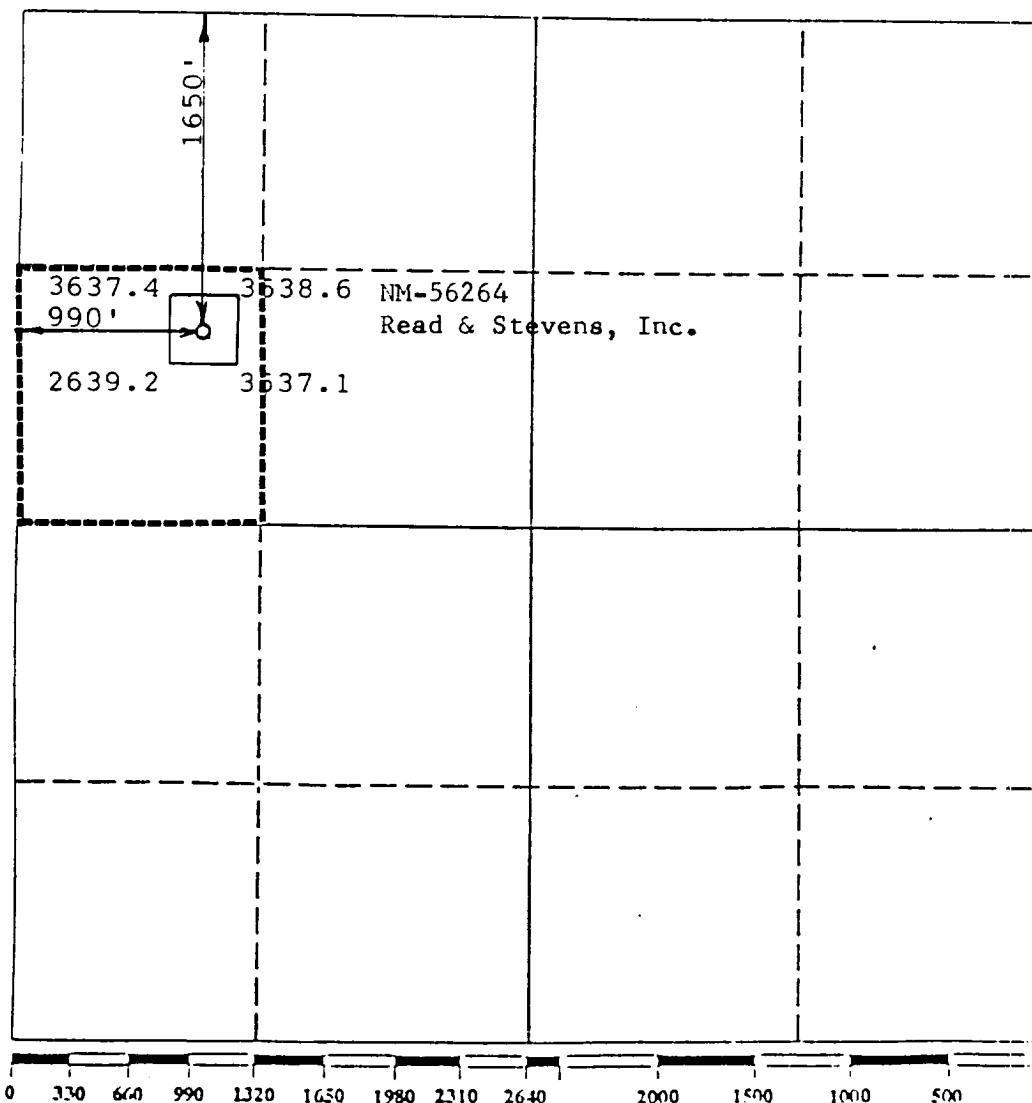
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Read & Stevens, Inc.			Lease North Lea Federal		Well No. 11
Unit Letter E	Section 10	Township 20 South	Range 34 East	County Lea	
Actual Footage Location of Well: 1650 feet from the North line and 990 feet from the West line					
Ground level Elev. 3638		Producing Formation Delaware		Pool Quail Ridge Delaware	Dedicated Acreage: 40 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 <i>George R. Smith</i>
Printed Name George R. Smith
Position Agent for:
Company Read & Stevens, Inc.
Date September 23, 1992

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 26, 1992
Signature & Seal of Professional Surveyor <i>P. R. Patton</i>
Certificate No. 8112

APPLICATION FOR DRILLING

READ & STEVENS, INC.
North Lea Federal, Well No. 11
1650' FNL & 990' FWL, Sec. 10-T20S-R34E
Lea County, New Mexico
Lease No.: NM-56264
(Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Read & Stevens, Inc. 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:

Rustler	1570'	Queen	3690'
Top of Salt	1720'	Seven Rivers	3870'
Base of Salt	3170'	Delaware	5620'
Yates	3415'	T.D.	6600'

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water in the Triassic between 80' - 230'.

Oil: Possible in the Delaware below 5620'

Gas: None expected.

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: None unless warranted.

Logging: T.D. to 5000': G/R, CNL-FDC, DLL, MSFL
T.D. to surface: G/R, Neutron

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 = 3000 psi with temperature of 110°.
10. H₂S: None expected. None in previously drilled wells.
10. Anticipated starting date: June 15, 1993.
Anticipated completion of drilling operations: Approx. 3 weeks.



KEN REYNOLDS—PRESIDENT
ARNIE NEWKIRK—VICE-PRESIDENT

DRILLING CO., INC. — OIL WELL DRILLING CONTRACTORS

P. O. BOX 1498 ROSWELL, NEW MEXICO 88202-1498
805/623-5070 805/746-2719
ROSWELL, NM ARTERIA, NM

RIG #3

BLOWOUT PREVENTOR ARRANGEMENT

2M SYSTEM

10" SHAFFER TYPE "E", 3000 psi WP

80 GALLON, 4 STATION KOOMEY ACCUMULATOR

3000 psi WP CHOKE MANIFOLD

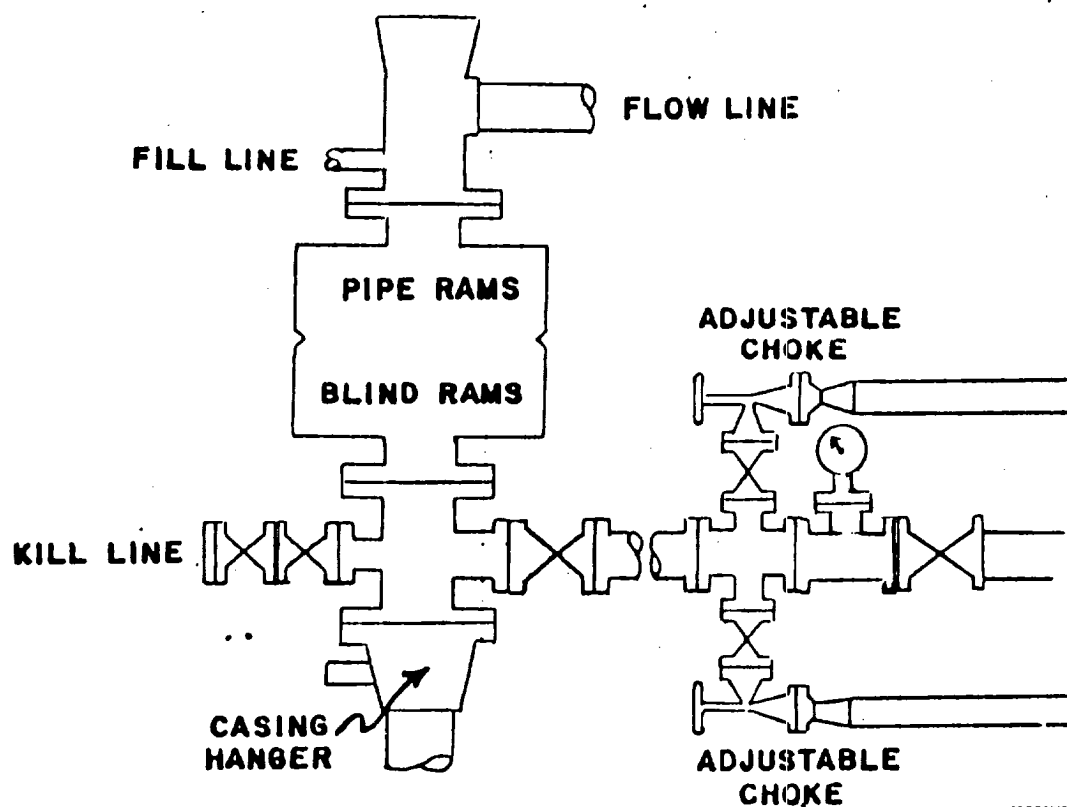


EXHIBIT "E"
READ & STEVENS, INC.
North Lea Federal, Well No. 11
BOP Specifications