

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input checked="" type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-06570	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Read & Stevens, Inc.		7. UNIT ASSIGNMENT NAME	
3. ADDRESS OF OPERATOR P. O. Box 1518 Roswell, NM 88202		8. FARM OR LEASE NAME Laurie "D" Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 330' FNL & 1650' FEEC At proposed prod. zone Same		9. WELL NO. 2	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 33 miles southwest of Hobbs, NM		10. FIELD AND POOL, OR WILDCAT Quail Ridge Delaware	
16. NO. OF ACRES IN LEASE 320		11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA Sec. 15-T20S-R34E	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		12. COUNTY OR PARISH Lea	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 737.9'		13. STATE New Mexico	
19. PROPOSED DEPTH 6900'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3641' GL		22. APPROX. DATE WORK WILL START* March 15, 1993	

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	6900'	tie w/350 sx "H"	

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' - 6900':	Cut brine mud w/starch:	8.8 ppg	32-40	W/L control 15cc

1600' - 6900': Gel & lost circulation material will be added as needed.

BOP Program:

A 10" 3000 psi wp Shaffer Series 900 BOP will be installed on the 13 3/8" casing. Casing and BOP will be tested before drilling out with 11". BOP will be 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. Dec. 15, 1992
SIGNED: _____ TITLE: _____
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY: B. Kelly Eaton TITLE: Acty State Director DATE: 7-20-93
CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

ATTACHED
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

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 Laurie "D" Federal		Well No. 2
Unit Letter B	Section 15	Township 20 South	Range 34 East	County Lea	
Actual Footage Location of Well: 330 feet from the North line and 1650 feet from the East line					
Ground level Elev. 3641	Producing Formation Delaware		Pool Quail Ridge Delaware		Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.?

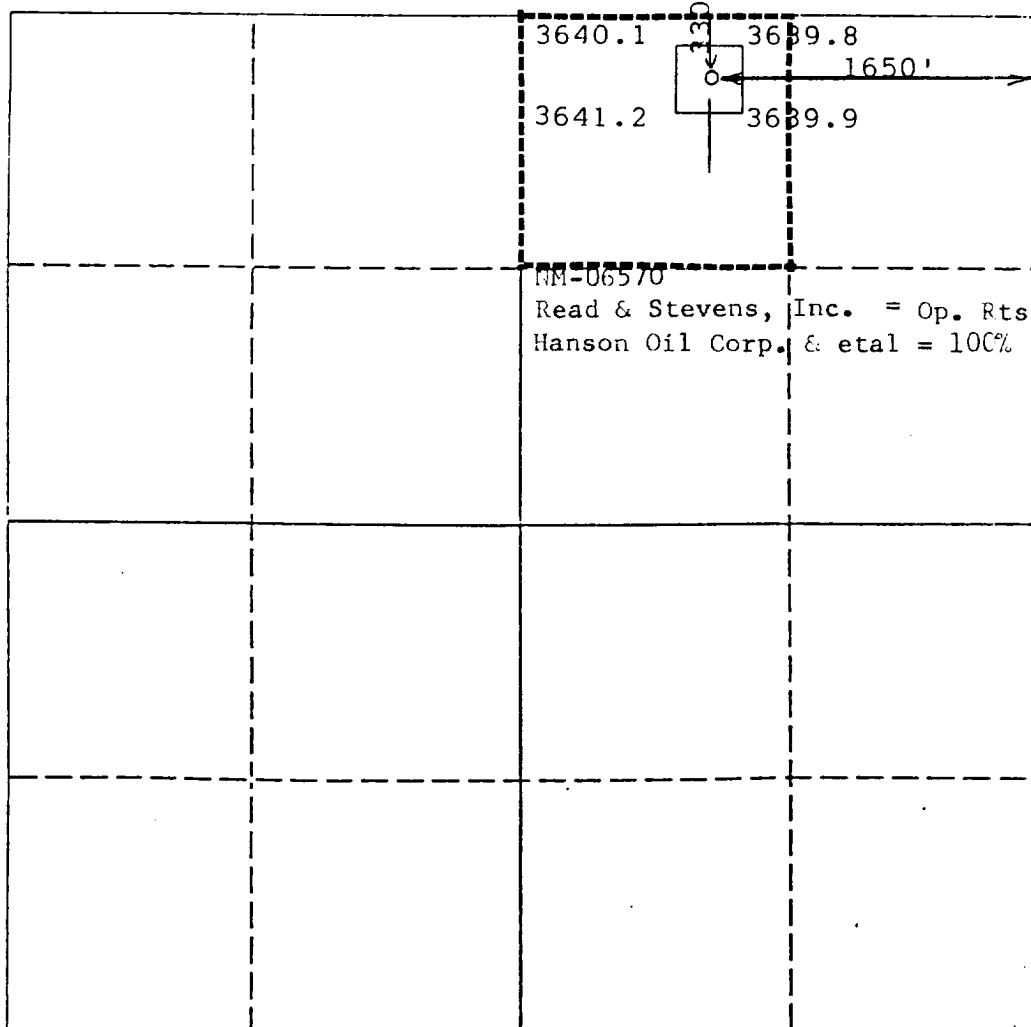
☐ Yes

☐ 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 communization, 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 _____

Printed Name _____

George R. Smith

Position _____

Agent for:

Company _____

Read & Stevens, Inc.

Date _____

December 15, 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 _____

November 20, 1992

Signature & Seal of **R. Patton**
Professional Surveyor

Certificate No. _____

8112

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

APPLICATION FOR DRILLING

READ & STEVENS, INC.
Laurie "D" Federal, Well No. 2
330' FNL & 1650' FEL, Sec. 15-T20S-R34E
Lea County, New Mexico
Lease No.: NM-06570
(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	1650'	Queen	3770'
Top of Salt	1870'	Seven Rivers	3950'
Base of Salt	3250'	Delaware	5670'
Yates	3500'	T.D.	6900'

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 5670'

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 surface casing:

G/R, CNL-FDC, DLL, MLL

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 degrees.
10. H₂S: None expected. None in previously drilled wells.
11. Anticipated starting date: March 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 ARTESIA, 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

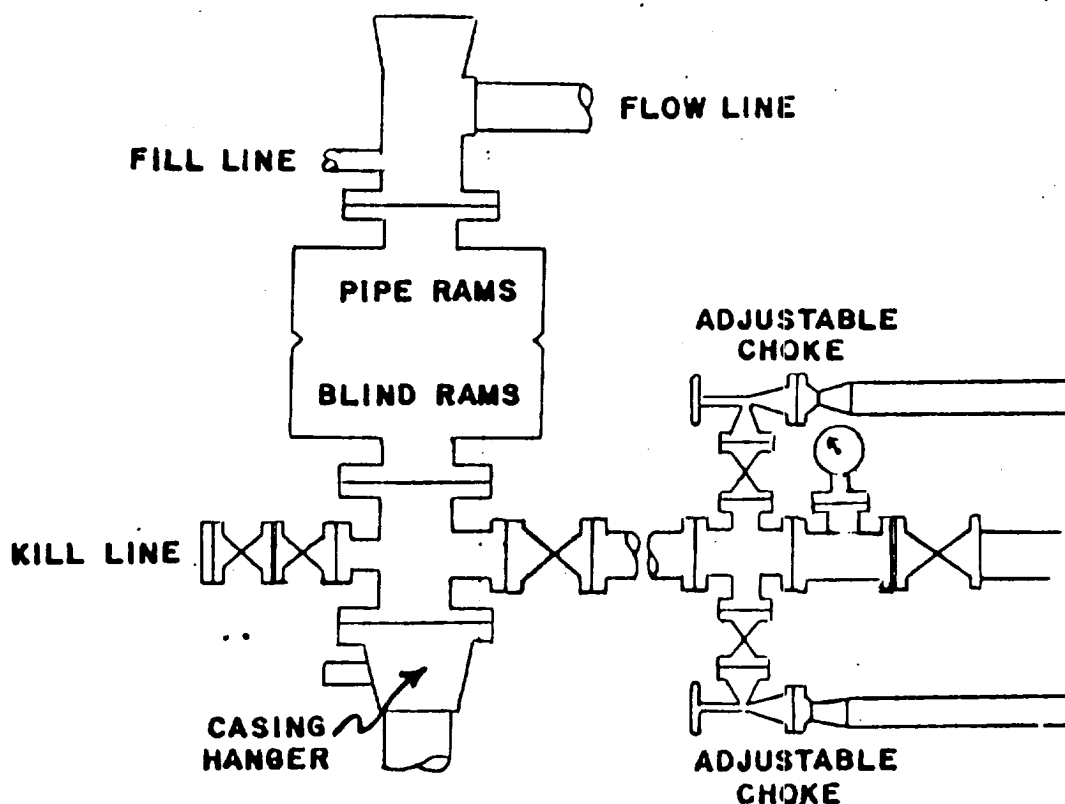


EXHIBIT "E"
READ & STEVENS, INC.
Laurie "D" Federal, Well No. 2
BOP Specifications