

N.M. OIL CONS COMMISSION
P.O. BOX 100
HOBBBS, NEW MEXICO 88240

SUBMIT IN TRIPLICATE
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

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
Read & Stevens, Inc. 505/622-3770

3. ADDRESS AND TELEPHONE NO.
P. O. Box 1518 Roswell, NM 88202

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

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
30 miles SW of Hobbs, NM

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

16. NO. OF ACRES IN LEASE
40.75

17. NO. OF ACRES ASSIGNED TO THIS WELL
40.75

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
N/A

19. PROPOSED DEPTH
6500'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, ET, GR, etc.)
3671' GL

22. APPROX. DATE WORK WILL START
February 7, 1994

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8" J-55	54.5#	1600'	Circ 1100 sx Lite + 200 "C"
11"	None		4400'	
7 7/8"	5 1/2" J-55	15.5#	6500'	Circ 1060 sx lite + 450 "H"

Mud Program:

	Mud Wt.	Vis.	W/L Control
0' - 1600': Fresh water gel spud mud:	8.7- 9.0 ppg	34-36	No W/L cont.
1600' - 5300': Brine mud:	10.0 ppg	28	No W/L cont.
5300' - 6500': Cut Brine mud w/starch:	10.0 ppg	32	W/L cont. 10cc

BOP Program:

A 5000 psi wp 11" Schaffer Type LWS BOP, with a 5000 psi wp 11" GK Hydril, 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 3000 psi wp system and will be tested daily. See exhibit "E".

OPER. OGRD NO. 13917

PROPERTY NO. 14185

POOL CODE 50463

EFF. DATE 4-8-94

API NO. 30-025-32475

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 George Smith Agent for: Read & Stevens, Inc. DATE Jan. 19, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____ APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

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 recover production thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Amkolms Schritker TITLE (acting) Associate DATE MAR 28 1994

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT

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

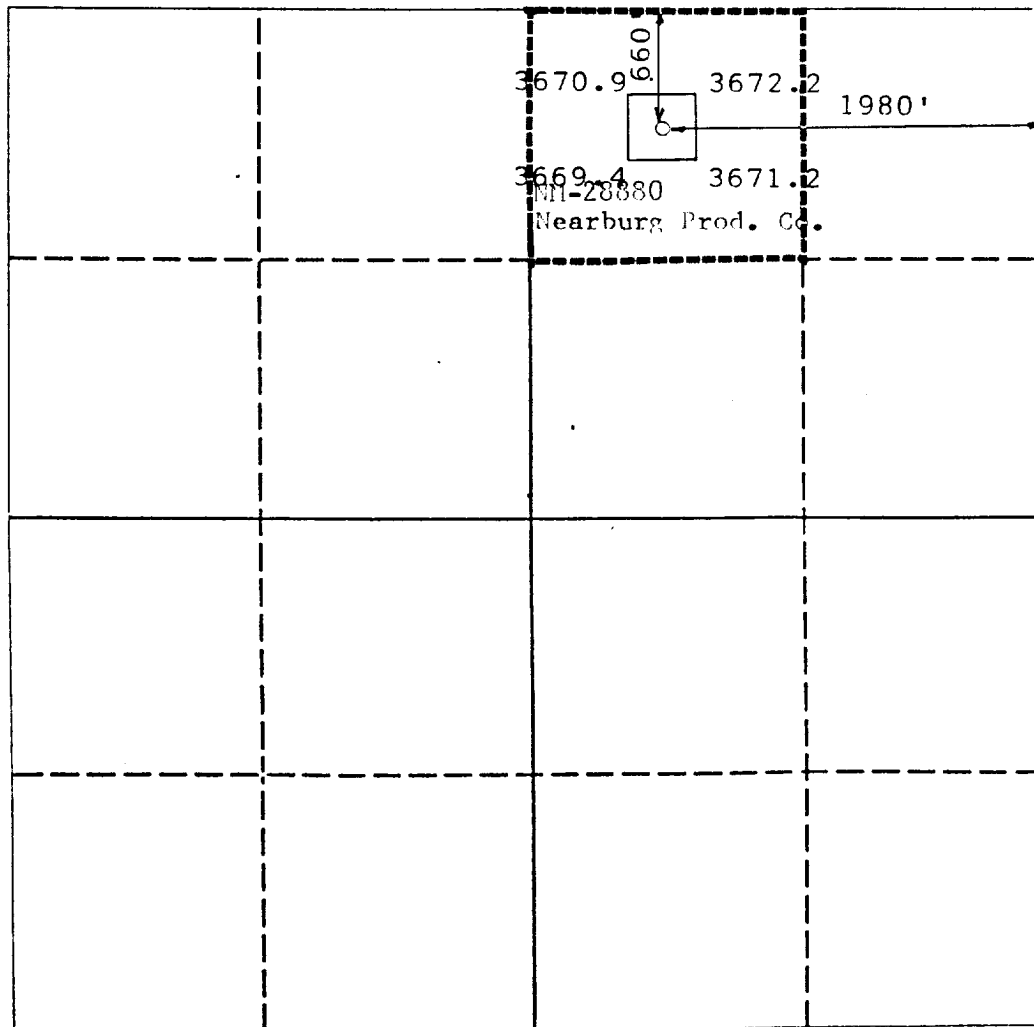
All Distances must be from the outer boundaries of the section

Operator Read & Stevens, Inc.			Lease Truffles Federal		Well No. 1
Unit Letter B	Section 3	Township 20 South	Range 34 20 East	County NMJM	Lea
Actual Footage Location of Well: 660 feet from the North line and 1980 feet from the East line					
Ground level Elev. 3671	Producing Formation Delaware		Pool Quail Ridge Delaware		Dedicated Acreage: 40.75 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 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

Printed Name _____

George R. Smith

Position

Agent for:

Company

Read & Stevens, Inc.

Date _____

January 7, 1994

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 _____

December 27, 1993

Signature & Seal of R. R. Patton
Professional Surveyor

Certificate No.

8112

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

READ & STEVENS, INC.
Truffles Federal. Well No. 1
660' FNL & 1980' FEL, Sec. 3-T20S-R34E
Lea County, New Mexico
Lease No.: NM-28880
(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	1530'	Queen	3690'
Top of Salt	1750'	Delaware	5620'
Base of Salt	3000'	T. D.	6500'
Yates	3410'		
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'.
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 (evac. hole) with temperature of 110°.
10. H₂S: None expected. None in previously drilled wells, but in the event of a gas problem, a Drilling Operations Plan was previously submitted to cover this field and is on file.
11. Anticipated starting date: February 7, 1994.
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
505/623-5070 505/746-2719
ROSWELL, NM ARTESIA, NM

RIG # 1

BLOWOUT PREVENTOR ARRANGEMENT

11" SHAFFER TYPE LWS, 5000 psi WP
11" GK HYDRIL, 5000 psi WP
80 GALLON, 4 STATION PAYNE ACCUMULATOR
3000 psi WP CHOKE MANIFOLD

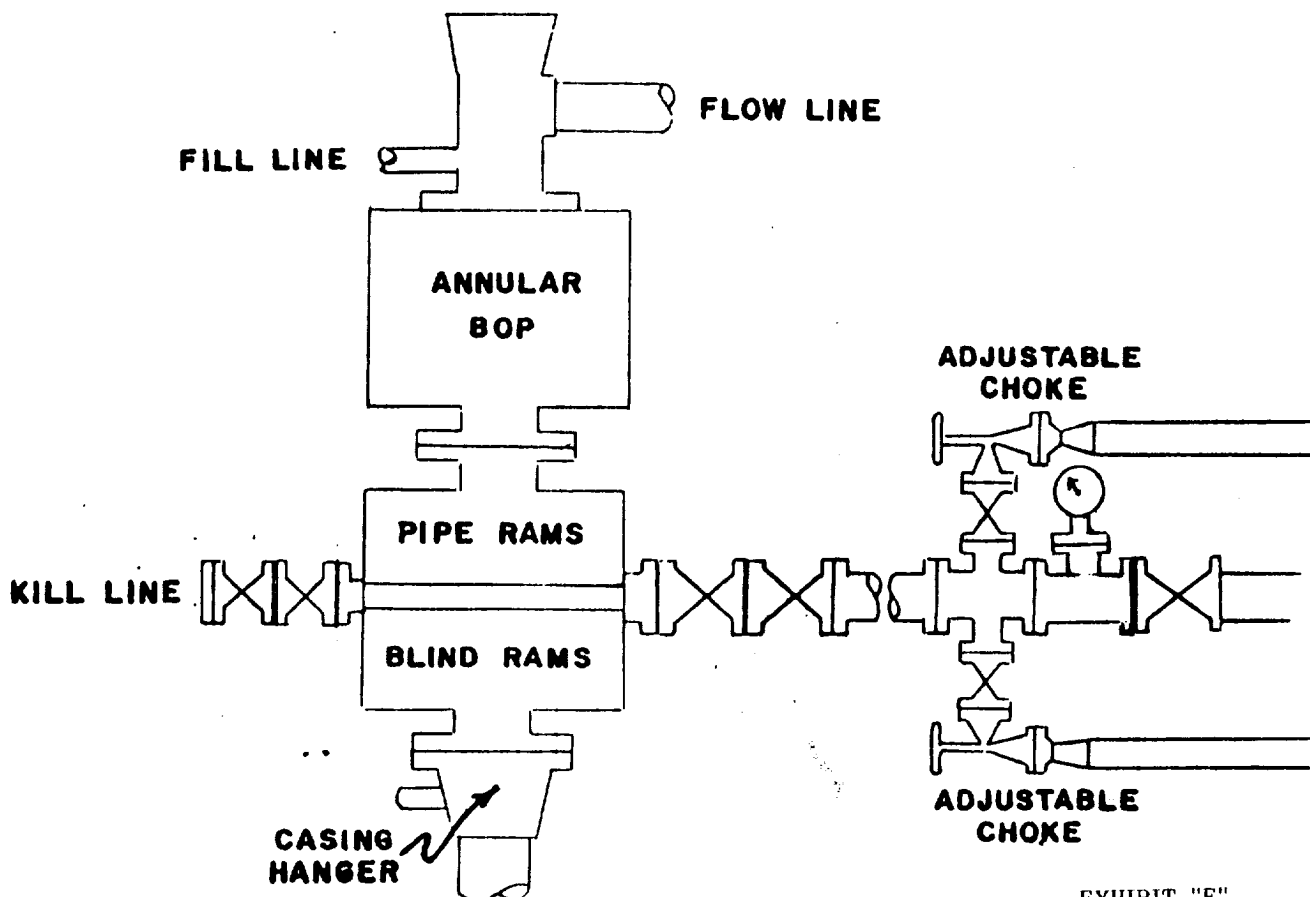


EXHIBIT "E"
READ & STEVENS, INC.
Truffles Federal, Well No. 1
BOP Specifications

3/27/95
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