

OPER. OGRID NO. 18417

PROPERTY NO. 17310

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
POOL CODE 37584

BUREAU OF LAEFF. DATE 7/16/96

APPLICATION FOR PERMIT API NO. 30-025-33516

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER ☐

SINGLE ZONE ☐ DIST. 6 N.M. 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

990' FSL & 2310' FEL

At proposed prod. zone

Same

Unit 8

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 drlg. unit line, if any)

990'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

933.4'

19. PROPOSED DEPTH

8,400'

20. ROTARY OR CABLE TOOLS

Rotary

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

3629' GL

22. APPROX. DATE WORK WILL START\*

July 15, 1996

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 1000 sx Lite = 200 "C
11"	8 5/8" S-80	32.0#	5000'	Circ 1100 sx **See Note
7 7/8"	5 1/2" N-80	17.0#	8400'	Tieback w/500 or 975 sx*
Mud Program:		Mud Wt.	Vis.	W/L Control
0' - 1600': Fresh water native mud:		8.4 ppg	32	No W/L control
1600' - 5000': Brine mud:		10.0 ppg	28-32	No W/L control
5000' - 8400': Fresh water mud w/starch:		8.8 ppg	32-40	No W/L control

BOP Program:

A 11" 5000 psi wp Shaffer Type LWS BOP, with a 5000 psi wp 11" GK Hydril, will installed on the 13 3/8" casing. Casing and BOP will be tested before drilling out with 11". BOP will be tested daily as a 3000 psi wp system.

\* NOTE: If severe lost circulation is not encountered, hole will be reduced at 5000' to 7 7/8" and drill ahead WITHOUT setting the 8 5/8" casing.

\*\* 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 "C". Cement to surface.

Approval 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. RIGNED William J. Smith Agent for: Read & Stevens, Inc. May 30, 1996  
TITLE Read & Stevens, Inc. DATE May 30, 1996

(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:

(ORIG. SGD.) RICHARD L. MANUS

AREA MANAGER

JUL 19 1996

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

\*See Instructions On Reverse Side

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Depart.

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-33516</b>	Pool Code <b>37584</b>	Pool Name <b>NE Lea</b> <del>Quail Ridge Delaware</del>
Property Code <b>17310</b>	Property Name <b>TRUMAN FEDERAL</b>	Well Number <b>4</b>
OGRID No. <b>18917</b>	Operator Name <b>READ &amp; STEVENS INC.</b>	Elevation <b>3629</b>

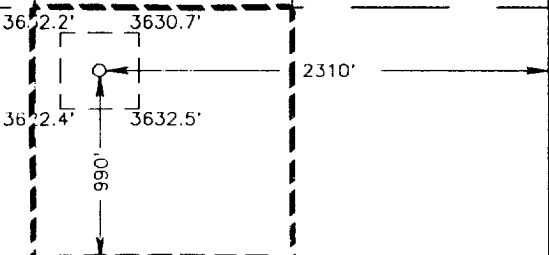
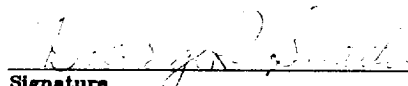
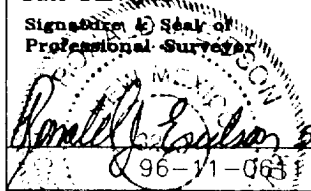
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	4	20 S	34 E		990	SOUTH	2310	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>40</b>	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4	LOT 3	LOT 2	LOT 1
40.21 ACRES	40.44 ACRES	40.66 ACRES	40.89 ACRES
LC-064194 L. R. H <sup>U</sup> udson Trust, etal			
			
<b>OPERATOR CERTIFICATION</b> <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature George R. Smith, agent for Printed Name Read & Stevens, Inc. Title May 30, 1996 Date			
<b>SURVEYOR CERTIFICATION</b> <i>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 belief.</i> MAY 22, 1996 Date Surveyed Signature & Seal of Professional Surveyor  Certificate No. JOHN M. WEST 676 RONALD J. EIDSON 3239 GARY EIDSON 12641			

APPLICATION FOR DRILLING  
READ & STEVENS, INC.  
Truman Federal, Well No. 4  
990' FSL & 2310' FEL, Sec. 4-T20S-R34E  
Lea County, New Mexico  
Lease No.: LC-064194  
(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	1,600'	Bone Spring	8,200'
Top of Salt	1,720'	T.D.	8,400'
Tansill	3,183'		
Yates	3,406'		
Seven Rivers	3,758'		
Delaware	5,540'		
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 6000'.

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 5100':	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 = 3300 psi (evac. hole) with temperature of 140°.
10. H<sub>2</sub>S: None expected. None in previously drilled wells, but a Drilling Operations Plan, Exhibit "F", is being submitted to cover this contingency.
11. Anticipated starting date: July 15, 1996.  
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  
ROSWELL, NM

505/746-2710  
ARTEZIA, 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

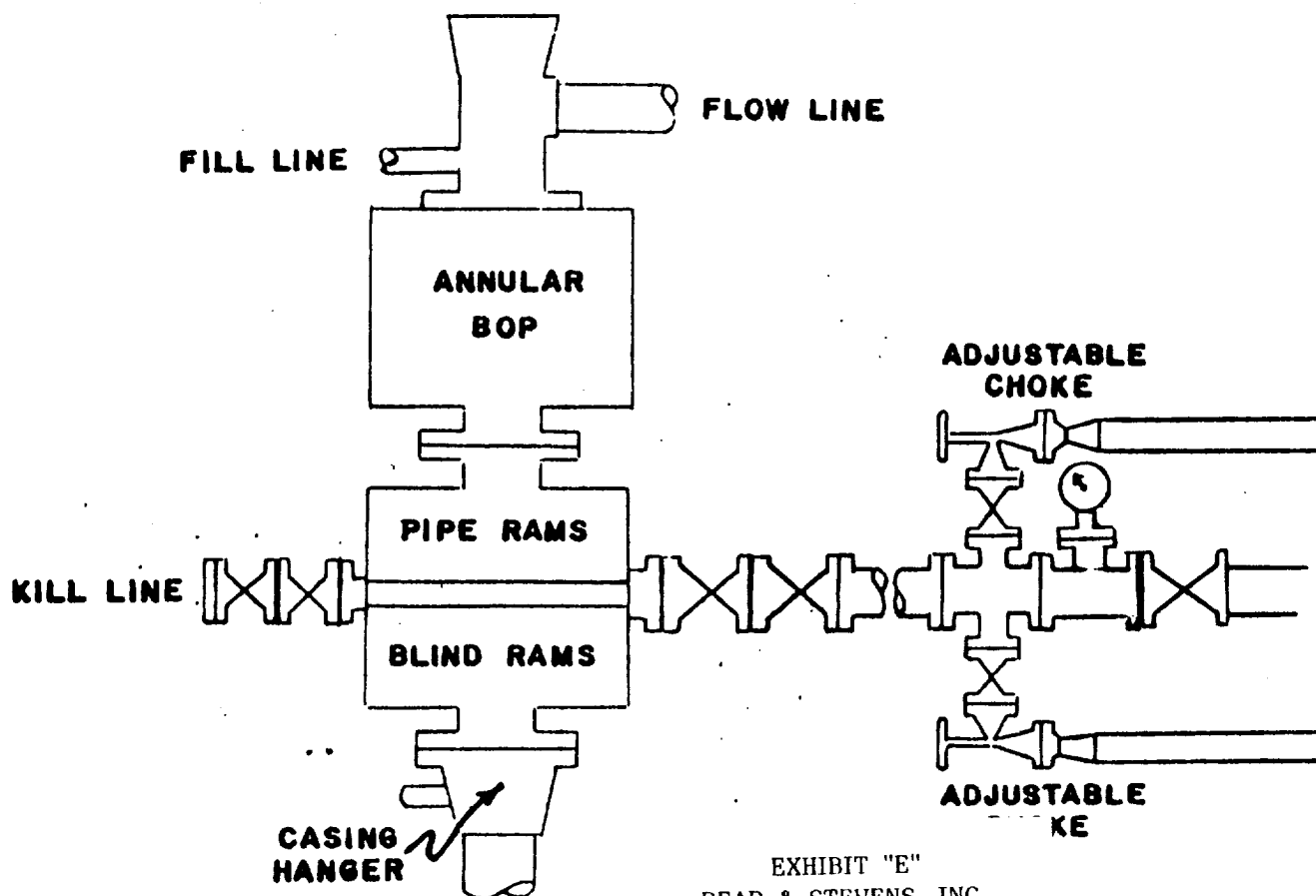


EXHIBIT "E"  
READ & STEVENS, INC.  
Truman Federal, Well No. 4  
BOP Specifications