

September 25, 1975

District Engineer
U. S. Geological Survey
Hobbs, N.M.

Gentlemen:

SEMPU PENN No. 97-SW/4 SEC. 23, T20S, R37E, Lea Co., N.M.

This refers to the Form 9-331C, Application to Drill, Deepen or Plugback accompanying this letter. The undersigned hereby states that he has personally contacted Trenton Stradley, SEW Cattle Co., the owner of the surface land where the proposed work is to be conducted and advised him of the proposed work, the construction site and pertinent roads included in the project. It is further stated that, upon being fully advised of the extent of the work and the effect upon the surface, said owner has consented to the said work and that agreement as to the compensation for damages to the surface estate has been reached.

It has been agreed, subject to change at that time, that upon abandonment of operations the roads shall be (ripped ~~or left intact~~) and the pad shall be (ripped ~~or left intact~~).

David A. Lawrence

STATE OF NEW MEXICO
COUNTY OF LEA

Subscribed and sworn to before me this 25th day of November, 1976

U. M. Foster
Notary Public

My commission expires 2-20-77

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U. S. GEOLOGICAL SURVEY
P. O. Box 1157
Hobbs, New Mexico 88240

HOBBS DISTRICT

Continental Oil Co. No. 97 SEMU Penn. NE $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 23-20S-37E Lea County, N. M. Above Data Required on Well Sign
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CONDITIONS OF APPROVAL

1. Drilling operations authorized are subject to the attached sheet for general requirements for drilling and producing operations.
2. Notify this office (telephone (505) 393-3612) when the well is spudded and in sufficient time for a representative to witness cementing operations.
3. Immediate notice is required of all blowouts, fires, spills, and accidents involving life-threatening injuries or loss of life.
4. Secure prior approval before changing the approved drilling program or commencing plugging operations, plug-back work, casing repair work, or corrective cementing operations.
5. Blowout prevention equipment is to be installed, tested, and in working order before drilling below the surface casing and shall be maintained ready for use until drilling operations are completed.
6. A kill-line is to be properly installed and is not to be used as a fill-up line.
7. Blowout preventers are to have proper casing rams when running casing.
8. Drill string safety valve(s) to fit all pipe in the drill string to be maintained on the rig floor while drilling operations are in progress.
9. Blowout prevention drills are to be conducted as necessary to assure that equipment is operational and that each crew is properly trained to carry out emergency duties. All BOP tests and drills are to be recorded on the driller's log.
10. Operations must be in compliance with the provisions of the landowner agreement concerning surface disturbance and surface restoration.
11. 13-3/8" surface casing should be set in the Rustler anhydrite formation and cement circulated to the surface. If surface casing is set at a lesser depth, the 8-5/8" casing must be cemented from the casing shoe to the surface, or cemented to the surface through a stage tool set at least 50 feet below the top of the Rustler, after cementing around the shoe with the specified amount of cement.

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