

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

Continental Oil Company

3. ADDRESS OF OPERATOR

Box 460 Hobbs, N.M. 88240

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

At surface

1980' FNL + 1980' FEL

At proposed prod. zone

50 m.p.

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

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*

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

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

3561.5 GR.

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	New 9 5/8"	32.3 #	1600'	650 SX Circ.
8 3/4"	New 7"	23 + 26 #	7070'	1200 SX.

IT IS Proposed To Drill A Straight Hole To A TD
OF 7070' and complete AS A Dual oil well in the
Blinobry and Tubb Zones.

See Attached For B.O. P. Program, Mud Program, Formations
TOPS, Logging ETC.

Unless Drilling Operations have
Commenced, this drilling approval
Expires 7-6-78

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.

SIGNED

Wm. R. Butterfield

TITLE

ADMIN. SUPV.

DATE

11-7-77

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
AS AMENDED

FEB 24 1978

G. G. L.

ACTING DISTRICT ENGINEER

*See Instructions On Reverse Side

USGS-6, File-2, NMFU Partners-4

5. LEASE DESIGNATION AND SERIAL NO.

LC-063458

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

WARREN

8. FARM OR LEASE NAME

WARREN UNIT

9. WELL NO.

53

10. FIELD AND POOL, OR WILDCAT

Warren UNBLENDED

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Sec. 26, T. 20S, R. 38E

12. COUNTY OR PARISH

Lea

13. STATE

N.M.

16. NO. OF ACRES IN LEASE

1920

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

19. PROPOSED DEPTH

7070'

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

6-6-78

RECEIVED

FEB 28 1970

OIL CONSERVATION COMM.
HOBBS, N. M.

District Engineer
U. S. Geological Survey

Gentlemen:

Re: Warren Unit No. 53

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 Pat Sims, 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~~).

Don Samuels

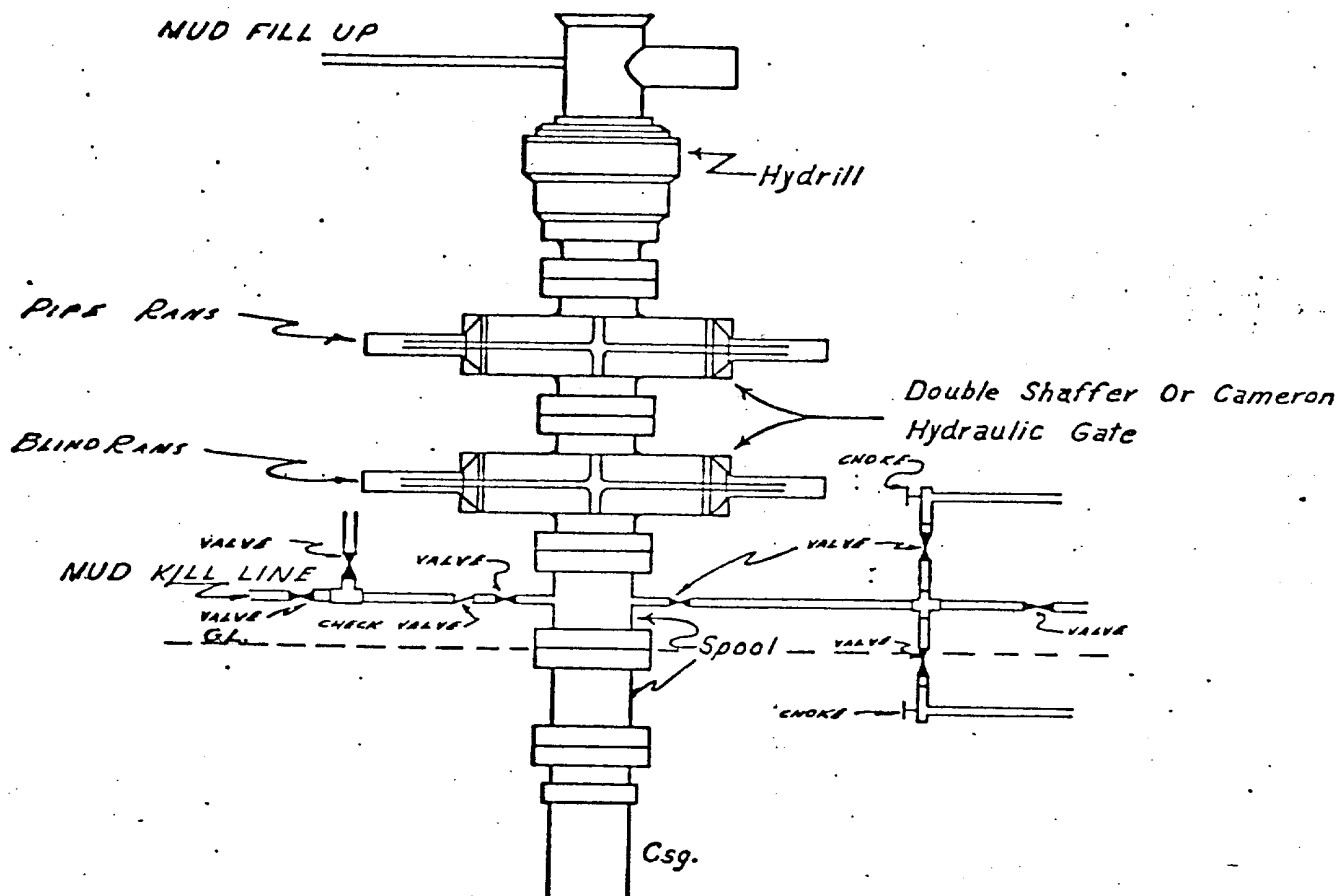
STATE OF NEW MEXICO
COUNTY OF LEA

Subscribed and sworn to before me this 8th day of November, 19 77

Barbara E. Pellegrin
Notary Public

My commission expires 7-4-80

CONTINENTAL OIL COMPANY
Blow-o Preventer Specifications



API Series 900

NOTE:

Manual and Hydraulic controls with closing unit no less than 75' from well head.
Remote controls on rig floor.

DUE TO SUBSTRUCTURE CLEARANCE,
HYDRILL MAY OR MAY NOT BE USED.

Warren Unit NO. 63

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-101
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

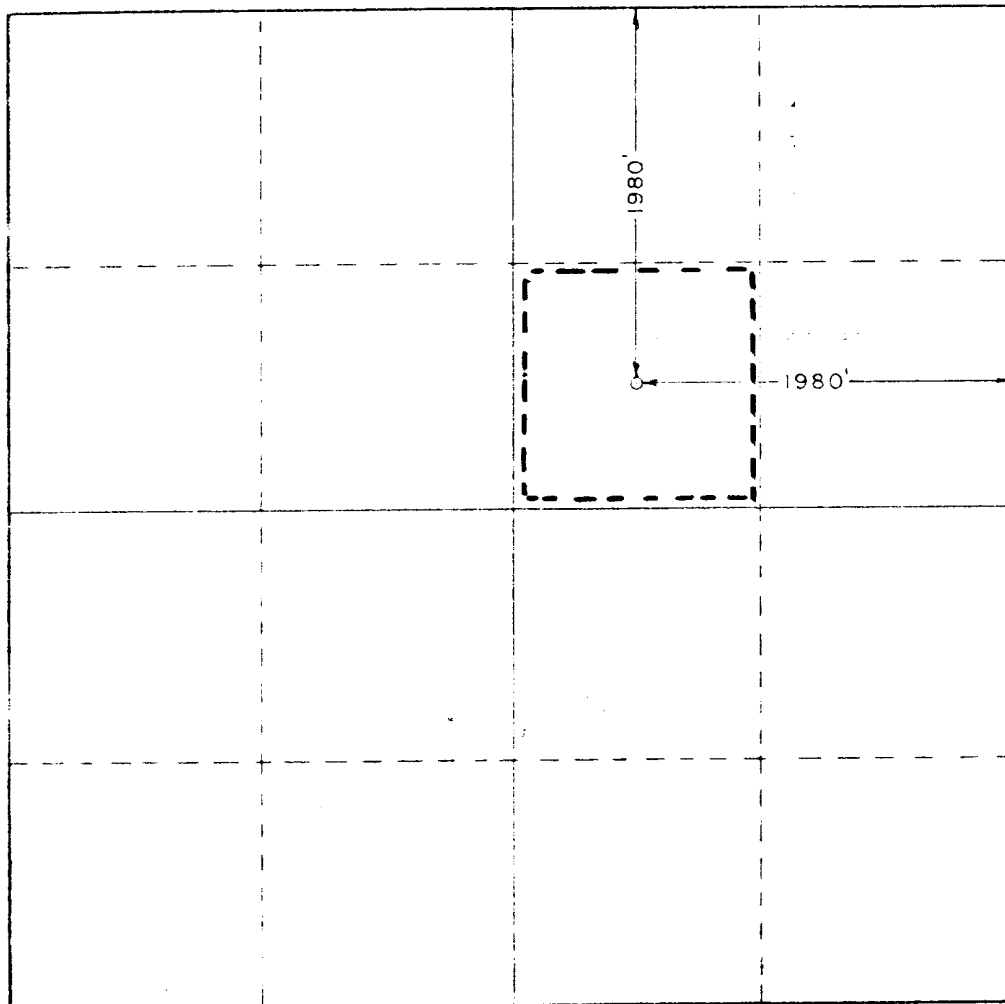
Operator Continental Oil Co.			Lease Warren Unit		Well No. 53
Grid Letter G	Section 26	Township 20 South	Range 38 East	County Lea	
Actual Well Location of Well: 1980 feet from the North line and 1980 feet from the East line					
Ground Level Elev. 3561.5	Producing Formation Blinberry & Tubb		Pool WARREN		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 interests 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 interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Wm. A. Butterfield
Position
ADMIN. SUPERV.
Company
Continental Oil Co.
Date
11-7-77

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

10-6-77

Registered Professional Engineer and/or Land Surveyor

Certificate No.

676

330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

RECEIVED

FEB 28 1978

OIL CONSERVATION COMM.
HOBBS, N. M.

WELL NAME: Warren Unit 110.53
1980' FNL & 1980' FEL
LOCATION: Sec. 26, T20S, R38E

COUNTY: Lea
STATE: New Mexico

DEPTH	FORMATION TOPS & TYPE	DRILLING PROBLEMS	TYPE OF FORMATION EVALUATION	HOLE SIZE	CASING		FRACTURE GRADIENT	FORMATION PRESSURE GRADIENT	MUD	
					SIZE	DEPTH			WEIGHT	TYPE
Surface - Pleistocene										
	Santa Rosa - Wt.									
1000										
	RUSTLER 1540' SALADO 1630' - Salt			12 1/4	9 5/8"	1600'			8.5- 9.0	Fresh water
2000										
	TANSILL 2690' YATES 2840'									
3000										
4000										
	SAN ANDRES 4230'									
5000										
6000	GLORIETA 5530'									
	ELINEBRY 5990' - oil		GR-CNL-FDC DLL TD-2600'				14.9	less than 8.5		
7000	TUBB 6620' - oil BRINKARD 6770'							less than 8.5		
	TD 7070'			8 3/4	7"	7070'	15.1		9.0- 10.0	salt gcl

Date _____

Prepared by _____

Approved _____

Attachment to Form 9-331 C
Application for Permit to Drill

Continental Oil Company, Warren Unit Nos. 50, 51, 52, 53, 54, 55
T-20S, R-38E
Lea County, New Mexico

1. The geologic name of the surface formation is Pleistocene Sand.
2. The estimated tops of important geologic markers are shown on the attached Proposed Well Plan.
3. The estimated depths at which anticipated water, oil, gas or other mineral-bearing formations to be encountered are as follows:

Santa Rosa SS	Approximately 300' Water
Salado	Approximately 1600' Salt
Blinebry	Approximately 5900' Oil
Tubb	Approximately 6500' Oil
4. The proposed casing program is as follows:

Surface-new 9 5/8" 32.30# K-55 STC set at approximately 1600'
Production-new 7" 23# and 26# K-55 STC set at approximately 7000'
5. A drawing of an API Series 900 Blowout Preventer Specification is attached. Pipe rams and blinds will be checked to 1,000 PSI for 30 minutes when BOP is installed. BOP will be checked when casing string is set and operated daily for checks.
6. The proposed mud program is as follows:

0-1600' fresh water	8.5-9.0 pounds per gallon
1600' - TD salt gel	9.0-10.0 pounds per gallon
7. The auxiliary equipment to be used is:
 - (1) kelly cocks
 - (2) floats at the bit
8. It is proposed to run GR-CNL-FDC-DLL logs from TD to 2600'.
9. No abnormal pressures or temperatures are expected to be encountered in this well.
10. The anticipated starting date for the first well is April 1, 1978, with a duration date of approximately 21 days for each well.

SURFACE USE PLAN
Continental Oil Company, Warren Unit Nos. 50, 51, 52, 53, 54, 55
T-20S, R-38E
Lea County, New Mexico

The plan is to accompany "Application for Permit to Drill" the subject well which is located approximately ten miles south of Hobbs, New Mexico. The following is a discussion of pertinent information concerning possible effect which the proposed drilling of the well may have on the environment of the well and road sites and surrounding acreage. A copy will be posted on the derrick floor so that all contractors and sub-contractors will be aware of all items of this plan.

1. Existing Roads

A. The proposed well sites are as follows:

Well No. 50, 660' FNL and 1650' FEL of Section 29.
Well No. 51, 2030' FNL and 1980' FWL of Section 26.
Well No. 52, 1980' FSL and 1980' FEL of Section 26.
Well No. 53, 1980' FNL and 1980' FEL of Section 26.
Well No. 54, 660' FNL and 660' FEL of Section 29.
Well No. 55, 1650' FNL and 710' FEL of Section 29.

B. Exhibit "A" is a portion of a New Mexico road map showing existing black top roads. Directions to the location (outlined in red on map) from Hobbs, New Mexico are as follows: From the Stanolind Road on the south edge of Hobbs, travel south 9.6 miles on Highway 18 and refer to Exhibit "C" Warren Unit road map for the well locations.

C,D,E. The access roads are shown on Exhibits "B", "C" and "D".

F. No improvement or maintenance are anticipated for the existing roads.

2. Planned Access Roads

- A. Width and Length: New roads required will be 12' wide and various lengths. These new roads are labeled on Exhibits "B" and "C". (staked)
- B. Turnouts: None
- C. Drainage Design: New road will have a drop of 6" from center line on each side.
- D. Culverts, Cuts and Fills: None
- E. Surfacing Material: Six inches of caliche, bladed, watered and compacted.

F. Gates, Cattleguards, Fences: None required.

G. The proposed roads are staked.

3. Locations of Existing Wells

See Exhibit "D"

4. Location of Existing and/or Proposed Facilities

A. Tank Batteries: The existing production header is located in the SW/4 of Section 27 and located on Exhibit "D".

B. Producing Facilities: No additional producing facilities are required.

C. Oil Gathering Lines: The flowline will lay (not buried) along the roads as shown on Exhibit "D".

D. Other Lines: No additional gas gathering, injection or disposal lines will be required.

E. Rehabilitation: Pits will be backfilled and leveled as soon as practical to original condition. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed within 45 days from commencement.

F. Power Lines: See attached map for the power distribution.

5. Water Supply

The supply of water will be hauled from Eunice, New Mexico.

6. Source of Construction Materials

A. Caliche for surfacing the new road and the well pad will be obtained from an existing pit in the SE/SE Section 15, T-20S, R-38E as shown on Exhibit "D".

B. Caliche to be purchased from Mr. Earl Kornegay.

C. The caliche to be hauled, from the location of caliche pit, on existing roads to the new roads locations as shown on Exhibits "C" and "D".

7. Methods for Handling Waste Disposal

Waste Disposal: Well cuttings will be disposed in reserve pit. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures. All detrimental waste will be hauled away, burned or buried with a minimum cover of 24" of dirt. See Exhibit "E" for location of pits. If well is

productive, maintenance waste will be placed in special trash cans and hauled away periodically. Any produced water will be collected in tanks until hauled to an approved disposal system, or separate disposal applications will be submitted to the survey for appropriate approval.

8. Ancillary Facilities

None

9. Well Site Layout

Exhibit "E" shows the relative location and dimensions of the well pad, mud pit, reserve pit, trash barrel, etc. The reserve pit will be lined with plastic. The pad and pits are staked.

10. Plans for Restoration of Surface

Pits will be backfilled and leveled as soon as practical to original condition. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed within 45 days from commencement.

11. Other Information

- A. Terrain: Low rolling sand hills. See Exhibit "B", topographic map of area.
- B. Soil: Sandy
- C. Vegetation: Shinnery, Sparse
- D. Surface Use: Grazing
- E. Ponds and Streams: None within one mile
- F. Water Wells: None within one mile
- G. Residences and Building: None within one mile
- H. Arroyos, Canyons, Etc.: Monument Draw approximately 2 miles, see attached Exhibit "B".
- I. Well Sign: Sign identifying and locating well will be maintained at drill site with the spudding of the well.
- J. Open Pits: All pits containing mud or other liquids will be fenced.
- K. Archaeological Resources: None observed.

12. Operator's Representative

Field personnel who can be contacted concerning compliance of this Surface Use Plan are as follows:

Production and Drilling
W. D. Cates, D. A. Sowers, or L. P. Thompson
1001 North Turner
Hobbs, New Mexico 88240
Phone: 393-4141

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Continental Oil Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

11-7-77

DATE

Wane Sowers
Prod. Supt.

ses

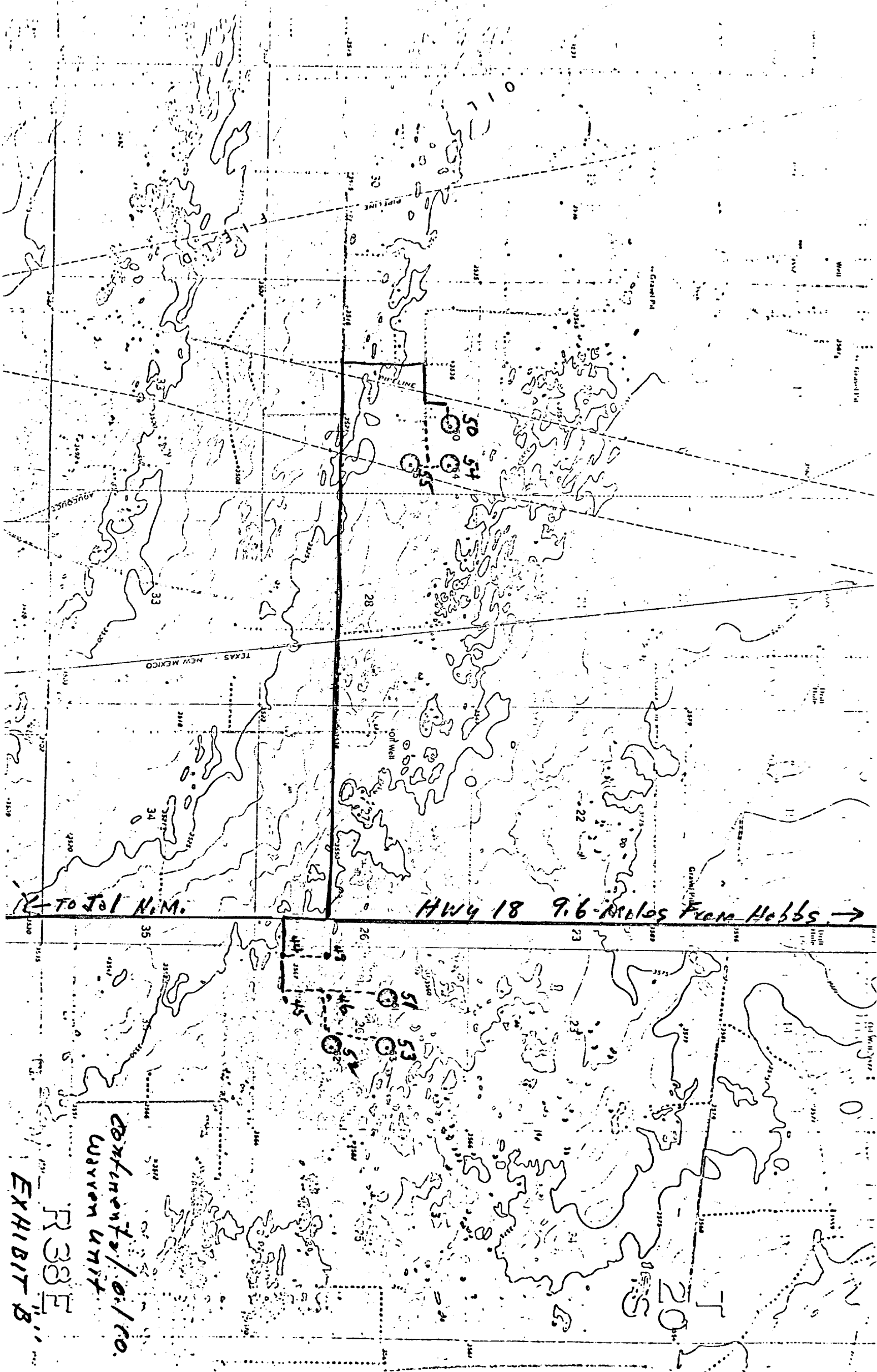


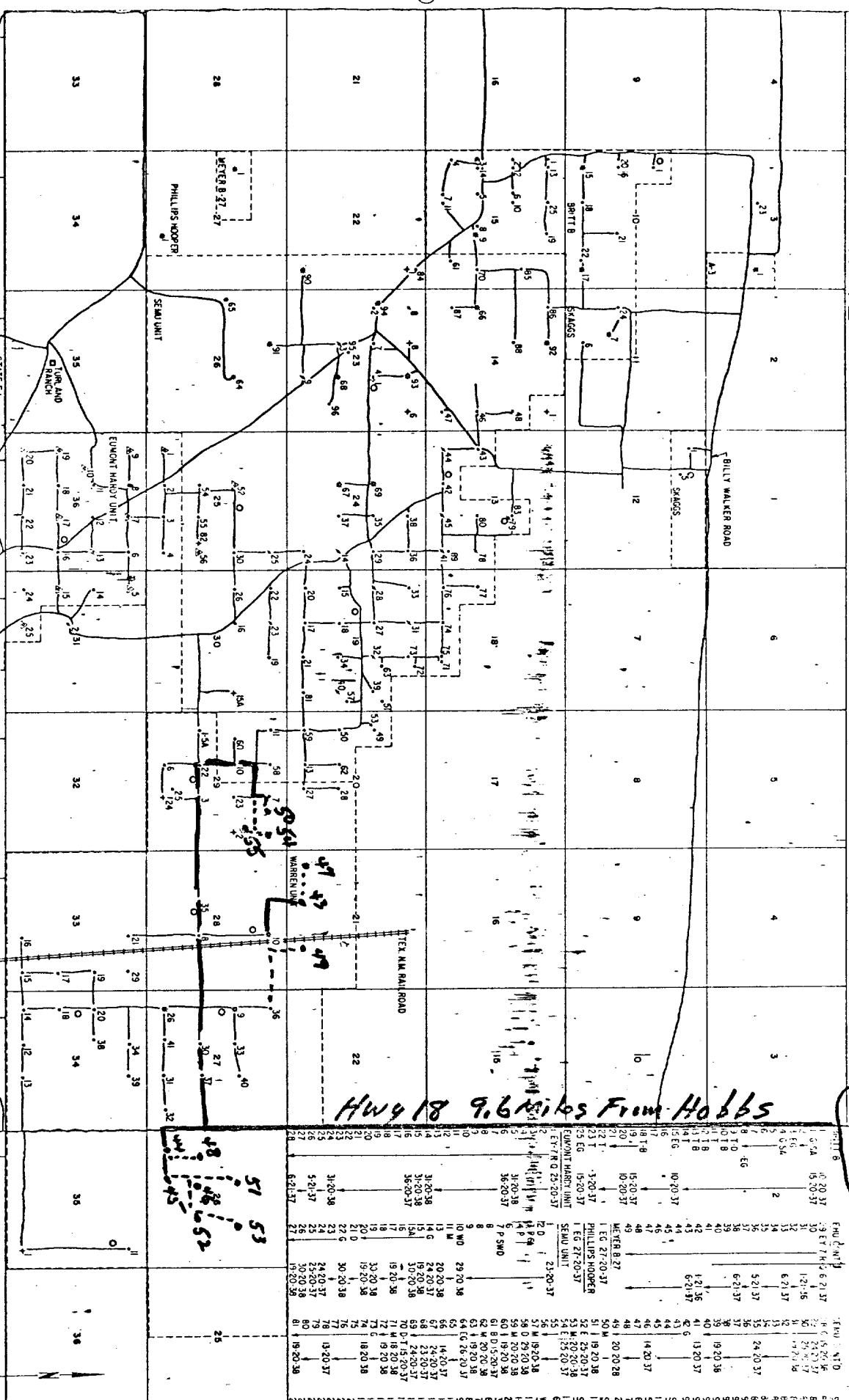
EXHIBIT "B"

R37E

R38E

Highway 18

HWY 18 9.6 Miles From Hobbs



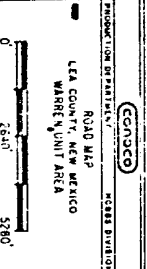
Well No.	Section	Formation	Direction	Depth	Remarks
1	1	W	N	100	
2	2	W	N	120	
3	3	W	N	140	
4	4	W	N	160	
5	5	W	N	180	
6	6	W	N	200	
7	7	W	N	220	
8	8	W	N	240	
9	9	W	N	260	
10	10	W	N	280	
11	11	W	N	300	
12	12	W	N	320	
13	13	W	N	340	
14	14	W	N	360	
15	15	W	N	380	
16	16	W	N	400	
17	17	W	N	420	
18	18	W	N	440	
19	19	W	N	460	
20	20	W	N	480	
21	21	W	N	500	
22	22	W	N	520	
23	23	W	N	540	
24	24	W	N	560	
25	25	W	N	580	
26	26	W	N	600	
27	27	W	N	620	
28	28	W	N	640	
29	29	W	N	660	
30	30	W	N	680	
31	31	W	N	700	
32	32	W	N	720	
33	33	W	N	740	
34	34	W	N	760	
35	35	W	N	780	
36	36	W	N	800	

LEGEND FOR WELL LISTING:
WELL NO. FORMATION SECTION TOWNSHIP RANGE

- B-101 BURNING
- B-102 BURNING
- B-103 BURNING
- B-104 BURNING
- B-105 BURNING
- B-106 BURNING
- B-107 BURNING
- B-108 BURNING
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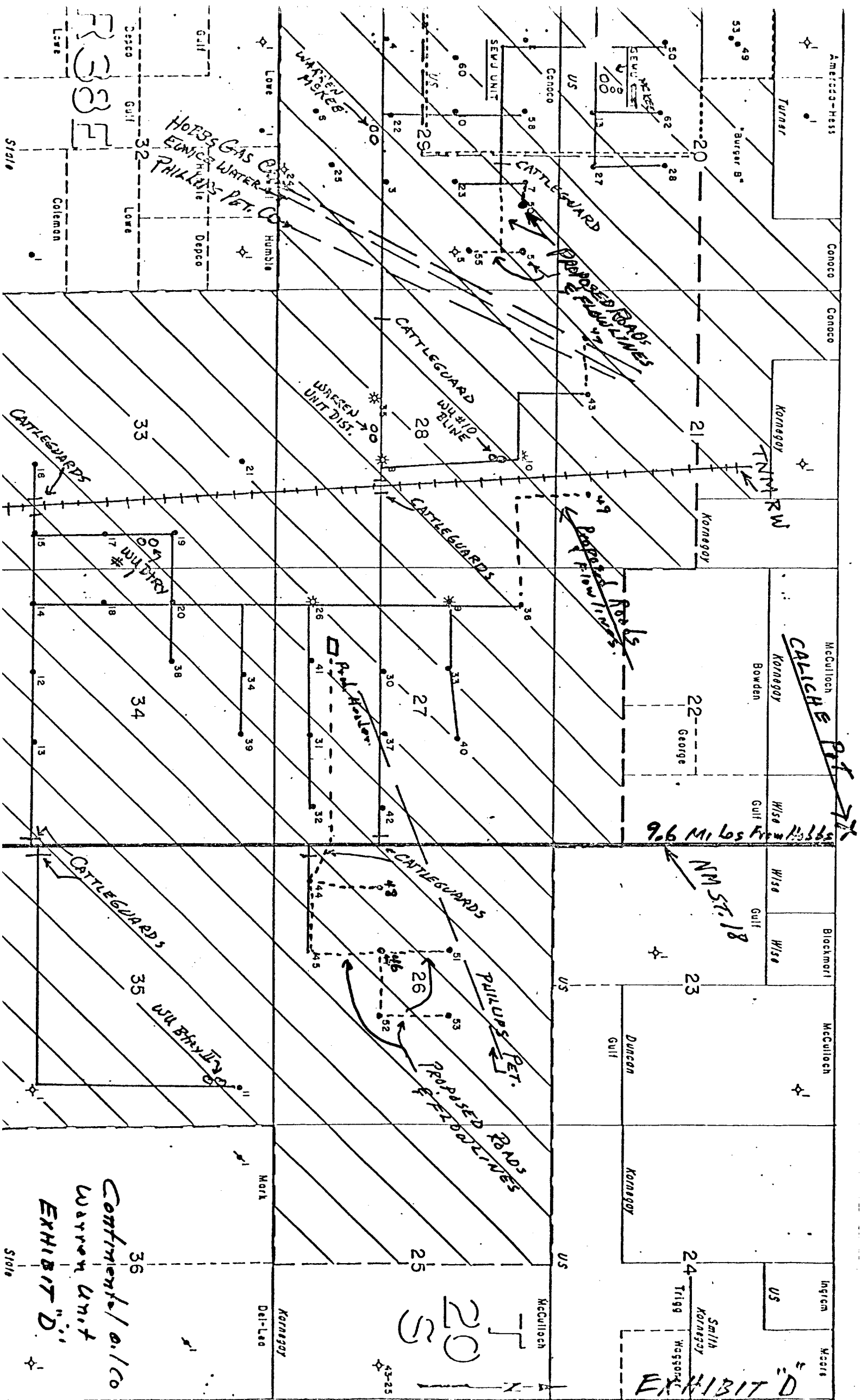
Existing Roads —
Proposed New Roads —

Continents/ a/c.



Warren unit EXHIBIT C

EXHIBIT C

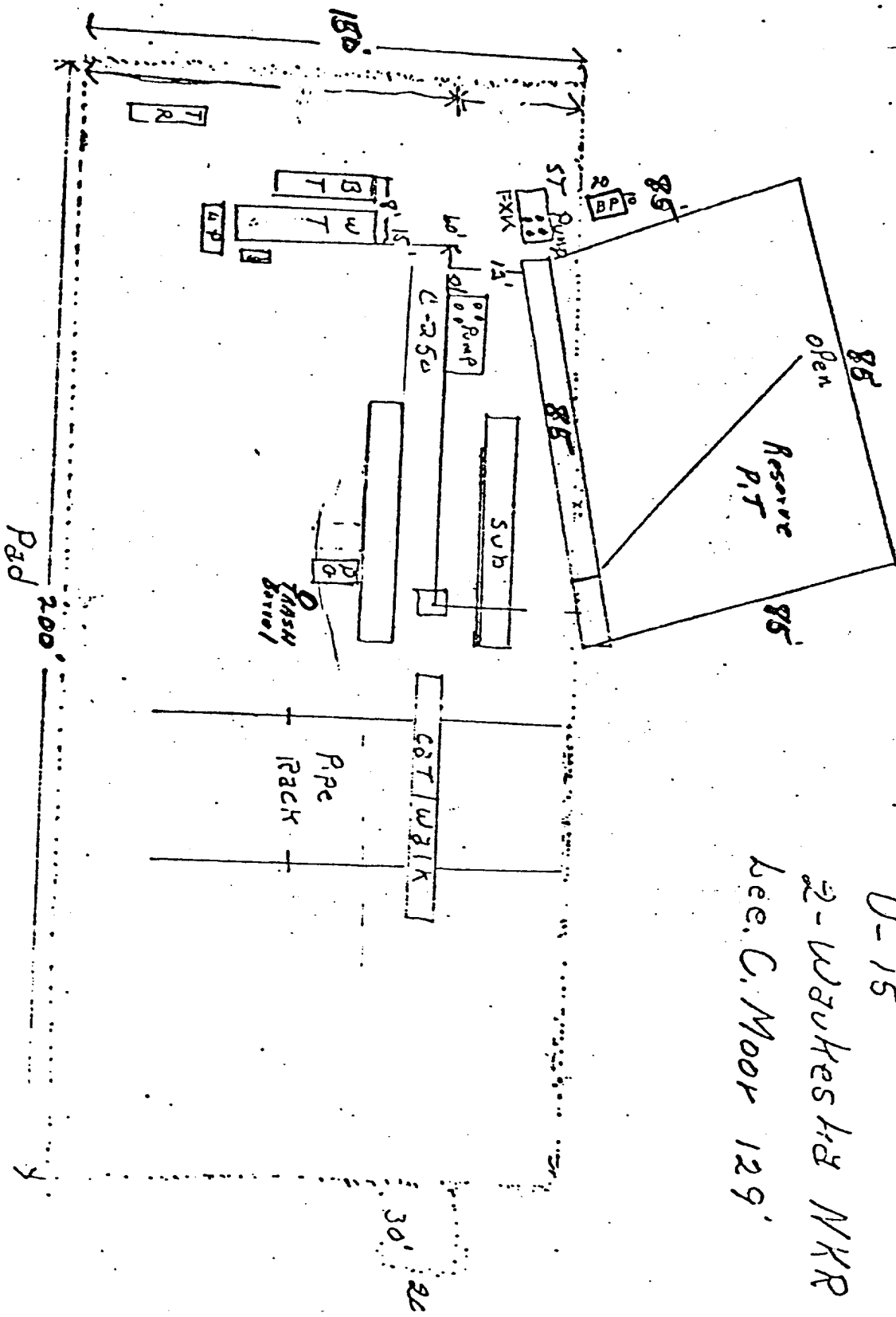


Hondo Rig #1

U-15

2-Waterhead NKR

Lee C. Moor 129'



Continents / O.I. Co.

WARREN UNIT

EXHIBIT E

EXHIBIT "E"

Continental Oil Company
Warren Unit Nos. 50, 51, 52, 53, 54, 55
Power Distribution

A Plot is attached showing the proposed well locations, existing roads, new proposed roads, existing power lines, proposed power lines, also drawings of the pole design.

Well Nos. 50, 54 and 55

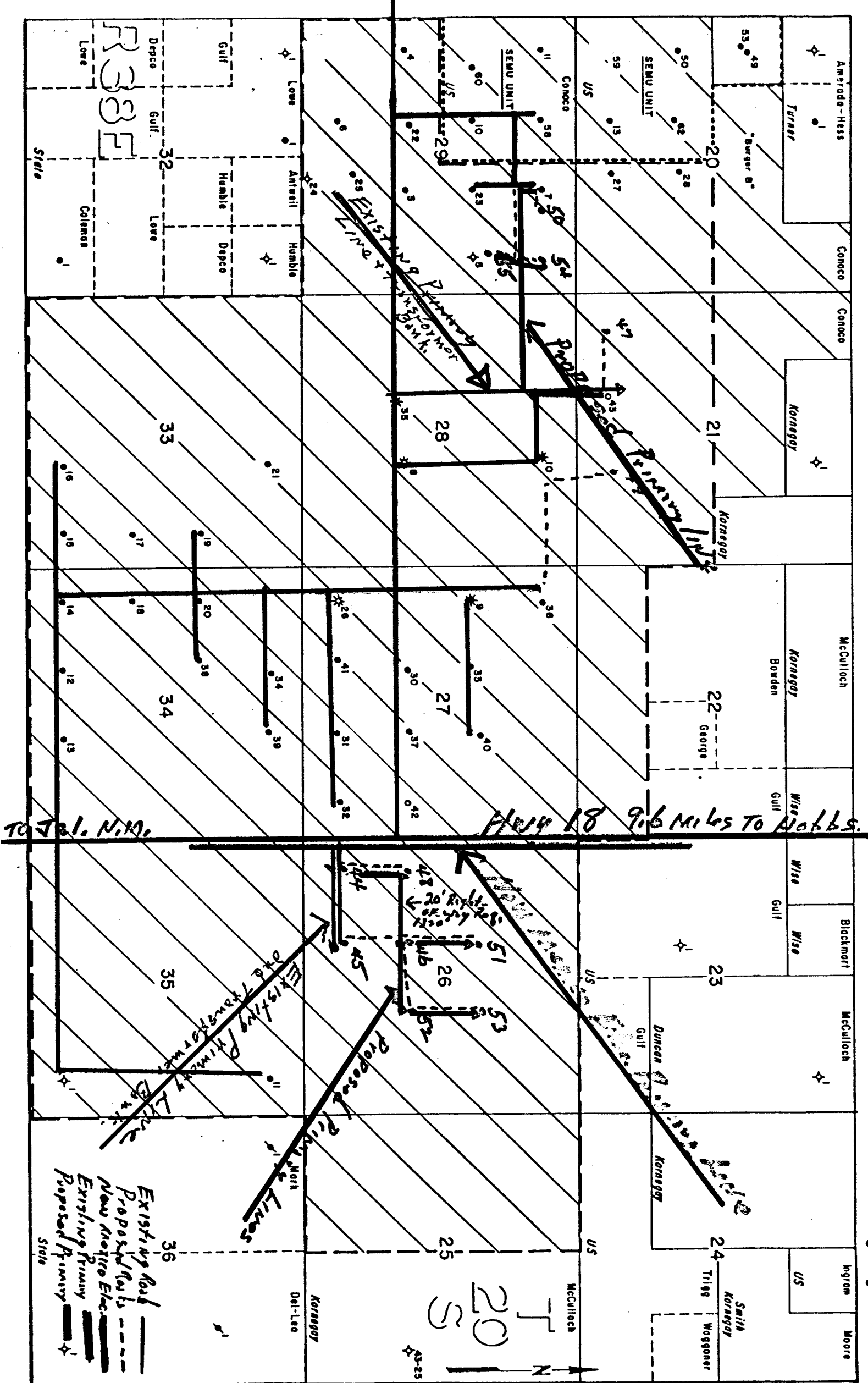
It is proposed to tie-in to an existing primary line and construct a primary line at 330' per span with a transformer bank for each well. A 20' right-of-way will be required to install these lines. The proposed lines are staked.

Well No. 50 - The distance from the existing primary line is 3960'.
Well No. 54 - The distance from the existing primary line is 2970'.
Well No. 55 - The distance from the existing primary line is 2970'.

Well Nos. 51, 52 and 53

It is proposed to tie-in to an existing primary line and construct a primary line at 330' per span with a transformer bank for each well. The lines will be constructed on the right side of the road for these wells. The proposed lines are staked.

Well No. 51 - The distance from the existing primary line is 3960'.
Well No. 52 - The distance from the existing primary line is 3960'.
Well No. 53 - The distance from the existing primary line is 5280'.



U. S. Geological Survey

HOBBS DISTRICT

Continental Oil Co. No. 53 Warren Unit SW $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 26-20S-38E Lea County, New Mexico
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Above Data Required on Well Sign

CONDITIONS OF APPROVAL

1. Drilling operations authorized are subject to compliance with the attached General Requirements for Drilling Operations on Federal Oil and Gas Leases, dated January 1, 1977.
2. Notify this office (telephone (505) 393-3612) when the well is to be spudded and in sufficient time for a representative to witness all cementing operations. Attached are names and telephone numbers of Geological Survey and Bureau of Land Management personnel who are available for consultation during construction, drilling, completion, and rehabilitation activities.
3. Immediate notice is required of all blowouts, fires, spills, and accidents involving life-threatening injuries or loss of life.
4. Secure prior approval of the District Engineer for variance from the approved drilling program and before commencing plugging operations, plug-back work, casing repair work, corrective cementing operations, or suspending drilling operations indefinitely.
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. Operations must be in compliance with the provisions of the landowner agreement concerning surface disturbance and surface restoration.
7. Minimum required fill of cement behind the 7" casing is to the base of the salt section.