

Form 3160-3  
(December 1990)

N.M.  
P.O.  
HOB  
DEF

OPER. OGRID NO. 14007

PROPERTY NO. 6352

POOL CODE 51683

EFF. DATE 12-5-94

API NO. 3D-025-32760

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

LEASE DESIGNATION AND SERIAL NO.

NM-~~64606~~ 85937 (mlt)

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL  
WELL ☒

GAS  
WELL ☐

OTHER

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

Maralo Inc.

3. ADDRESS AND TELEPHONE NO.

P. O. Box 832 Midland, Texas 79702 Ph. 915-684-7441

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

At surface

990' FEL, 2310' FNL, Section 14, T22S, R32E

At proposed prod. zone Same

Unit H

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

Approximately 27 Mi. west of Eunice New Mexico

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

330'

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

990'

16. NO. OF ACRES IN LEASE

2880

19. PROPOSED DEPTH

10,150'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3733 GR.

Carlsbad Controlled Water Basin

22. APPROX. DATE WORK WILL START\*

02-15-95

23.

### PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17½"	J-55 13 3/8	54.5	1100	950 Sx. Plus Additives Circulate
12½"	J-55 8 5/8	32	4720	1700 Sx " " "
7 7/8"	J-55,N-80 5½"	17	10,150	1200 Sx. " " "

1. Drill 26" hole to 40' Set 20" conductor Cement to surface W/Redi-mix.
2. Drill 17½" hole to 1100'. Run and set 1100' of J-55 13 3/8 54.5#ST&C casing. Cement with 700 Sx. Class "C" + 4% Jel, 4# salt, ½# Flo-cele /Sx. Tail in with 250 Sx. of Class "C" + 2% CaCl. Circulate cement to surface.
3. Drill 12½" hole to 4720'. Run 4720' of J-55 8 5/8" 32# ST&C casing. Cement with 1500 Sx. of Hal-Light 15# salt & ½ # Flo-cele per Sx. Tail in with 200 Sx. class "C" Neat. Circulate cement to surface.
4. Drill 7 7/8" hole to 10,150'. Run and set 10,150' of N-80 & J-55 17# LT&C casing. Cement with 550 Sx. Hal-light + 6# salt & ½ # Flo-cele Per Sx. Tail in with 650 Sx. 50/50 POZClass "H" cement + 6 # salt /Sx. .5% Halad 9 + .3% CFR2.

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.

SIGNED

Joe T. Janica

TITLE Agent

DATE 11/04/94

(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:

APPROVED BY

Scott Powers

TITLE

(Acting)

AREA MANAGER

DATE

12/1/94

\*See Instructions On Reverse Side

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 United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

100-100000-100000

**RECEIVED**

DEC 05 1934

U C D HOBBS  
OFFICE

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-32760</b>		Pool Code 51683	Pool Name RED TANK - BONE SPRING
Property Code 6352	Property Name PROHIBITION FEDERAL UNIT		Well Number 6
OGRID No. 14007	Operator Name MARALO, INC.		Elevation 3733'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	14	22 S	32 E		2310'	NORTH	990	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 40		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

	<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 Joe T. Janica Printed Name Agent Title 11/14/94 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> Date Surveyed Signature and Seal of Professional Surveyor  W.O. 11/14/94 4830 Certificate No. JOHN W. WEST, 676 RONALD J. EIDSON, 3239

**RECEIVED**

DEC 6 5 1994

U.S. CUSTOMS  
OFFICE

## APPLICATION TO DRILL

MARALO, INC.  
Prohibition Unit #6  
990' FEL, 2310' FNL  
Section 14, T22S, R32E  
Lea County, N.M.

In response to questions asked under Section II B of Bulletin NTL-6, the following information is provided for your consideration:

1. Location: 2310' FNL & 990' FEL Sec. 14 T22S-R32E Lea Co.  
New Mexico
2. Elevation Above Sea Level: 3733 GR.
3. Geologic Name of Surface Formation: Quaternary Aeolian Deposits
4. Drilling Tools and Associated Equipment: Conventional rotary  
drilling rig using mud for the circulation medium.
5. Proposed Drilling Depth: 10,150'
6. Estimated Geological Marker Tops:

Rustler Anhy.	915'		
Salado Salt	1220'		
Castile	4430'	Cherry Canyon	6010'
Delaware	4828'	Brushy Canyon	7460'
Bell Canyon	4918'	Bone Spring	8780'
		1st bone Spring Sd.	9860'
7. Possible Mineral Bearing Formation:

Delaware	4835 Oil	1st Bone Spring Sd.	9870' Oil
Brushy Canyon	7475 Oil		
8. Casing Program:

Hole Size	Interval	OD Csg	Weight	Thread	Grade	Condition
26"	0-40	NA	NA	NA	NA	New
17½	0-1100	13 3/8	54.5	8-R	J-55	New
12½	0-4720	8 5/8	32	8-R	J-55	New
7 7/8	0-10,150	5½	17	8-R	J-55 N-80	New

**RECEIVED**

DEC 05 1994

OOD HOBBS  
OFFICE

## APPLICATION TO DRILL

MARALO, INC.  
Prohibition Unit #6  
990' FEL, 2310' FNL  
Section 14, T22S, R32E  
Lea County, N.M.

### 9. Cementing and Setting Depth:

20" Conductor	Set @ 40' cement with Redi-mix to surface
13 3/8" Surface Casing	Set @ 1100' cement with 950 Sx Class "C" plus additives circulate to surface.
8 5/8" Intermediate Casing	Set @ 4720' cement with 1500 Sx Hal-light tail in/200 Sx. neat circulate to surface.
5 1/2" Production Casing	Set @ 10,150' cement with 550 Sx. Hal-light tail in with 650 Sx. 50/50 POZ Class "H" + 6# salt/Sx + .5% Halad 9 + .3% CFR2.

10. Pressure Control Equipment: Exhibit "E". A Blow-out Preventer (no less than 1500 series 5000 psi working pressure) consisting of double ram type preventer with bag type preventer. Units will be hydraulically operated. Exhibit "E-1" Choke Manifold and Closing Unit. Blind rams on top, pipe rams on bottom to correspond with size of drill pipe in use. BOP will be nipped up on 13 3/8 casing and remain on well until casing is run and cemented. BOP will be tested as well as choke manifold. BOP will be worked at least once each day while drilling and blind ram will be worked on trips when no drill pipe is in hole. Flow sensor PVT, full opening stabbing valve and upper kelley cock will be utilized. No pressures greater than 3000 psi anticipated.

### 11. Proposed Mud Circulating System:

Depth	Mud Wt.	Mud Visc.	Fluid Loss	Type Mud
0-1100	8.6-9	34-36	NC	Spud mud
1100-4720	10.1-10.2	28-29	NC	Brine water
4720-7000	9.0-9.2	28-29	20-30 CC	Cut brine with starch for water loss control.
7000-10,150	9.0-9.5	29-35	10 CC or less	Cut brine with starch for water loss control.

## APPLICATION TO DRILL

MARALO, INC.  
Prohibition Unit #6  
990' FEL, 2310' FNL  
Section 14, T22S, R32E  
Lea County, N.M.

### 12. Testing, Logging and Coring Programs:

- A. No cores or DST'S are planned.
- B. Open hole logs will be run.
- C. CNL/LDT/GR from TD. to casing shoe Gr to surface.  
DLL/GR/MSFL from TD. over pay section. Cased hole logs will be run from TD. over pay section for correlation in order to complete well.

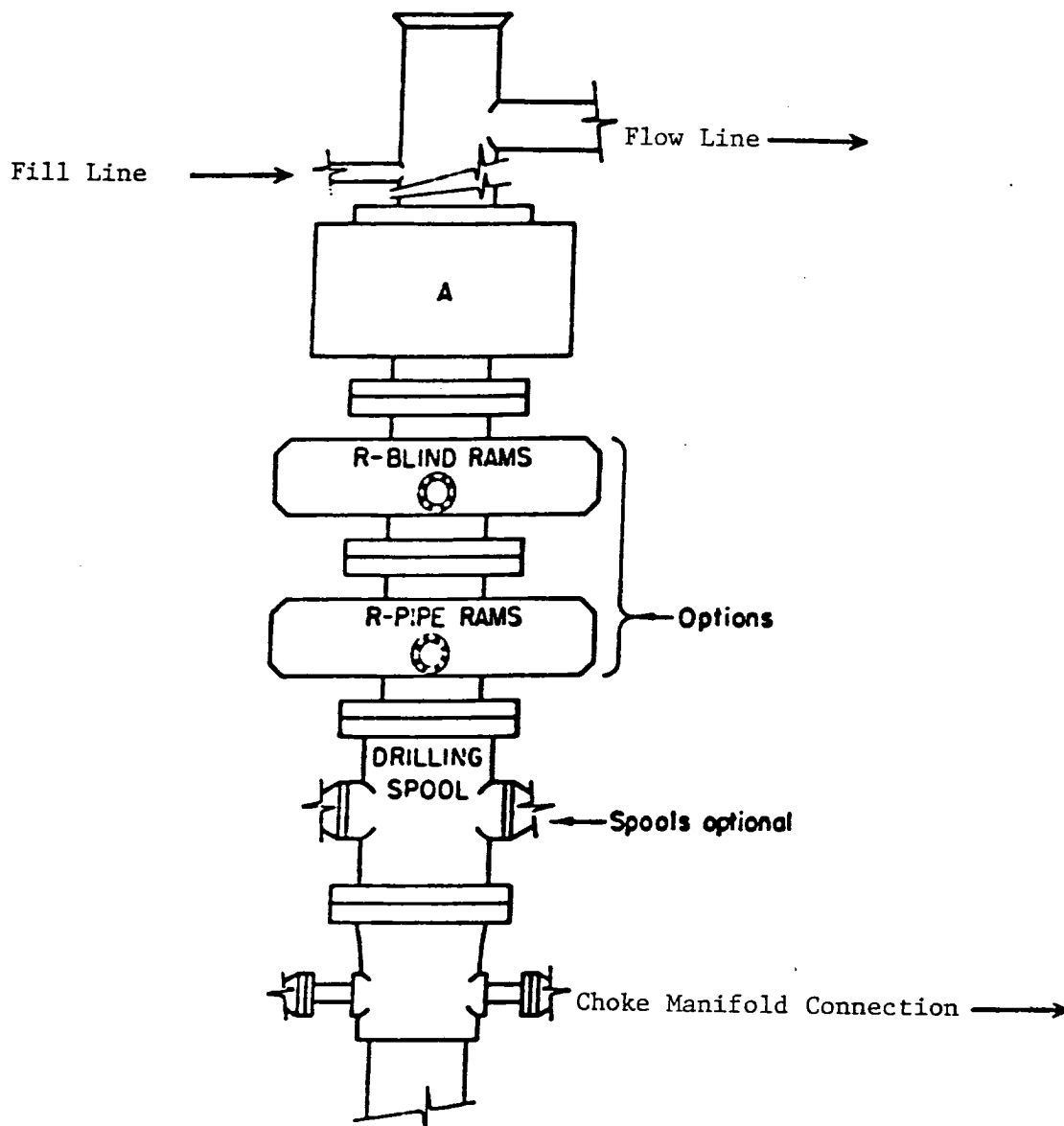
### 13. Potential Hazards:

No abnormal pressures of temperature zones expected (nothing abnormal in offset wells or other wells in the area). Hydrogen sulfide gas is not anticipated however, precautions for detection will be observed. No major lost circulation is expected (none reported in this area). H2S contingency attached "13-A".

### 14. Anticipated Starting Date and Duration of Operation: Road and location construction will begin after BLM approval of APD. Anticipated spud date 02/15/95 Drilling expected to take 30 to 45 days. If production casing is run an additional 30 days to complete and construct surface facility and place well on production.

### 15. Other Facets of Operations: After running casing, cased hole gamma ray collar correlation logs will be run from total depth over possible pay intervals. The Bone Spring will be perforated and stimulated. The well will be swab tested and potentialled as an oil well.





# **ARRANGEMENT SRRA**

1500 Series  
5000 PSI WP

EXHIBIT "E"  
MARALO INC.  
B.O.P. SKETCH TO BE USED ON  
PROHIBITION UNIT # 6  
2310' FNL & 990' FEL SEC. 14  
T22S-R32E EDDY CO., NM

5/17/95

RECEIVED

U.S. DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION  
OFFICE