órm 3160-3 November 1983) (formerly 9-331C) H. M. CH. CONS. CORMISSION

P. O. BOX 1930

SUBMIT IN TRIPLIJATE*

Form approved. Budget Bureau No. 1004-0136 Expires August 31, 1985

DATE 2-11-85

UNITED STATES HELW MEXICOnes & Bodo ctions on reverse side) DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO. LC 065525

APPLICATION FOR PERM	6. IF INDIAN, ALLOTTER OR TRIBE NAME				
1a. TYPE OF WORK DRILL	DEEPEN (X PLUG BA	ACK 🗌	7. UNIT AGREEMENT N.	AMB
b. Type of well oil. well well oth	TIPLE	8. FARM OR LEASE NAME			
2. NAME OF OPERATOR				Elliott-	Y
ELLIOTT OIL COMPANY				9. WELL NO.	
3. ADDRESS OF OPERATOR	#5				
Box 1355 Roswell, Ne	10. FIELD AND POOL, OR WILDCAT				
4. LOCATION OF WELL (Report location clear	T erry Blineb ry				
At surface 660' From South Line, 8 At proposed prod. zone	310' from West	Line, SW¼SW¼, Sec. T21S, R37E	1,	11. SEC., T., E., M., OR FAND SURVEY OR AR	EA
14. DISTANCE IN MILES AND DIRECTION FROM	12. COUNTY OR PARISH				
15 Miles South of Hobbs		Lea	New Mexico		
15. DISTANCE FROM PROPOSED® LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if any)	16. NO. OF ACRES IN LEASE 2128.48		7. NO. OF ACRES ASSIGNED TO THIS WELL 40		
			20. ROTA	TARY OR CABLE TOOLS	
TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.	7500'		Rotary		
21. ELEVATIONS (Show whether DF, RT, GR, e	te.)			22. APPROX. DATE WO	BE WILL START*
DF 3493	3/1/85				
23.	PROPOSED CASH	NG AND CEMENTING PROG	RAM		
SIZE OF ROLE SIZE OF CASIN	G WEIGHT PER F	OOT SETTING DEPTH		QUANTITY OF CEMENT	
4 3/4" 4"	4" 11.6# 5600' - 7500' 225 SX Circulate				
		Liner			

This well has reached its economic limit of approximately 2 BOP D from the Blinebry zone. We propose to deepen the well approximately 1900' to test the Drinkard and the Abo formation. If commercial, a liner will be cemented with cement circulated.

Mud Program : Brine/KCL water to TD

BOP will be installed at offset and tested daily. BOP Program:

* This existing Blinebry Well is located 150' from the Monterey-Elliott #1 completed in the McKee Send at 8200'.

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ENED - STORY	TITLE MOGGICOTY MACHINE	DATE

CARLSBAG RESCORED - 1.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _

TITLE

FEB 13 1985

HOSHI CARCE

ELLIOTT OIL COMPANY Monterey-Elliott #5 660' FSL & 810' FWL Sec. 1, T-21S, R-37E

This plan is submitted with Form 3160-3, Application for Permit to Deepen, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

EXISTING ROADS.

Exhibit A is a portion of a county map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 15 miles South of Hobbs, New Mexico and the access route to the location is indicated in red.

DIRECTIONS:

- 1. Go South of Hobbs for approximately 15 miles.
- 2. Turn East 1/4 mile.
- 2. PLANNED ACCESS ROAD.
 - A. No new road.
- 3. LOCATION OF EXISTING WELL.
 - A. This proposal is to deepen the now existing well on this location.
- 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.
 - A. There are production facilities on this lease at the present
 - 8. In the event that the well is productive, no new facilities will be required.
- 5. LOCATION AND TYPE OF WATER SUPPLY.
 - A. It is planned to drill the proposed well with brine water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing roads.

- 6. SOURCE OF CONSTRUCTION MATERIALS.
 - A. None.
- 7. METHODS OF HANDLING WASTE DISPOSAL.
 - A. Drill cuttings will be disposed of in the reserve pit.
 - B. Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.
 - C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
 - D. Oil produced during operations will be stored in tanks until sold.
 - E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
 - F. Irash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches dirt. All waste material will be contained to prevent scattering by the wind.
 - G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.
- 8. ANCTILIARY FACILITIES.
 - A. None required.
- 9. WELLSITE LAYOUT.
 - A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pit, etc., all of which are within the boundaries of the original well location.
 - B. The location surface is flat.
 - C. The reserve pit will be plastic lined.
 - D. A $100' \times 150'$ area has been staked and flagged.
- 10. PLANS FOR RESTORATION OF THE SURFACE.
 - A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.

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- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and leveled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the BLM will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The land surface in the vicinity of the wellsite is flat. The immediate area of the wellsite is discussed above in paragraph 9B.
- B. Flora and Fauna: The vegetation cover on wellsite consists of clump grass, mesquite, cactus and miscellaneous desert growth. No wildlife was observed but the wildlife in the area probably includes those typical of semi-arid desert land. The area is used for cattle grazing.
- C. Waterways: None.
- D. There are no inhabited dwellings in the vacinity of the proposed wellsite.
- E. Surface Ownership: Private surface & Federal minerals.

12. OPERATOR'S REPRESENTATIVE.

A. The field representative responsible for assuring compliance with the approved surface use plan is:

Thomas E. Elliott Elliott Oil Company Box 1355, Roswell, N.M. 88201 505/622-5840

13. CERTIFICATION.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access noute, 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 Elliott Oil Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

2-6-85 Date

Thomas E. Elliott Regulatory Agent

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ELLIOTT OIL COMPANY

Monterey-Elliott #5

600' FSL & 810' FWL

Sec. 1, T-21S, R-37E

In conjunction with Form 3160-3, Application for Permit to Deepen subject well, Elliott Oil Company submits the following ten items of pertinent information in accordance with BLM requirements.

- 1. The geologic surface formation in sandy alluvium.
- 2. The estimated tops of geologic markers are as follows:

Drinkard 6700' Abo 7000' TD 7500'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: None

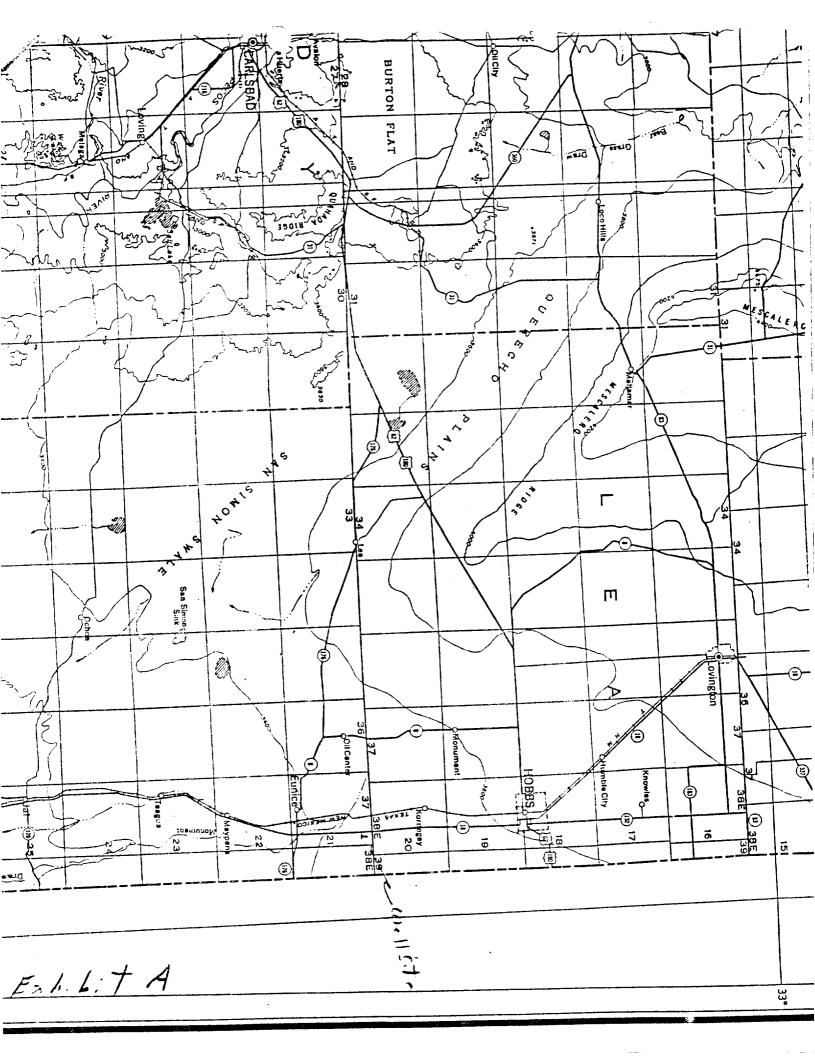
Oil or Gas: Drinkard 6700' Abo 7000'

- 4. Proposed Casing Program: See Form 3160-3
- 5. Pressure Control Equipment: See Form 3160-3
- 6. Mud Program: See Form 3160-3
- 7. Auxiliary Equipment: Kelly Cock; sub with full-opening valve on floor.
- 8. Testing, Logging and Coring Program:

Samples: 6500' to TD
DST's: As warranted
Coring: None anticipated

Logging: GR, Densilog, Neutron, Dual Laterlog

- 9. No abnormal pressure or temperatures are anticipated.
- 10. Anticipated starting date: As soon as possible after approval.

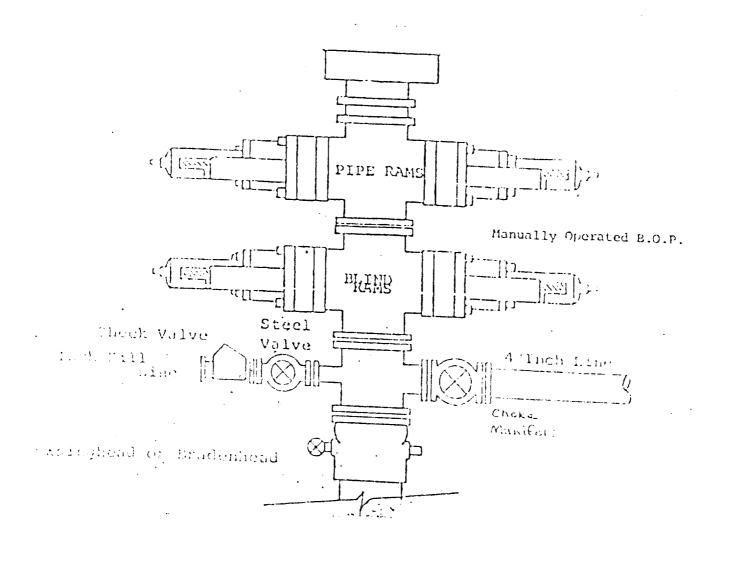


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HOUSE OFFICE

EXHIBIT B BOP DIAGRAM RATED 3000#



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8'	
RESERVE	
8' 40' STEEL	
5' PITS	
PIT DEEP 15'	
	1
150′	150
15'	
OLD RESERVE PIT	
FROM ORIGINAL WELL	
(DIMENSIONS APPROX.) 50.	
100'	

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