Submit to Appropriate
District Office
State Lease – 6 copies
Fee Lease – 5 copies

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

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, 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

RECEIVED
JUN 24 1991
O. C. D.
ARTESIA, OFFICE

Form C-101
Revised 1-1-89

API NO. (assigned by OCD on New Wells) 30-025-06631

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
DRILL [ ] RE-ENTER [ ] DEEPEN [ ] PLUG BACK [X]

b. Type of Well:
OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [X] MULTIPLE ZONE [ ]

7. Lease Name or Unit Agreement Name: State Land 15

2. Name of Operator: Oryx Energy Company

8. Well No.: 2

3. Address of Operator: P. O. Box 1861, Midland, TX 79702

9. Pool name or Wildcat: Penrose Skelly (Grayburg)

4. Well Location
Unit Letter N : 660 Feet From The South Line and 1980 Feet From The West Line

Section 16 Township 21-S Range 37-E NMPM Lea County

10. Proposed Depth	11. Formation	12. Rotary or C.T.
7000'	Grayburg	

13. Elevations (Show whether DF, RT, GR, etc.)	14. Kind & Status Plug. Bond	15. Drilling Contractor	16. Approx. Date Work will start
3448' GR	Statewide		Upon Approval

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17"	13 3/8"	40#	320'	300 sx	Surface
11"	8 5/8"	32#	2864'	1600 sx	Surface
7 3/4"	5 1/2"	17#	6699'	500 sx	4700'

Plug back from Blinebry Oil & Gas to Penrose Skelly-Grayburg.

1. MIRU PU. NU BOP. RLSE GUIB UNI-VI PKR. POH W/ 2-3/8" TBG & PKR. LD VANN GUNS.

2. RU WSI. SET 5-1/2" CIBP @ 5550'. DUMP BAIL 35' CMT ON TOP. PRES UP CSG TO 1000 PSI & RUN CBL 4800-2800'. IF CMT BOND APPEARS ADEQUATE FROM 3670-3780', BLEED OFF PRES & REPEAT LOG FROM 3600-3800'.

3. IF NECESSARY, BLOCK SQZ & DRILL OUT AS DIRECTED BY ENGINEERING.

(Cont. on Pg. 2)

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE Jan Stevenson TITLE Proration Analyst DATE 6-19-91

TYPE OR PRINT NAME TELEPHONE NO.

(This space for State Use)

Orig. Signed by
Paul Kautz
Geologist

APPROVED BY TITLE DATE JUN 25 1991

CONDITIONS OF APPROVAL, IF ANY:

17. PROPOSED CASING AND CEMENT PROGRAM

4. RIH W/ 4-3/4" RB & 5-1/2" CSG SCPR ON 2-3/8" TBG TO 3750'. WORK CSG SCPR THOROUGHLY THRU PKR SETTING INTERVAL 3650-90'. RU DOWELL. SPOT 2 BBLS 20% NEFE HCL 3750-3664', USING 2% KCL TO CIRC. POH.

5. RU VANN SYSTEMS. RIH W/ TBG CONVEYED PERF ASSMBY AS FOLLOWS:

   A. 4" HSC, LOADED W/ 2 JSPF, 74 SHOTS, 32 GC
   B. 2-3/8" DIFFERENTIAL FIRING HEAD SET TO SHEAR @ 3500 PSI.
   C. 2-3/8" BAR PRESSURE VENT
   D. 1 JT 2-3/8", 4.7#, J-55 TBG
   E. 5-1/2", 17# GUIBERSON UNI VI OR BAKER LOK-SET PKR
   F. 2-3/8" X 1.78" SN
   G. 2-3/8", 4.7#, J-55 TBG TO SURFACE

   ATLAS WL RUN GR LOG AS NECESSARY FOR DEPTH CONTROL. SET PKR ON DEPTH TO PERF 3708-45'. CORRELATE TO HLS GR/CNL/CCL DATED 2-8-91.

6. ND BOP. NU WH. NU POPOFF VALVE ON ANNULUS SET @ 2500 PSIA. PRES UP ANNULUS TO 1500 PSI. DOWELL LOAD TBG W/ 250 GAL HEATED 20% NEFE HCL. (NOTE: MIX ACID ON LOCATION JUST PRIOR TO PUMPING. HEAT WATER THAT ACID WILL BE MIXED WITH TO 160 DEGREES W/ A HOT OIL TRUCK. FLUSH THE HOT OIL TRUCK CLEAN W/ WTR PRIOR TO HEATING WTR FOR MIXING ACID). PRES UP ON TBG TO 2500 PSI W/ N2. CONTINUE PRESSURING UP ON TBG W/ CO2 (PUMP @ 8 BPM) TO FIRE GUNS & OPEN VENT (EXPECTED PRES WHEN GUNS FIRE = 3850 PSI). AFTER GUNS FIRE, CONTINUE PUMPING CO2 @ 8 BPM, AND THEN BEGIN PUMPING HEATED 20% NEFE HCL @ 2 BPM WHILE DECREASING THE CO2 RATE TO 6 BPM (PUMP 750 GAL 20% NEFE HCL & +- 60 BBLS CO2). FLUSH W/ 19 BBLS CO2. (KEEP CO2 RATE = 8 BPM WHILE LOADING TBG AND IMMEDIATELY AFTER GUNS HAVE FIRED, AND DURING FLUSH). MP 5000 PSI.

7. FLOW WELL TO TANK IMMEDIATELY AT MAX RATE. WHEN WELL DIES, SWB AS NECESSARY TO EVALUATE WELL.

8. IF NECESSARY, FRAC AS DIRECTED BY ENGINEERING.

9. RLSE PKR & POH. LD VANN GUN ASSMBY & PKR. RIH W/ MA, PN, & SN ON 2-3/8" TBG. SET SN @ 3770'. RIH W/ RODS & PUMP AS DIRECTED BY ENGINEERING. HANG WELL ON. RR. POP.