Form 3160-3
(December 1990)

N. M. OIL CONS. DIVISION
P. O. BOX 1980
HOBBS, NEW MEXICO 88240
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPER. OGRID NO. 17805
PROPERTY NO. 9276
POOL CODE 59300
EFF. DATE 3/20/97
API NO. 30-025-33886

DUPLICATE* (other instructions on reverse side)

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: PLAINS PETROLEUM OPERATING COMPANY

3. ADDRESS AND TELEPHONE NO.: 415 W. Wall, Suite 1000, Midland, TX 79701 915/683-4434

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 330' FSL & 1650' FWL Unit Letter N
At proposed prod. zone:

5. LEASE DESIGNATION AND SERIAL NO.: NMLC 034711
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT AGREEMENT NAME:
8. FARM OR LEASE NAME, WELL NO.: BAYLUS CADE FEDERAL #9
9. API WELL NO.: 30-025-
10. FIELD AND POOL, OR WILDCAT: TEAGUE BLINEBRY
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 35, T23S, R37E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 10.6 miles Northeast of Jal, NM
12. COUNTY OR PARISH: LEA
13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 330'
16. NO. OF ACRES IN LEASE: 120
17. NO. OF ACRES ASSIGNED TO THIS WELL: 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 570'
19. PROPOSED DEPTH: 6000'
20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3252' GR
22. APPROX. DATE WORK WILL START*: March 15, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

CAPITAN CONTROLLED WATER BASIN

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J55	24#	1175'	630 sx circ to WITNESS
7-7/8"	5-1/2" J55	14# & 15.5#	6000'	1550 sx circ to surf

Propose to drill this well through the Blinebry and complete as a Blinebry producer.

Mud Program:
0' - 1175' Spud Mud, FW, gel
1175'- 6000' Brine & native mud, MW 10 - 10.2 ppg to 4900'
Mud up @ 4900' with MW 10 - 10.1, MV 30-31 & WL -10 cc's to Total Depth.
Increase MV to 34-36 for OH logs.

A 3000 psi Shaffer double hydraulic operated BOP will be used and tested at installation, drill out on each bit trip and/or DST and each time they are removed or rearranged.

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 James L. Sutherland TITLE District Manager DATE 2-11-97

(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.

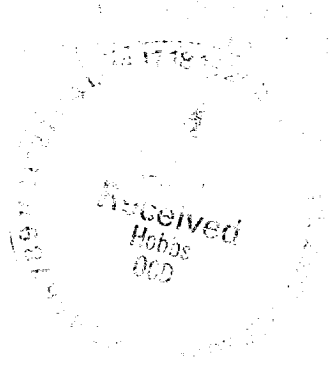
CONDITIONS OF APPROVAL, IF ANY:

(ORIG. SGD.) TONY J. FERGUSON

APPROVED BY _____ TITLE ADM. MINERALS DATE 3/17/97

*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.


Received
Hobbs
OCD

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

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 02-10-94

Instructions on back

Submit to the Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-025- 33886	58300	TEAGUE BLINEBRY

[4] Property Code	[5] Property Name	[6] Well Number
009276	BAYLUS CADE FEDERAL	9

[7] OGRID No.	[8] Operator Name	[9] Elevation
017805	PLAINS PETROLEUM OPERATING COMPANY	3252'

[10] SURFACE LOCATION

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
N	35	23 SOUTH	37 EAST, N.M.P.M.		330'	SOUTH	1650'	WEST	LEA

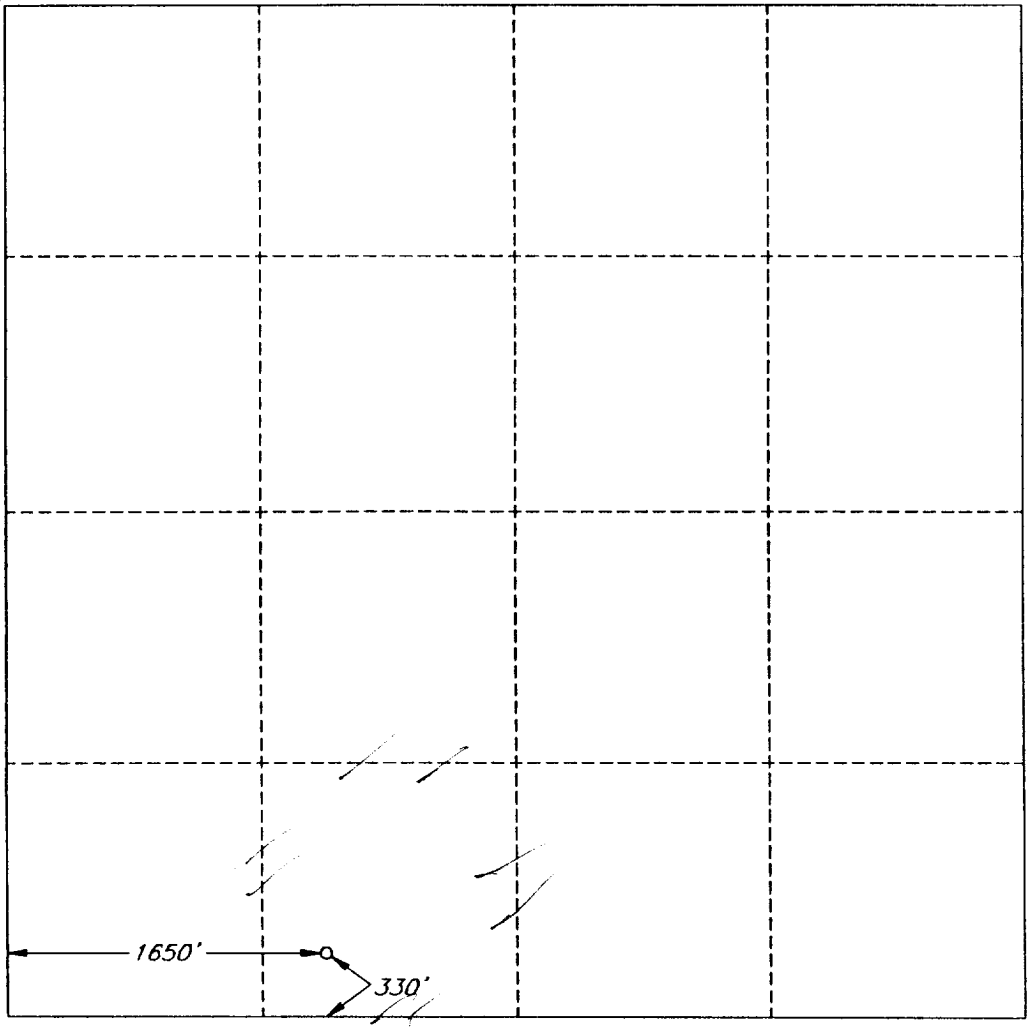
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
40			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

[16]



OPERATOR CERTIFICATION

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

Signature: James R. Sutherland

Printed Name: James R. Sutherland

Title: District Manager

Date: 2-11-97

SURVEYOR CERTIFICATION

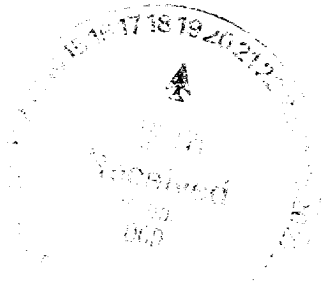
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: FEBRUARY 30, 1997

Signature and Seal of Professional Surveyor: Roger M. Robbins

Certificate No. ROGER M. ROBBINS P.S. #12128

JOB #49914-1 / 45 SW / VHB



APPLICATION TO DRILL

PLAINS PETROLEUM OPERATING COMPANY
BAYLUS CADE FEDERAL #9
330' FSL & 1650' FWL
Sec. 35 (Unit Letter N), T23S, R37E
Lea County, New Mexico
Lease No. NMLC 034711
February 11, 1997

In addition with Form 3160-2, Application to Drill the above well, Plains Petroleum Operating Company submits the following in accordance with BLM requirements.

1. ESTIMATED GEOLOGICAL MARKERS

GL: 3252' KB: 3264'

FORMATION	TOP	SS
Penrose	3407'	-143'
Glorieta	4907'	-1643'
Paddock	5025'	-1761'
Blinebry	5253'	-1989'
Tubb	5929'	-2665'
TD	6000'	-2736'

2. CASING DETAIL

	CASING SIZE OD	INTERVAL	LENGTH OF INTERVAL	WEIGHT #/FT	INTERVAL WEIGHT	CASING GRADE	JOINT
Surface	8-5/8"	0' - 1175'	1175'	24#/ft	28,200'	J-55	ST&C
Production	5-1/2"	6000'-5200'	800'	15.5#/ft	12,400#	J-55	LT&C
		5200' -0'	5200'	14#/ft	72,800#	J-55	ST&C
Tubing	2-3/8"	0 - 5250'	5250'	4.7#/ft	24,675#	J-55	EUE

3. CEMENTING & FLOAT EQUIPMENT DETAIL

WELL DATA	SURFACE	PRODUCTION (TD 6000')
Depth	1175'	6000'
Casing Size	8-5/8"	5-1/2"
Hole Size	12-1/4"	7-7/8"
Desired Fill	Surface	4825', surface
Hole Volume	485 Ft^3	226 Ft^3, 836 Ft^3
Recommended Volume	996 Ft^3	2778 Ft^3, 3004 Ft^3
DV Tool Depth	N/A	4400'

SLURRY

	Surface	Production 1st Stage	Production 2nd Stage
Recommendation	Lead w/380 sx Premium Plus w/4% gel, 2% $CaCl_2$ + 1/4#/sk Flocele, Tail in w/250 sx Premium Plus w/2% $CaCl_2$ & 1/8#/sk Flocele	Lead: 380 sx Premium 50:50 Poz cement w/ 0.6% Halad 9 & 2.5#/sk salt.	Lead 910 sx Premium Plus cement w/0.25% CFR-3, 1/4#/sk Flocele, 2.5% Econolite, 1/4#/sk D-Air & 0.5% Halad 9. Tail in w/260 sx Premium 50:50 Poz cement w/0.6% Halad 9 & 2.5#/sk salt.
Yield	Lead: 1.74 ft^3/sk Tail: 1.34 ft^3/sk	1.31 Ft^3/sx,	Lead: 2.38 ft^3/sx, Tail:.1.31 ft^3/sx
Weight	Lead: 13.5 PPG Tail: 14.8 PPG	14.2 PPG	Lead: 12 PPG Tail: 14.2 PPG
Mix Water	Lead: 9.10 gal/sk Tail: 6.31 gal/sk	6.05 gal/sk	Lead: 10.81 gal/sk Tail: 6.05 gal/sk

4. MUD DETAIL

DEPTH	PROPERTIES	TREATMENT
0 -1175'	Weight: 8.4 - 8.6 Viscosity: 34-36 pH 9-10	Spud Mud: Fresh water gel with sufficient viscosity to clean hole.
1175'-4900'	Weight: 10.0 - 10.2 Vis 28-29 pH 9-10	Drill out from surface csg with brine water, circulating to reserve pits. Build chlorides naturally while drilling salt stringers. Use lime to control pH and starch with gel sweeps to clean hole prior to mud up.
4900'-6000'	Weight 10-10.1 Viscosity 30-31 pH 9-10, WL <10	Mud up in steel pits. Lower hardness to 400 ppm with soda ash. Mix starch to control WL/filtrate and caustic soda for pH. Use paper for seepage. Viscosity will be sufficient with additions of starch only.

PRESSURE CONTROL EQUIPMENT (BOPE) DETAIL

11" API Shaffer 3000# series 900 dual hydraulic preventers adapted for the drilling contractors 4-1/2" drill pipe. The BOPS will be tested after they are installed on the surface casing, prior to drilling out, after each bit trip and each time they are removed or rearranged on the wellhead. See Exhibit A.

6. TESTING AND LOGGING PROGRAMS

TESTING

Drill stem tests may be performed to quantify and identify prospective producing horizons as drilling progresses. Production testing will be commenced after the well is drilled and casing has been set and cemented.

LOGGING

At TD, the following open hole well logs will be run: **GR-CNL-CDL-DLL-MLL-SGR**

7. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are anticipated. Hydrogen sulfide Drilling Contingency Plan to be adhered to while drilling this well and was previously filed with the Baylus Cade #7 APD on 9-25-96.

8. ANTICIPATED START DATE:

March 11, 1997 and the well to be completed on or about March 25, 1997

The Class III preventer stack is designed for drilling or workover operations. It is composed of a single hydraulically operated annular preventer on top, then a blind ram preventer, a drilling spool, and a single pipe ram preventer on bottom. The choke and kill lines are installed onto the drilling spool and must have a minimum internal diameter of 2". All side outlets on the preventers or drilling spool must be flanged, studded, or clamped. An emergency kill line may be installed on the wellhead. A double ram preventer should only be used when space limitations make it necessary to remove the drilling spool. In these instances, the choke manifold should be connected to a flanged outlet between the preventer rams only. In this hookup, the pipe rams are considered master rams only, and cannot be used to routinely circulate out a kick. The Class III blowout preventer stack is shown to the right in Figure 11J.4.

Figure 11J.4
Class III Blowout Preventer Stack

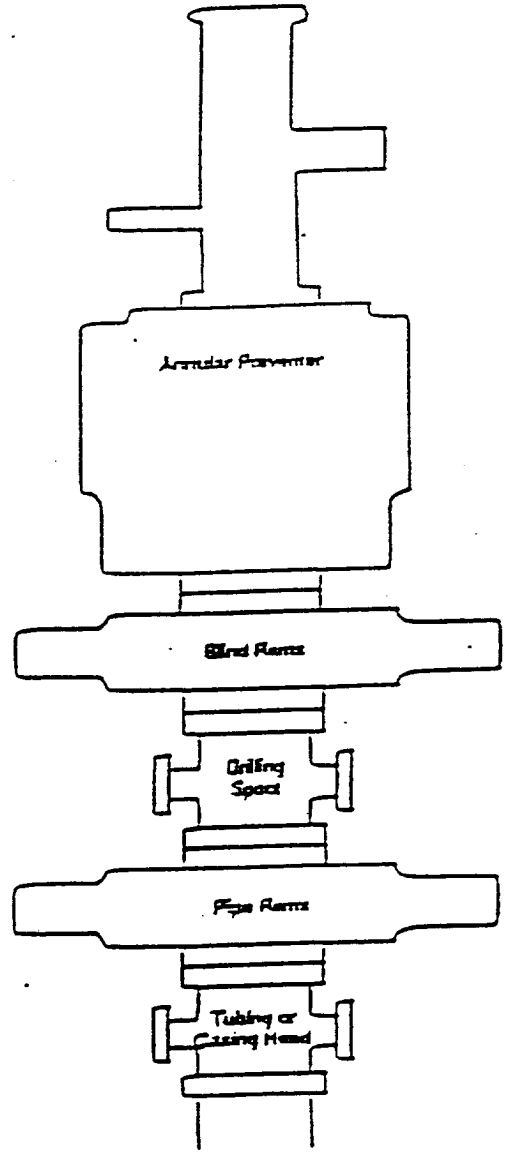


EXHIBIT A.2