

U. S. GEOLOGICAL SURVEY  
P. O. Box 1157  
Hobbs, New Mexico 88240

HOBBS DISTRICT

Terra Resources, Inc.  
No. 1 Wells "B"  
NW $\frac{1}{4}$ SE $\frac{1}{4}$  sec. 4-25S-37E  
Lea County, N. M.

Above Data Required on Well Sign

CONDITIONS OF APPROVAL

1. Drilling operations authorized are subject to the attached sheet for general requirements for drilling and producing operations.
2. Notify this office (telephone (505) 393-3612) when the well is spudded and in sufficient time for a representative to witness cementing operations. After 4:30 p.m. call Blackie Coshow, (505) 393-8244.
3. Immediate notice is required of all blowouts, fires, spills, and accidents involving life-threatening injuries or loss of life.
4. Secure prior approval before changing the approved drilling program or commencing plugging operations, plug-back work, casing repair work, or corrective cementing operations.
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. A kill-line is to be properly installed and is not to be used as a fill-up line.
7. Blowout preventers are to have proper casing rams when running casing.
8. Drill string safety valve(s) to fit all pipe in the drill string to be maintained on the rig floor while drilling operations are in progress.
9. Blowout prevention drills are to be conducted as necessary to assure that equipment is operational and that each crew is properly trained to carry out emergency duties. All BOP tests and drills are to be recorded on the driller's log.
10. 8-5/8" surface casing must be set a minimum of 50 feet below top of Rustler Anhydrite and cement circulated to the surface.
11. Operations must be in compliance with the provisions of the landowner agreement concerning surface disturbance and surface restoration.

(P) Petroleum Information

J

COUNTY LJA  
 OPR TERRA RESOURCES, INC.  
 NO 1 LEASE Well-07  
 Sec 4, T25S, R27E  
 1980' FSL, 1985' TEL of Sec  
 3 mi NE/Jai

CSG  
 8 5/8" at 1115' S/4  
 4 1/2" at 3750' S/4

IP (Queen) Pet's 3400' TO HOPE  
 24 hr test. 99R 315' S/4

CONTR BYRD

2-16-77 Drig 340'  
 2-24-77 TD 3750' WOC  
 3-7-77 TD 3750' WOC  
 3-15-77 TD 3750' WOC  
 3-21-77 TD 3750' WOC  
 3-28-77 TD 3750' WOC  
 4-21-77 TD 3750' PBD 3750' WOC  
 Perf 3400' 344'-38'  
 3560'-38' 3616'-72' 3669'-72'  
 Act 344-3669' 3669'-72'  
 Frac 344-3669' 3669'-72'  
 6-13-77 TD 3750' PBD 3670' WOC  
 6-20-77 TD 3750' PBD 3670' WOC  
 6-25-77 COMPLETION TESTED

## J.

[illegible]

CONTR	Byrd	CPRSELEV	3183		
-------	------	----------	------	--	--

F.R. 11-8-76  
(Queen)  
2-16-77 Drlg 3400'  
2-24-77 TD 3750'; WOC  
3-7-77 TD 3750'; WOCU  
3-15-77 TD 3750'; WOCU  
3-21-77 TD 3750'; WOCU  
3-28-77 TD 3750'; WOCU  
4-21-77 TD 3750'; PBD 3670';  
Perf (QUEN) 3444-48', 3564-73', 3626-32', 3642-3644'  
Acid (3444-3669') 1250 gal  
Frac (3444-3669') 33.0 gal + 30.0 gal  
6-13-77 TD 3750'; PBD 3670';  
6-20-77 TD 3750'; PBD 3670';  
LOGS RUN: CBND, DILL, 100' x 100', 100'  
BHT 92 deg  
6-25-77 COMPLETION ISSUED

COUNTY LEA FIELD Langlie Mtns STATE NM  
 OPR TERRA RESOURCES, INC. API 30-025-25391  
 IO 1 LEASE Wells "B" MAP  
 Sec 4, T25S, R37E CO-ORD  
 1980' FSL, 1980' FEL of Sec 6-4-26 NM  
 3 mi NE/Jal SPD 2-4-77 CMP 6-1-77

CSG	WELL CLASS	ISIT	IS	DO
8 5/8" at 1125' w/400 sx	FORMATION	DATUM	FORMATION	DATUM
4 1/2" at 3750' w/200 sx				
	ID 3750' (QUEN)	PBD	3670'	

IP (Queen) Perfs 3444-3669' P 20 BOPD + 7 BW. Pot Based on  
 24 hr test. GOR 315; gty (NR)

CONTR Byrd OPRSELEV 3183' GL 3900' RT

F.R. 11-8-76  
 (Queen)  
 2-16-77 Drlg 3400'  
 2-24-77 TD 3750'; WOC  
 3-7-77 TD 3750'; WOCU  
 3-15-77 TD 3750'; WOCU  
 3-21-77 TD 3750'; WOCU  
 3-28-77 TD 3750'; WOCU  
 4-21-77 TD 3750'; PBD 3670'; WOSP  
 Perf (QUEN) 3444-48', 3462-72', 3544-54',  
 3564-73', 3626-32', 3632-37', 3662-49' w/1 SPW  
 Acid (3444-3669') 1250 gals  
 Frac (3444-3669') 33,000 gals + 40,500# sd  
 6-13-77 TD 3750'; PBD 3670'; WOSP  
 6-20-77 TD 3750'; PBD 3670'; Complete  
 LOGS RUN: CBND, DILA, CNDL, FDC, WCL  
 BHT 92 deg 6-4-26 NM  
 6-25-77 COMPLETION ISSUED LC 30-025-70225-76