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NEW MEXICO OIL CONSERVATION COMMISSION

30-025-26106

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease STATE [XX] FEE [ ]

5. State Oil & Gas Lease No. B-229

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

b. Type of Well: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

OIL WELL [XX] GAS WELL [ ] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. Unit Agreement Name

8. Farm or Lease Name: Arnott-Ramsay (NCT-B)

2. Name of Operator: GULF OIL CORPORATION

9. Well No.: 4

3. Address of Operator: P. O. Box 670, Hobbs, New Mexico 88240

10. Field and Pool, or Wildcat: Jalmat

4. Location of Well: UNIT LETTER D LOCATED 330 FEET FROM THE North LINE AND 330 FEET FROM THE West LINE OF SEC. 32 TWP. 25-S RGE. 37-E NMPM

12. County: Lea

19. Proposed Depth	19A. Formation	20. Rotary or C.T.
3500'	Yates 7 Rivers	Rotary

21. Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond	21B. Drilling Contractor	22. Approx. Date Work will start
2999' GL	Blanket	-	11-01-78

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	24.0#	360'	250	Circulate
7-7/8"	4-1/2"	9.5#	3500'	1300	Circulate

NOTE: See Attached BOP Drawing No. 2

Circulating Media: 0' - 360' Fresh water spud mud

360' - 3500' Brine water

Gas is not dedicated.

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.

Signed [signature] Title Area Production Manager Date 10-09-78

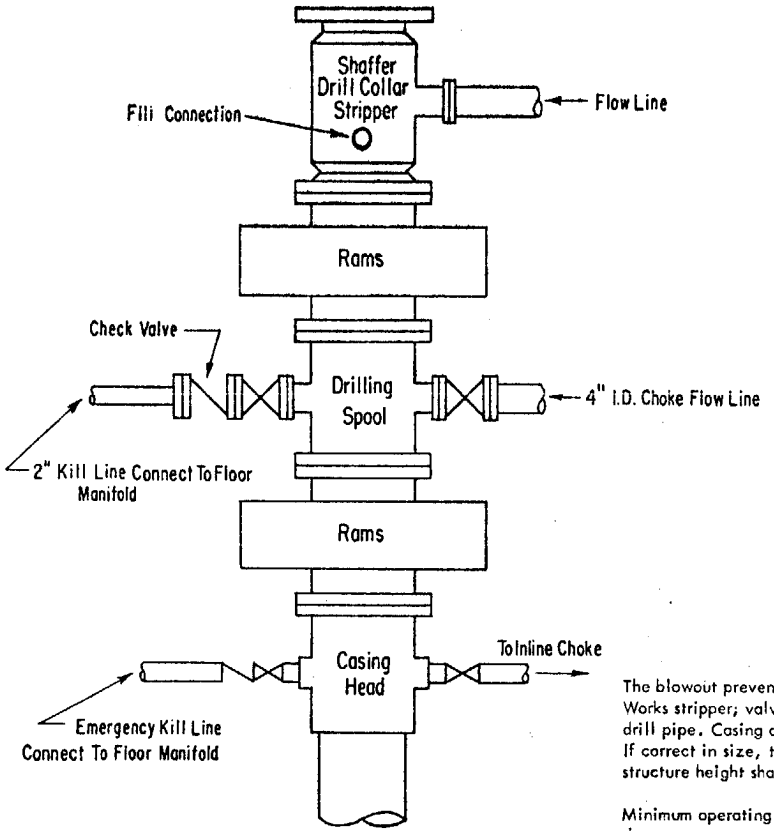
(This space for State Use)

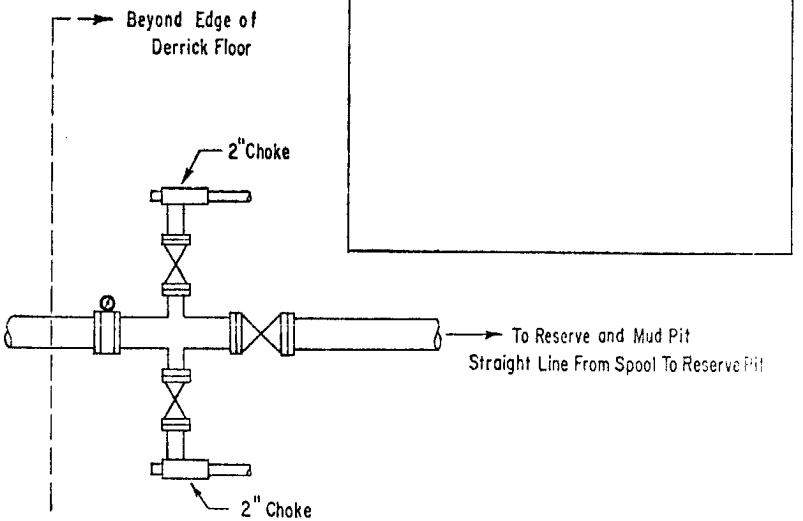
APPROVED BY [signature] TITLE SUPERVISOR DISTRICT I DATE OCT 11 1978

CONDITIONS OF APPROVAL, IF ANY:

DRAWING NO. 2
Revised April, 1970

ADDITIONS – DELETIONS – CHANGES SPECIFY





3000 PSI WORKING PRESSURE BLOWOUT PREVENTER HOOK-UP

The blowout preventer assembly shall consist of one blind ram preventer and one pipe ram preventer, both hydraulically operated; a Shaffer Tool Works stripper; valves ; chokes and connections, as illustrated. If a tapered drill string is used, a ram preventer must be provided for each size of drill pipe. Casing and tubing rams to fit the preventers are to be available as needed. The ram preventers may be two singles or a double type. If correct in size, the flanged outlets of the ram preventer may be used for connecting to the 4-inch I.D. choke flow line and kill line. The substructure height shall be sufficient to install a rotating blowout preventer.

Minimum operating equipment for the preventers shall be as follows: (1) Pump (s), driven by a continuous source of power, capable of closing all the pressure-operated devices simultaneously within____seconds. The pump (s) is to be connected to a closed type hydraulic operating system. (2) When requested, accumulators with a precharge of nitrogen of not less than 750 PSI and connected so as to receive a fluid charge from the above pump (s). With the charging pump (s) shut down, the pressurized fluid volume stored in the accumulators must be sufficient to close all the pressure-operated devices simultaneously within____ seconds; after closure, the remaining accumulator pressure shall be not less than 1000 PSI with the remaining accumulator fluid volume at least____percent of the original. (3) When requested, an additional source of power, remote and equivalent, is to be available to operate the above pump (s); or there shall be an additional pump (s) operated by separate power and equal in performance capabilities.

The closing manifold shall have a separate control for each pressure-operated device. Controls are to be labeled, with control handles indicating open and closed positions. A pressure reducer and regulator must be provided if a Hydril preventer is used. Gulf Legion No. 38 hydraulic oil, an equivalent or better, is to be used as the fluid to operate the hydraulic equipment.

The choke manifold, choke flow line, and choke lines are to be supported by metal stands and adequately anchored. The choke flow line and choke lines shall be constructed as straight as possible and without sharp bends. Easy and safe access is to be maintained to the choke manifold. All valves are to be selected for operation in the presence of oil, gas, and drilling fluids. The choke flow line valve connected to the drilling spool and all ram type preventers must be equipped with stem extensions, universal joints if needed, and hand wheels which are to extend beyond the edge of the derrick substructure. All other valves are to be equipped with handles.