Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instruction reverse side)

Form approved.
Budget Bureau No. 42-R1425.

30-025-24677

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: LC-065194

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

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

7. UNIT AGREEMENT NAME: Bell Lake

8. FARM OR LEASE NAME: Bell Lake Unit 3

9. WELL NO.: 15

2. NAME OF OPERATOR: CONTINENTAL OIL COMPANY

3. ADDRESS OF OPERATOR: P. O. Box 460, Hobbs, N.M. 88240

10. FIELD AND POOL, OR WILDCAT: ~~Bell Lake Bone Springs~~ Undes.

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1980' FNL & 660' FEL of Sec. 7
At proposed prod. zone

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 7 T-23S R-34E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

12. COUNTY OR PARISH: Lea — 13. STATE: N. Mex.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
	1,066.85	160 40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
	8,650'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3463.9 GR

22. APPROX. DATE WORK WILL START*: 2-12-74

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17½"	13⅜" H-40	48#	1,200'	Circ. to 520 Sacks
11"	8⅝" J-55	24# 32#	4,950'	475 Sacks
7⅞"	5½" J-55	14#, 15.5#, 17#	8,650'	550 Sacks

It is proposed to drill a straight hole to a TD of 8,650', and complete as a Bone Springs Oil Well. Mud Program: 0'-1,000' 8.5#-9.0# Spud Mud, 1,000'-4,950' 9.5#-10.2# Salt Gel; 4,950'-8,650' 8.5# Treated Brackish Water.

See attached for Blowout Preventer Program.

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. 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 Robert Gault III — TITLE Division Office Manager — DATE 2-1-74

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
FEB 11 1974
ARTHUR R. BROWN
DISTRICT ENGINEER

*See Instructions On Reverse Side

USGS 6, Partners-9, File

NEW MEXICO OIL CONSERVATION COMMISSION

WELL L TION AND ACREAGE DEDICATION P

Form C-102
Supersedes C-128
Effective [illegible]

All distances must be from the outer boundaries of the Section

Operator	Lease	Well No.
CONTINENTAL OIL COMPANY	BELL LAKE UNIT 3	15

Unit Letter	Section	Township	Range	County
H	7	23 SOUTH	34 EAST	LEA

Actual Footage Location of Well:
1980 feet from the NORTH line and 660 feet from the EAST line

Ground Lvl. Elev.	Producing Formation	Pool	Dedicated Acreage:
3463.4	Bone Spring	~~Undesignated Bone Spring~~ Undesignated Bell Lake-Bone Spring	~~160~~ 40

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

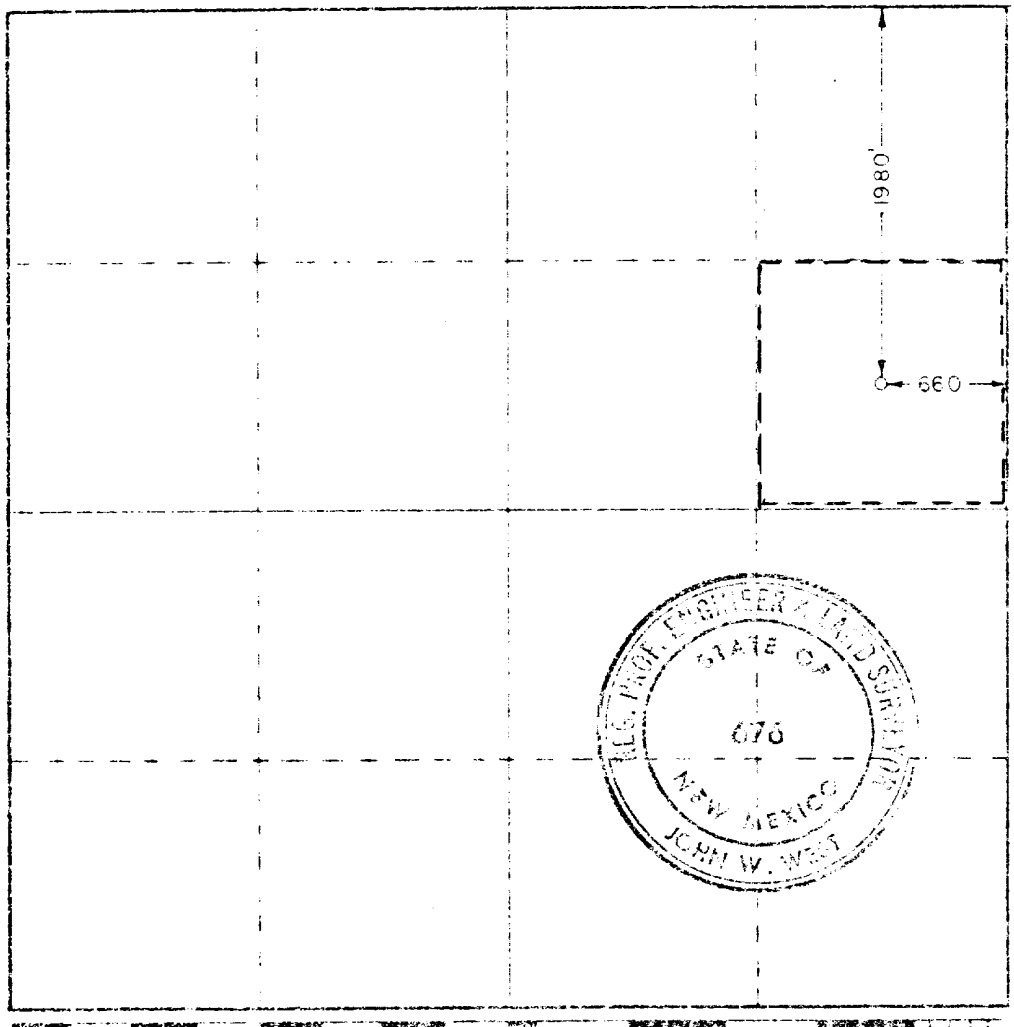
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name: Robert Gault III

Position: Division Office Manager

Company: Continental Oil Co.

Date: February 1, 1974

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 knowledge and belief.

Date Surveyed: January 9, 1974

Registered Professional Engineer and/or Land Surveyor: John W West

Certificate No. 676

Development Plan For Surface Use

Bell Lake Unit 3 No. 15

1. Existing roads including location of the exit from the main highway

   See Attached Map

2. Planned access roads

   See Below and Attached Map

   (a) Length and width of new road 12' X 2300' (b) Roads will be compacted ~~or surfaced~~

3. Location of existing wells

   See Attached Map

4. Lateral roads to well location

   See Attached Map

5. Location of tank batteries and flowlines

   See Attached Map

6. Location and type of water supply

   (X) Water will be hauled to location ( ) ~~See attached map for location of proposed water lines~~

7. Methods for handling waste disposal

   All litter and scrap material will be disposed of by burying in a trash pit with a minimum cover of 24 inches of dirt.

8. and 9. Location of camps and airstrips

   There are no camps or airstrips contemplated to serve this lease.

10. Location of layout to include position of the rig, mud tanks, reserve pits, burn pits, pipe racks, etc.

    See Below and Attached plat

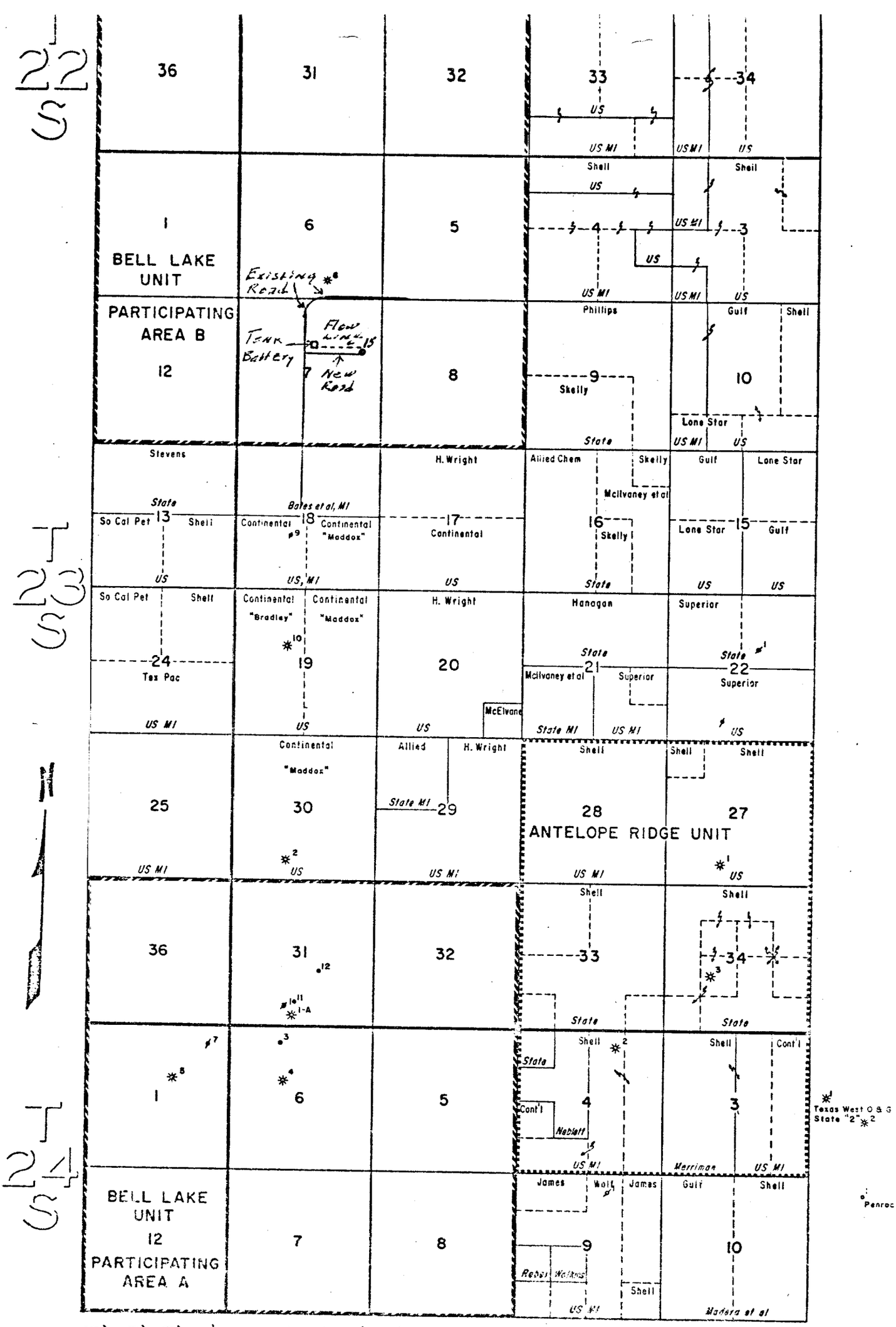
    (a) Size of drilling pad (b) Drilling pad____ compacted ~~or surfaced.~~

11. Plans for restoration of the surface

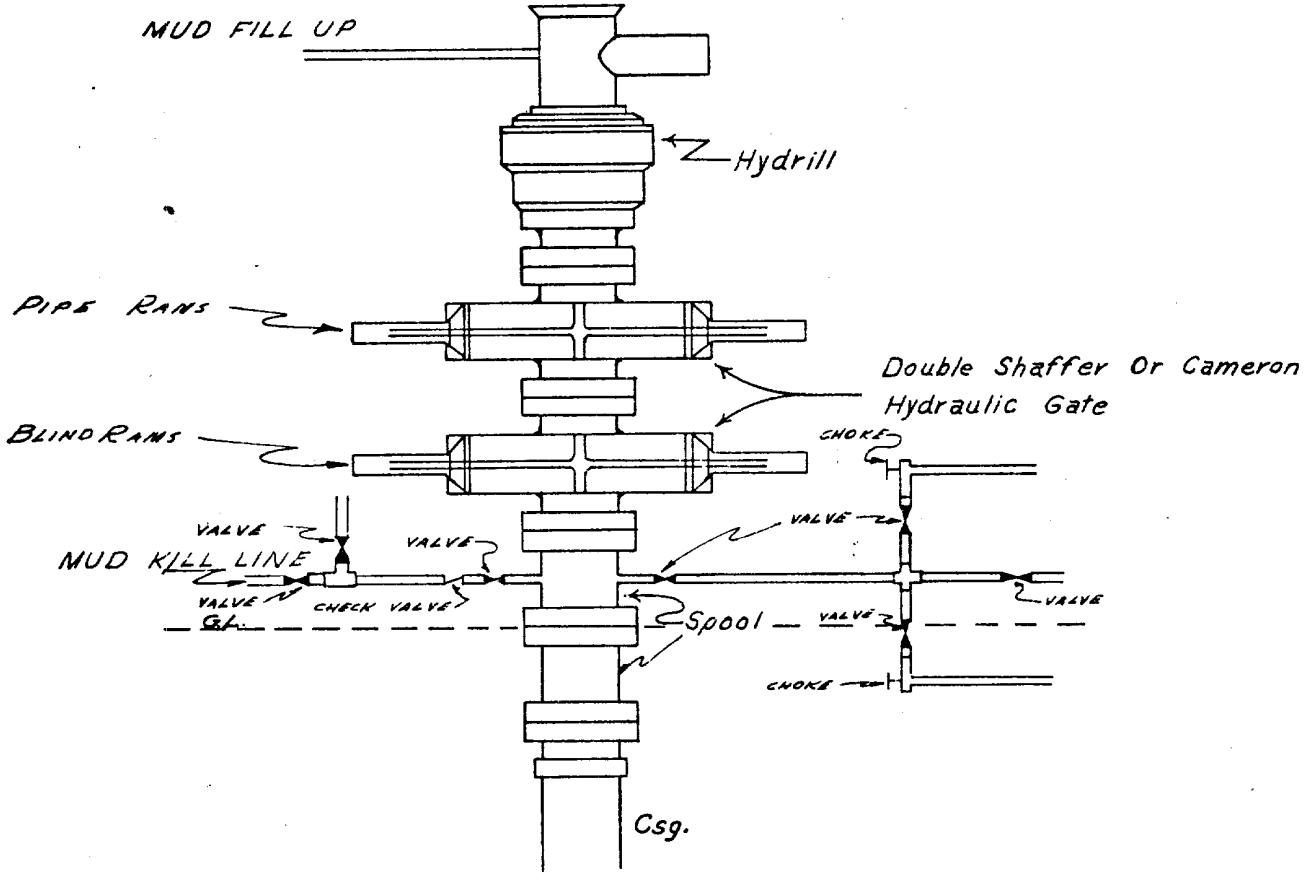
    Surface will be levelled and properly conditioned.

12. Other information that may be used in evaluating the impact on environment

    The terrain in this area is generally flat with very little vegetation. No streams or other major water sheds are located in this area.


36
31
32
33
34
US
US MI
1
BELL LAKE UNIT
6
5
4
3
Existing Road
Tank Battery
Flow line
New Road
PARTICIPATING AREA B
12
7
8
9
10
Skelly
Phillips
Gulf
Shell
Lone Star
State
Stevens
H. Wright
Allied Chem
Mcllvaney et al
13
18
17
16
15
So Cal Pet
Continental
Bates et al, MI
Continental "Maddox"
Hanagan
Superior
24
19
20
21
22
Tex Pac
McElvane
25
30
29
28
27
ANTELOPE RIDGE UNIT
Allied
State MI
36
31
32
33
34
1
6
5
4
3
Cont'l
Nabisff
Merriman
Texas West O & G State "2"
BELL LAKE UNIT
12
PARTICIPATING AREA A
7
8
9
10
James
Wolf
Gulf
Rebel
Watkins
Madera et al
Penroc
T 22 S
T 23 S
T 24 S
R33E
R34E
Bell Lake Unit 3 No. 15

CONTINENTAL OIL COMPANY
Blow-out Preventer Specifications



NOTE:

Manual and Hydraulic controls with closing unit no less than 75' from well head. Remote controls on rig floor.

DRAWING B

RFL

MORANC .IG NO. 9
RIG LAYOUT AND PIT PLAT
CONTINENTAL OIL COMPANY
LEVERS FEDERAL NO. 2