

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Grace Petroleum Corporation

3. ADDRESS OF OPERATOR

6501 North Broadway, Oklahoma City, Oklahoma 73116

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface

330' FNL & 660' FWL
At proposed prod. zone

(same)

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

30 miles SW of Hobbs, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 330'

(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE

959.96

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 700'

19. PROPOSED DEPTH

9750'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3578.7 GR.

Capitan Controlled Water Basin

22. APPROX. DATE WORK WILL START*

July 15, 1991

23. PROPOSED CASING AND CEMENTING PROGRAM R-111-P Potash

Secretary's Potash

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48 lb/ft	500'	500 sxs - circ. to surface
12 1/2"	8 5/8"	28 & 32 lb/ft	5200' 3200'	440 sxs - 2 stages circ. to surface
7 7/8"	5 1/2"	17 & 20 lb/ft	9750'	1400 sxs - cmt to 4500' 3000'

13 3/8" casing: Circulate to surface using 500 sxs premium plus cement containing 2% calcium chloride.

8 5/8" casing: Cement in two stages with multiple stage cementer @ 3800'. First stage 600 sxs light containing 16 lbs salt & 1/4 lb flocele, tailing w/ 200 sxs premium plus containing 2% calcium chloride. Second stage w/ 3400 sxs light containing 16 lbs. salt & 1/4 lb. flocele, tailing w/ 200 sxs premium plus containing 2% calcium chloride.

5 1/2" casing: Cement w/ 1200 sxs 50/50 premium poz mix containing .6% Halad 22A-.5 lbs. KCL, tailing w/200 sxs prem. plus w/2% calcium chloride.

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

Marvin T. Jordan

TITLE

Operations Superintendent

DATE

July 4, 1991

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

CONSTRUCTION SUPERVISOR (if any)

TITLE

DATE

8-9-91

GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

*See Instructions On Reverse Side

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

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 1-1-89

RECEIVED

JUN 26 1991

PROD. ACCT

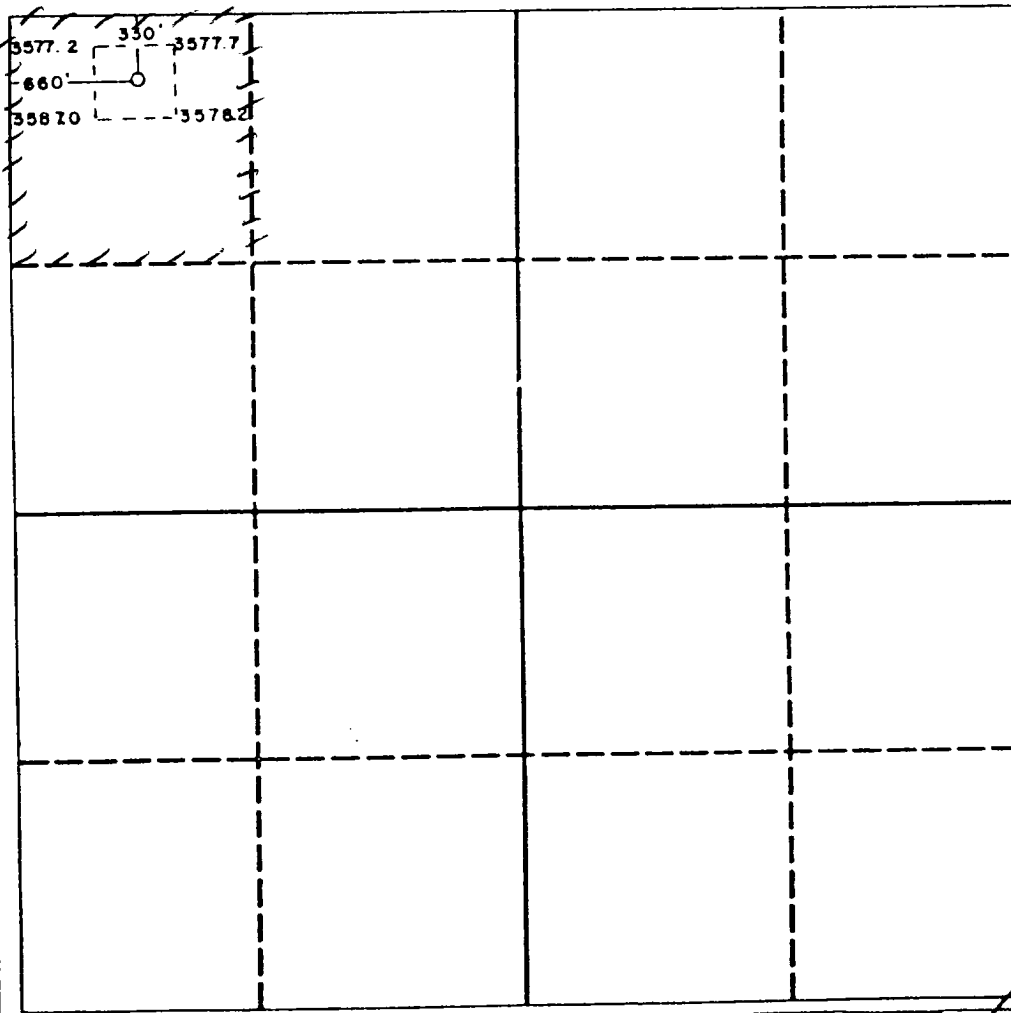
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator GRACE PETROLEUM CORP.		Lease SMITH RANCH FEDERAL 11		Well No. 4
Unit Letter D	Section 11	Township 20 SOUTH	Range 33 EAST	County LEA
Actual Footage Location of Well: 330 feet from the NORTH line and 660 feet from the WEST line				
Ground level Elev. 3578.7	Producing Formation Bone Springs	Pool Teas	Dedicated Acreage: 40 Acres	
1. Outline the acreage dedicated to the subject well by colored pencil or ink lines 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 interest 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 interest, has been approved by the Division.				
			OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <i>Marvin T. Jordan</i> Printed Name Marvin T. Jordan Position Operations Superintendent Company Grace Petroleum Corp. Date July 1, 1991	
			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 knowledge and belief. Date Surveyed 6-19-91 Signature & Seal of Professional Surveyor <i>[Signature]</i> REGISTERED PROFESSIONAL SURVEYOR NEW MEXICO JOHN W. WEST 678 3239	

Application For Permit To Drill
Grace Petroleum Corporation
Smith Ranch Federal 11, #4
330' FNL & 660' FWL
Section 11, T20S-R33E
Lea County, New Mexico

In conjunction with Form 3160-3, Application For Permit To Drill, Grace Petroleum Corporation submits the following items of pertinent information.

1. Geological Surface Formation:

Quaternary alluvium and bolson deposits

2. Estimated Formation Tops: GR

<u>Formation</u>	<u>Estimated Depth</u>	<u>Remarks</u>
Yates	3300'	Poss. show oil
7 Rivers	3400'	" " "
Queen	4500'	" " "
Delaware	5700'	" " "
Bone Springs	8000'	" " "

3. Proposed Casing Program: See Form 3160-3 & Attachment I

4. Pressure Control Equipment: See Attached II

5. Mud Program: See Attachment III

6. Auxillary Equipment: As needed

7. Testing, Logging and Coring Program:
Testing - Possible DST in Bone Springs

Logging - 3000' to TD

Electric Logs

DSN-SDL w/CSNG	Int. csg to TD (DSN surf to TD)
FW Sonic	Int. csg to TD (DT surf to TD)
DLL w/GR & Cal.	Int. csg to TD
Dipmeter	Int. csg to TD
CBL	TD to TOC

Coring - 60' full diameter Bone Springs
30 sidewall cores Bone Springs & Delaware

8. Known Drilling Hazards: None

9. Anticipated Starting Date: July 15, 1991

GRACE PETROLEUM CORPORATION

SMITH RANCH FIELD - 11 #4

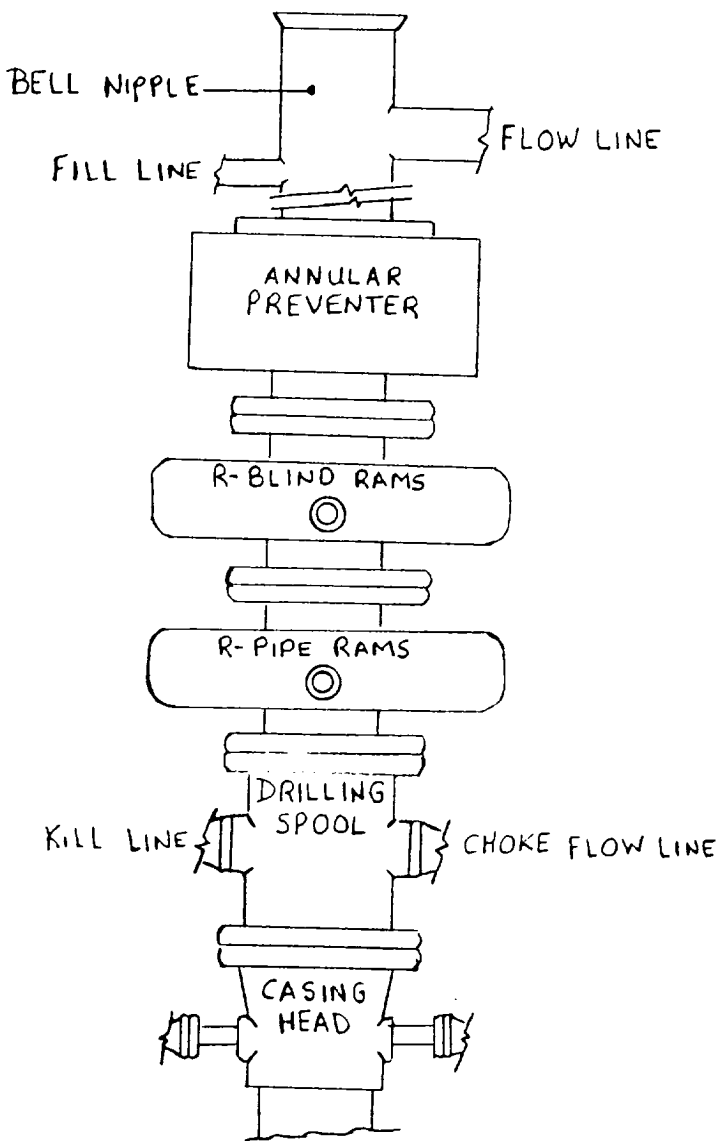
330' FNL & 660' FWL

SEC 11, T-20S-R33E

LEA COUNTY, NEW MEXICO

BLOWOUT PREVENTER

5000 PSI W.P.



* TAKEN FROM "RULES AND REGULATIONS"
PART V (43 CFR PART 3160)

