

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

30-05-2689A

cl/5f

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  
 PHILLIPS PETROLEUM COMPANY

NOV 21 1991

3. ADDRESS OF OPERATOR  
 4001 Penbrook St., Odessa, Texas 79762 O. C. D.

4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations)  
 At surface: Unit P, 330' FEL & 1210' FSL  
 At proposed prod. zone: Unit P, 330' FEL & 1210' FSL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE  
 2-1/2 miles West of Loco Hills, NM

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest Orig. Unit line, if any)  
 330'

16. NO. OF ACRES IN LEASE

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.  
 645'

19. PROPOSED DEPTH  
 3650'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 3620.2' (unprepared)

22. APPROX. DATE WORK WILL START  
 upon approval

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	350'	350 sk C Circ. to surface
7-7/8"	5-1/2"	15.5#	3650'	350 sk C Circ. to surface
			Tail	300 sk C Neat

Part ID-1  
 11-29-91  
 New h/c & API

See attached BOP Detail & Mud program

NSL-3078  
 Appv 11-15-91

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive wells 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 L. M. Sanders TITLE Regulation & Proration DATE 11/5/91

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 11-20-91

APPROVAL SUBJECT TO:  
 GENERAL REQUIREMENTS AND  
 SPECIAL STIPULATIONS

\*See Instructions On Reverse Side



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

State of New Mexico  
 Energy, Minerals and Natural Resources Dept.

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

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 Phillips Petroleum Company			Lease Keely "C" Fed		Well No. 62
Unit Letter P	Section 24	Township 17 South	Range 29 East	County Eddy	

Actual Footage Location of Well:  
 1210 feet from the South line and 330 feet from the East line

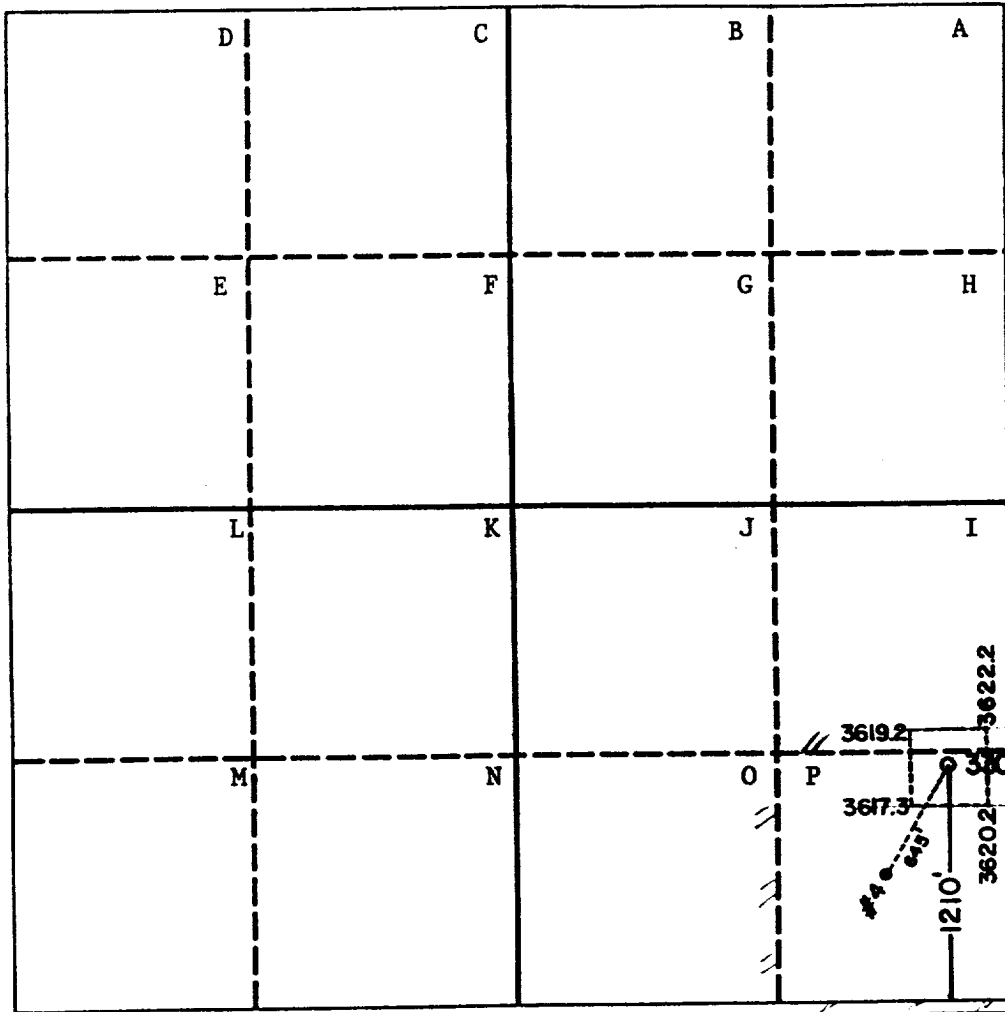
Ground level Elev. 3620.5	Producing Formation Grayburg-Jackson-7R-0-GB-SA	Pool Grayburg-Jackson-7R-0-GB-SA	Dedicated Acreage: 40 Acres
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- Outline the acreage dedicated to the subject well by colored pencil or inclusion marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.

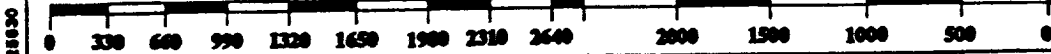
Signature: *L.M. Sanders*  
 Printed Name: L.M. Sanders  
 Position: Supervisor Reg/Proration  
 Company: Phillip Petroleum Company  
 Date: 11/5/91

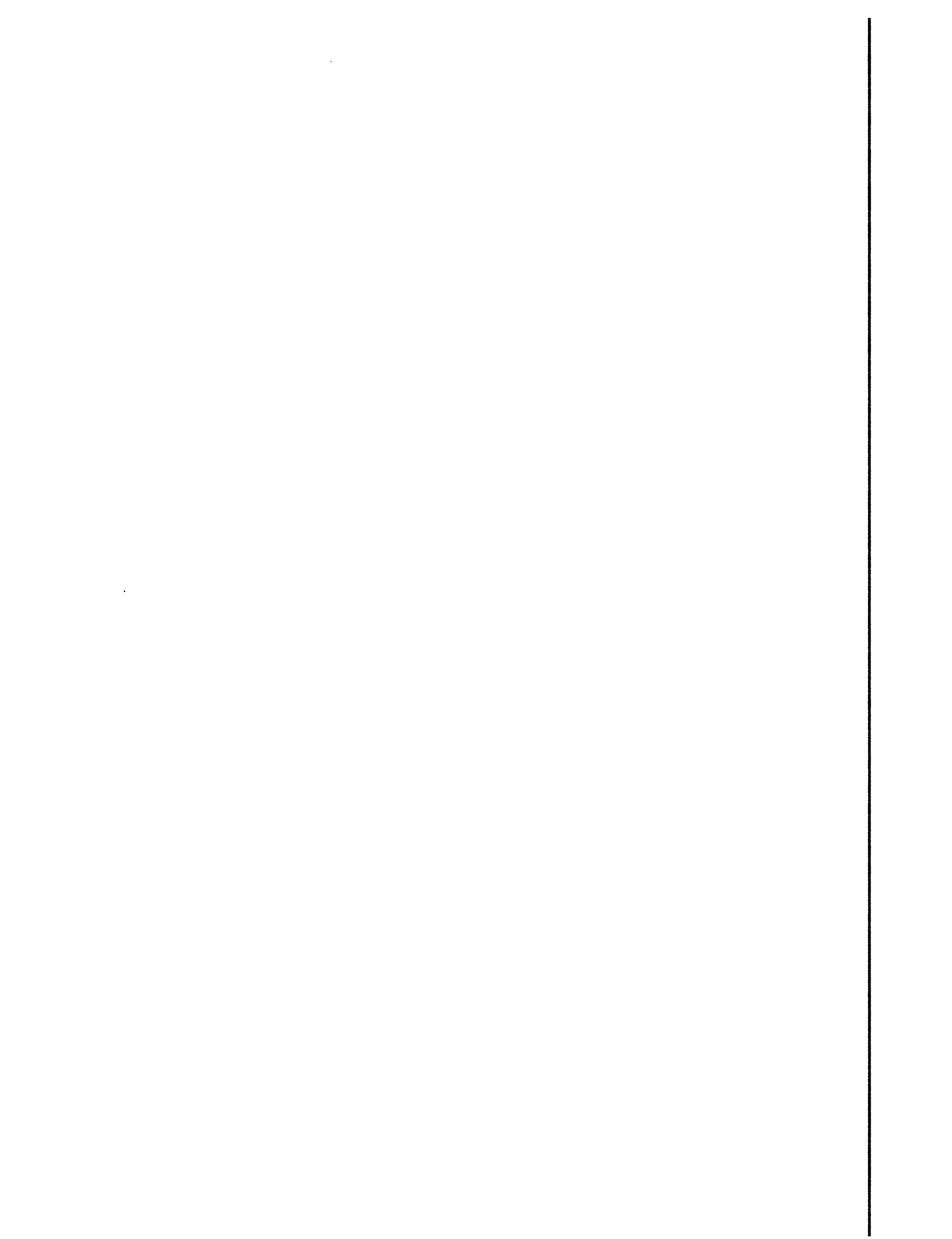
**SURVEYOR CERTIFICATION**

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 are true and correct to the best of my knowledge and belief.

Date Surveyed: October 3, 1991  
 Signature & Seal of Professional Surveyor: *John W. West*

Certificate No: JOHN W. WEST, 676  
 RONALD J. EIDSON, 3239





PROPOSED CASING & CEMENTING PROGRAM

KEELY C # 62

8 5/8" 24 lb/ft K-55 Surface Casing Set at 350'-12-1/4" HOLE:

Circulate to surface with 350 sacks of Class "C" + 2% CaCl<sub>2</sub>.

Slurry Weight:	14.8 ppg <sub>3</sub>
Slurry Yield:	1.32 ft <sup>3</sup> /sx
Water Requirement:	6.3 gals/sx

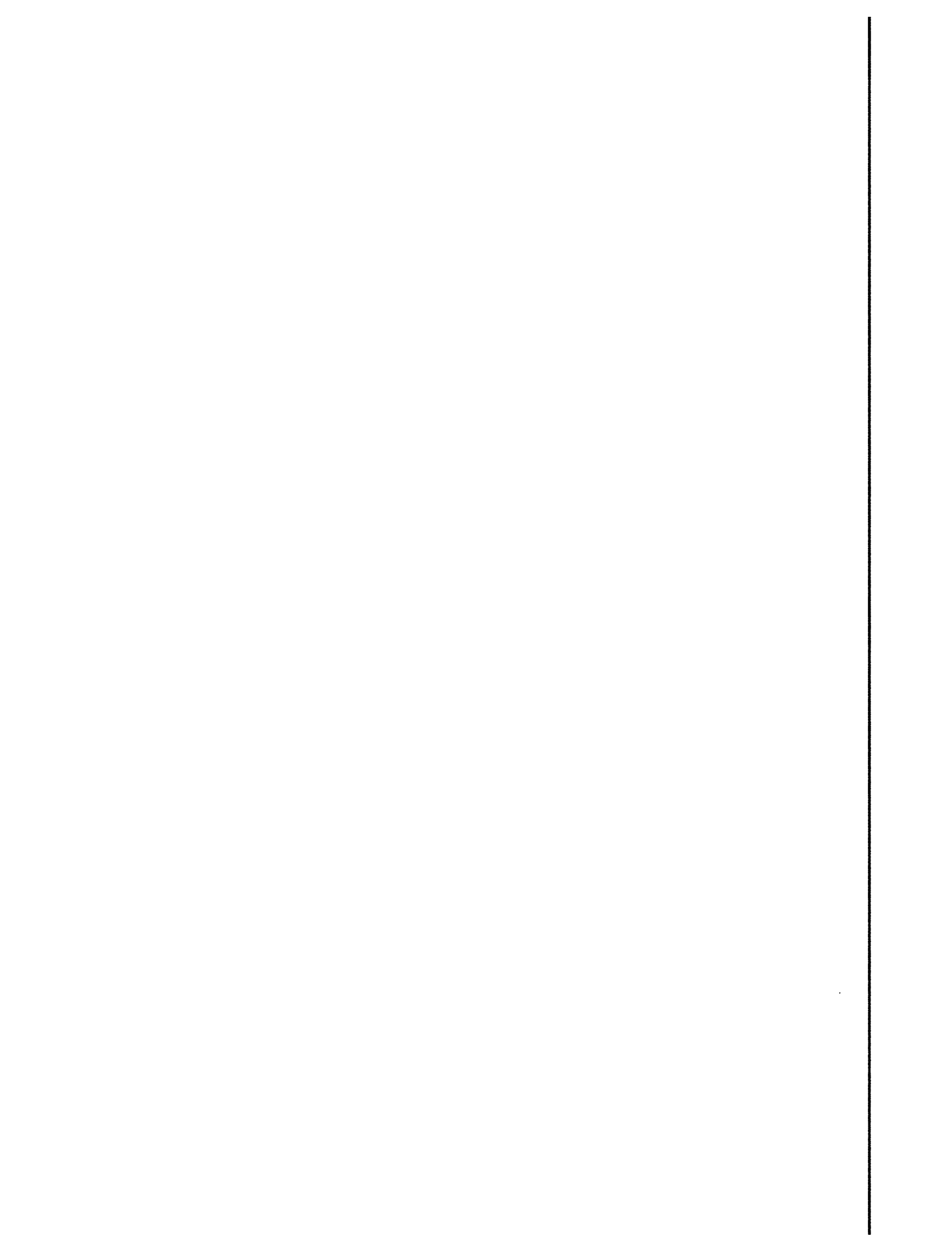
5 1/2" 15.5 lb/ft K-55 Production Casing Set at 3650'-7-7/8" HOLE:

Lead: 350 sx Class "C" 65/35 Poz + 6% Bentonite + 5% Salt.  
TOC = Surface.

Slurry Weight:	13.2 ppg <sub>3</sub>
Slurry Yield:	1.70 ft <sup>3</sup> /sx
Water Requirement:	8.8 gals/sx

Tail: 300 sx Class "C" Neat.

Slurry Weight:	14.8 ppg <sub>3</sub>
Slurry Yield:	1.32 ft <sup>3</sup> /sx
Water Requirement:	6.3 gals/sx



MUD PROGRAM

KEELY C #62

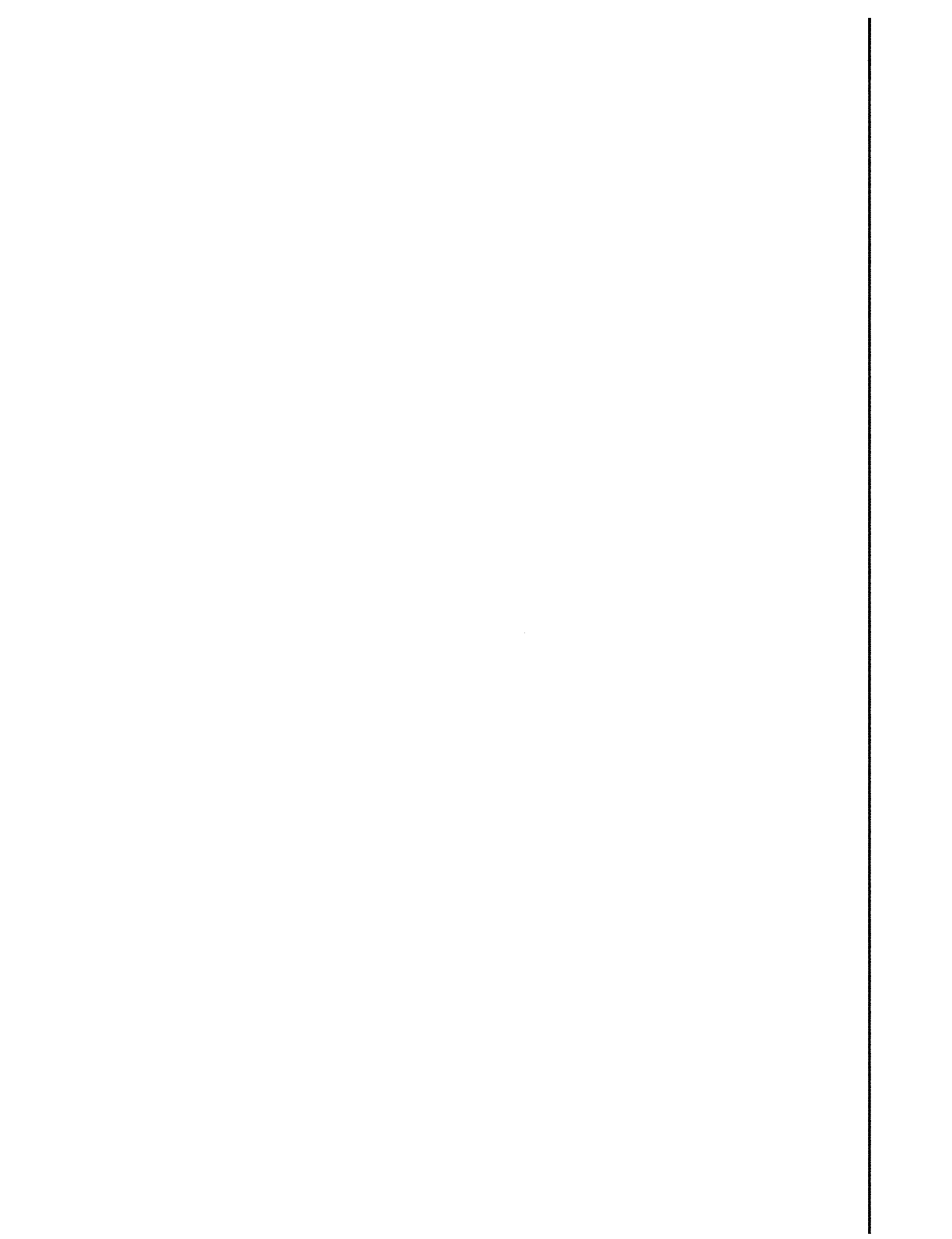
DEPTH	MUD WEIGHT	VISCOSITY	FLUID LOSS	CL PPM	% SOLIDS	
Surf - 375'	8.5-9.0 ppg	30-36 sec/1000 cc	-	-	-	Native Solids, Paper
375' - 1000'	10.0-10.2 ppg	29-32 sec/1000 cc	-	Saturated	-	Native Solids
1000' - 3650'	10.2 ppg or less	31-34 sec/1000 cc	10 cc or less	Saturated	-	Starch/Drispac+

Remarks: Use DBX dripped into flowline 10-15' upstream from lower end if extra settling of solids is desired while circulating the reserve.

The Mud Engineer shall include on each test report the materials used for the previous 24 hr. period. Twice weekly mail copies of the test reports to:

A. C. Sewell  
 4001 Penbrook  
 Odessa, Texas 79762

Send two copies of the Well Recap (Final Cost & Engineering Summaries) to A. C. Sewell at the above address.





## SURFACE USE PLAN

Phillips Petroleum Company, Keely C Fed Lease, Well No. 62, 1210 FSL & 330 FEL, Section 24, T-17-S, R-29-E, Eddy County, New Mexico. (Fed Lease No. LC-028784-C)

This plan is to accompany "Application for Permit to Drill" the subject well which is located approximately 2-1/2 miles west Loco Hills, New Mexico. The following is a discussion of pertinent information concerning the possible effect which the proposed drilling well may have on the environment of the well and road sites and surrounding acreage. A copy will be posted on the derrick floor so that all contractors and sub-contractors will be aware of all items of this plan.

### 1. Existing Roads

A. Runs north and south east of drillsite  
\_\_\_\_\_  
\_\_\_\_\_

### 2. Planned Access Roads

A. To run east & west off existing road to drillsite  
\_\_\_\_\_  
\_\_\_\_\_

B. Turnouts: None

C. Drainage Design: Centerline to sideline slope

D. Culverts, Cuts and Fills: None

E. Surfacing Material: Caliche well pads & road

F. Gates, Cattleguards, Fences: None

G. Proposed Road: The proposed road is centerline staked

3. Locations of Existing wells: #4 - 660' FSL & 660' FEL of Sec. 24  
\_\_\_\_\_

4. Locations of Tank Batteries, Production Facilities, Production Gathering, and Service Lines: Approx. 1900 feet of 2-7/8" steel flowline will be laid upon the ground surface along the access road to the satellite battery located in Unit I, Sec. 24, T-17-S, R-29-E, Eddy County, NM.  
\_\_\_\_\_

5. Water Supply Source: Hauled

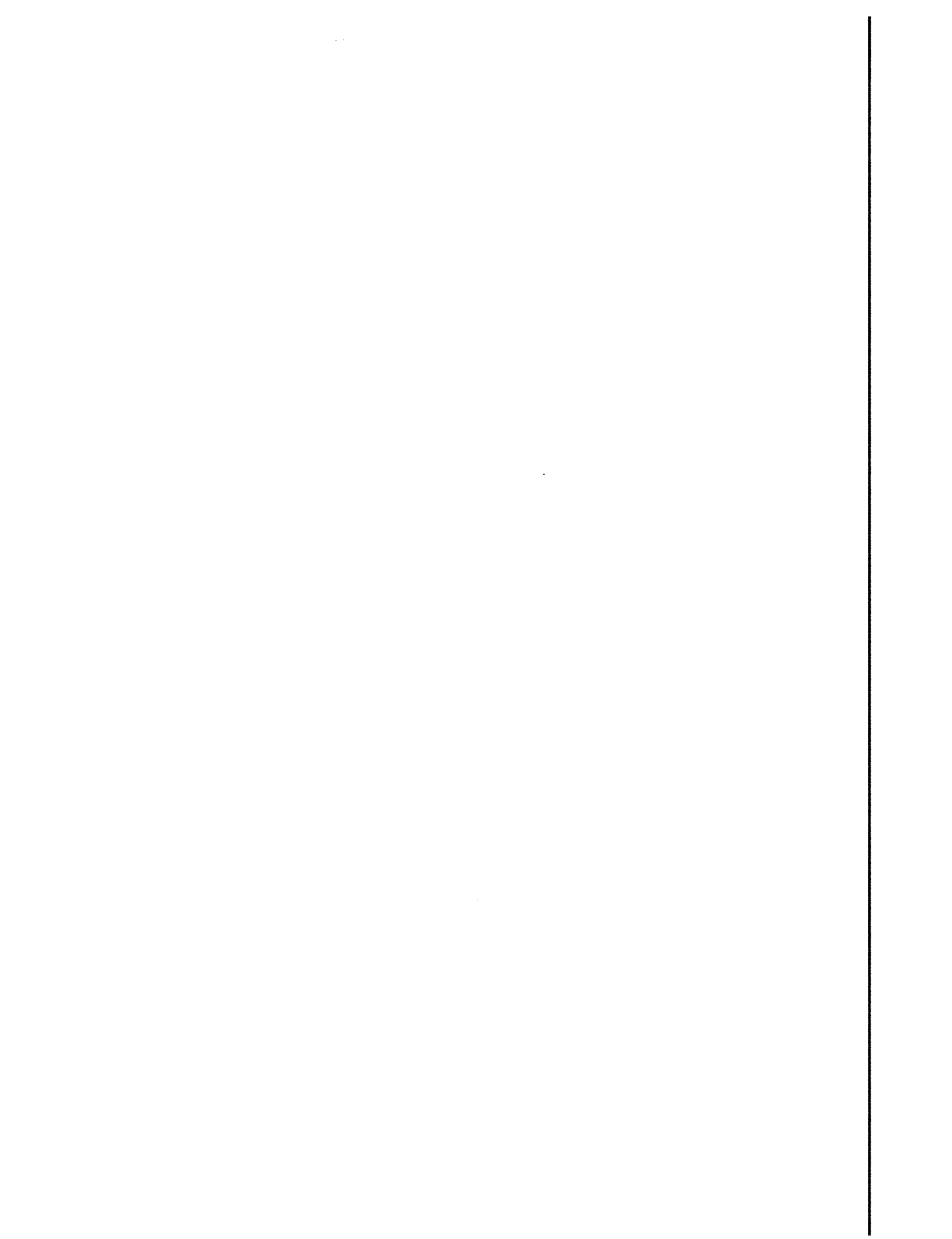
6. Source of Construction Materials: Federal pit located in Sec. 19, T-17-S, R-30-E  
\_\_\_\_\_

A. Caliche for surfacing the new road and well pads will be obtained from: Federal pit, Sec. 19, T-17-S, R-30-E

B. Caliche pit is located on: Federal pit, Sec. 19, T-17-S, R-30-E

### 7. Methods for Handling Waste Disposal:

Will be put in trash trailer. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. All produced water will be used for injection water on the Burch-Keely waterflood project.



8. Ancillary Facilities: None

9. Well Site Layout: Attached sketch shows the relative location and dimensions of the well pad, mud pit, reserve pit, and trash pit. Location will be 250 X 250.

10. Plans for Restoration of Surface:

Pit will be backfilled and levelled as soon as practical to original condition. If well is productive, caliche pad will remain as well service pad. If dry hole, pads and access roads will be ripped per regulations. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed within 60 days from commencement.

11. Other Information:

- A. Terrain: See Archaeological Report
- B. Soil: See Archaeological Report
- C. Vegetation: See Archaeological Report
- D. Surface Use: Possibly grazing
- E. Ponds and Streams: None
- F. Water Wells: None
- G. Residences and Buildings: 1-1/2 miles east of drlg site
- H. Arroyos, Canyons, etc.: None
- I. Well Sign: Sign identifying & location of well will be matakawed at drill site at spudding of well


J. Archaeological Resources: See Archaeological Report

12. Operator's Representative: Field personnel who can be contacted concerning compliance of the "Surface Use Plan" are as follows:

Production and Drilling	or	Spencer Oden
R. C. Ainsworth		1625 West Marland
4001 Penbrook Street		Hobbs, New Mexico 88240
Odessa, Texas 79762		Phone: 505-393-5121
Phone: 915-367-1261		

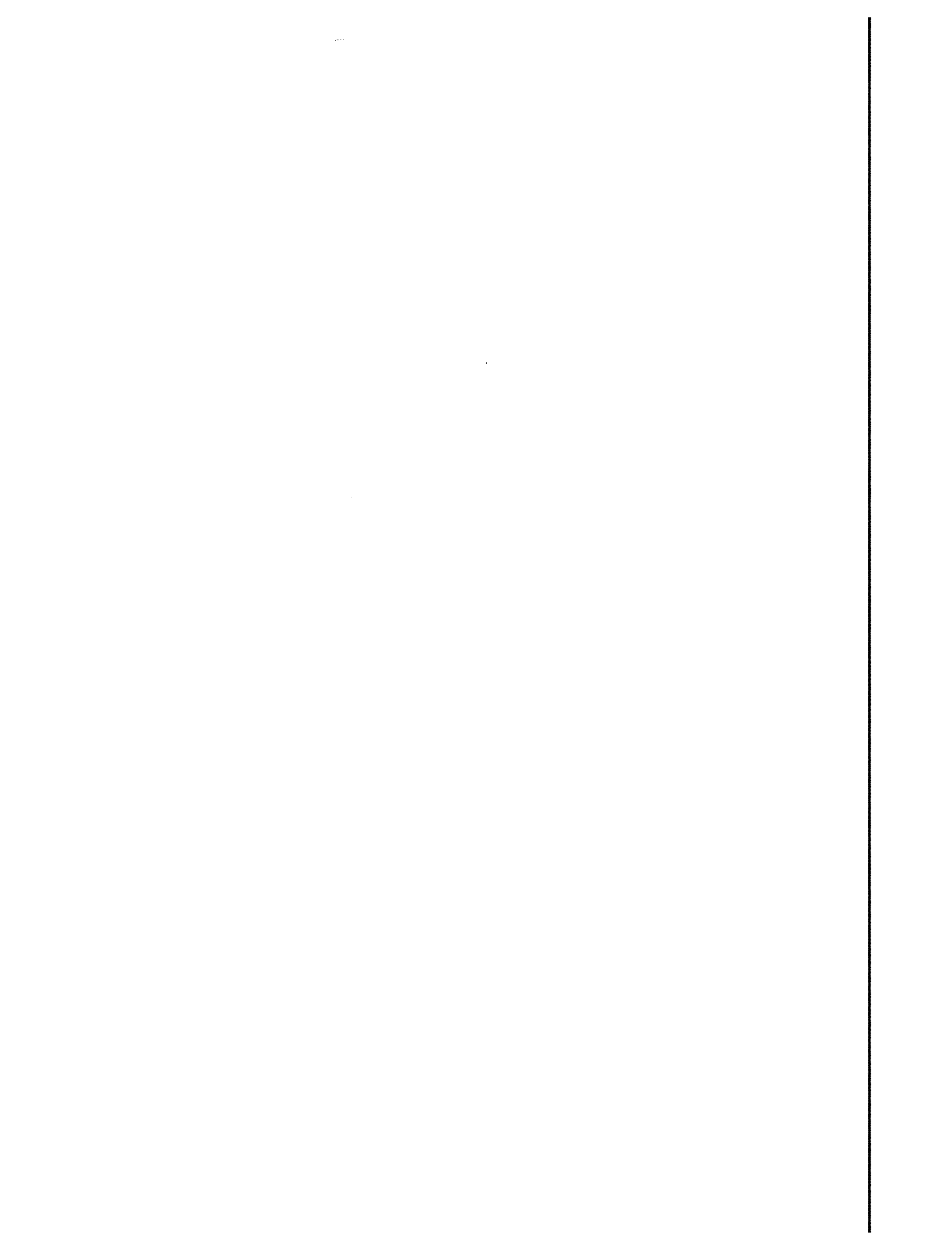
13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Phillips Petroleum Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

  
L. M. Sanders, Supervisor  
Regulation and Proration

11/5/91

Date



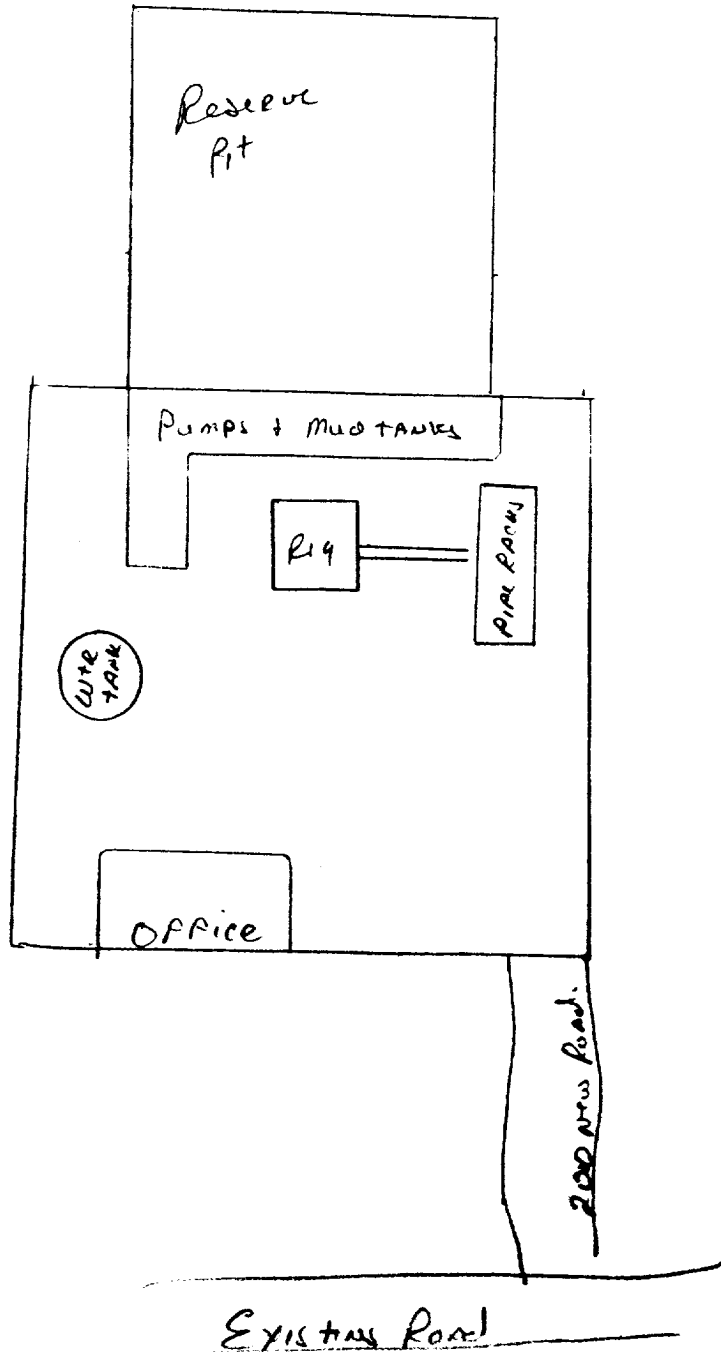
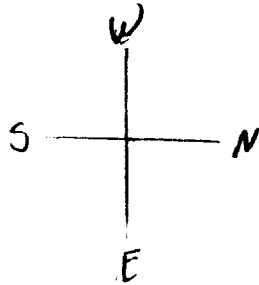


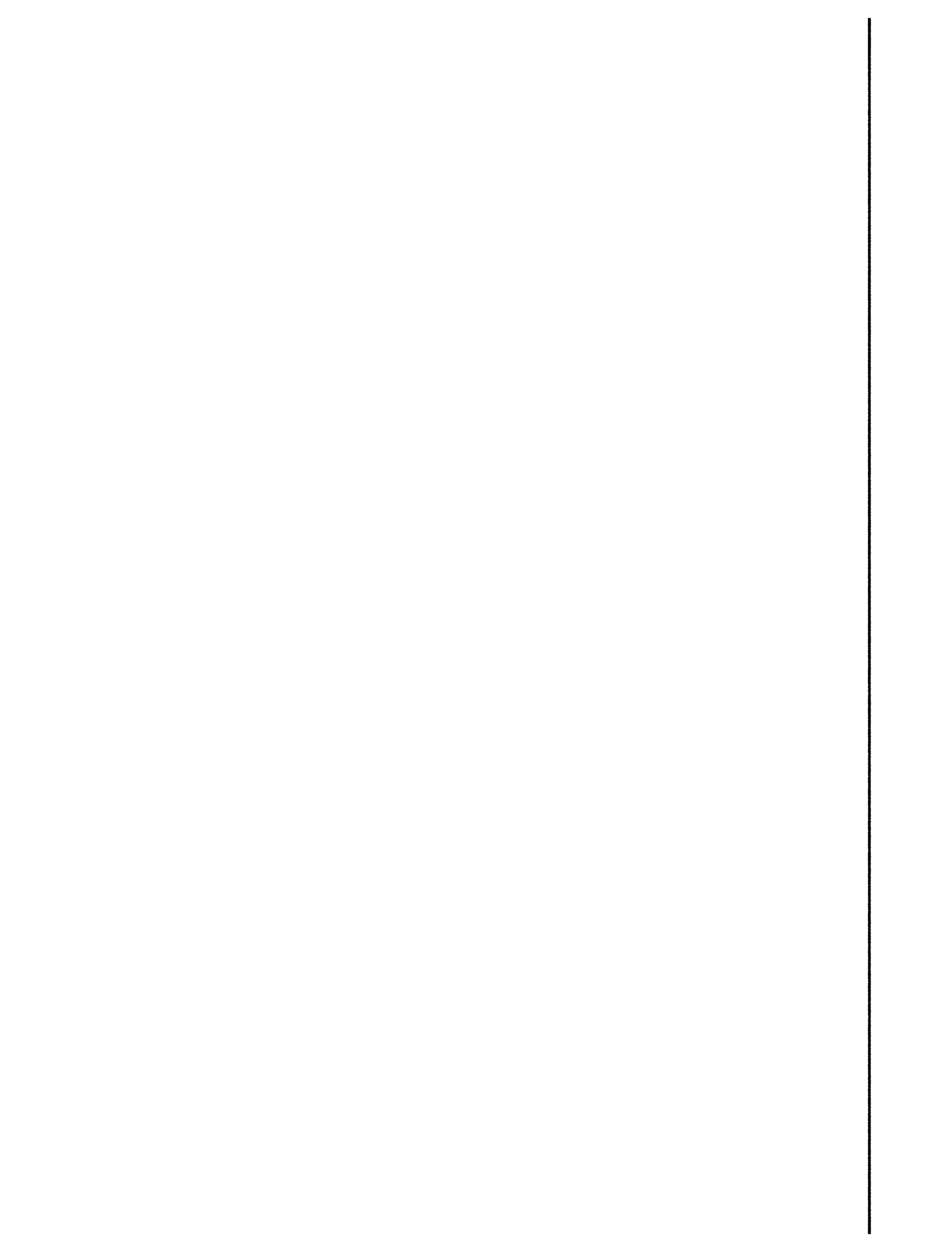
# PHILLIPS PETROLEUM COMPANY

HOBBS, NEW MEXICO 88240  
1625 WEST MARLAND

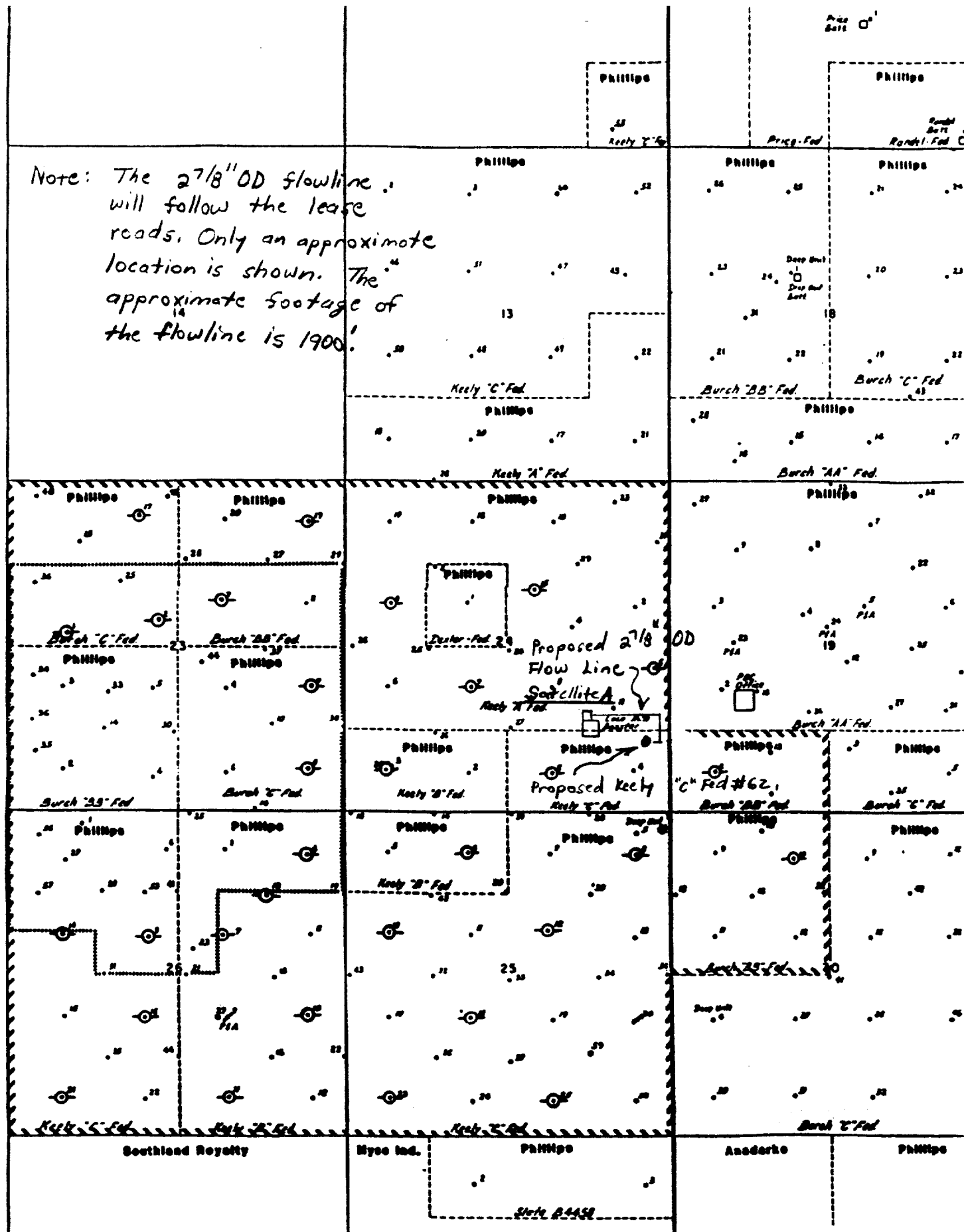
Keely c Feb + 62

EXPLORATION AND PRODUCTION GROUP





Note: The 2 7/8" OD flowline will follow the lease roads. Only an approximate location is shown. The approximate footage of the flowline is 1900'.

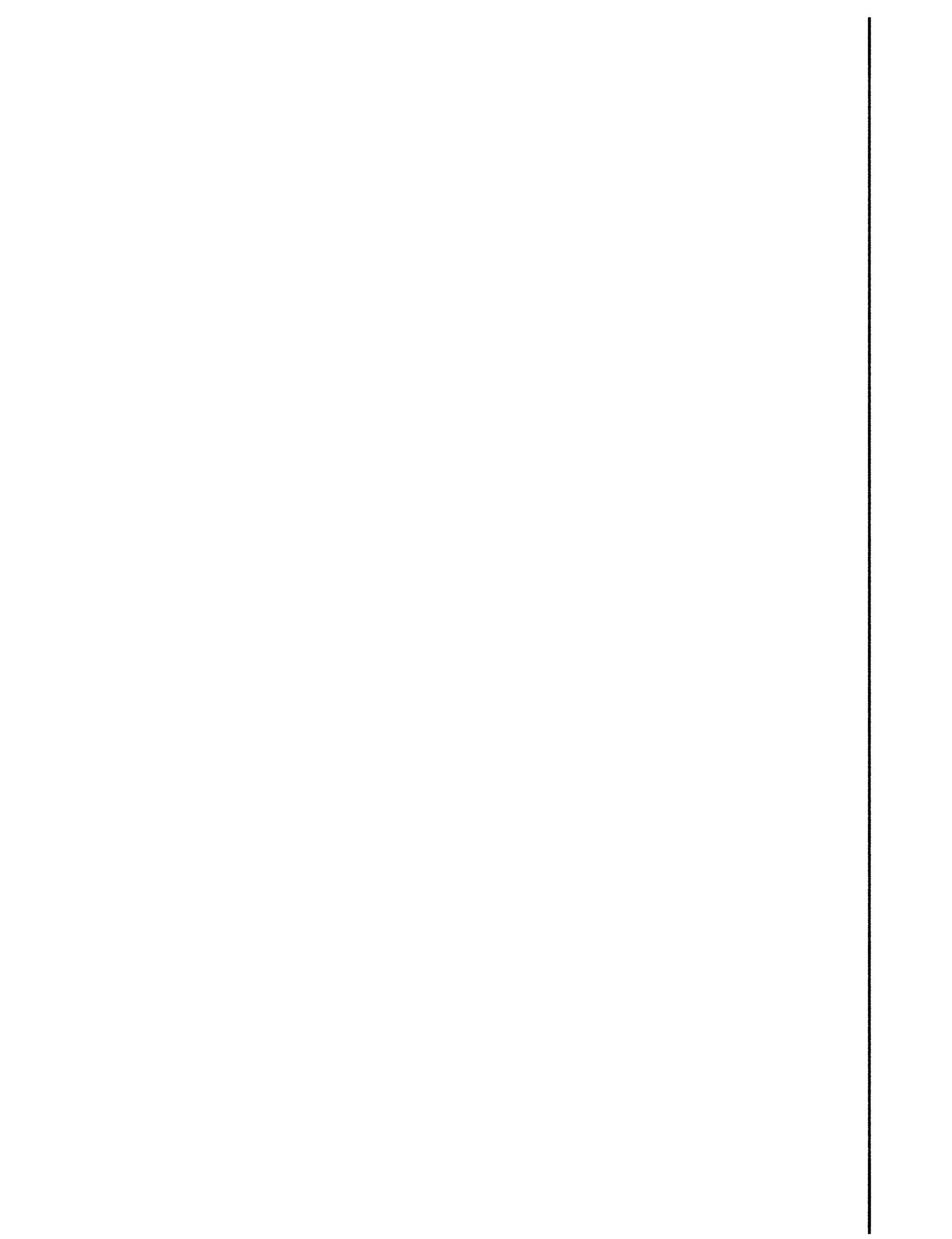


Keely C FEDERAL NO. 6 &

PHILLIPS PETROLEUM COMPANY

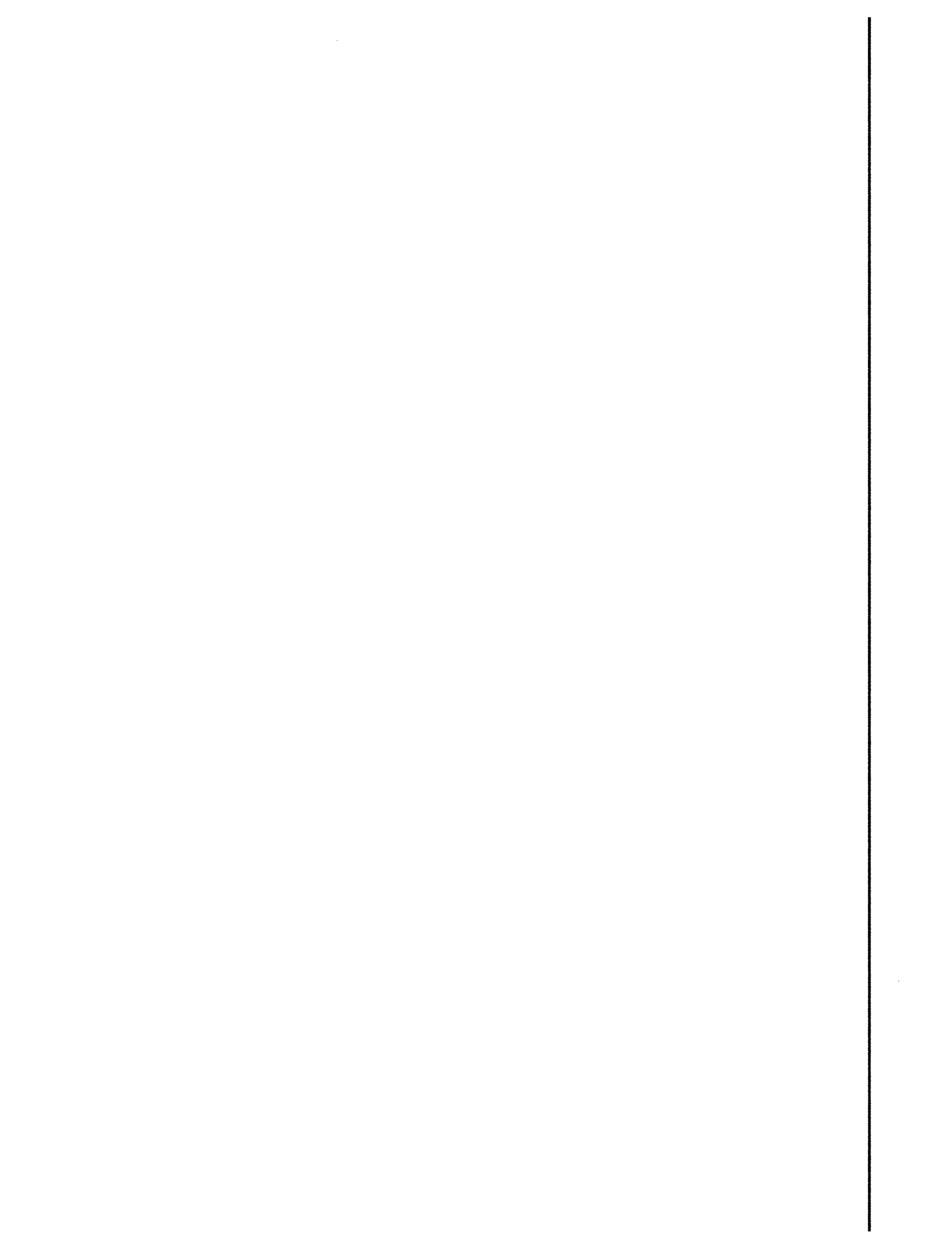
Producing well  
 injection well (as of 1/1/87)  
 Waterflood Project Outline

BURCH KEELY WATERFLOOD  
 T-17-2, B-20-2 & B-20-3  
 GRATING JACKSON (20/2/00/2A) POOL  
 EAST COUNTY, NEW MEXICO  
 SCALE 1900'



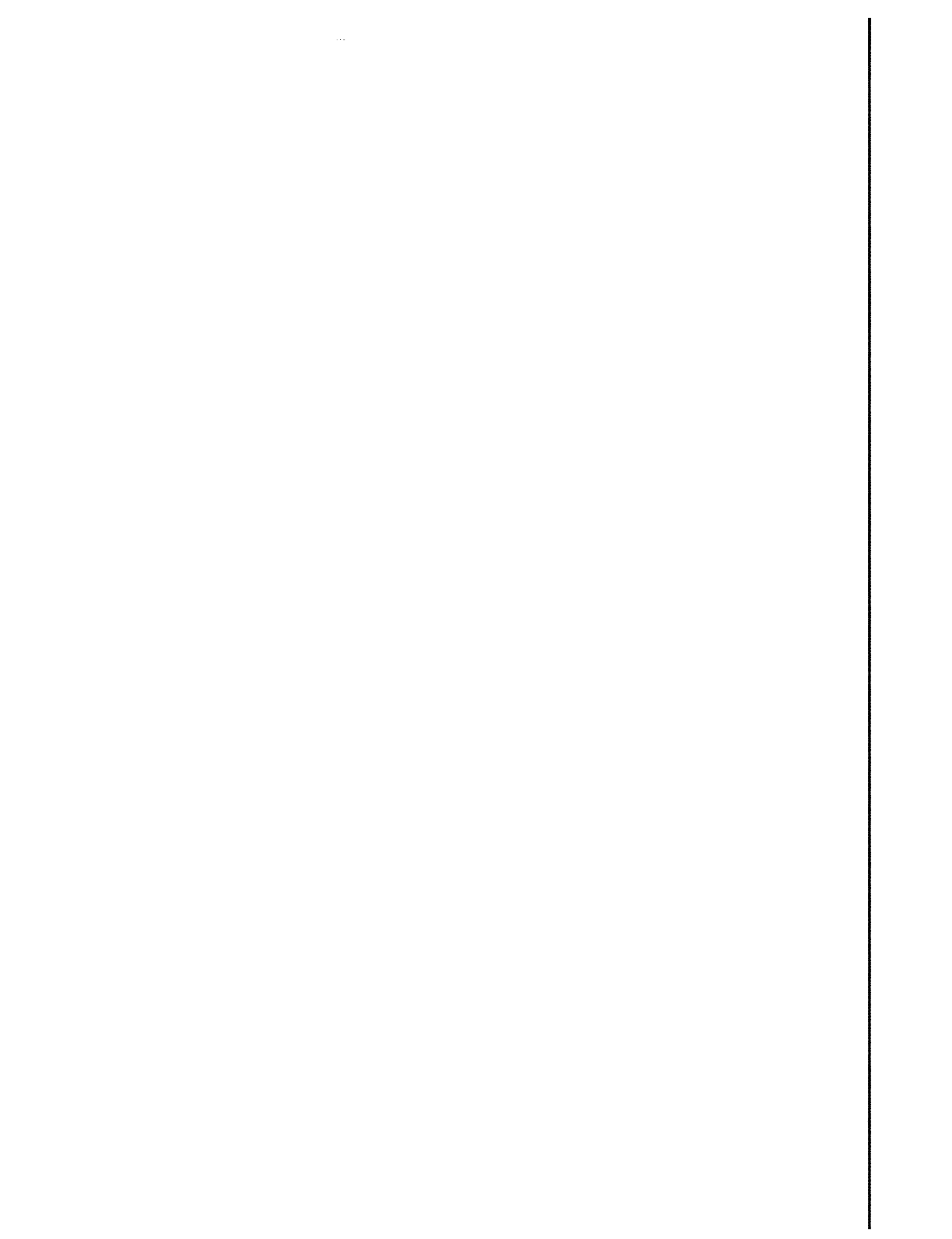






Special Tests: \_\_\_\_\_

12. Anticipate no abnormal pressures or temperatures to be encountered or any other potential hazards such as Hydrogen Sulfide Gas. Low rick H<sub>2</sub>S equipment will be used.
13. The anticipated starting date is immediately upon approval with duration of operations for approximately 30 days thereafter.
14. Water Supply: hailed\_\_\_\_\_
15. Caliche for road and pad construction to be obtained from Federal pit.  
\_\_\_\_\_.



## BLOWOUT PREVENTER REQUIREMENTS

Well Name: KEELY C FED, WELL #62

I. Blowout preventer equipment, installation, testing and responsibilities will be in accordance with Phillips Company's Blowout Preventer Standards.

II. Figure Nos. 7-9 (Drawing Attached): Casing String 8-5/8  
BOP Size 11"; Working Pressure 2M or 3M psi

III. Equipment to be furnished by Contractor:

A. Ram Type BOPs:

1. No. Required 2
2. Acceptable Manufacturers & Types
  - a. Cameron Iron Works: QRC; F; SS; U
  - b. Shaffer Tool Works: B; E; LWS; LWP
  - c. Hydril

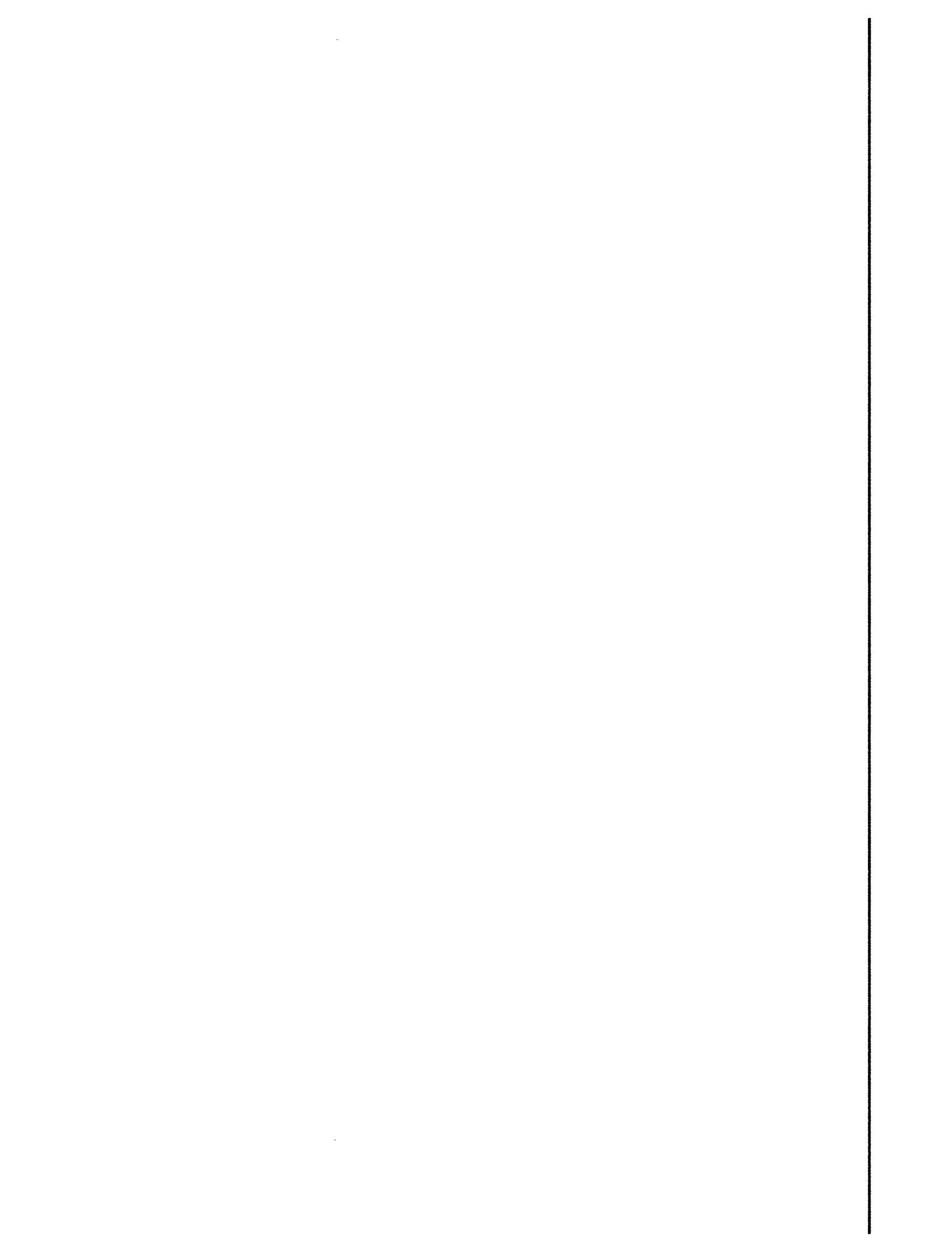
B. Annular Type BOPs:

1. No. Required 0
2. Acceptable Manufacturers & Types
  - a. Hydril - GK
  - b. Shaffer - Spherical
  - c. Cameron - D

C. Preventer Operating Equipment

1. Hydraulic Pump - air, steam or electrically operated of sufficient volume and pressure capacity to close the largest ram type preventer in less than 30 seconds. Electrically operated pump must be equipped with explosion proof motor and controls.
2. Manifold with a control valve for each preventer.
3. A Hydril or equivalent regulator for each annular type preventer.
4. Accumulator of sufficient volume and pressure capacity to close all preventers in the assembly without recharging. If the pump in C.1. is incapable of recharging the accumulator in excess of 1500 psi, a separate pump capable of this is to be furnished.
5. Remote control panel with a station for each preventer control valve.
6. Steel piping to connect hydraulic closing units to preventers.
7. Choke manifold with seamless steel piping and flanged or clamp hub connections. Choke manifold assembly and piping sizes as specified, on the attached drawing. All working lines, except hydraulic closing lines, shall have flanged or clamp hub connections to preventers, spools and casing heads.
8. Full opening drill string safety valve (I.D. equal or larger than I. D. of tool joint in use). Working pressure to equal or exceed specified BOP working pressure. O.D. and configuration such that valve can be run in the hole with adequate clearance.
9. Full opening upper Kelly cock. Working pressure to equal or exceed specified BOP working pressure.

REG1, REQUIRE



III. C. (continued)

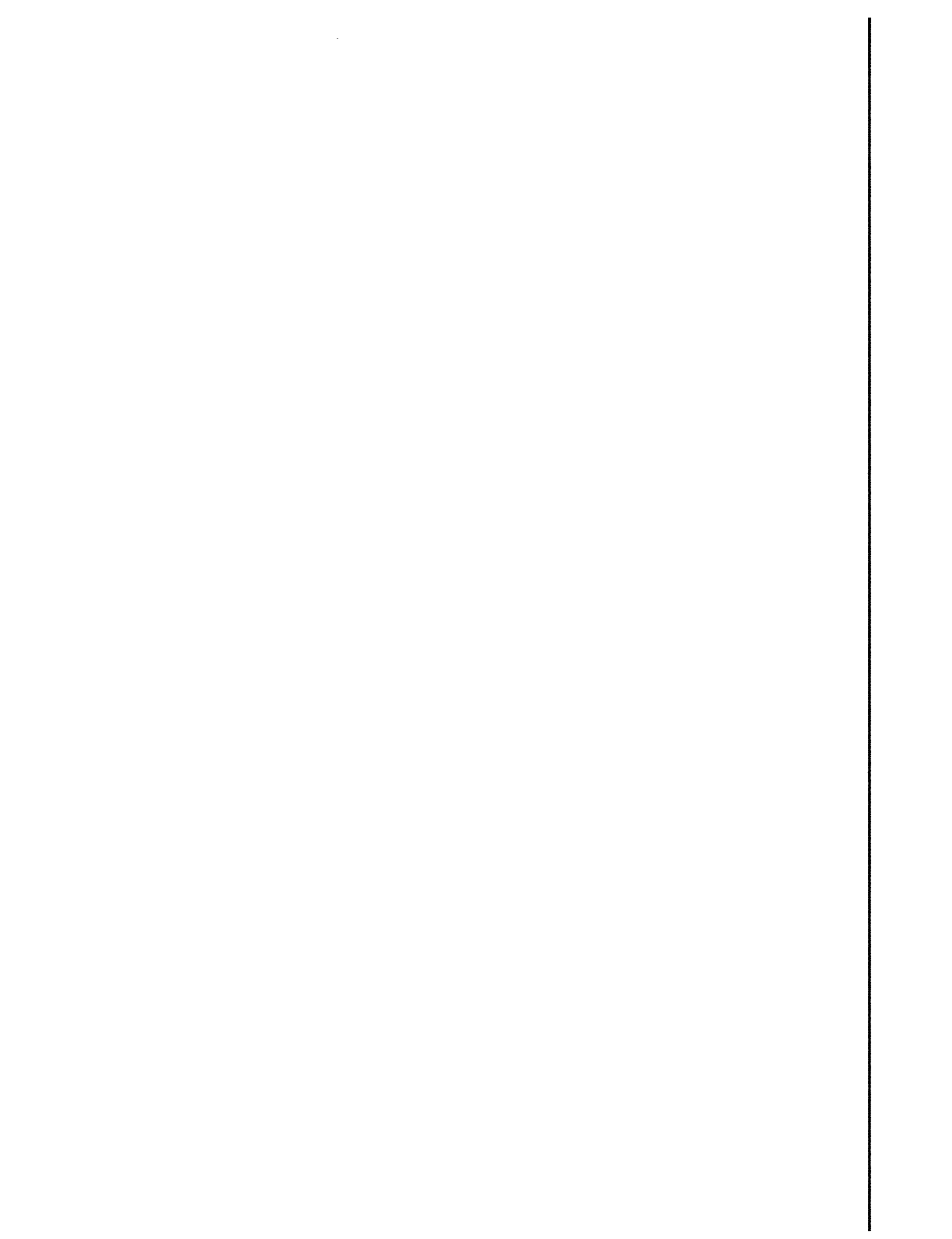
10. Hydraulic pump of sufficient pressure rating to test preventer assembly to rated working pressure with necessary hose and fittings to connect the pump to drill pipe box or safety valve pin.
11. Drilling spool for use with single ram type preventers or with dual ram type preventers which do not have outlets between the rams.
12. Two valves on each side of drilling spool or dual preventers, one side for choke manifold connection and the other for kill line connection.
13. Hand wheels and extensions for manual operation of the ram type preventers. U-joints, extension guides, working platform(s) as necessary.
14. A 1" - 5000 psi WP plug valve on the closing side of the annular type preventer using a XXE 1" x 4" nipple.
15. Flowlines from choke manifold to pits.
16. Pressure gauge with pressure range at least equivalent to BOP WP.

IV. Equipment to be Furnished by Phillips:

- A. Test plug to seat in casing head.
- B. Remote controlled chokes, if installed.
- C. Casinghead with valves on outlets.
- D. Inside blowout preventer, if required.
- E. Mud-gas separator, if required, and necessary piping.

V. Location of Equipment & Controls:

- A. Remote control panel on the rig floor adjacent to drillers position and stairway exit from the floor.
- B. Accumulator-Hydraulic Control Valve Unit to be placed minimum of 50 feet from well bore in easily accessible location.
- C. Choke Manifold located 5 feet or more from the BOPs with minimum number of turns in the run.
- D. Manual closing facilities installed so handwheels are outside the substructures in unobstructed location. U-joints, extension guides and working platforms installed as necessary for proper and safe operation.
- E. Choke Manifold connection, where possible, is to be made between the two bottom ram type preventers through use of a drilling spool or by connecting between rams of dual type units with outlets so installed.
  1. On dual type preventers where outlets are not installed between rams, connection is to be made to a drilling spool installed between the ram type and annular type preventers.





V. (Continued)

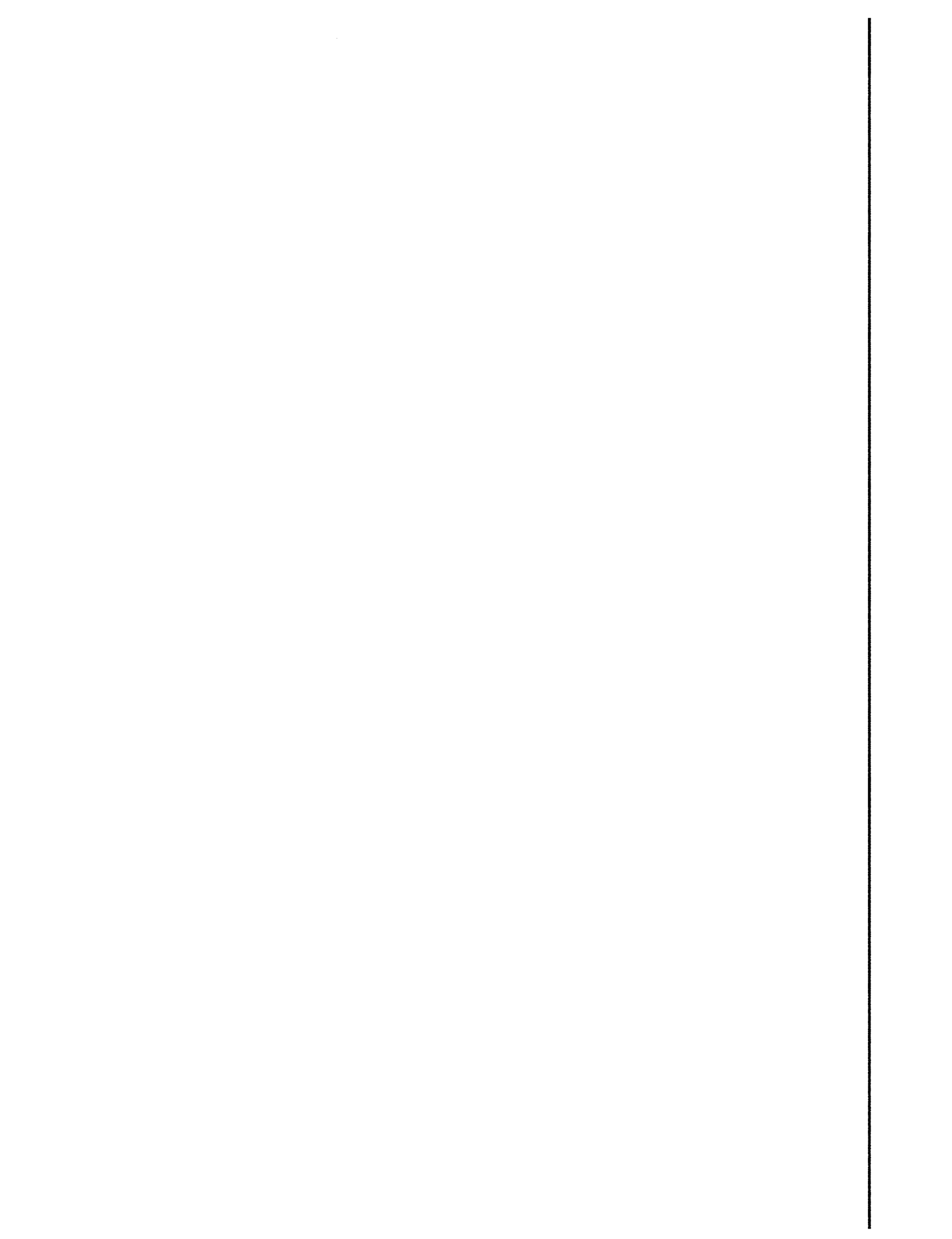
- F. Position and Type Rams will be as shown on the attached drawing.
- G. Fill up line to be tied into the bell nipple above annular preventers.
- H. Safety Valve, open with connections and/or subs available to fit any tool joint in use, shall be on the rig floor at all times.

VI. Testing

- A. Initial Installation Test  
Immediately after installation, each component part of the blowout preventer assembly including choke lines, valves and closing facilities will be tested individually by steps as outlined in the Blowout Preventer Testing Procedure section of Phillips' Blowout Preventer Standards. The test pressure will be at the working pressure specified in Item II. All components must be satisfactorily tested before drilling out.
- B. Ram Change or Repair Test
  - 1. After each ram change or when any component part of the preventer assembly, including lines and valves, is disturbed, the disturbed portion is to be tested to working pressure specified in Item II.
  - 2. Installation of casing rams is not required for running casing.
- C. Weekly Pressure Test  
The first trip out of the hole after 12:01 AM, Tuesday, weekly test will be performed as outlined in the Blowout Preventer Testing Procedure which includes testing the entire assembly with water to 1/2 the specified working pressure for 10 minutes. The Kelly cock and safety valve are to be tested to the specified working pressure. The weekly test is not required where the test falls within three days after the initial installation test.
- D. Operational Test  
Each preventer unit is to be closed and opened on each trip or at least once each 48 hours (trip is not required just to actuate blind rams or pipe rams that do not fit top section of tapered string).

VII. Responsibilities

- A. Contractor is to install and test the blowout preventer assembly as specified.
- B. The driller is to check and record the accumulator pressure on the daily drilling report at the beginning of each tour.
- C. Expense of rig time and pressure testing services for initial and weekly tests will be borne by:
  - 1. Contractor while on footage contract.
  - 2. Owner while on daywork contract.



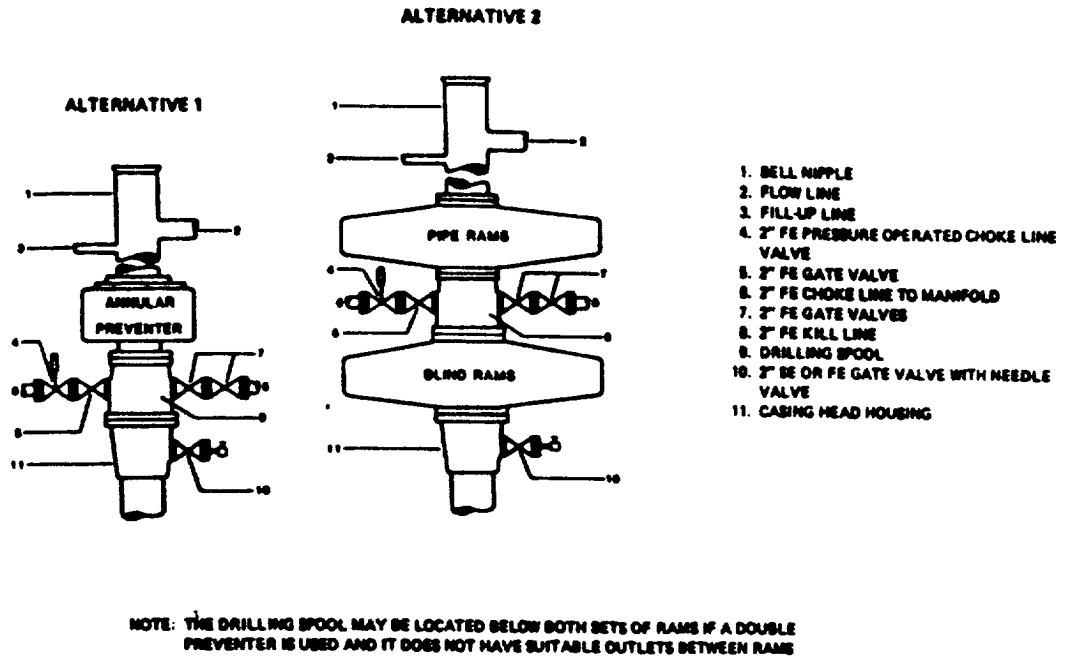


Figure 7-9. Standard Hydraulic Blowout Preventer Assembly (2 M or 3 M Working Pressure) Alternative 1

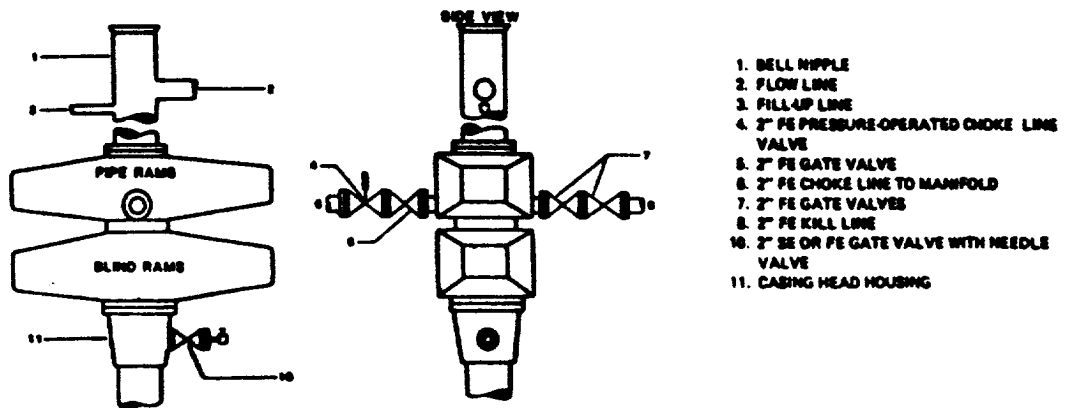


Figure 7-10. Standard Hydraulic Blowout Preventer Assembly (2 M or 3 M Working Pressure) Alternative 3 (without Drilling Spool)

