

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-015-23069

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 261
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Holly Energy Inc.		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR Box 726, Artesia, N.M. 88210		8. FARM OR LEASE NAME Canadian Kenwood Fed.
4. LOCATION OF WELL (Report location clearly and in accordance with instructions.) At surface 1980' FWL and 660' FSL At proposed prod. zone same		9. WELL NO. 1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 12 miles southeast of Loco Hills, N.M.		10. FIELD AND POOL, OR WILDCAT Undes. North Shugart
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 17, T-18S, R-31E
16. NO. OF ACRES IN LEASE 160		12. COUNTY OR PARISH 13. STATE Eddy NM
17. PROPOSED DEPTH 12,000'		14. ROTARY OR CABLE TOOLS Rotary
18. ELEVATIONS (Show whether DF, RT, GR, etc.) 3642.5 GL		15. APPROX. DATE WORK WILL START* as soon as possible

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.50#	650'	700 sx Class C w/ 2% CaCl
11"	8 5/8"	32#	4550'	1240 sx Class C
7 7/8"	5 1/2"	17 & 20#	12,000'	Cement to cover all potential pay zones.

Mud Program: Native Mud 0' to 4500'  
Fresh Water Mud 4500' to 9000' 8.6 lbs. per gallon, vis. 28  
water loss NC  
Fresh Water Mud 9000' to 12,000' 9.6 - 9.8 lbs. per gallon,  
vis. 32 - 35, water loss - 12cc

B.O.P. Program: One (1) Hydril, 10" type GK  
One (1) Schaffer Double 10" type B  
Both 1500 Series, Hydraulic Operated.

Gas 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. 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 Loyd TITLE Production Foreman DATE 9-13-79  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE 11-16-79

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

RECEIVED  
OCT 9 1979  
U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO