

30-015-21732

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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

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

2. NAME OF OPERATOR Kincheloe & Becker

3. ADDRESS OF OPERATOR 859 Petroleum Building Roswell, New Mexico 88201

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface 650' FSL & 660' FWL Sec. 12, T-25-S, R-26-E Eddy County, New Mexico At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 8 miles southeast of White City

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'

16. NO. OF ACRES IN LEASE 1280

17. NO. OF ACRES ASSIGNED TO THIS WELL 80

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None

19. PROPOSED DEPTH 2200'

20. ROTARY OR CABLE TOOLS Cable Tools

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3290.5 GR.

22. APPROX. DATE WORK WILL START* 2-1-76

23. PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 11" hole with 8 5/8" casing and 7 7/8" hole with 4 1/2" casing.

Propose to drill 11" hole to 350', set 8 5/8" surface casing and circulate cement. Then drill 7 7/8" hole to approximately 2200' into the upper Delaware Sand. If warranted, 4 1/2" casing will be run to TD and cemented with sufficient cement to cover the Delaware Sand pay.

RECEIVED

FEB 6 1976

O. C. C. ARTESIA, OFFICE

RECEIVED

JAN 22 1976

U. S. GEOLOGICAL SURVEY ARTESIA, NEW MEXICO

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 W. Becker TITLE DATE 1-22-76

(This space for Federal or State office use)

PERMIT NO.

APPROVED FEB 5 - 1976 K. L. BEEKMAN ACTING DISTRICT ENGINEER

THIS APPROVAL IS EXTENDED IF OPERATIONS ARE NOT COMMENCED WITHIN 3 MONTHS. EXPIRES MAY 5 - 1976

DATE

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

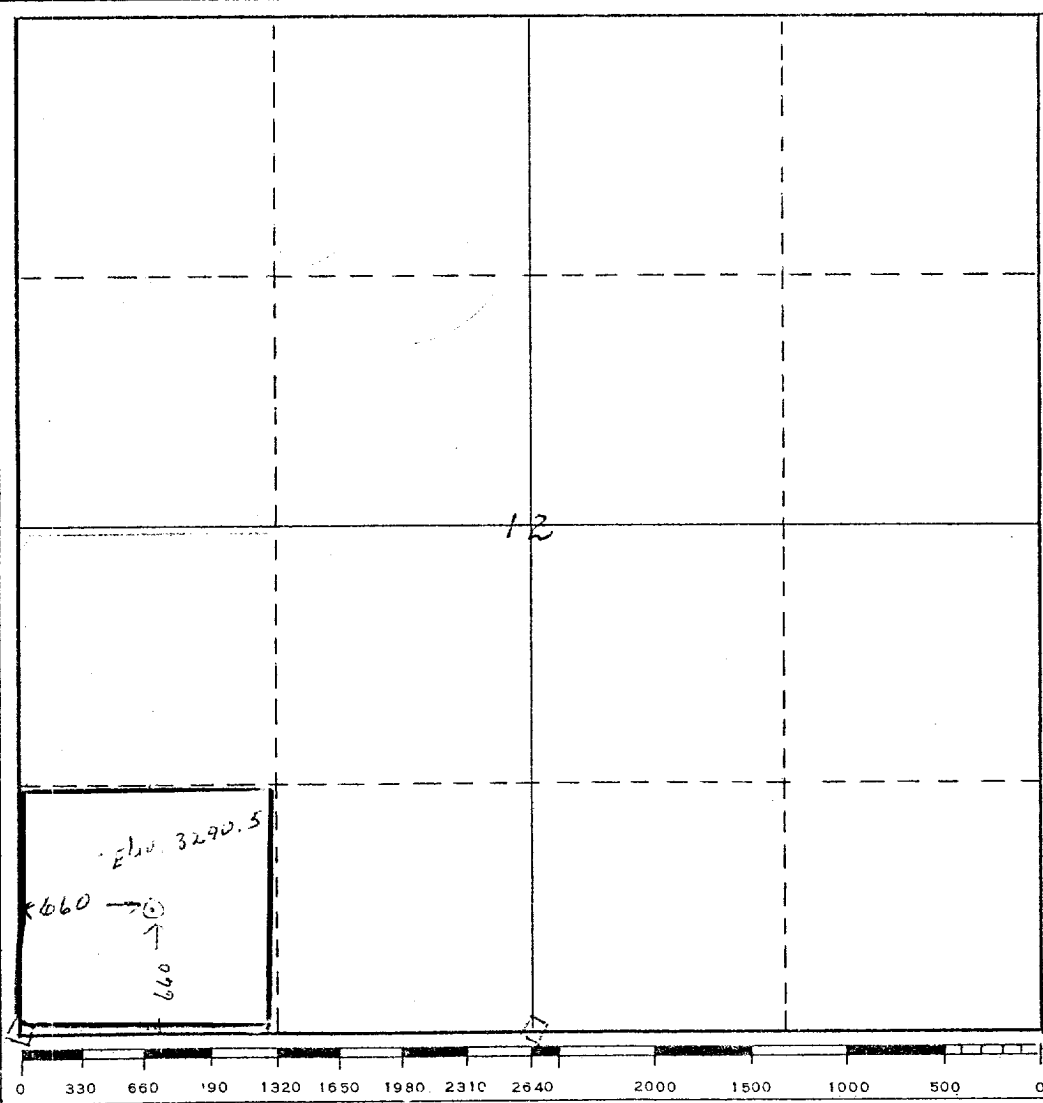
Operator Kincheloe & Becker		Lease Guif-Federal			Well No. 1
Unit Letter M	Section 12	Township 25 S	Range 26 E N. M. P. M.	County Eddy	
Actual Footage Location of Well: 660 feet from the west line and 660 feet from the south line					
Ground Level Elev. 3290.5	Producing Formation Delaware Sand	Pool Wildcat		Dedicated Acreage: 40.80 Acres	

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 W. Becker

Position: _____

Company: Kincheloe & Becker

Date: Jan. 22, 1974

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I hereby certify that the well location shown on this plat was plotted from field notes and 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.

Jan. 19, 1976

Date Surveyed: _____
John Lewis, Jr.
Registered Professional Engineer
and/or Land Surveyor

N. M. 220

Certificate No. _____

SURFACE USE PLAN

Kincheloe & Becker #1 Gulf-Federal
660' FSL & 660' FWL Sec. 12, T-25-S, R-26-E
Lease NM14124 Eddy County, New Mexico

This plan is to accompany "Application For Permit to Drill" the subject well which is located approximately 8 miles southeast of White City, New Mexico. The following is a discussion of pertinent information concerning possible effect which the proposed drilling of the 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. AREAL ROAD MAP - Exhibit "A" is a portion of U.S.G.S. topographic sheets of the subject area showing well site in relation to U.S. Highway 180 and NM 396. Access road, which is colored yellow, exits from access road to the Grace #1 Sulphate Sister (13-25-26), and continues diagonally northwest to the location.
2. LOCATION OF EXISTING WELLS - Nearest production is 2.2 miles to the north. Six shallow wells have been drilled within a 2-mile radius and are shown on Exhibit "A". A seventh well, the Grace #1 Sulphate Sister, $\frac{1}{2}$ mile southeast, is currently completing from the Delaware Sand.
3. PROPOSED WELL MAT AND IMMEDIATE AREA - Refer to Exhibit "B" for direction orientation and road access.
 - a. MAT SIZE - 130' X 200'
 - b. SURFACED - Road and mat will be bladed, watered, and compacted. Also some repair necessary on access road to the Grace well.
 - c. RESERVE PIT - No reserve pit will be necessary.
 - d. CUT & FILL - Location is nearly level, only slight amount of cut on NE side and slight amount of fill on SW side will be required.
 - e. DRILLSITE LAYOUT - Exhibit "B" shows position of mat, mud pit, and road in relation to well.
 - f. SETTING AND ENVIRONMENT
 - (1) TERRAIN - Low rolling hills. See Exhibit "A", topographic map of area.
 - (2) SOIL - Sandy alkaline soil.
 - (3) VEGETATION - Sparse vegetation, being mostly grease wood, shinnery, and other semi-desert plants, with very little grass.
 - (4) SURFACE USE - Grazing.

(5) OTHER - Drillsite, which is in nearly flat semi-arid desert country, is in a low environmental risk area. The total effect of drilling and producing this and other wells in this area would be very minimal.

g. DISTANCES TO:

(1) PONDS AND STREAMS - There is one tank approximately 1 mile northeast of the wellsite but it is believed to be dry at this time. See Exhibit "A".

(2) WATER WELLS - There are no water wells within $\frac{1}{2}$ mile.

(3) RESIDENCES AND BUILDINGS - There are no houses or buildings within $\frac{1}{2}$ mile.

(4) ARROYOS, CANYONS, HILLS, ETC. - Two prominent hills of small areal extent are located slightly over $\frac{1}{4}$ mile to the north and east. See Exhibit "A".

h. WELL SIGN - Sign identifying and locating well will be maintained at drill site commencing with the spudding of the well.

i. OPEN PITS - All pits containing mud or other liquids will be fenced or guarded.

4. ROADS

a. EXISTING ROADS - All existing roads within three miles of well site are shown on Exhibit "A".

b. PLANNED ROADS - Plan to construct 3000' of new 12' wide road with some turnouts. New road is colored yellow on Exhibit "A". Colored red is approximately $\frac{3}{4}$ mile of unimproved access road to the Grace well in Section 13, which is to be improved where needed.

c. FENCES, GATES, AND CATTLE GUARDS - There are no fences, gates, cattle guards, or arroyos to be disturbed. See Exhibit "A".

5. TANK BATTERY - If production is encountered, battery and production equipment will be located on mat and fenced. Fire wall will be constructed around tank battery.

6. LEASE PIPELINES

a. EXISTING - None

b. PLANNED - If production is encountered, all lease lines are to be constructed on well mat.

7. WASTE DISPOSAL - Well cuttings will be disposed of in pit. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures. All detrimental waste will be hauled away, burned or buried with a minimum cover of 24" of dirt. See Exhibit "B" for location of pit. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. Any produced water will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the Survey for appropriate approval.

8. WATER SUPPLY - Water will be hauled from nearest commercial source.

9. ARCHAEOLOGICAL RESOURCES - None were observed.

10. RESTORATION OF SURFACE - If well is productive, pits will be backfilled and levelled as soon as practical. Upon final abandonment of well, well site will be levelled and cleaned, with land returned as near as practical to original condition.

11. OPERATOR'S REPRESENTATIVE - Field personnel who can be contacted concerning compliance of this Surface Use Plan are as follows:

Dalton Kincheloe
2011 South Penn
Roswell, New Mexico 88201
Office Phone: 505-622-7246
Home Phone: 505-622-8216

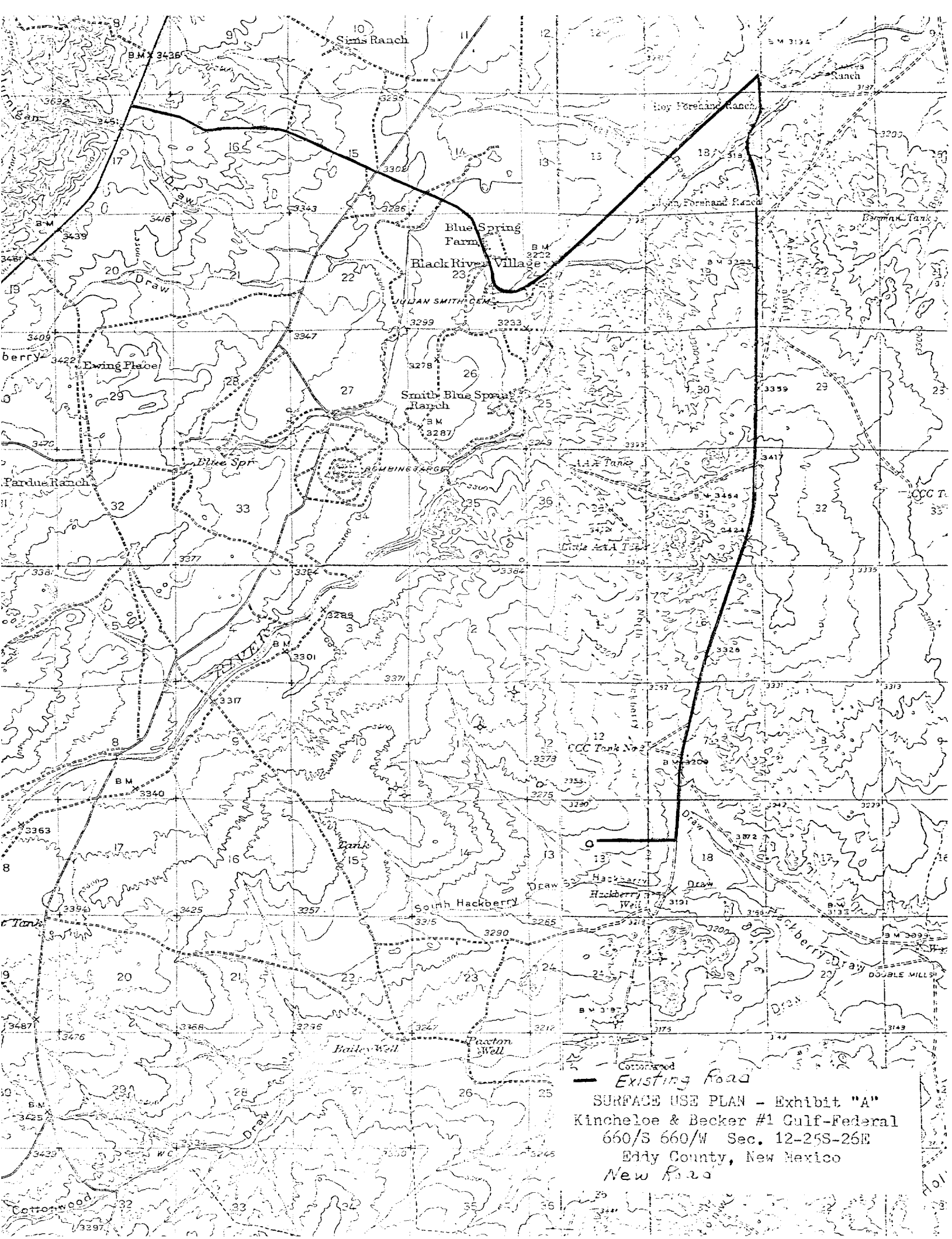
Robert W. Becker
1209 Highland Road
Roswell, New Mexico 88201
Office Phone: 505-622-7246
Home Phone: 623-0439

12. CERTIFICATION

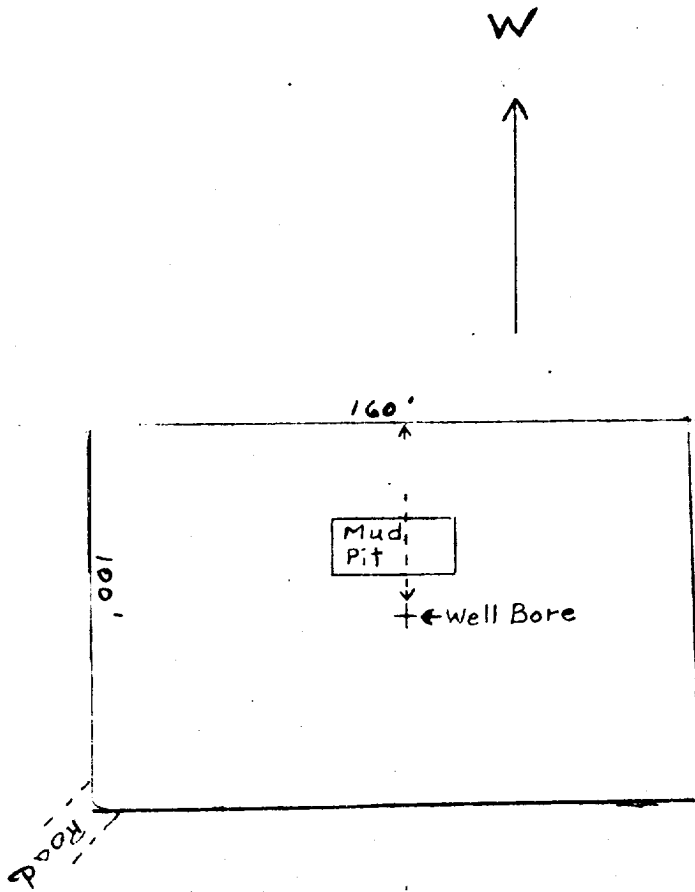
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions as they actually exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the proposed work performed by Kincheloe & Becker and its contractors and sub-contractors will conform to this plan.

Jan 22, 1976
Date

Robert W Becker



- - - Contour
 - Existing Road
— New Road
 SURFACE USE PLAN - Exhibit "A"
 Kincheloe & Becker #1 Gulf-Federal
 660/S 660/W Sec. 12-25S-26E
 Eddy County, New Mexico



Scale 1" = 50'

SURFACE USE PLAN - Exhibit "B"
Kincheloe & Becker #1 Gulf-Federal
660/S 660/W Sec. 12-25S-26E
Eddy County, New Mexico