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MAR 22 '88

O. C. D.

5A. Indicate Type of Lease
STATE FEDERAL

5. State Oil & Gas Lease No.
LG-9574

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
McKay Oil Corporation

3. Address of Operator
P.O. Box 2014, Roswell, New Mexico 88201

4. Location of Well
 UNIT LETTER B LOCATED 385' FEET FROM THE North LINE
 AND 1980' FEET FROM THE East LINE OF SEC. 29 TWP. 6 south. R. 22 E NMPM

7. Unit Agreement Name

8. Farm or Lease Name
Berry State Com

9. Well No.
1

10. Field and Pool, or Wildcat
W. Pecos Slope Abo

11. Elevations (show whether DF, RT, etc.)
4286 GL

21A. Kind & Status Plug. Bond
statewide blanket

21B. Drilling Contractor
Grande Drilling

22. Approx. Date Work will start
asap

12. County
Chaves

19. Proposed Depth
3400'

19A. Formation
ABO

20. Rotary or C.T.
Rotary

23. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24.0# J-55	850'+-	450 sx	surface
7 7/8"	4 1/2"	9.5# j-55	TD	150 sx	600' above t/pay

1. Drill 12 1/4 " hole to 850' and run 8 5/8" casing and cement to surface.
2. Wait on cement for 18 hours.
3. Nipple up on 8 5/8" casing using a double ram Blow Out preventer and pressure test caing to 1000 psi for 30 minutes.
4. Drill 7 7/8" hole to 3,400' to adequately test the Abo Formation.
5. Run 4 1/2 casing if warranted and cement to 600' above top of pay section and or to isolate all oil, gas and water zones

POST 10-1
NLG API
5-13-88

100 DAYS
4/6/88
UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed [Signature] Title Landman Date March 21, 1988

(This space for State Use)

Original Signed By Mike Williams TITLE Oil & Gas Inspector DATE MAY 6 1988

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY _____

NSL 2507
APR. 4-29-88

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

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

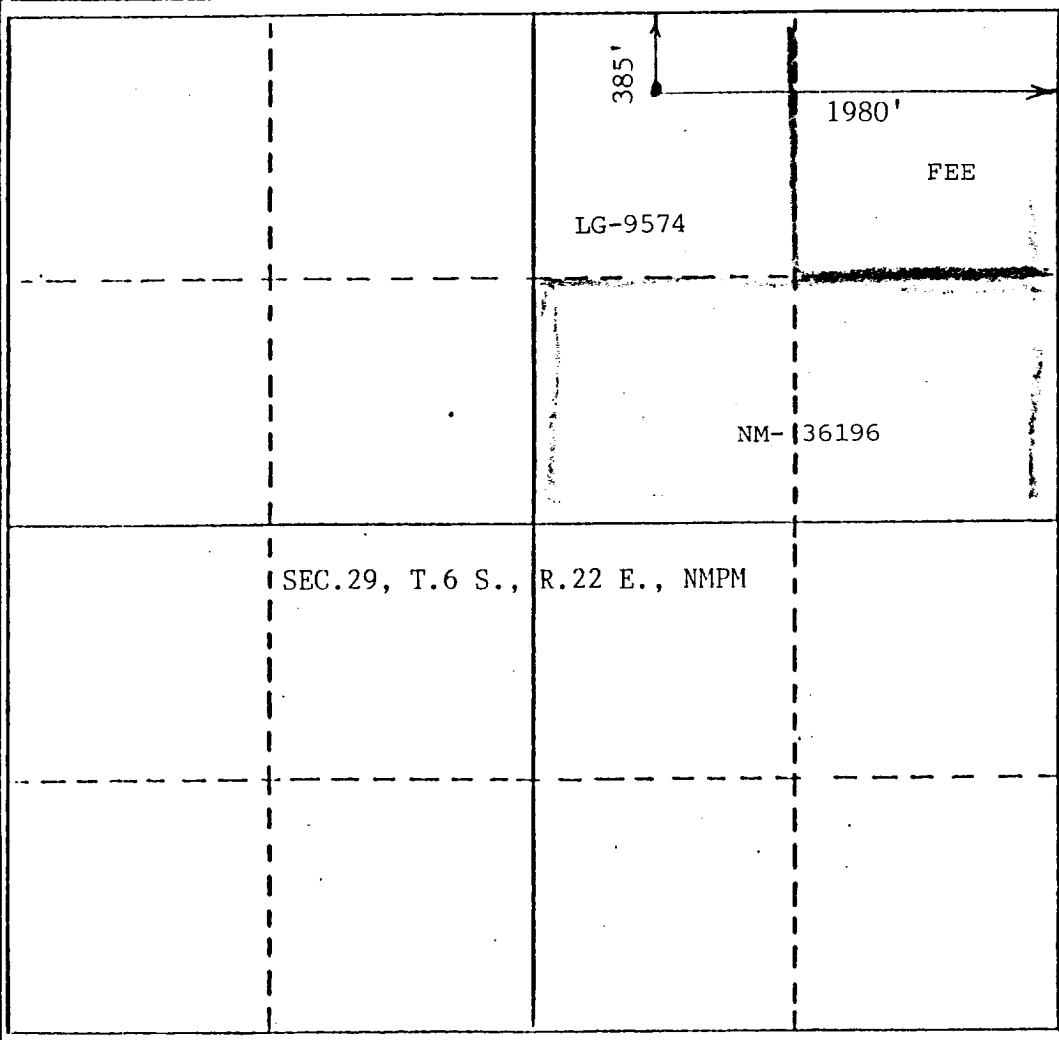
Operator McKAY OIL CORP.		Lease BERRY STATE COM			Well No. #1
Unit Letter B	Section 29	Township 6 SOUTH	Range 22 EAST	County CHAVES	
Actual Footage Location of Well: 385 feet from the NORTH line and 1980 feet from the EAST line					
Ground Level Elev. 4286	Producing Formation ABO	Pool UUD W. Pecos Slope Abo			Dedicated Acreage 160.0 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 Communitization Agreement

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 Division.



CERTIFICATION

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

Sam L. Shackelford

Name
Sam L. Shackelford

Position
Landman

Company
McKay Oil Corp.

Date
March 21, 1988

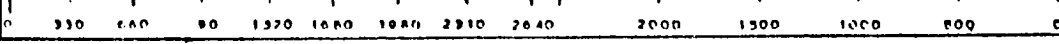
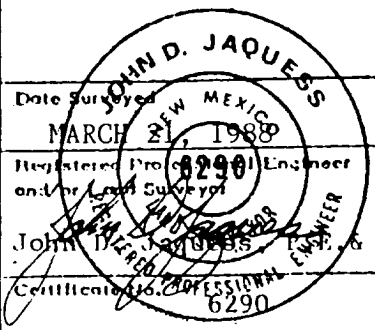
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

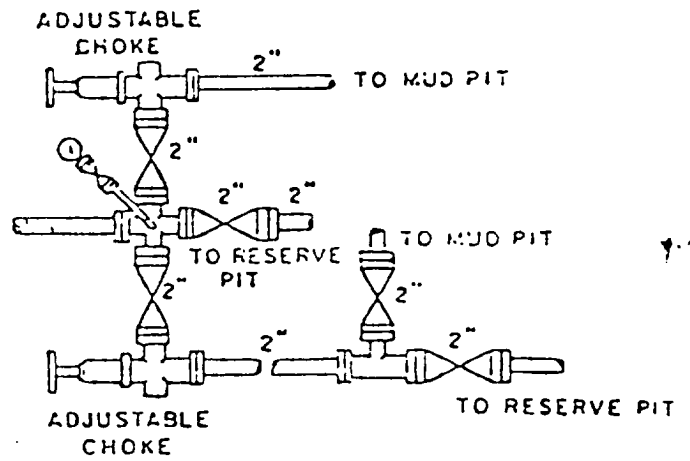
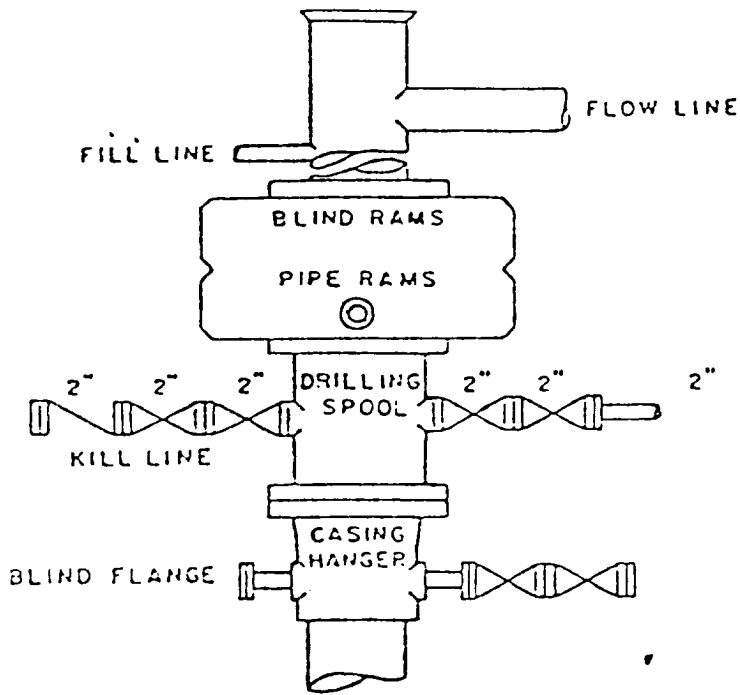
Date Surveyed
MARCH 21, 1988

Registered Professional Engineer and/or Land Surveyor

John D. Jaques, P.E. & L.S.

Certificate No. **6290**





BOP DIAGRAM

3000# Working Pressure
Rams Operated Daily