

NMOCC COPY

SUBMIT IN TRI LATE*
(Other instructions on
reverse side)Form approved,
Budget Bureau No. 42-R1425.UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYAPPLICATION FOR PERMIT TO DRILL **RECEIVED** PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒OTHER ☐

2. NAME OF OPERATOR

BELCO PETROLEUM CORPORATION ✓

3. ADDRESS OF OPERATOR

10,000 Old Katy Road - Suite #100, Houston, Texas 77055

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

At surface

1495' FWL, 330' FWL UNORTHODOX LOCATION APPROVED BY NMOCC

At proposed prod. zone

ORDER NO. R-5873

Same as above

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

16.5 mi NE of Loving, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

161.14 323.67

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

13,200'

20. ROTARY OR CABLE TOOLS

Rotary

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

3306 Gr

22. APPROX. DATE WORK WILL START*

February 5, 1979

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	DEPTH PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
20"	16" New	36#	500'	1000 sacks
12-1/4"	9-5/8" New	36#	4000'	2100 sacks
8-3/4"	7" New	29#	12000'	700 sacks
6"	5" New liner	18#	13200'	300 sacks

- The formation @ surface is Quaternary Alluvium, mainly sand dune.
- Est. formation tops: Delaware 3900'; Wolfcamp 11,050'; Strawn 12,600'; Atoka 12,840;.
- Possible oil shows in Delaware; gas in Atoka.
- Casing Design: new casing as shown above.
- BOP Program: 3 BOP 5000#; 1 Hydrill, 1 pipe ram, 1 blind ram for shallow depths & deep depths
Tested upon installation & periodically tested; operated daily. (see attached schematic)
- Mud Program: 0-500' fresh; 500'-5000'-brine 10.0; 5000-12,600 cut brine 9.0; 12,600-13,200
non-dispersed 13.0.
- Auxiliary: Rotating stripper head below intermediate; lower Kelly cock valve; choke manifold;
drillstiffing safety valve on floor.
- Drillstem testings as required; logging: AVL, Guard Forko.
- Possible high pressure in salt section; Wolfcamp, Strawn & Atoka.
- Anticipated startup Feb. 5, 1979.

GAS IS 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

TITLE Administrative Geologist

DATE 12/19/78

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

4-2-79

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NSL-R-5873

*See Instructions On Reverse Side

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

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WASHINGTON, D. C. 20540

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NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

Belco Petroleum Corp.		James Ronald West		9
E	6	23 South	31 East	Edly
1425 feet from the North line and 330 feet from the East West line				
Surface Level Elev. 3306.0	Producing Formation Atoka	Pool Los Medanos	Dedicated Acreage 320 A.	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership (interests to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communization, unitization, force-pooling, etc?

RECEIVED

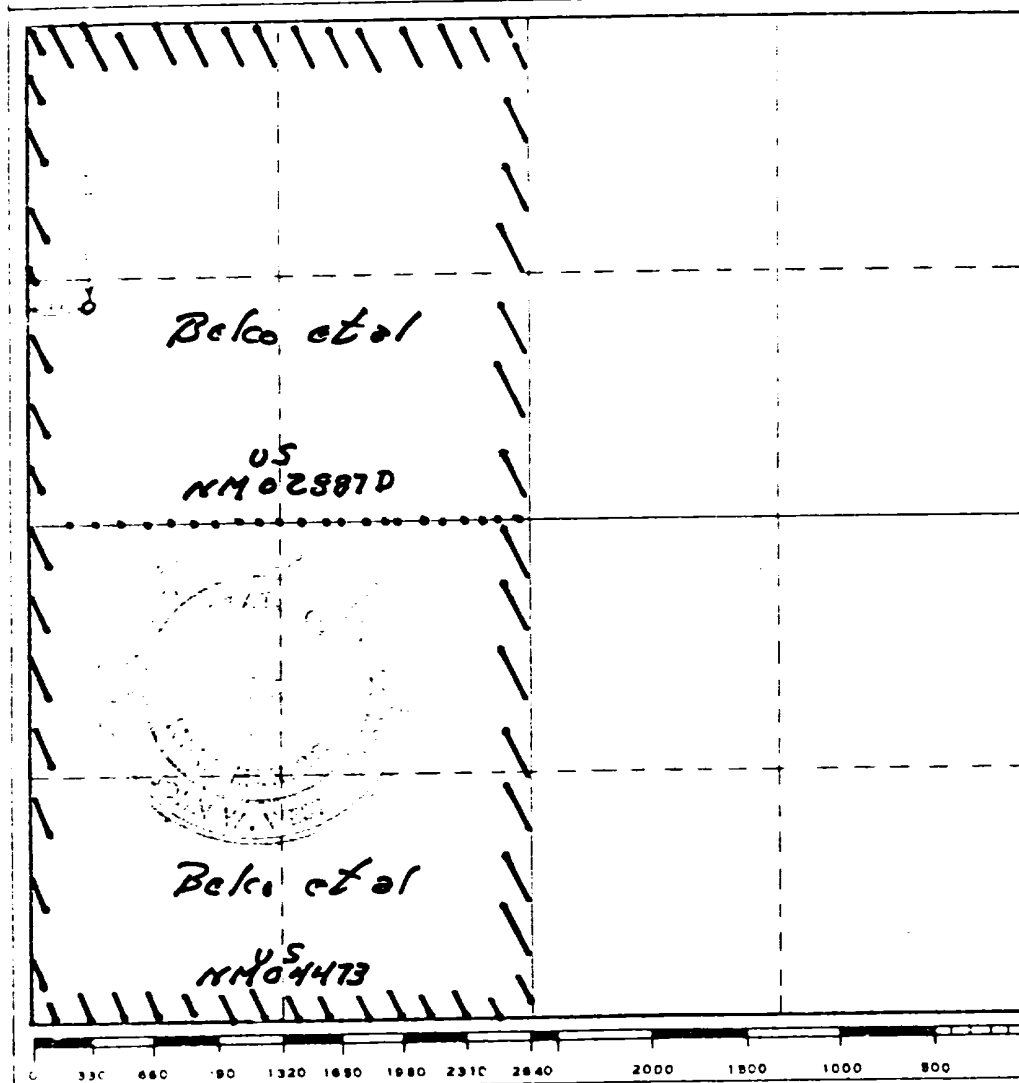
DEC 21 1978

U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

☐ 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.) To be consolidated by Federal Participating Area

No allowable will be assigned to the well until all interests have been consolidated (by communization, 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: Lee G. Nering

Position: Administrative Geologist

Company: BELCO PETROLEUM CORPORATION

Date: December 19, 1978

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: December 6, 1978

Registered Professional Engineer and/or Land Surveyor

Certificate No. John W. West 676
Ronald J. Eidson 3239



United States Department of the Interior

GEOLOGICAL SURVEY
P. O. Box 26124
Albuquerque, New Mexico 87125

RECEIVED

APR - 5 1979

APR 02 1979

**O. C. C.
ARTESIA, OFFICE**

Belco Petroleum Corporation
10,000 Oil Katy Road
Suite 100
Houston, Texas 77055

BELCO PETROLEUM CORPORATION
James Ranch Unit Well No. 9
1495 FNL 330 FWL Sec. 6, T23S, R31E
Eddy County Lease No. NM-02887-D

Above Data Required on Well Sign

Gentlemen:

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 13,200 feet to test the Atoka is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the attached General Requirements for Oil and Gas Operations on Federal Leases, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the Surface Use Plan and these Conditions of Approval including the attached General Requirements.
3. Submit a Daily Report of Operations from spud date until the well is completed and the Well Completion Report (form 9-330) is filed. The report should be not less than 8" x 5" in size and each page should identify the well.
4. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Guidelines. The color used should simulate sandstone brown (Federal Standard Color No. 595A, color 20318 or 30318).
5. Before drilling below the 9-5/8" casing, the blowout preventer assembly will consist of a minimum of one annular type and two ram type preventers.
6. A kelly cock will be installed and maintained in operable condition.
7. After setting the 9-5/8" casing string and before drilling into the Wolfcamp formation, the blowout preventers and related control equipment shall be pressure tested to rated working pressures by an independent service company. Any equipment failing to test satisfactorily shall be repaired or replaced. This office should be notified in sufficient time for a representative to witness the tests and shall be furnished a copy of the pressure test report.

8. Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be installed and operating before drilling into the Wolfcamp formation and used until production casing is run and cemented. Monitoring equipment shall consist of the following:
 - (1) A recording pit level indicator to determine pit volume gains and losses.
 - (2) A mud volume measuring device for accurately determining mud volume necessary to fill the hole on trips.
 - (3) A flow sensor on the flow-line to warn of any abnormal mud returns from the well.
9. Notify the Survey in sufficient time to witness the cementing of the 9-5/8" casing.
10. Cement behind the 16" and 9-5/8" casing must be circulated.
11. Need to run a gamma-ray-neutron log in open hole from the base of the Salado to the surface at a speed not to exceed 30 ft./min.

Sincerely yours,

(ORIG. SGD.) GENE F. DANIEL

ACTING Area Oil and Gas Supervisor

Enclosure

cc:

Regional Manager, Denver

Mining Branch (2)

BLM, Roswell (w/cy Notice)

NMOCD, Artesia (2) (w/2 cys Notice)

Artesia

Roswell Lease File (w/cy Notice)

Area (potash)

Area (Chrono.)

SURFACE USE PLAN
BELCO PETROLEUM CORPORATION
James Ranch Unit #9
1495' FNL, 330' FWL, Sec. 6, T23S, R31E
Eddy County, New Mexico
Lease: New Mexico 02887D

RECEIVED

DEC 21 1978

**U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO**

The proposed wellsite is approximately 26 miles southeast of Carlsbad, New Mexico, and can be reached by exiting from State Highway 128 approximately 10.5 miles east of the junction of State Highways 31 and 128. Travel then less than one mile northeast to the location, as shown on Exhibit "A" and Exhibit "B" via access roads.

1. EXISTING ROADS: Access and existing roads are shown on Exhibit "A". In addition, Exhibit "B" also illustrates proximity access. Exhibit "B" is the 1939 Nash Draw USGS topographic quadrangle to a scale of 1:62,500; Exhibit "B" Addition, scale 1" = 2000' is a detailed well map.

2. PROPOSED ROAD: Access to the location pad will be from the existing road to the James Ranch No. 7 well. This existing road is within 50 - 75' of the proposed No. 9, requiring only pad or a few feet of caliche road 12' wide as access.

Cut and Fill: Anticipating some compacted caliche to level the pad and possibly minor cut to level the pad.

Culverts: None required.

Cattleguards, Gates, etc.: None expected.

3. EXISTING WELLS: This proposed gas well is located within the existing Los Medanos Atoka and Morrow Pools, as shown on Exhibit "B".

4. PRODUCTION, GATHERING, TREATING AND STORAGE FACILITIES:

Tank Battery: Tank battery site, as shown on Exhibit "D", in the event of a successful well.

Flow Lines: Proposed flow lines are shown on Exhibit "D".

5. WATER SUPPLY: Belco plans to acquire water from commercial services available to the area.

6. SOURCE OF CONSTRUCTION MATERIALS: Caliche for construction of the new entry road and for surfacing the proposed wellsite pad will be obtained from commercial services who will utilize existing open supplies in the area.

7. METHODS OF HANDLING WASTE DISPOSAL:

Drill cuttings will be disposed of in the drilling pits.

Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.

Any produced water will be collected in tanks until hauled away. Any oil produced during tests will be stored in test tanks until sold.

Trash containers will be provided around the drilling rig during drilling and completion procedures. Trash, waste paper, garbage, and junk will be buried in a separate trash pit, as shown on Exhibit "D", and covered with a minimum of 27 inches of dirt.

8. ANCILLARY FACILITIES: No camps, airstrips, etc. will be constructed.

9. WELLSITE LAYOUT: Exhibit "D" shows the dimensions and the relative locations of the well pad, mud pits, reserve pit, and trash pit with respect to the well.

Mat Size: 350' x 230'; approximately 400' x 400' flagged out for archaeological survey.

Cut and Fill: The proposed drillsite pad will be leveled and filled as needed.

Surfaced: The base will be surface by six inches of compact caliche.

WELLSITE LAYOUT continued

Reserve Pit: 155' x 125' pit lined with plastic

Cleared Buffer Area: No buffer area is to be cleared; however, area around well mat may be used for turn-around and/or storage.

10. PLANS FOR RESTORATION OF THE SURFACE: After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and location cleaned of all trash and junk as soon as practical or buried with at least 24" of cover. Any unguarded pits containing fluids will be fenced until they are filled. After abandonment of the well, the well pad and all un-needed access roads will be ripped to promote revegetation.

11. OTHER INFORMATION:

Topography: Land surface consists of low relief, sandy topography, consisting mainly of sand dunes (Los Medanos).

Soil: Sand

Vegetation: Few grasses, some sage, and yucca.

Wildlife: None observed.

Ponds and Streams: No fresh water in vicinity of the location.

Residences and Other Structures: The James Ranch buildings are located approximately 1/2 mile to the south.

Water Wells: A few water wells are located in the general area.

Land Use: Miscellaneous grazing.

Surface Ownership: Wellsite and access are on Federal surface.

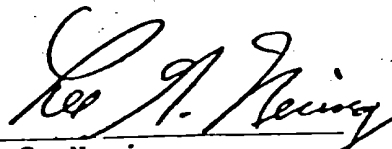
Well Sign: Sign identifying and locating well will be maintained at drillsite commencing with the spudding of the well.

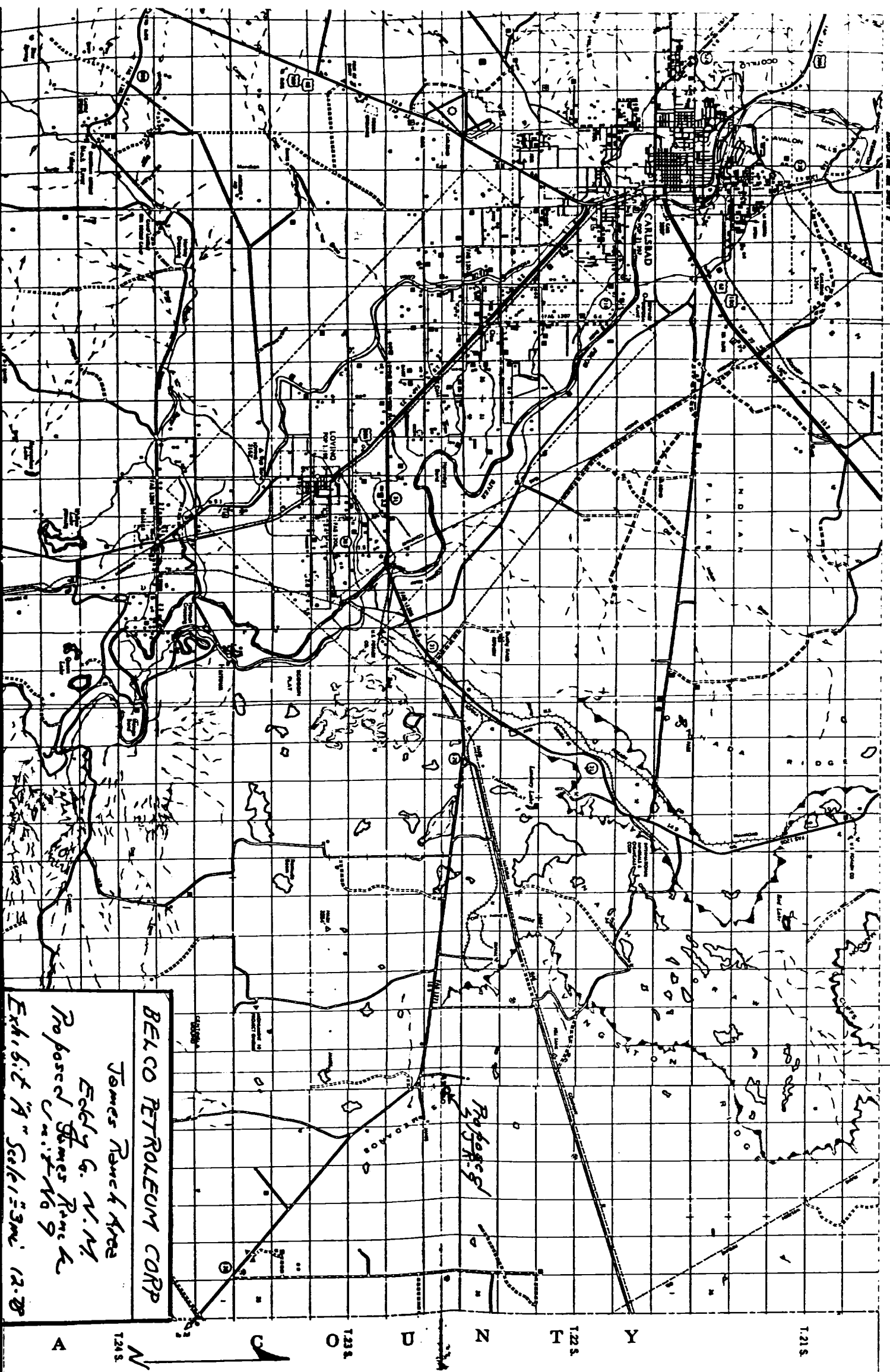
12. OPERATOR'S REPRESENTATIVE: Field personnel who can be contacted concerning compliance of this Surface Use Plan consists of:

Gene Moore, 411 Petroleum Building, Midland, Texas 79701 - Phone (915) 683-6366.

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plat are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by BELCO PETROLEUM CORPORATION and its contractors and sub-contractors in conformity with this Plan and the terms and conditions under which it is approved. A copy of this Plan will be posted at the wellsite during the drilling of the well for reference by all contractors and sub-contractors.


 Lee G. Nering
 Administrative Geologist
 BELCO PETROLEUM CORPORATION
 Houston, Texas



R26 E

R27 E

R28 E

R29 E

R30 E

R31 E

BEACO PETROLEUM CORP

James Ranch Area

Early Co. N.M.

Proposed James Ranch

Exhibit A Scale = 3 mi 12.8

Proposed

CARLSBAD

LOVING

A

N

O

D

N

F

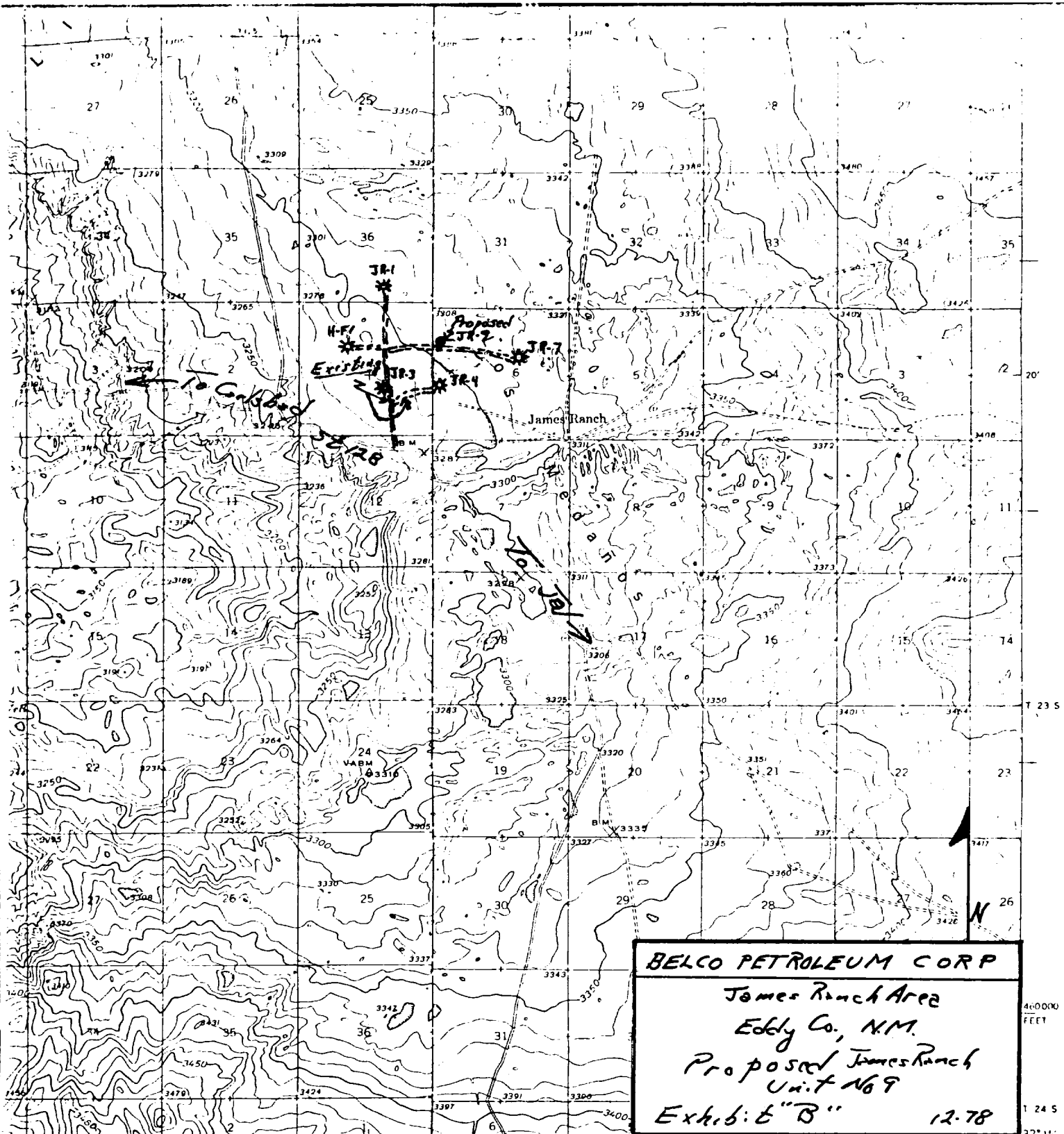
Y

1215

1225

1235

1245



BELCO PETROLEUM CORP

James Ranch Area

Eddy Co., N.M.

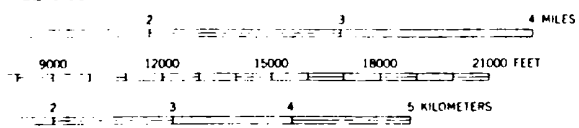
Proposed James Ranch Unit No. 9

Exhibit B

12-78

Scale 1" = 1 mi

SCALE 1:62500



Interval 10 feet
is mean sea level

FOR N.M. COLORADO 80225 OR WASHINGTON, D. C.
IC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

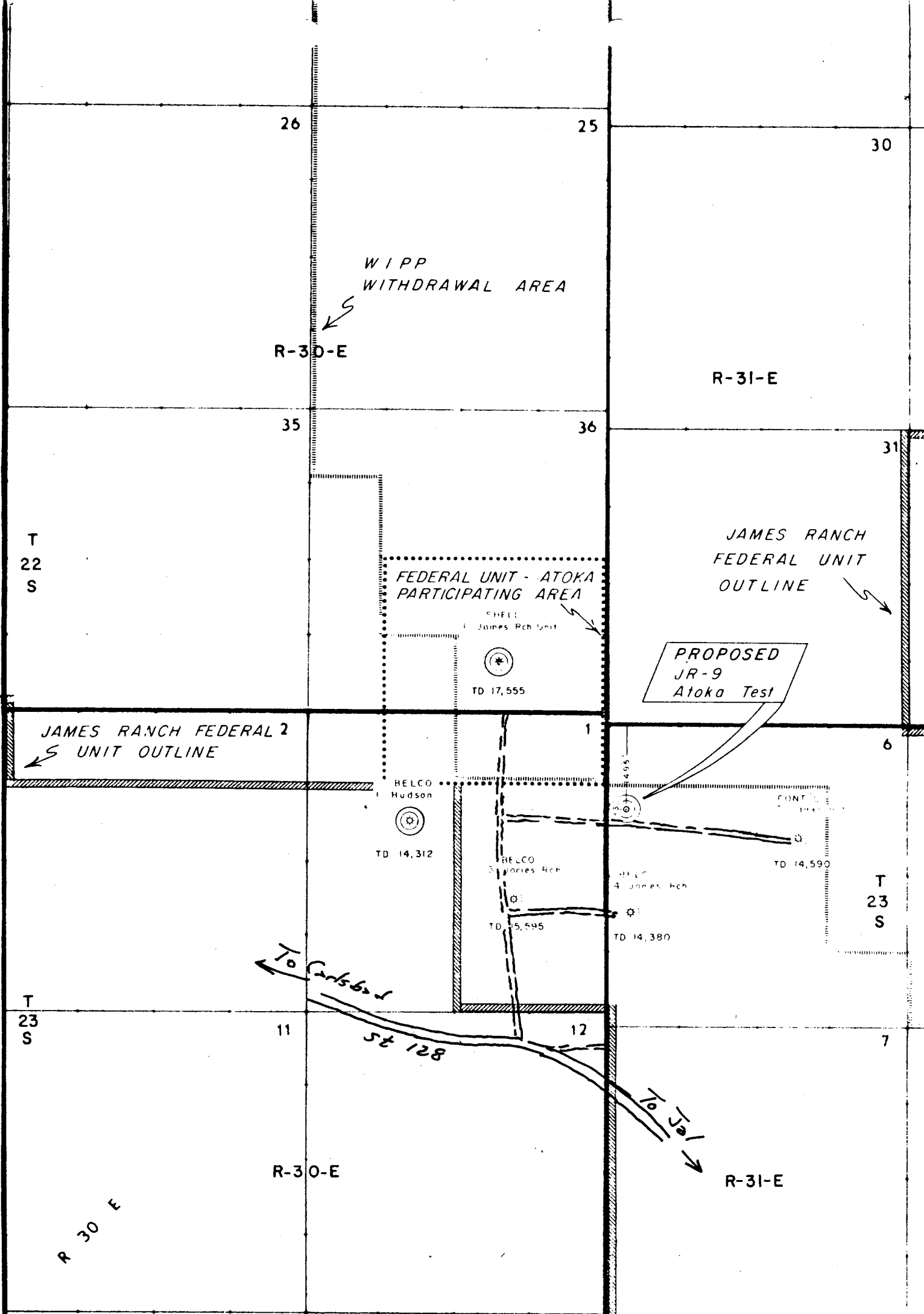
ROUTES USUALLY TRAVELED
HARD IMPERVIOUS SURFACES
OTHER SURFACE IMPROVEMENTS
U. S. ROUTE 1942 STATE ROUTE

Existing Roads

Polyconic projection. 1927 North American datum
10000 foot grid based on New Mexico (East)
rectangular coordinate system

NASH DRAW, N. MEX.
N2215-W10345/15

1939



LEGEND

- Morrow Completion
- Atoka Completion
- Strawn Completion

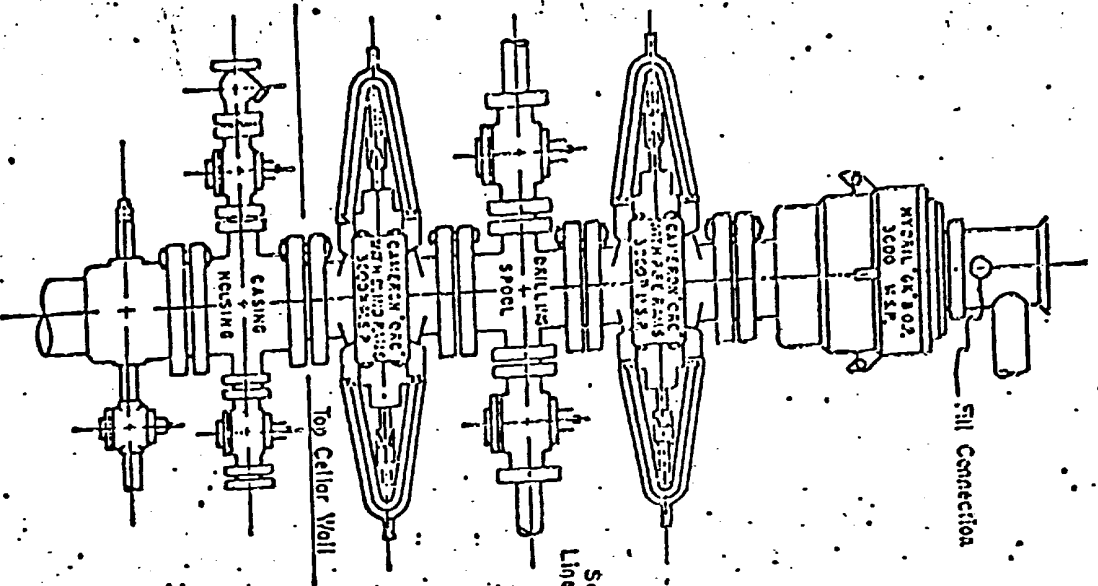
BELCO PETROLEUM CORP.

JAMES RANCH, AREA
Eddy Co. New Mexico

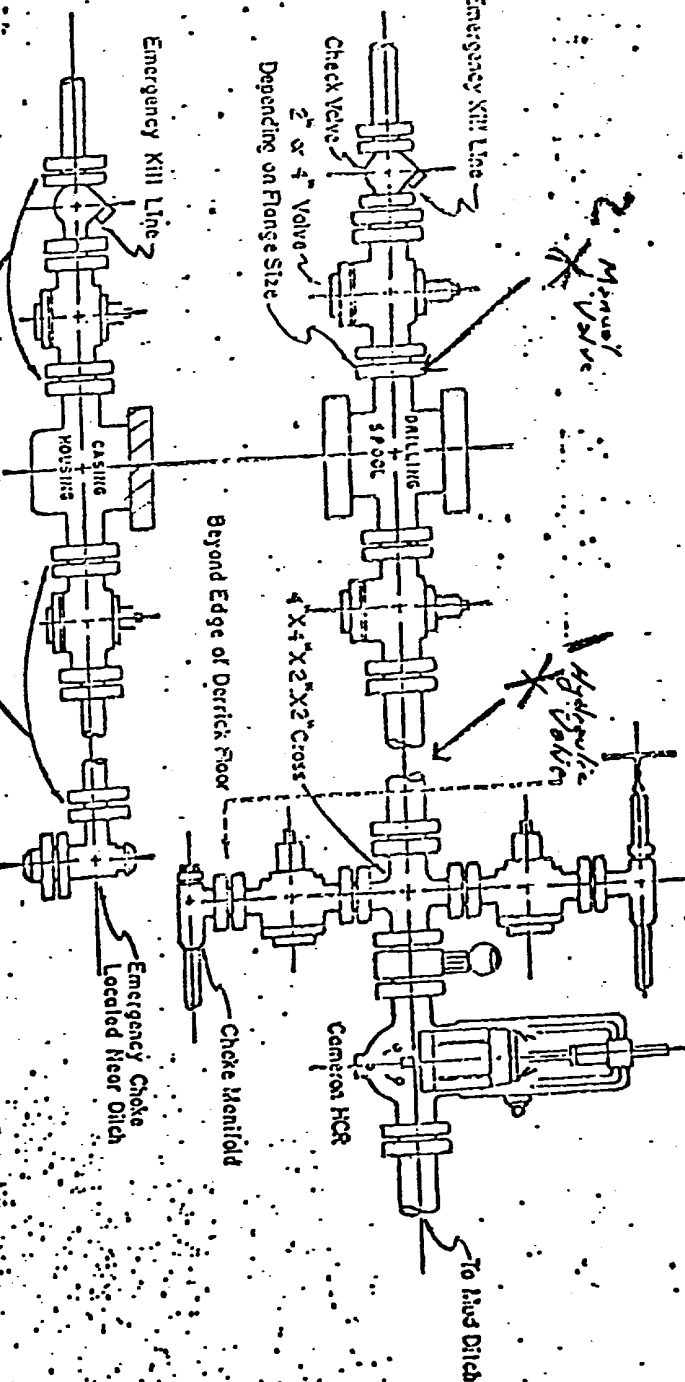
Exh. 6. t "B"
Add. Iron

SCALE 1" = 2000'

Blow-out-preventers hydril and choke manifold all 1500 Series.



See Detail of 4" Flow Line and Choke Assembly



Connections Furnished by Contractor

5,000 PSI WORKING PRESSURE KILL, CHOKES, AND FILL CONNECTIONS API Series 300 Flanges or Better

DETAIL OF 4" FLOW LINE CHOKES ASSEMBLY
Minimum assembly for 5,000 PSI working pressure will consist of three preventers. The bottom and middle preventers may be Cameron

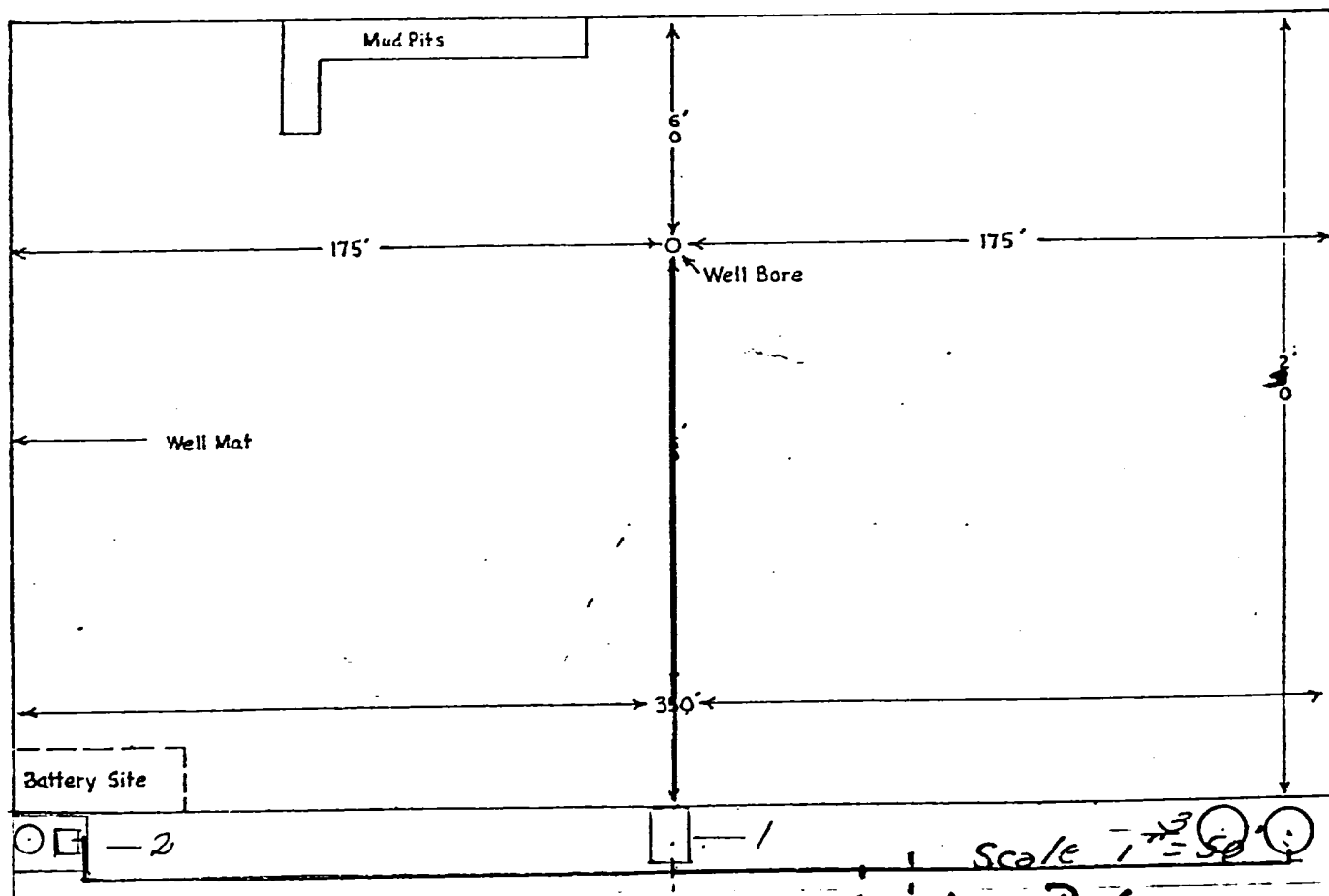
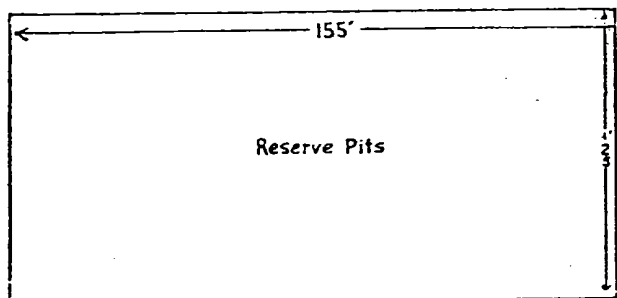
1. Rotating Slipper Head below intermediate csg.
2. Low pressure cock valve

Bello Retalium Corp.
James R. Unit 9
Exhibits 2"

5,000 PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

1500
Series 300 Flanges, or Better

Trash
Pits



1. Prod 5 Kid (Line heater & Separators)
2. Dehydrator 5 Kid (Contact & Reboiler)
3. Tanks

Belco Petroleum Corp
Proposed
James Ranch Unit 9
Exhibit "D"