

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

C/SF

30-015-23732

5. LEASE DESIGNATION AND SERIAL NO.

NM 17215

6. IF INDIAN, ALLOTTEE OR INDIAN NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Husky- Federal

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

Diamond Mound, Atoka

11. SEC., T., R., M., OR BLK.

AND SURVEY OR AREA

Sec 14-16S-27E

12. COUNTY OR PARISH

Eddy

13. STATE

N. M.

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

Husky Oil Company

3. ADDRESS OF OPERATOR

600 So. Cherry St., Denver, CO 80222

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

At surface

1980' FNL & 660' FWL, SW/4 NW/4, Sec. 14-16S-27E

At proposed prod. zone

Same

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

Approx. 16 mi. SE of Lake Arthur

15. DISTANCE FROM PROPOSED*

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

1980'

16. NO. OF ACRES IN LEASE

2269.9

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.

4500'

19. PROPOSED DEPTH

8650'

20. ROTARY OR CABLE TOOLS

Rotary

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

3581' GR

22. APPROX. DATE WORK WILL START*

April 1, 1981

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14-3/4	13-3/8	48#	+300'	+300 SX
12-1/4	8-5/8	24#	+1500'	+500 SX
7-7/8	5-1/2	10.5# & 11.6# 15.5 17	+8650'	+500 SX

We propose to drill the captioned well to test the Atoka and Grayburg formations. We propose to test all shows deemed worthy of test and to set casing, as above, or to plug and abandon in accordance with instructions received from the U.S.G.S.

The gas is 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

Vera Chandler

TITLE Engr. Assistant

DATE Feb. 4, 1981

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

APPROVED

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Sgd. GEORGE H. STEWART

MAR 30 1981

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.

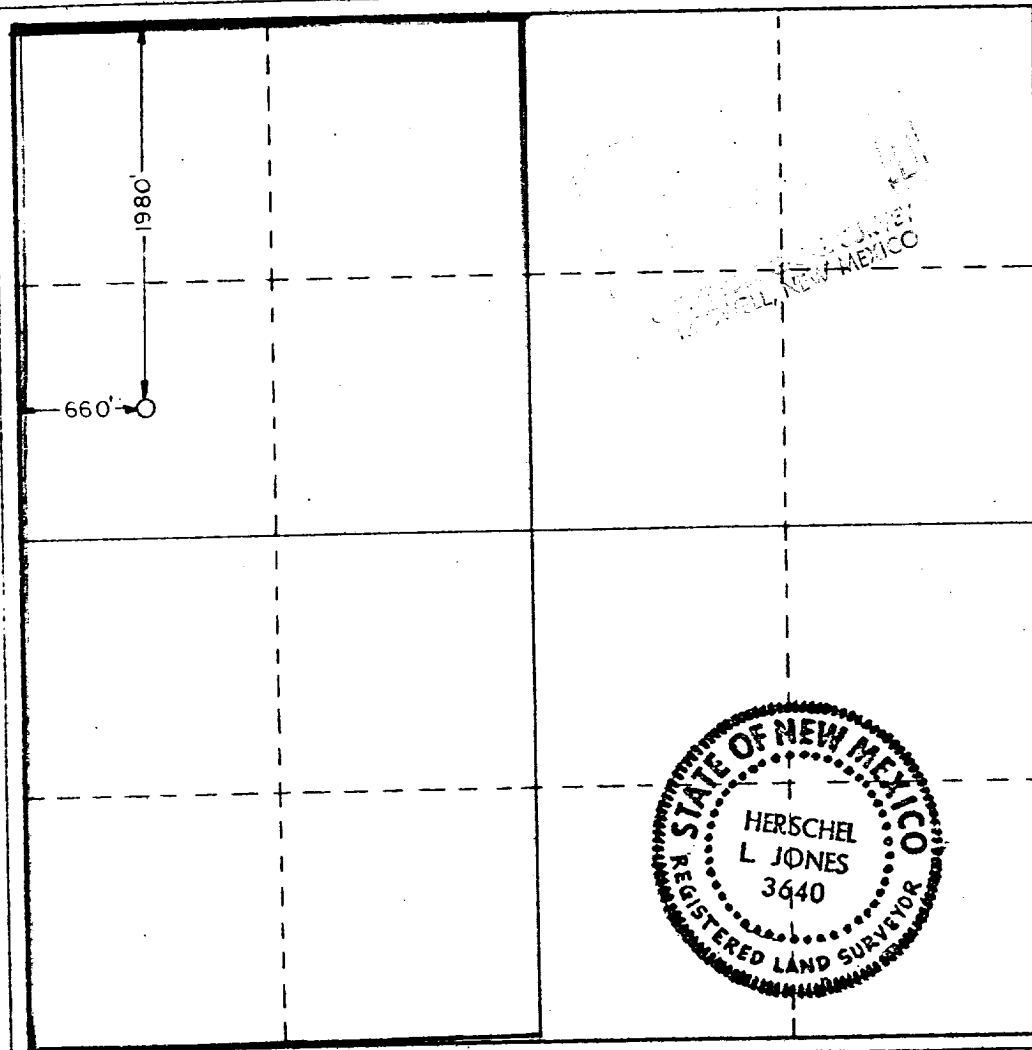
Operator HUSKY OIL COMPANY			Lease Husky Federal		Well No. 53
Unit Letter "E"	Section 14	Township 16 South	Range 27 East	County EDDY	
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the West line					
Ground Level Elev. 3581.0	Producing Formation Hoka	Pool Und. Diamond Hoka		Dedicated Acreage: 320 Not Dedicated 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 James E. Yates

Position James E. Yates
Drilling Engineer

Company
HUSKY OIL COMPANY

Date
February 11, 1981

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
November 7, 1980

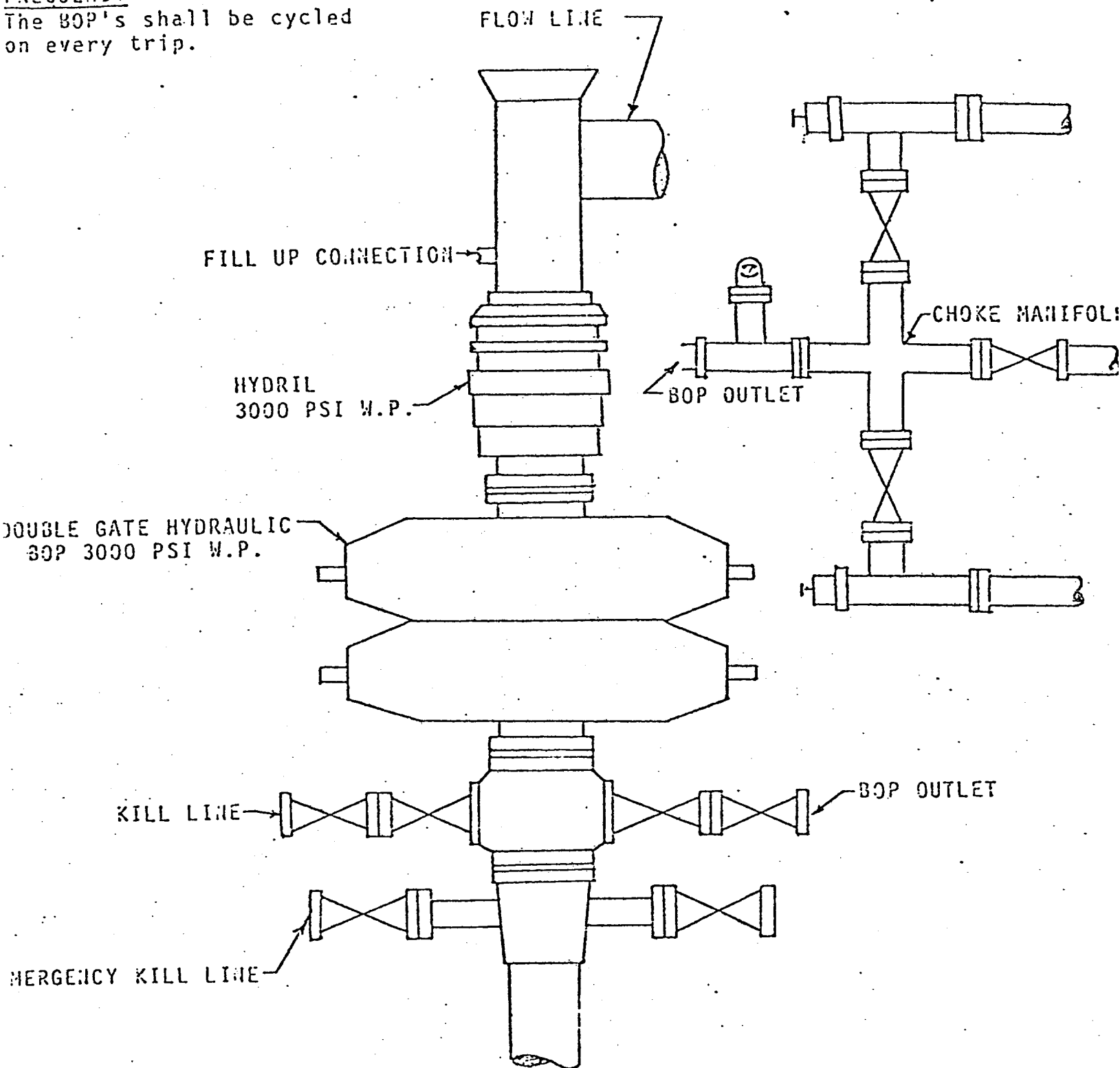
Registered Professional Engineer and/or Land Surveyor

Herschel L. Jones
 Certificate No. **3640**

After nipping up on surface pipe,
but before drilling out the cement
plug, the BOP's shall be tested to
the rated working pressure.

FREQUENCY

The BOP's shall be cycled
on every trip.



HUSKY OIL COMPANY
FEDERAL #3
Eddy County, New Mexico

TEN-POINT PROGRAM TO ACCOMPANY FORM 9-331C

1. Surface Formation: Surface sands, gypsum, dolomite
2. Important Geological Formations:

Queen	730
Grayburg	1075
San Andres	1500
Glorieta	2810
Tubb	4170
Abo	4910
Bursum	6930
Strawn	7950
Atoka	8340
Morrow	8500
Mississippian	8600

WELL SURVEY
EDDY COUNTY
NEW MEXICO

3. Gas is expected in the Atoka @ 8340' and in the Grayburg @ 1075'.

4. Casing Program:

13-3/8", 48# per ft., K-55, ST&C new casing to apprx. 300';
8-5/8", 24# per ft., K-55, LT&C to apprx. 1500'; 5-1/2", ~~10.5#~~
& ~~11.6#~~ per ft., K-55 & N-80, LT&C to apprx. 8650'. 15.5

5. Pressure Control:

13-3/8" x 12" nominal 3000 psi slip-on & weld, flanged casing head for drilling below surface casing.

12", 900 Series, 3000# W.P. Dual Ram Hydraulic Blowout Preventers for drilling below surface casing. All choke lines, choke manifold, valves, fitting, etc. will have a minimum pressure rating of 3000 PSI.

A 3000# W.P. Hydril will be added before drilling below 8-5/8" casing.

All BOP equipment will be pressure tested to a minimum of 100% working pressure or 70% of internal yield (whichever is less) prior to drilling out the surface casing shoe.

6. Mud Program:

0 - 300': Mud at company discretion to maintain good hole

conditions to run surface casing.

300 - 1500': Use salt saturated brine.

1500' - TD: Mud weight 8.8# to 9.0# per gallon, water loss
10cc/30 minutes or less and viscosity of 35
sec./qt. or more.

Mud quantities, as necessary, to maintain the above mentioned
properties and drill to total depth are estimated to be
appx. 900 barrels.

7. Auxiliary equipment:

Kelly cock with stabbing valve on floor.

8. Testing, Logging, and Coring:

DST may be required in the Grayburg and/or Atoka.

No coring is anticipated.

Logs as follows:

Surface casing to TD: DLL-MSFL + FDC-CNL-GR

Proposed completion program:

Perforate desired intervals. Swab, and if necessary, perform
an acid and/or frac job.

9. Abnormal hazards:

Neither abnormal pressures, temperatures, nor potential
hazards, such as hydrogen-sulfide gas is expected.
The maximum BHP is 3720 PSI at total depth in the Mississippian.
This is a normal .43 PSI per ft. gradient.

10. Anticipated spud date: April 1, 1981

11. Anticipated duration: 30 DAYS

EXHIBITS TO ACCOMPANY FORM 9-331C

- A. Location map with route marked.
- B. Topographic map section showing access roads and location.
- C. Proposed production facilities.

- D. Location layout.
- E. Map of location showing cuts and fills.
- F. Cross sections of location.
- G. Location of existing facilities.

MULTI-POINT REQUIREMENTS TO ACCOMPANY FORM 9-331C

1. Existing Roads:

- A. See Exhibits "A" and "B".
- B. Main Roads:

Take Alternate U.S. 285 north out of Artesia to Lake Arthur for apprx. 12 miles. Turn East at north end of town on paved highway #507. From Lake Arthur proceed 5.6 miles crossing Pecos River and cattleguard (pavement ends after 2 miles). Turn right (west) going apprx. .3 mile to Pipeline Road. Turn left on Pipeline Road and continue southeast 3 miles. Turn left (northeast) on another pipeline road continuing to windmill (apprx. 2 miles). After sharp jog left, then right, continue southeast apprx. 2.5 miles. Turn right (west) and go 1 mile. Turn left (south) going .5 mile to SRC Federal #1. Turn left and proceed apprx. 1 mile to well.

C. Access Roads:

A 4500' access road will be required. See Exhibits "B" and "C".

D. N/A

E. See Exhibit "B".

2. Planned Access Road:

- A. Width: **12'** crowned and ditched, total disturbance **20'**.
- B. Maximum Grade: 10%
- C. Turnouts: None
- D. Drainage design: No problems anticipated.
- E. Culverts, cuts and fills: None anticipated.

- F. Surfacing Materials: None anticipated for drilling phase.
 - G. Gates, Cattle Guards, Fence Cuts: None
 - H. New or reconstructed roads: Centerline flagged.
3. Location of Existing Wells: (See map showing existing wells and facilities.)
- A. Water Wells: None
 - B. Abandoned Wells: None
 - C. Temporarily Abandoned Wells: None
 - D. Disposal Wells: None
 - E. Drilling Wells: None
 - F. Producing Wells: See Exhibit "G".
 - G. Shut-in Wells: None
 - H. Monitor Wells: None
4. Location of Existing or Proposed Facilities:
- A. None owned nor operated by Husky.
 - B. Proposed Facilities:

In the event the well is commercial, a combination production unit heater, separator, condensate tank, and a pit to receive test fluids will be necessary.

A flow line will be necessary to gather the gas for sales and will connect to the sales line.

A Sundry Notice will be filed if we need to disturb any additional acreage.
5. Location and Type of Water Supply:
- A. We plan to purchase water from a nearby permitted source.
 - B. We plan to truck produced water from the battery to the wellsite for use while drilling.
 - C. No water well on the location is anticipated.
6. Source of Construction Materials:

- A. through D. For the drilling operation it is anticipated that any construction materials needed will come from the proposed site. Any additional construction materials will be purchased from a commercial source.
7. Methods of Handling Waste Materials:
- A. Cuttings: Disposed of in reserve pit and buried.
 - B. Drilling Fluids: Disposed of in reserve pit and buried after the pit has dried.
 - C. Produced Fluids: Liquids produced during the completion operations will be produced into tanks, the water drained to the pit and any oil saved.
 - D. Sewage: Portable toilets.
 - E. Garbage and other Waste Material: Disposal in a "burn" pit (enclosed with wire mesh screen) and ultimately buried.
 - F. The location will be cleaned upon completion or abandonment of the well. All pits will be fenced and overhead flagging installed. After the reserve pit has dried it will be filled, waste buried, and restoration done as per Section 10.
8. Ancillary Facilities: None.
9. Wellsite Layout:
- A. through C. See location layout and cross-section exhibits.
 - D. Pits unlined.
10. Plans for Restoration of the Surface:
- A. The topsoil will be stripped and stockpiled on the north end of the location. Pits will be fenced on three sides for drilling operations. Upon completion or abandonment of the well the pits will be fenced on all four sides, allowed to dry, then backfilled, burying waste, leveling and recontouring as is practical.
 - B. The topsoil will be spread over that area (excluding that area required for production purposes if well is productive) and that area reseeded as per BLM specifications. The access road, if not needed, will also be reseeded.

- C. Upon release of the rig the pits will be fenced, and so maintained until cleanup. (See "A" above.)
- D. The pits will have overhead flagging installed if any oil is left on the surface.
- E. Restoration should be completed during the fall of 1981.

11. Other Information

- A. The location lies on a relatively flat spot with drainage to the south.
- B. Primary use of the land is rangeland. Grazing privileges are held by Bogle Farms, P.O. Box 358, Dexter, NM 8823. No surface owner.
- C. There are no known archaeological, historical, or cultural sites in the immediate area.

12. Lessee's or Operator's Representative:

James E. Yates
600 S. Cherry Street
Denver, Colorado 80222
Telephone: 303/370-1325

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the drill-site and access road; 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 Husky Oil Company and its contractors and subcontractors in conformity with this plan and conditions under which it is approved.

2/12/80

Date

James E. Yates
Drilling Engineer
Husky Oil Company

EXHIBIT "A"
HUSKY-SRC FEDERAL #2

A V E S C O U

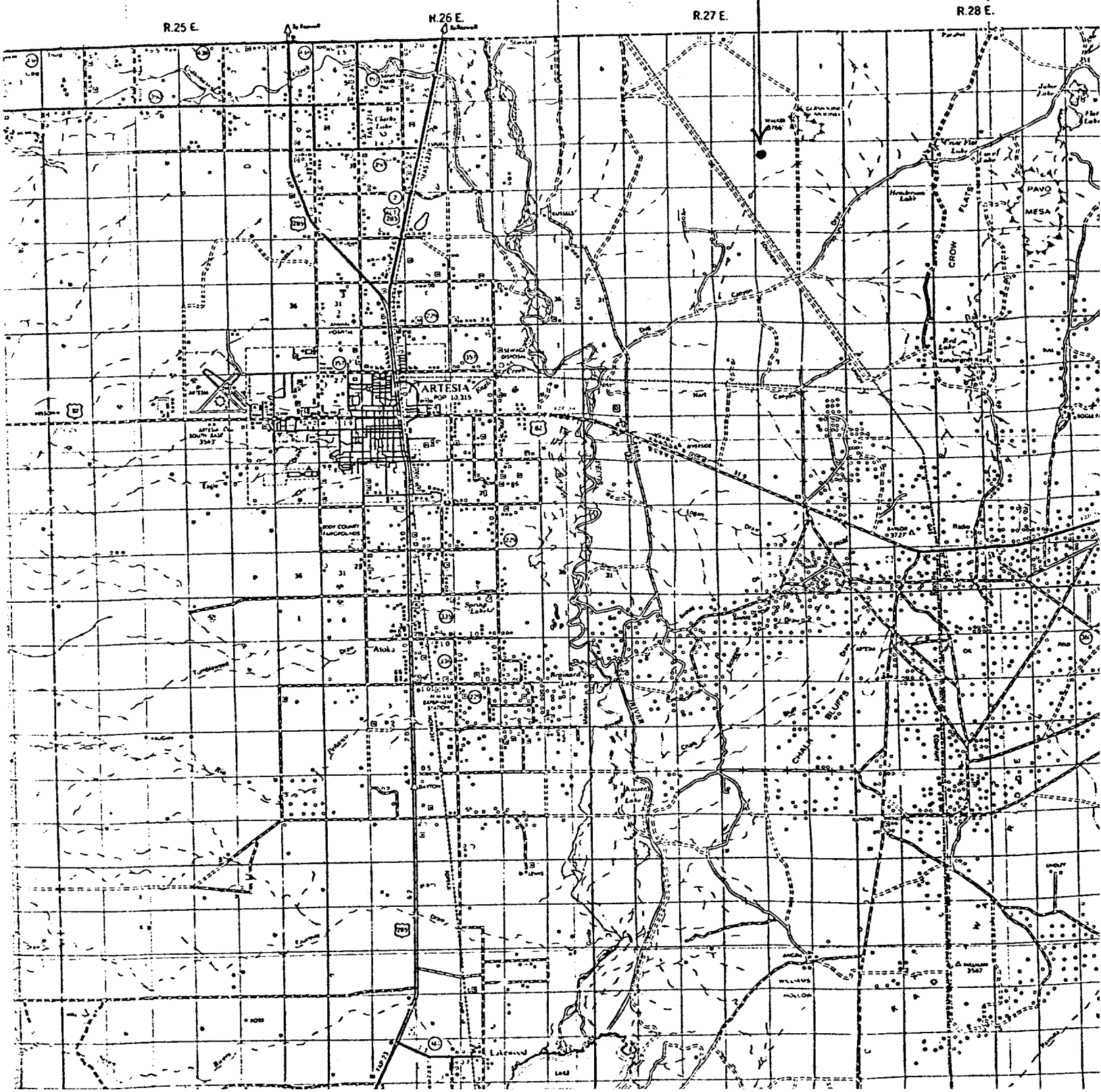


EXHIBIT "B"

Husky-SRC FEDERAL #2

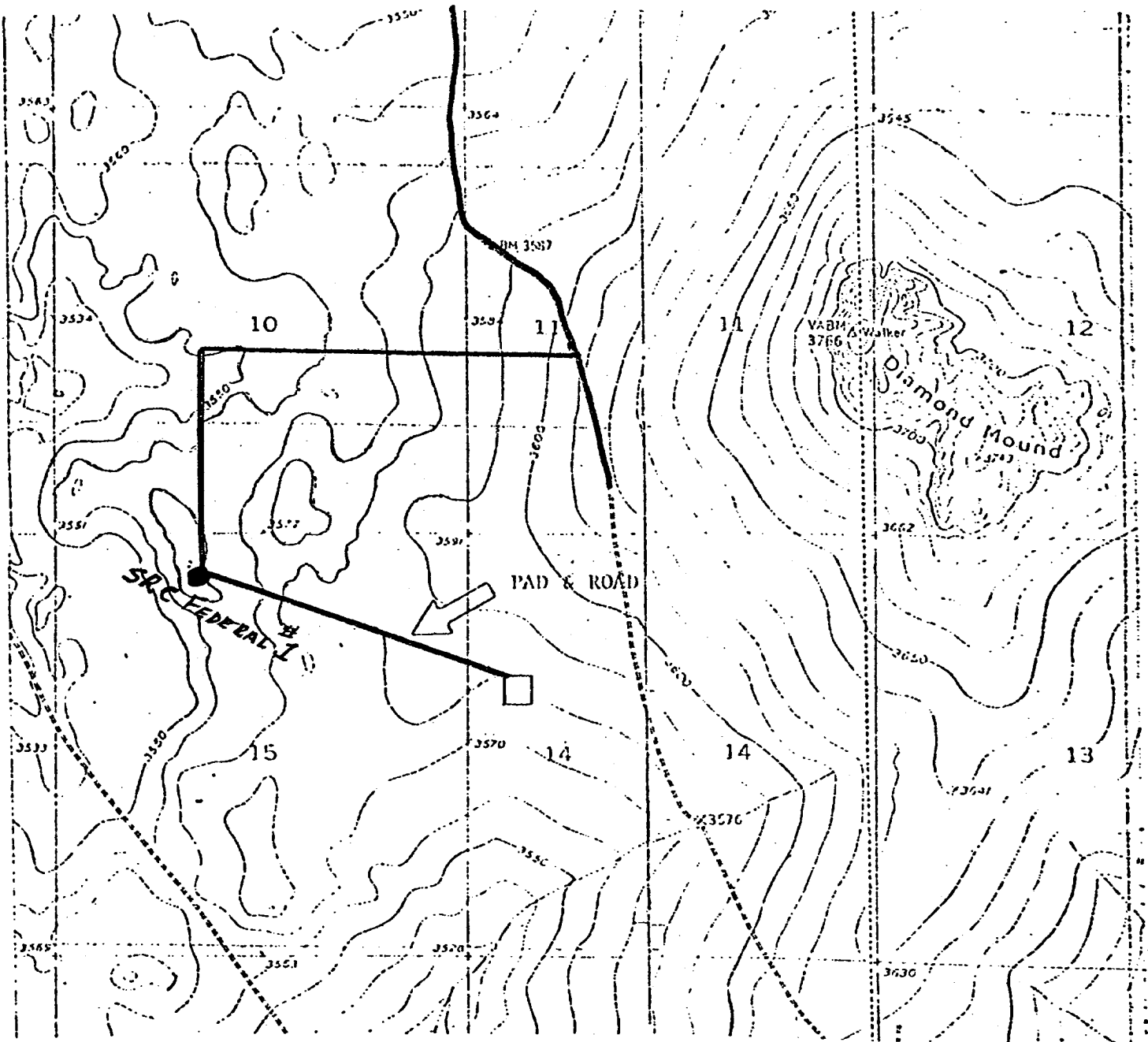
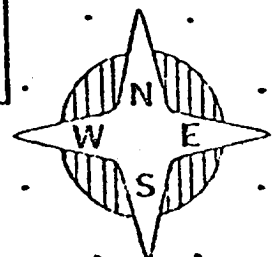


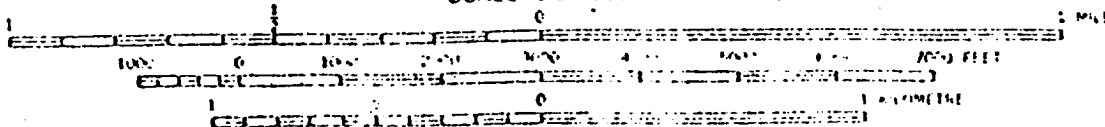
Figure 2: Location of Husky Oil SRC Federal No. 2 and Road
Sections 14 & 15, T16S, R27E, Eddy County

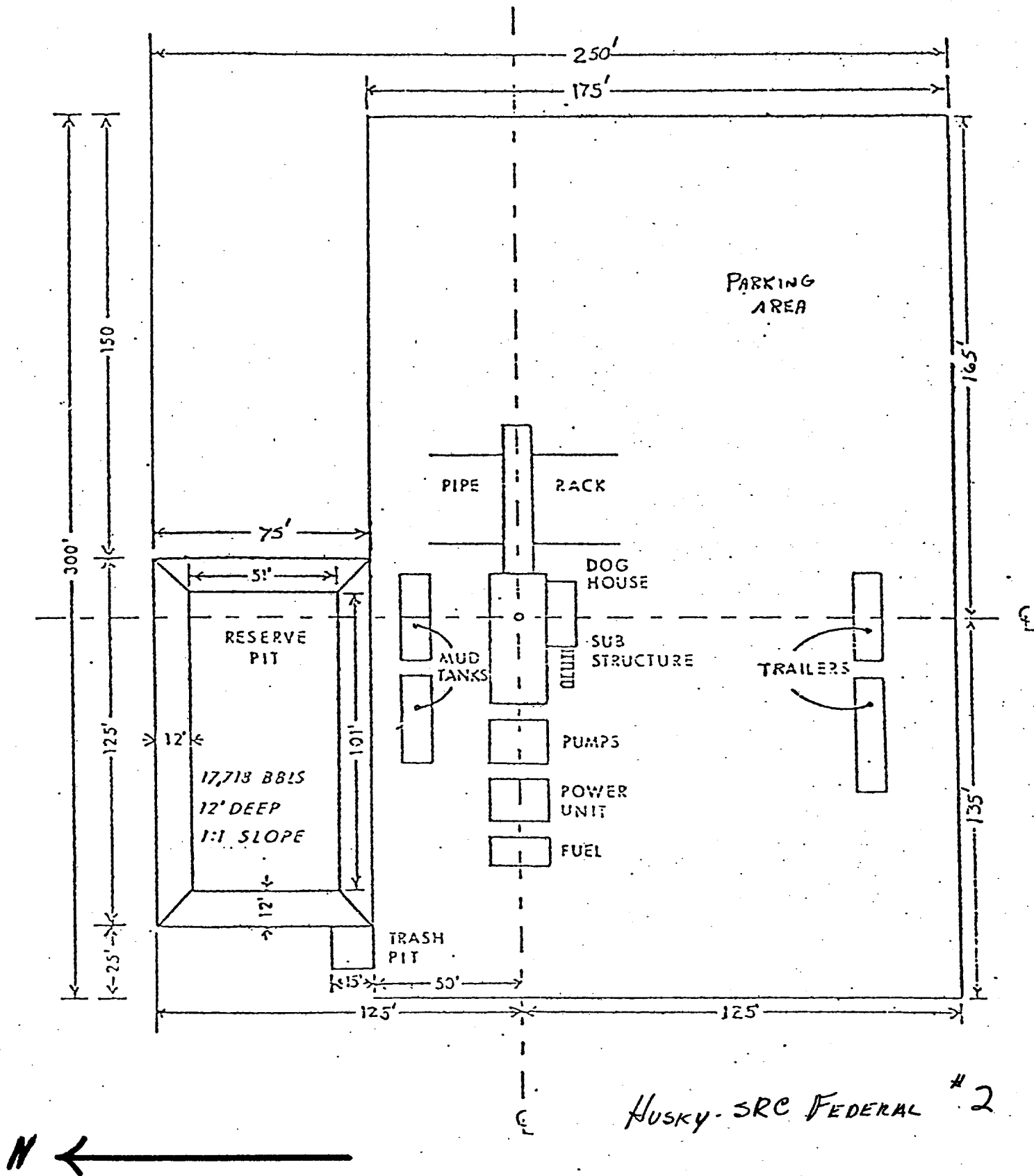
Map Reference: USGS Artesia NE Quadrangle, 1955

7.5 MINUTE
SERIES



SCALE 1:24,000





Husky SRC FEDERAL #2

HUSKY OIL COMPANY	
PRODUCTION	DENVER
EXHIBIT "D"	
DRILLING	LAYOUT
SCALE: 1" = 50'	
DATE: 12/21/79	

EXHIBIT "G"

HUSKY-SRC FEDERAL #2

