

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

Skelly Oil Company

3. ADDRESS OF OPERATOR

Box 3360, Casper, WY 82602

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

At surface

1650' FWL & 1850' FHL Sec. 17-25N-3W

At proposed prod. zone

Same

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

Approx. 80 miles south & east of Bloomfield, NM

15. DISTANCE FROM PROPOSED*

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

1050'

16. NO. OF ACRES IN LEASE

1272.04

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

3000'

19. PROPOSED DEPTH

8200'

20. ROTARY OR CABLE TOOLS

Rotary

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

7172' GR

22. APPROX. DATE WORK WILL START*

December 15, 1976

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15"	10 3/4" OD	32.75#	350'	335 sks
9 5/8"	7" OD	26 & 23#	8200'	1450 sks

We propose to drill the captioned location to test the Bakota & other zones. Approximately 350' of 10 3/4" OD surface casing will be set and cemented from top to bottom. If shows are found in the Bakota and other zones above, we plan to run 7" OD casing to 8200' for possible multiple zone completion. The 7" OD casing will be cemented in 3 stages with DV tools set at 6200', and 4200'.

Mud program as follows:

Depth	Weight	Vis	Fluid Loss
0-350'	8.8-9.0	50-60	n/c
350-8200'	8.7-8.9	32-34	6.0 c.c.

On drilling out below surface, we propose to use a double gate blow out preventer integrally equipped with drill pipe rams and blind gate rams, all rated at 3000 psi working pressure, 5000 psig test pressure, with check valve (3000# WP) at 50P drill pipe fill inlet and two Kelly cock valves, one for Kelly and one for stand-by for drill pipe.

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.

SIGNED

TITLE

Area Superintendent

DATE

November 9, 1976

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

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.

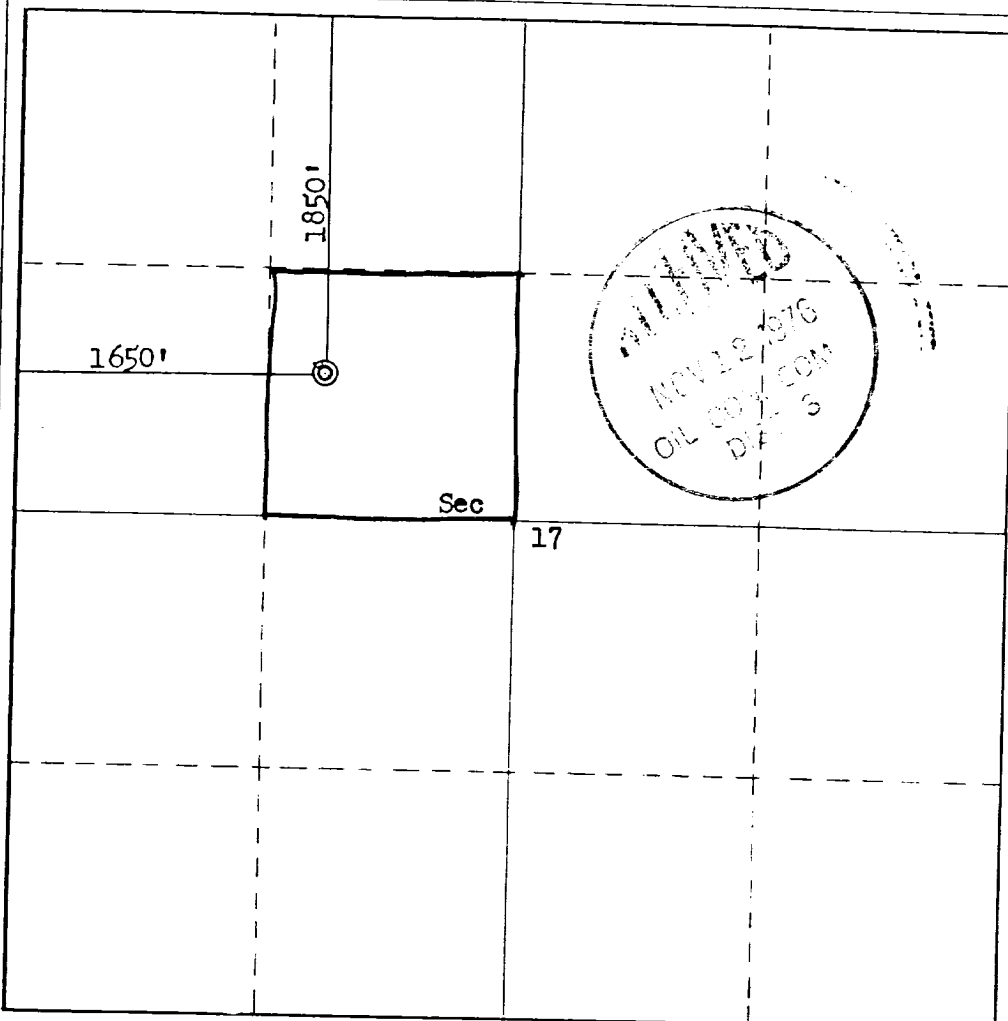
Operator Skelly Oil Company			Lease C. W. Roberts		Well No. 5
Unit Letter F	Section 17	Township 25N	Range 3W	County Rio Arriba	
Actual Footage Location of Well: 1850 feet from the North line and 1650 feet from the West line					
Ground Level Elev. 7172	Producing Formation Dakota		Pool Ojito-Dakota ext	Dedicated Acreage: 40 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.

Roy J. McWhirter
Name

Area Superintendent
Position

Skelly Oil Company
Company

November 9, 1976
Date

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

October 25, 1976

Registered Professional Engineer
and/or Land Surveyor

Fred B. Kern Jr.
Certificate No.

3950

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

Archaeological Clearance Survey Report

for

Skelly Oil Company

Location

#5 C. W. Roberts

Prepared by

Pat Zarnowski

Submitted by

Dr. J. Loring Haskell
Operations Director and
Principal Investigator
Agency of Conservation Archaeology

October 27, 1976

Introduction

The Agency of Conservation Archaeology of the San Juan County Museum Association and Eastern New Mexico University recently completed an archaeological clearance survey in the area of the Jicarilla Indian Reservation on land to be impacted by the scheduled construction of one well and access road by Skelly Oil Company of Farmington, New Mexico.

The survey project was initiated at the request of Mr. Dick Hergenreter of Skelly Oil Company on October 22, 1976. It was administered by Mr. Hergenreter and by Dr. J. Loring Haskell, who serves as the principal investigator for the Agency of Conservation Archaeology in Portales, New Mexico.

The field work was conducted by Ms. Pat Zarnowski on October 27, 1976 under provisions of permit number 76-MM-023, which expires on March 7, 1977. Other representatives in the field were Mr. Hergenreter of Skelly Oil Company, Mr. Danny Wood of W. & C. Contractors, Mr. Al Willibran of the United States Geological Survey, and Mr. Schmitz, owner of the property.

Survey

This archaeological clearance survey involved the one well location described below, located on private land. However, the mineral rights are under the jurisdiction of the Bureau of Land Management. For specific details of location please refer to the attached maps and the Recommendation section of this report.

The survey method used was to walk the area of proposed construction in a zigzag manner and to visually inspect the surface for signs of archaeological material. Erosional gullies and arroyos were also inspected for evidence of subsurface activity. Any artifact located initiated a further search of the area to determine association with other artifacts or structural features. Floral, faunal and geological observations were made to briefly describe the environmental situation.

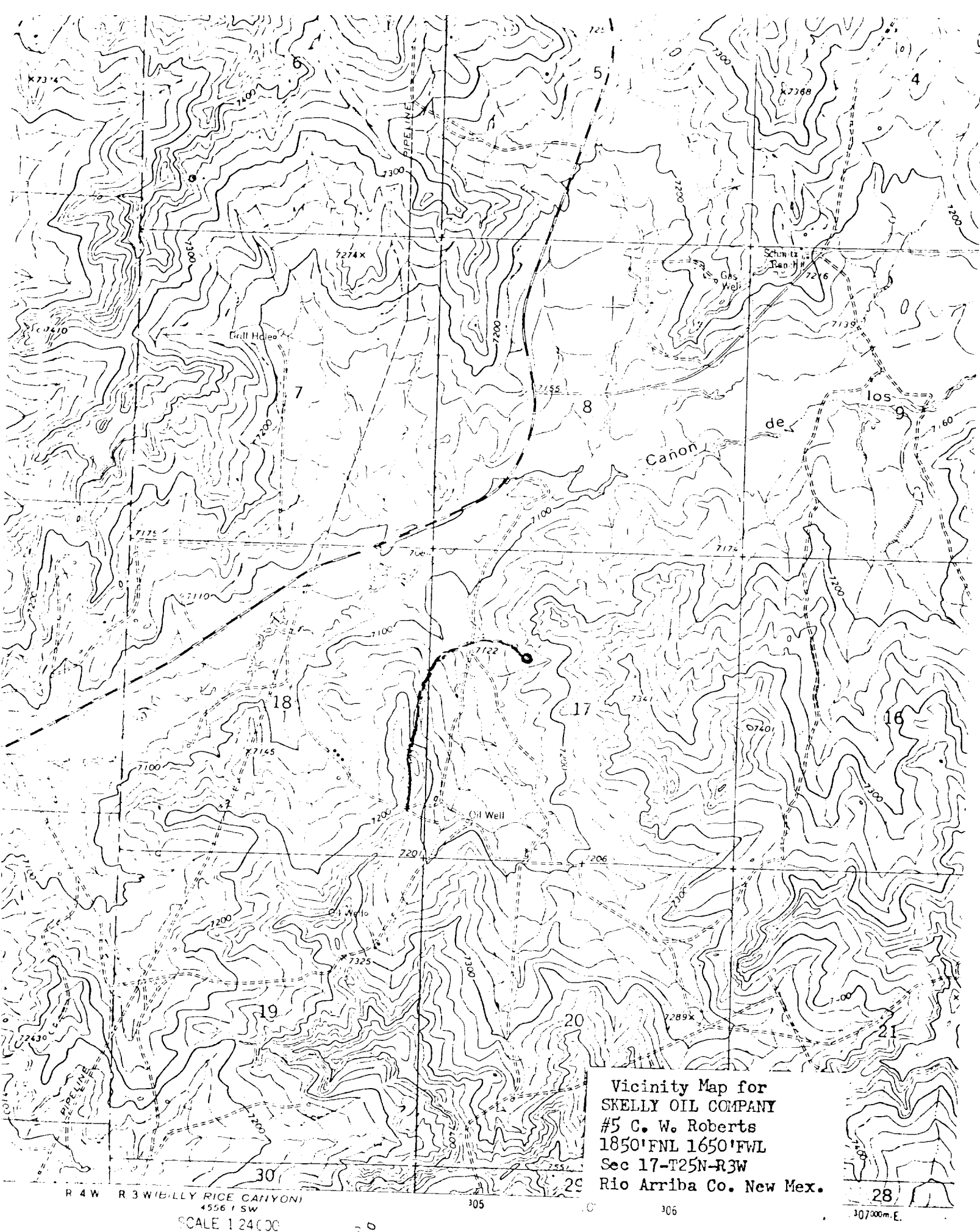
#5 C. W. Roberts

Environment: The proposed location for this well is on a small hill slope in the tributary canyon on the south side of Cañon de los Ojitos. The area has been disturbed as the owner has knocked down most of the juniper (*Juniperus* sp.) trees and removed the natural big sagebrush (*Artemisia tridentata*). Crested wheatgrass (*Agropyron cristatum*) has been planted for grazing purposes. The access road to this well will take off from an existing dirt road to the southwest at the top of a small hill. It will follow the ridge of the hill for a few hundred feet as it progresses north, to the well. As it continues north it will descend the hill and stay on the eastern slope, then cross the low area of the tributary canyon to the well. This area has also been disturbed the same as that detailed for the well location.

Cultural resources: Along the eastern slope of the hill that the access road will follow, several isolated lithic waste flakes were noted. No ceramics or archaeological sites were found.

<u>Well</u>	<u>Area</u>	<u>Recommendations</u>	<u>Clearance Status</u>
		<u>Location</u>	
#5 C. W. Roberts	Pad: 300' X 200'	1,850 feet from the North line, 1,650 feet from the West Line of the Northwest $\frac{1}{4}$ of Section 17, Township 25 North, Range 3 West, Rio Arriba County, New Mexico.	Recommended
	Road: 30' X 4,500' (Approximately)	Northwest $\frac{1}{4}$ of Section 17 and the East $\frac{1}{2}$ of East $\frac{1}{2}$ of Section 18, Township 25 North, Range 3 West, Rio Arriba County, New Mexico.	Recommended
Map source: U.S.G.S. 7.5 minute Schmitz Ranch quadrangle.			

Because of the minimal amount of cultural material located and due to the fact the the surface has already been disturbed, it is recommended that archaeological clearance be granted for this well location and access road.



SURFACE DAMAGES AND RIGHT OF WAY AGREEMENT

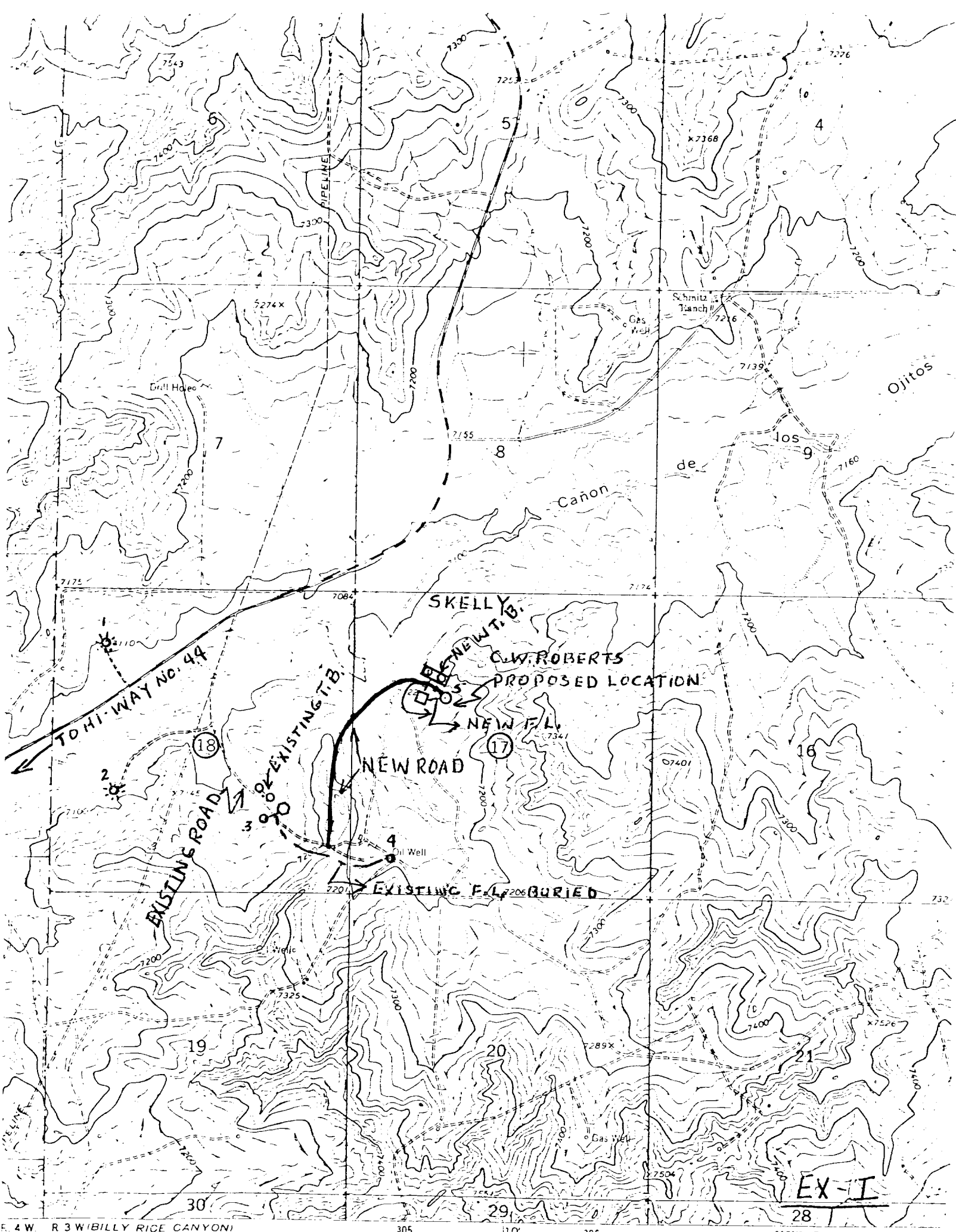
THIS AGREEMENT, made and entered into this 27th day of October, 1976, by and between Tony ^{Schnitz}~~Shnitz~~ FIRST PARTIES, and hereinafter referred to as "^{"Schnitz"}~~Shnitz~~" and Skelly Oil Company, SECOND PARTY, and hereinafter referred to as "Skelly", by and through its duly authorized agent and representative.

WITNESSETH:

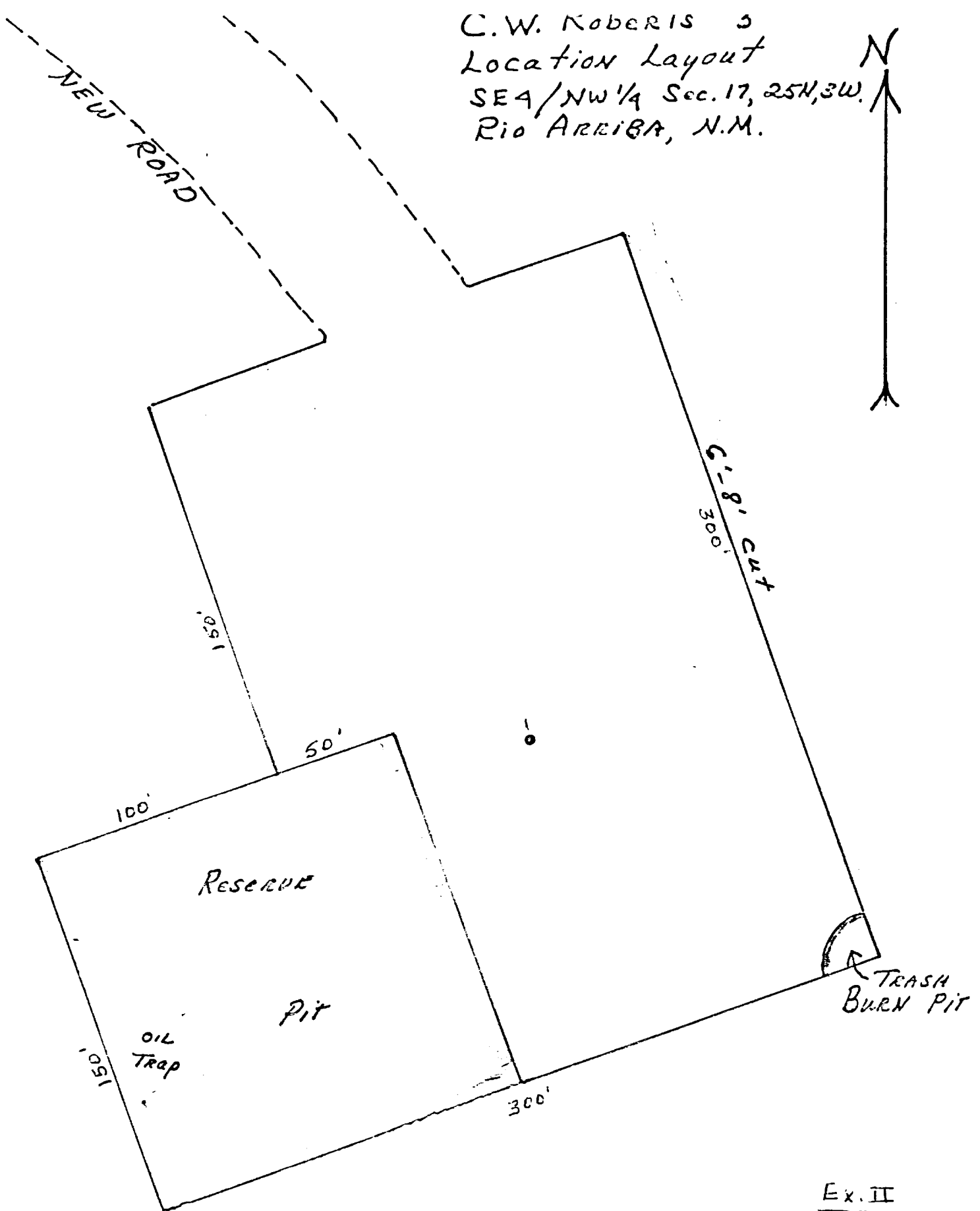
For and in consideration of the covenants and agreements hereinafter contained and other valuable considerations, the parties hereto agree as follows:

1. That Skelly intends to drill an oil/gas well in the SE4 NW4 Section 17, Township 25North, Range 3 West in Rio Arriba, County, State of New Mexico, and that in order for Skelly to drill, complete, and produce its said well, it is or will be necessary for Skelly to enter upon the lands of ^{Schnitz} ~~Shnitz~~ and to cross and otherwise use certain property of ^{Schnitz} ~~Shnitz~~ all of which activity has or shall necessarily result in damages to the surface and the parties hereto desire to enter into this agreement for the purpose of setting forth their agreement as to damages to the surface and their respective rights and obligations in connection with the use of the premises by Skelly.

2. That Schmitz hereby gives, grants, and conveys unto Skelly, its agents, employees, successors, and assigns, a private right to enter upon and use the property of Schmitz for the purpose of drilling, completing and producing the above described oil/gas well, and does further give, grant and convey to Skelly a right of way and easement across lands of Schmitz for the purpose of constructing, operating and maintaining an access road not exceeding 24 feet in width,



C.W. ROBERTS 3
Location Layout
SE 1/4 NW 1/4 Sec. 17, 25N, 3W.
Rio Arriba, N.M.

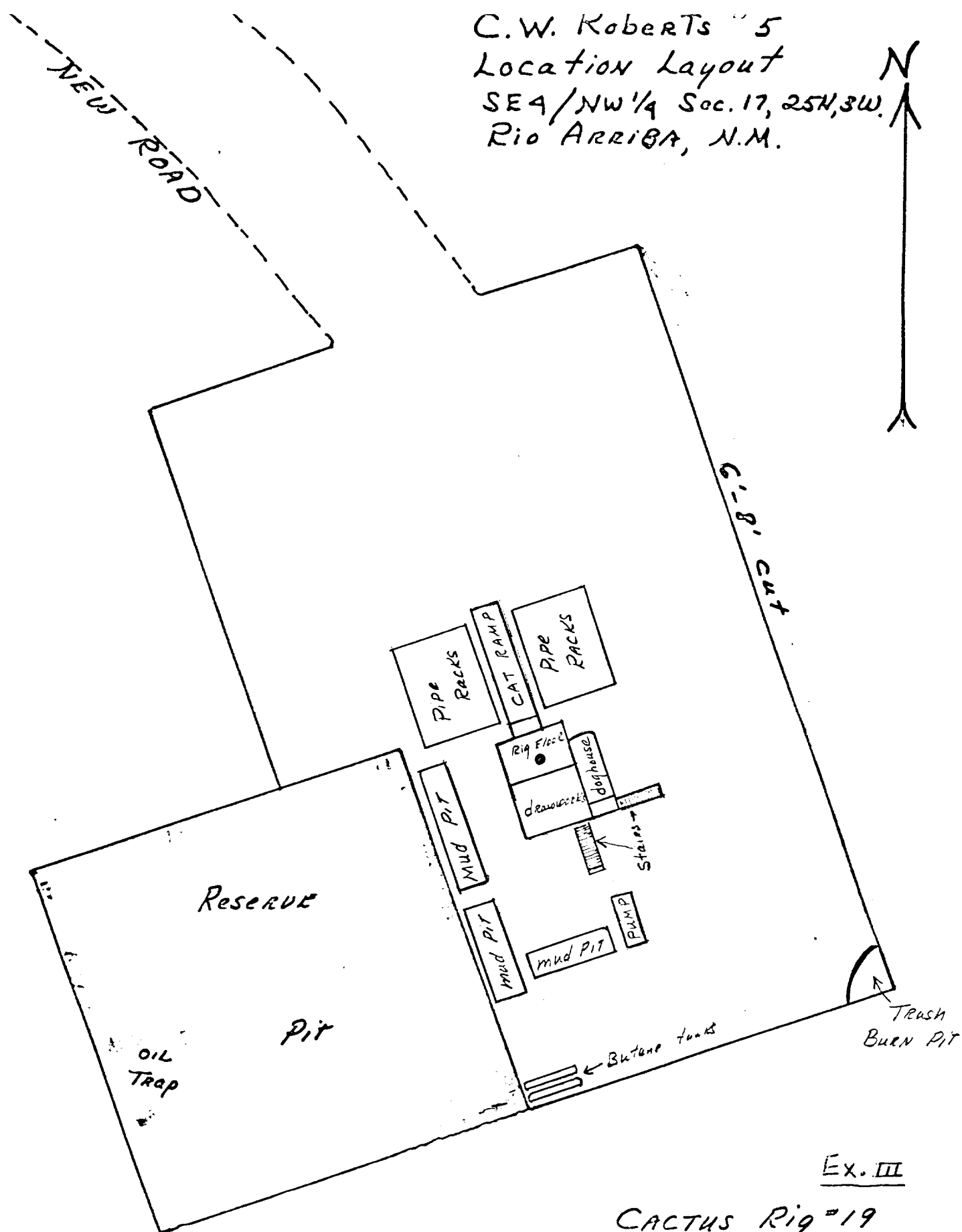


Ex. II

Before Drilling

Scale: 1" = 50'

C.W. Roberts "5
Location Layout
SE 4/NW 1/4 Sec. 17, 25N, 3W.
Rio Arriba, N.M.

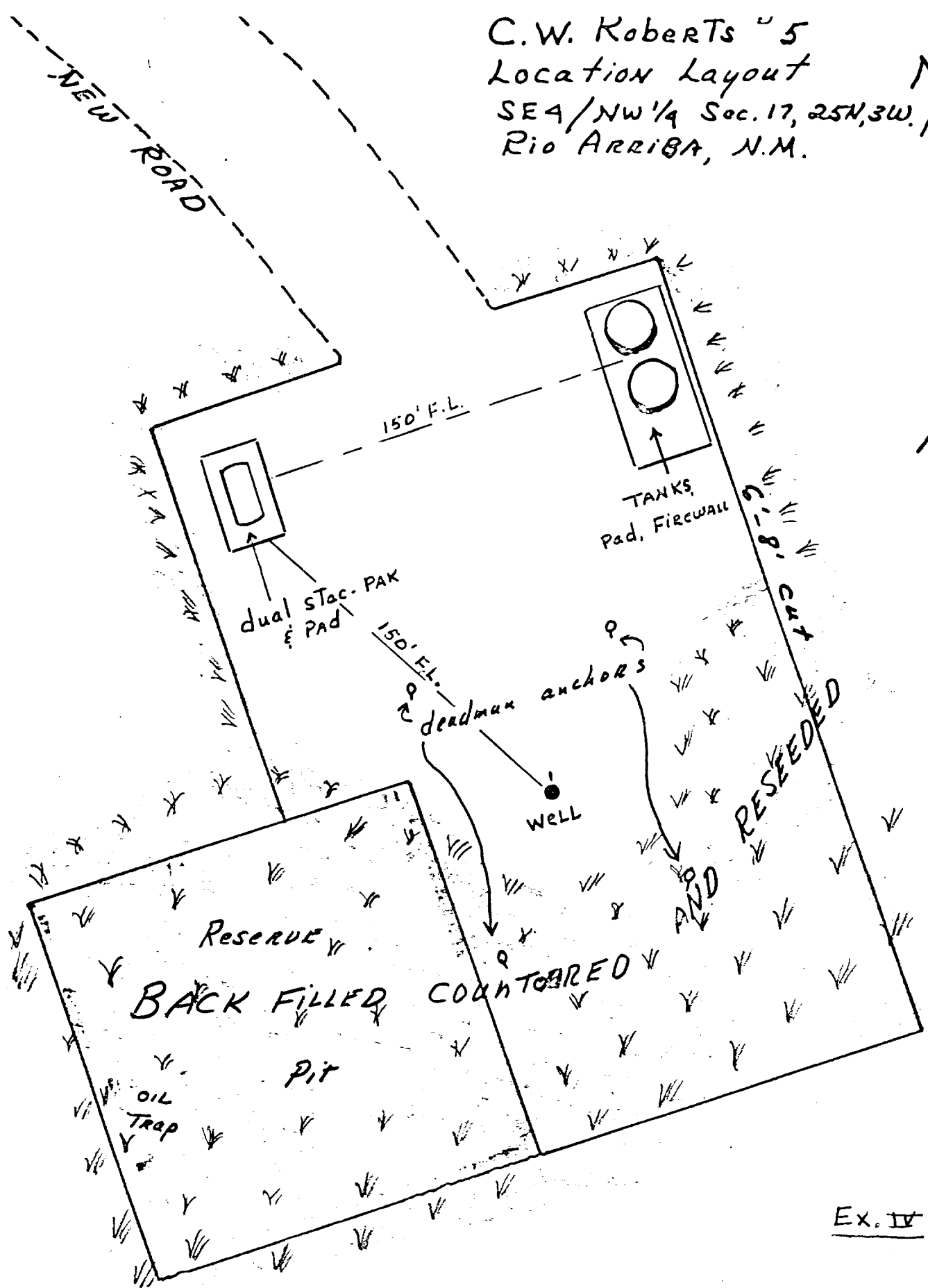


Ex. III

CACTUS Rig #19
DURING DRILLING

Scale: 1" = 50'

C.W. Roberts "5
Location Layout
SE 4 / NW 1/4 Sec. 17, 25N, 3W.
Rio Arriba, N.M.



Ex. IV

AFTER DRILLING

Scale: 1" = 50'

Flow Line To Be Burien



SKELLY OIL COMPANY

P. O. Box 3360

Casper, Wyoming 82602

November 9, 1976

Re: C. W. Roberts Well No. 5
Sec. 17-T25N-R5W
Rio Arriba Co., NM

United States Geological Survey
P. O. Box 1809
Durango, CO 81301

Gentlemen:

The following is a development plan for surface use in the drilling of our C. W. Roberts Well No. 5. Also attached is an application to drill the well. (Form 9-3310)

1. Existing Roads: Highway #44 south out of Bloomfield, NM, 65 miles to Highway #537, turn left (north) on Highway #537, approximately 23.5 miles to lease road in NW/4 Sec. 18, turn right on lease road approximately 3/4 mi, turn left on new lease road approximately 1/2 mile north, then right approximately 1/4 mile to location. (See Ex. I)

2. Planned Access Road: We plan to construct a new access road 24' wide and approximately 3/4 mile long from SE/4 Sec. 18, bearing north northwest for approximately 1/2 mile in Sec. 18, then bearing east 1/4 mile to location in SE/4 NW/4 Sec. 17. One cattleguard 12' long X 8' wide will be set in fenceline (west line of Section 17) 2150' south of north line Section 17. One culvert 36" X 32' and one culvert 18" X 32' will be set in new road to drain through two small arroyos in the SW/4 Sec. 17, approximately 1000' west of location. (See Plat. Ex. I)

3. Location of Existing Wells: (See plat Ex. I).

4. Location of Tank Batteries, Prod. Facilities and Prod. Gathering Lines: (See plat Ex. I & IV).

5. Location & Type of Water Supply: All water for drilling and completing will be obtained from waterholes located on private land owned by Mr. Tony Schmitz. The location for the water source is in SW/4 Sec. 19-25N-3W, SWSW/4 Sec. 17-25N-3W and SE SW/4 Sec. 4-25N-3W. Water will be hauled over existing roads on private owned land.

6. Source of Construction Material: None

7. Method of Handling Waste Disposal: Pits of adequate size will be used for holding waste material, water and drilling fluids. All trash on location will be trucked away or buried at completion of well. Drilling fluid and water will be allowed to dry out and pit will be filled, leveled and seeded. (See plat Ex. II).

8. Ancillary Facilities: None.

9. Well Site Layout: (See plat Ex. II & III).

10. Plans for Restoration of the Surface: Upon completion of the operation, all waste materials will be cleared from the location and all disturbed areas will be reshaped and seeded. The seeding will be scheduled to coincide with the growing season of the area and in accordance with the wishes of the private landowner. (See plat Ex. IV).

11. Other Information: The proposed location for this well is on a small hill slope. The land is privately owned and has been planted in crested wheatgrass. The location site will cover approximately 2 acres of grazing land.

12. Lessee's or Operator's Representative:

Mr. Roy J. McWhirter
Casper, WY
Office Phone 307-265-8386
Home Phone 307-234-5241

Mr. Richard P. Hergenreter
Farmington, WY
Office Phone 505-325-9682
Home Phone 505-325-2469

13. Certification Statement:

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 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 Skelly Oil Company and its contractors in conformity with this plan and the terms and conditions under which it is approved.

11-9-1976
Date

Roy J. McWhirter Area Supt.
Signature and Title

Roy J. McWhirter
Area Superintendent

NOV 13 1976