

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil  
P.O. Box  
Hobbs, NM 88241

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

5. Lease Designation and Serial No.  
NMNM67988

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Gulf McKay Fed #1

9. API Well No.

30-025-25471

10. Field and Pool, or Exploratory Area

Lusk Delaware

11. County or Parish, State

Lea County, NM

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT-" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

PRAIRIE SUN, INC.

3. Address and Telephone No.

P.O. BOX 8280 Roswell, NM 88202-8280 505-622-7355

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FWL & 660' FSL  
Sec. 34-T18S-R32E

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other Change status to TA

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Prairie Sun, Inc. purchased this property and others from the previous operator, Paloma Resources, Inc. Several of the wells purchased were not producing and have been evaluated for uphole potential.

It is the desire of Prairie Sun, Inc. to have the status of the Gulf McKay Fed. #1 to be changed to TA status for the following reasons:

Examination of electric logs and mudlog shows indicate the presence of hydrocarbons in two horizons not yet produced.

The Upper Bone Springs zone will be completed and evaluated for commercial production within the next 6 months.

The Premier Grayburg sand around 4900' had good shows and calculates commercial from E logs.

Prairie Sun, Inc. would like to have the status of the Gulf McKay changed to TA status until other work and operations on the other recently purchased properties can be completed and will commence operations to make a commercial producer out of the Gulf-McKay Fed. #1 within the next 6 months if this meets your approval. This will allow sufficient time to complete other projects currently underway and allow further time to insure prices of oil are going to stay in a range that will make even a marginal producer commercial.

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct

Signed

Title Agent

Date 06/28/99

(This space for Federal or State office use)

Approved by

(ORIG. SGD.) ALEXIS C. SWOBODA

Title

PETROLEUM ENGINEER

Date

JUL 14 1999

Conditions of approval, if any: