



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Conservation Division
P. O. Box 26124
Albuquerque, New Mexico 87125

AUG 29 1979

Walter W. Krug dba Wallen Production Company
Post Office Box 1960
Midland, Texas 79702

Dear Mr. Krug:

Your Application for Permit to Drill well No. 2 Bass in the SE 1/4, Sec. 21, T. 20 S., R. 34 E., Lea County, New Mexico, lease Las Cruces 070315, to a depth of 3650 feet to test the Yates and Seven Rivers formations in the Oil Potash area is hereby approved, as amended by stipulations attached to the application.

One copy of the application is returned herewith. Please notify the District Engineer, Geological Survey, Hobbs, New Mexico, in sufficient time for a representative to witness all cementing operations.

Sincerely yours,

(ORIG. SGD.) GENE F. DANIEL

Acting Oil and Gas Supervisor, SRMA

Enclosure

cc: Conservation Manager, Denver
Area Mining Supervisor, Albuquerque (2)
NMOCD, Hobbs (2) (w/2 copies Notice) ✓
Roswell Area Office (2)
Hobbs District Office

U - 7 1 3 0 3 9

EDITION 2000

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WASH. D.C. 20250

July 28, 1977

Dear Sir:

Enclosed for the Bureau of Land Management are two copies of a letterhead memorandum (LHM) dated and captioned as above.

Sincerely,
[Signature]

The LHM is being submitted to the Bureau of Land Management for its review and comment. It is requested that you advise the Bureau of Land Management of any comments or suggestions you may have regarding the LHM.

Very truly yours,
[Signature]

cc: [Name]

cc: [Name]

cc: [Name]

Very truly yours,
[Signature]
cc: [Name]
cc: [Name]
cc: [Name]
cc: [Name]
cc: [Name]

RECEIVED

AUG 1 1977

C.C.D. HOBBS, OFFICE

COPY TO O. C. C.
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIPPLICATE*
(Other instruction
reverse side)Form approved.
Budget Bureau No. 42-R1425.30-025-26458
5. LEASE DESIGNATION AND SERIAL NO.
LC 070315

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
Bass

10. FIELD AND POOL OR WILDCAT

UNDESIGNATED
Middle Lynch Yates, 7-
11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA Rivers

Sec 21, T20S, R34E

12. COUNTY OR PARISH 13. STATE

Lea New Mexico

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

Walter W. Krug DBA Wallen Production Company

3. ADDRESS OF OPERATOR

Box 1960, Midland, Texas 79702

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

At surface

2310 FWL & 660 FSL

At proposed prod. zone

Same as above

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

28 miles WNW from Eunice, New Mexico

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any) 660'

18. DISTANCE FROM PROPOSED LOCATION*

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

1320

16. NO. OF ACRES IN LEASE

640

19. PROPOSED DEPTH

3650'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Cable Tool

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

GR 36

22. APPROX. DATE WORK WILL START*

9/15/79

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15 1/2"	13 3/8"	72#	225	300 Sxs Class "C"
12 1/2"	10 3/4"	48#	750	Mudded in
10"	8 5/8"	32#	1200	Mudded in
8"	7"	23#	3300	1000 Sxs Class "C" w/ 2% Gel & 1/4# flocele/Sx.
Liner 6 1/4"	4 1/2"	10 1/2#	3650'	50 Sxs Class "C" w/1/4# flocele/Sx.

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U. S. GEOLOGICAL SURVEY
HOBBS, NEW MEXICO

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

Walter W. Krug

TITLE

Engineer

DATE

8/10/79

(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

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AUG 31 1979
O.C.D. HOBBS, OFFICE

RECEIVED

AUG 31 1979

O.C.D. HOBBS, OFFICE

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION

Form C-102
Supersedes C-128
Effective 1-1-65

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

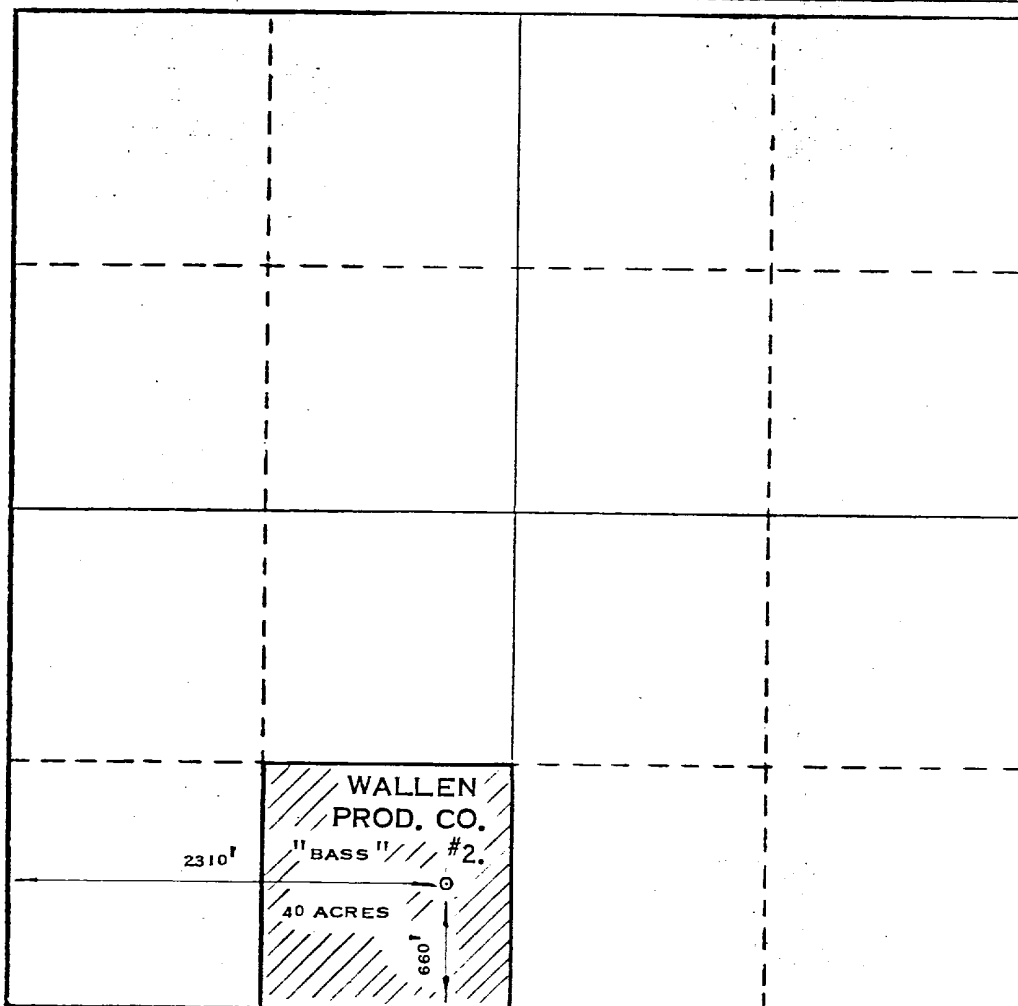
Operator WALLEN PRODUCTION CO.		Lease BASS		Well No. 2
Unit Letter "N"	Section 21	Township 20-S	Range 34-E	County LEA
Actual Footage Location of Well: 2310 feet from the WEST line and 660 feet from the SOUTH line				
Ground Level Elev. 3672	Producing Formation YATES & SEVEN RIVERS	Pool LYNCH YATES SEVEN RIVERS MIDDLE	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Walter Knight
Position Eng.
Company Wallen Prod.
Date 8-8-79

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
AUGUST 7, 1979

Registered Professional Engineer
and Land Surveyor

Max A. Schumann
MAX A. SCHUMANN, JR.


Certificate No. **1510**

AGREEMENT

 Noranda Exploration, Inc have no objection to Walter W. Krug, DBA Wallen Production Co's casing program on a well located in 2310 FWL and 660 FSL of Section 21, T20 S, R 34 E being in Lea County, New Mexico (said well to be 3600 feet plus or minus) using the USGS approved requirements and that Wallen Production Co. will furnish Noranda Exploration, Inc an electric log, gamma ray and neutron run at as low a speed as possible through the salt section, and that Wallen Production Co. will build its brine with KCl through the interval of the 10th ore zone and allow Noranda Exploration Inc's man to study the drill cuttings through that section, if so requested by Noranda.

This is as per the conversation and agreement with James Brewer, Geologist, Noranda Exploration, Inc.

DATED this 28 day of March 1978


 -----
NORANDA EXPLORATION, INC

By 

Walter W. Krug, dba Wallen Production Co., does hereby agree by the terms of this consent as outlined above.

WALTER W. KRUG dba
WALLEN PRODUCTION CO.

By 

SUPERVISOR, OIL AND GAS OPERATIONS:

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of oil and gas lease

DISTRICT LAND OFFICE: Santa Fe, New Mexico
SERIAL NO.: LC 070315

and hereby designates

NAME: Walter W. Krug, DBA Wallen Production Company
ADDRESS: P.O. Box 1960
Midland, Texas 79702

as his operator and agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to (describe acreage to which this designation is applicable):

Township 20 South, Range 34 East, N.M.P.M.
Section 21: S/2

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the oil and gas supervisor of any change in the designated operator.

BASS ENTERPRISES PRODUCTION CO.:

By

Wm. Arthur Hamilton
(Signature of lessee)

Vice President

Perry R. Bass
(Signature of Lessee)

PERRY R. BASS

3100 Fort Worth National Bank Building
Fort Worth, Texas 76102

March 3, 1978

(Date)

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Santa Fe, New Mexico
SERIAL NO.: NM 070315

and hereby designates

NAME: Walter W. Krug DBA Wallen Production Company
ADDRESS: Box 1960, Midland, Texas 79702

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

S/2, Section 21, T 20 S, R 34 E, Lea County, New Mexico

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

James E. Bass
(Signature of lessee)
Bass Enterprises Production Company

3-7-1978

(Date)

Vaughn Bldg.
Midland, Texas 79701

REQUIREMENTS OF N T L -6

1. Geologic name of the surface where the Bass # 2 is located is the Quarternary (Alluvium and sand).
2. The estimated tops of the geologic markers are:

A. Rustler (Anhydrite)	= 1350'
B. Top Salt	= 1473'
C. Base of Salt	= 3155'
D. Lime	= 3182'
E. Yates	= 3450'
F. Reef (Seven Rivers)	= 3675'
3.

a. Surface Water	= 195'
b. Santa Rosa Water	= 835'
c. Yates Sand Oil	= 3450'
d. Seven River Reef Oil	= 3675'
4. Control equipment is a 1500# W.P. control head with double oil saver (if needed) (this will be a cabletool rig).
5. Drilling fluid is fresh water.
6. Logging program will be Gamma Ray-Neutron with CCL.
7. Estimated drilling duration is 60 days.

Walter W. Krug DBA Wallen Production Company

DEVELOPMENT PLAN FOR SURFACE USE

Wallen Bass #2 Well
2310' FWL and 660 FSL
Section 21, T 20 S,
R 34 E, Lea County,
New Mexico

The following discussion answers the items 1 through 12, concerning the above subject well.

1. AERIAL MAP

Plat # 1 is a portion of a USGS topographic map, Lea County, New Mexico, showing existing roads. The location is approximately 26½ miles from Hobbs. The location is along the county road.

2. LOCATION OF EXISTING
WELLS

Plat # 2 shows all of the wells and dry holes within a one (1) mile radius of the proposed location.

3. PROPOSED WELL
LOCATION

Plat # 3 shows the rig location with North orientation marker.

a. Mat size is 140' x 180'.

b. Surfaced with 8" of compacted, watered and leveled caliche from BLM quarry.

c. Pit is 40' x 60' x 8' deep.

d. Cut and fill isn't necessary, here the location is nearly level and only requires caliche.

e. Entrance road is 380' long and comes off of the county maintained road.

f. SETTING AND ENVIRONMENT

1. Terrain is gently rolling sand
----- (see Plat # 1).

2. Soil is a very sandy clay.

3. Vegetation is scrub oak, mesquite, gramma grass, spanish dagger, general desert weeds and sand burrs.

4. Surface use is for grazing.

5. Other the area is nearly flat semi-arid desert country and is probably considered a low environmental risk area, There should be very little (if any) environmental effect of drilling and producing in this vicinity.

g. Distances to

1. Ponds and streams - there are none

within 6 miles.
2. Water wells - none within one mile.

3. Residences and buildings - none within

6 miles.
4. Arroyos, Canyons, etc none within

1½ miles.

h. Well sign there will be a well sign at

the entrance of the road.

i. Open Pit will be guarded while drilling,

fenced while we are completing the well
and then closed in.

4. ROADS

Plat # 1 shows all roads within 3 miles or more.
Planned entrance is staked and road will be
380' long and 12' wide and will be caliched
with 8" mat note Plat # 3. There are no fences,
gates or cattle guard.

5. TANK BATTERY

Plat # 4 shows the existing Bass tank battery
in NW/4 of NW/4, Section 28, T 20 S, R 34 E.

6. LEASE PIPELINES

Plat # 4 shows all existing oil pipelines and salt
water line and disposal well. This plat also shows
the proposed oil flow line from this well if
oil is established.

7. WASTE DISPOSAL

Well cuttings will be disposed of in slush pit.
Barrel trash containers are on location and
contents will be burned or buried with a
minimum of 23" of dirt cover. Produced water
will be disposed of by injecting in our own
salt water disposal well.

8. WATER SUPPLY

Our water is hauled by commercial haulers.

9. ARCHAEOLOGICAL RESOURCES

None in the surrounding area.

10. RESTORATION OF SURFACE

Should the well be productive the pit will be
back filled as soon as practical.

11. OPERATORS REPRESENTATIVE

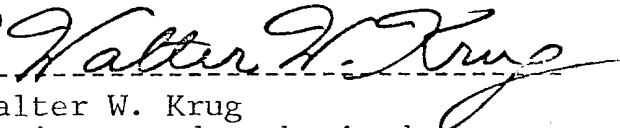
Walter W. Krug
P. O. Box 1960
Midland, Texas 79701

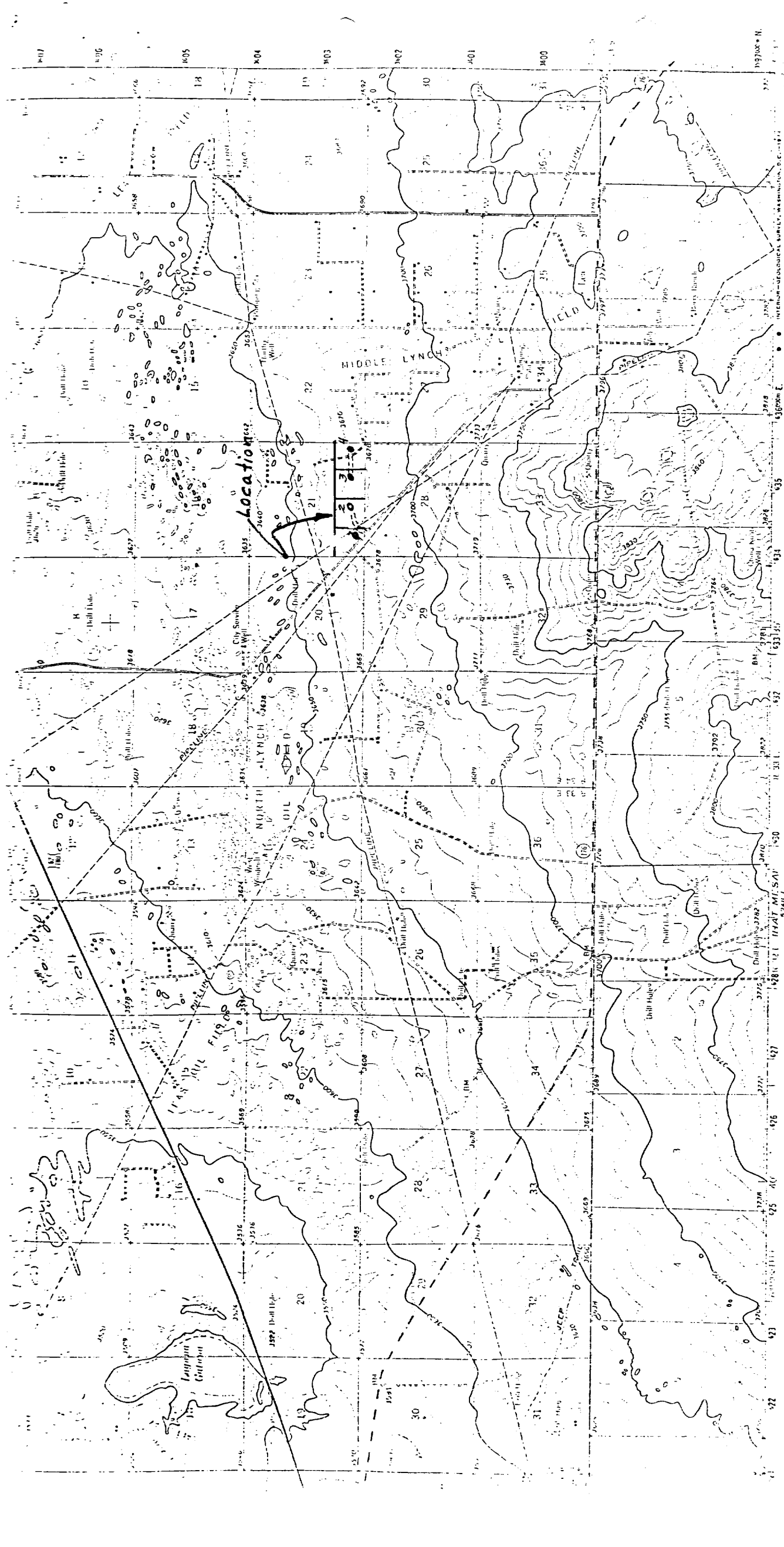
office phone	ac 915- 683-2600
	ac 915- 683-6526
home phone	ac 915- 563-0048

12. CERTIFICATION

I hereby certify that I have inspected the proposed drillsite and access route; that I am familiar with the conditions as they exist. The statements made in this plan are, to the best of my knowledge, true and correct and that the proposed work performed by Wallen Production Company its contractors and sub-contractors will conform to this plan.

August 10, 1979


Walter W. Krug
Engineer and authorized agent



UTM GRID AND 1972 MAGNETIC NORTH
DECLINATION AT CENTER OF SHEET

0°44' 196 MILS
11° 196 MILS

SCALE 1:62500

CONTOUR INTERVAL 10 FEET
DATUM IS MEAN SEA LEVEL

4 MILLS
2000 4000 6000 8000 10000 12000 14000 16000 18000 20000 FEET
0 1 2 3 4 5 6 7 8 9 10 KILOMETERS

ROAD CLASSIFICATION

Heavy duty ——— Light duty - - - - -
Medium duty - - - - - Unimproved dirt - - - - -

U.S. Route ——— State Route - - - - -

Oil Center

NEW MEXICO

LAJUNA CATINA N. RILEY

QUADRANGLE LOCATION