

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.
NM 7827

6. IF INDIAN, ALLOTTED OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. NAME OR LEASE NAME
Federal "A"

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Wildcat UNDESIGNATED

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 9-T26S-R36E

12. COUNTY OR PARISH 13. STATE
Lea NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Five (5) miles Southwest of Jal, N. M.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
660 ft.

16. NO. OF ACRES IN LEASE
320

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.

19. PROPOSED DEPTH
3600 ft.

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
2961 GR

22. APPROX. DATE WORK WILL START*
9-25-78

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
1 1/4	8 5/8"	24#	400 ft.	300 sacks CIRCULATE
7 7/8	4 1/2"	11.6	3600 ft.	750 sacks CIRCULATE

Unless Drilling Operations have
Commenced, this drilling approval
Expires 12-18-78

See attachment for blowout preventor,
mud program and complete details of
operation.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

"APPROVAL TO FLARE GRANTED
WHILE DRILLING AND TESTING."

SEP 13 1978
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. Paul Bliss
SIGNED Paul Bliss TITLE Vice-President DATE 8-28-78

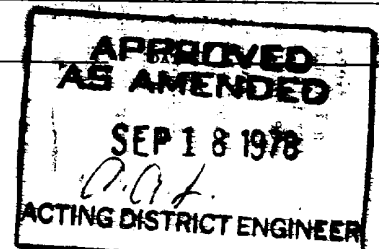
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

*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. Consult local Federal requirements. Consult local State or Federal office for specific instructions.

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 plat, 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.

ATTACHMENT FORM 9-331-C

D A & S Oil Well Servicing, Incorporated
Federal 'A' No. 1

Location: 1980' FNL & 660' FWL Section 9, T26S, R36E, Lea
County, New Mexico, Federal Lease 7827

1. Surface Formation: Quaternary Alluvium
2. Estimated tops of geologic markers: Base Salt 2800
Yates 3130

3. Estimated depth of mineral-bearing formations:

Fresh Water - 80 to 200
Yates -3130 oil and gas

4. Casing Program

<u>Hole Size</u>	<u>Size of Casing</u>	<u>Weight Per Ft.</u>	<u>Cond</u>	<u>Grade</u>	<u>Depth</u>	<u>Sacks Cement</u>	<u>Est Top Cement</u>
12 1/4	8 5/8	24#	New	K-55	400	300	Circ
7 5/8	4 1/2	11.6#	Used	K-55	3600	750	Circ

5. Blowout Preventor: 10" Cameron SS Series 900 Double Hydraulic with Payne Closing Unit. See Exhibit D.
6. Mud Program: 0-400 native spud mud, 34 viscosity, weight 8.9#; 400-2800 brine water; 2800-3600 salt base mud viscosity 35-38, weight 10.1#, water loss 20, 2% oil.
7. Auxiliary Equipment: Kelly valve, safety sub with full opening valve, drill pipe float valve.
8. Logging & Testing: No drillstem tests or coring anticipated. Logs to consist of Gamma Ray-Neutron.
9. Anticipated pressures and potential hazards: The Exxon No. 1 Tishman in Section 5, indicates that the maximum pressure will be less than 1000# and that hydrogen sulfide will not be encountered.
10. Starting date and duration: Starting date will be before October 1, 1978 and as determined by date of approval and availability of Cactus Drilling Company Rig No. 63. Operations are expected to be complete in 14 days.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

All distances must be from the outer boundaries of the Section

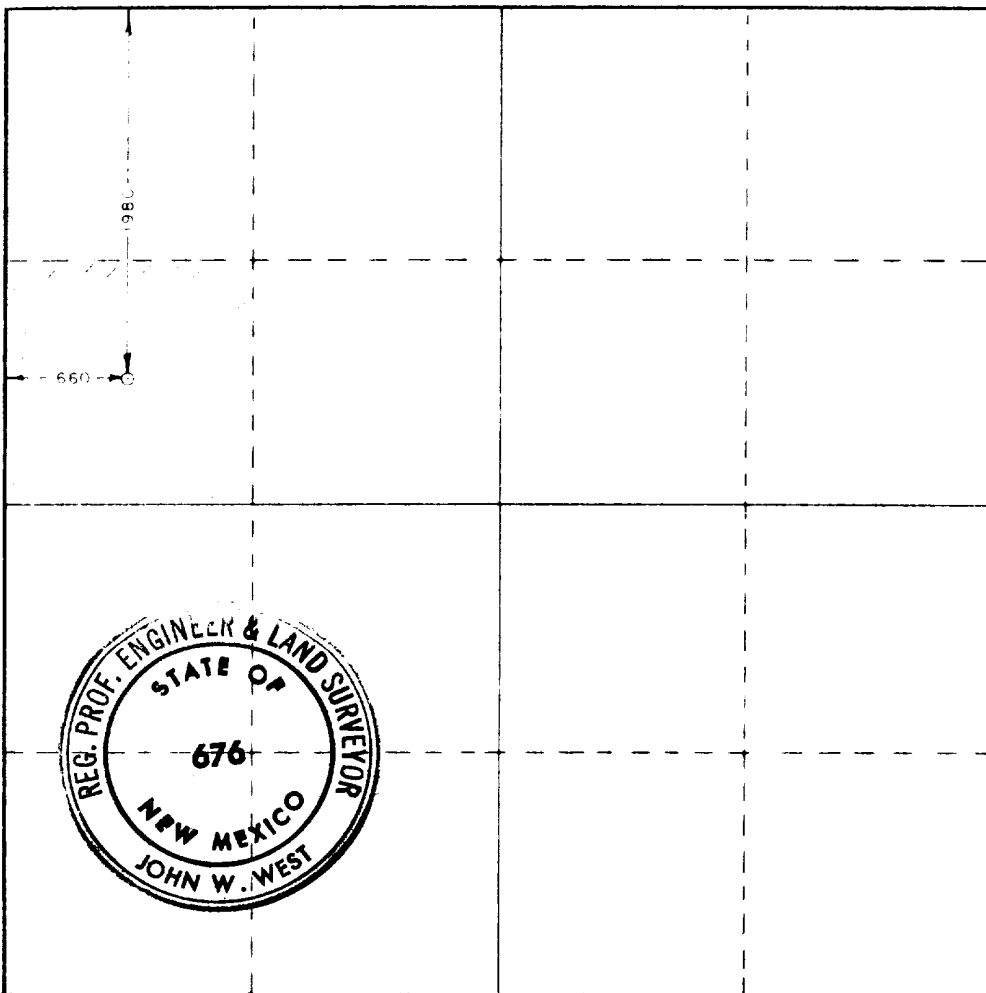
Operator D A & S Oil Well Service			Lease Federal A		Well No. 1
Map Letter E	Section 9	Township 26 South	Range 36 East	County Lea	
Allowable Location of Well: 1980 feet from the North line and 660 feet from the West line					
Ground Level Elev 2961.4	Producing Formation		Pool Wildcat UNDESIGNATED	Dedicated Acreage 40	

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

Paul Bliss
Name

Paul Bliss

Position

Vice-President

Company **D A & S Oil Well Servicing, Incorporated**

Date

9-1-78

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 27, 1978

Registered Professional Engineer and/or Land Surveyor

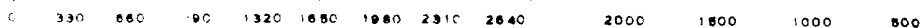
John W. West

Certificate No. **John W. West**

676

Ronald J. Eidson

3239



MULTI-POINT SURFACE USE AND OPERATIONS PLAN

D A & S Oil Well Servicing, Incorporated
Federal "A" No. 1
Federal Lease NM-7827, 1980' FNL & 660' FWL of Section 9, T26S, R36E, Lea
County, New Mexico

1. Existing Roads:

Exhibit "A" is a portion of a topographic map showing the existing lease roads that will be utilized and their junction with a county road 4.4 miles southwest of Jal, New Mexico.

2. Planned Access Road:

Length and Width: New road required will be 12 feet wide and 100 feet long. As shown on Exhibit "B" the proposed road will tie into the unimproved existing road that crosses Section No. 9.

Surfacing Material: Six inches of caliche, watered, compacted and graded.

Maximum Grade: One percent.

Turnouts: None required.

Drainage Design: None required.

Culverts: None required.

Cuts and Fills: None required.

Gates and Cattleguards: None required.

3. Location of Existing Wells:

Exhibit "C" is a portion of a Lea County ownership map showing all existing wells within a radius of 3 miles.

4. Location of Existing and/or Proposed Facilities:

Exhibit "B" shows the location of the proposed well, pipelines and roads in Section 9. In the event commercial production is found the tank battery or producing equipment will be located on the drilling pad.

5. Location and Type of Water Supply:

All water required for drilling and road construction will be hauled from the McCasland-Sims water station in Eunice, New Mexico.

6. Source of Construction Materials:

Caliche for roads and location pad will be obtained from an existing pit located in Southeast portion of Section 9, T26S, R36E, on Federal Land.

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.

Water produced during test will be disposed of in the drilling pits. Oil produced during test will be stored in test tanks until transferred to tank battery for sale.

Current laws and regulations pertaining to the disposal of human waste will be complied with.

Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of trash pit is shown on Exhibit "D".

All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities: None required

9. Wellsite Layout:

Exhibit "D" shows the relative location and dimensions of the well pad, mud pits, reserve pit and location of major rig components.

The well site will require minor levelling of blow sand. No cuts and fills will be necessary.

The reserve pit will be plastic lined.

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 to leave the wellsite in an aesthetically pleasing condition as possible.

Any unguarded pits containing fluids will be fenced until they are filled.

Settlement for damages has been made with the surface owner. A statement of the surface owner is attached hereto.

11. Other Information:

Topography: Land surface is rolling sand dunes.

Soil: Soil consists of 10 to 15 feet of sand on a caliche base.

Flora and Fauna: Vegetative cover is sparse and consists of mesquite, shin oak and native grass. Wildlife consists of coyotes, rabbits, rodents, reptiles, dove, quail and crows.

Ponds and Streams: None in the area.

Residences and Other Structures: The Anthony Ranch is located about 3/4 mile Southeast of location. Exhibit "B" shows the pipe lines, ranch location and existing roads in Section 9.

Archeological, Historical and Cultural Sites: None observed in the area.

Land Use: Grazing and hunting in season.

Surface Ownership: Frank Anthony, Monahans, Texas.

12. Operator's Representatives:

The field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

Paul Bliss
P. O. Box 2545
Hobbs, New Mexico 88240
(505) 392-6591

Dallas McCasland
P. O. Box 206
Eunice, New Mexico 88231
(505) 394-2581

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 plan are, to the best of my knowledge true and correct; and the work associated with the operations proposed herein will be performed by myself and my contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

D A & S Oil Well Servicing, Incorporated

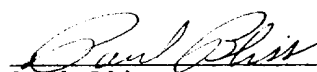




EXHIBIT "A"

DA&S Oil Well Servicing, Inc.
Federal "A" No. 1

Hole

Drill Holes

Drill Holes

Gravel Pit

Proposed Location

Drill Hole

Oil Well

Gravel Pit

BM 2963

BM 2963

BM 2970

BM 2981

BM 2982

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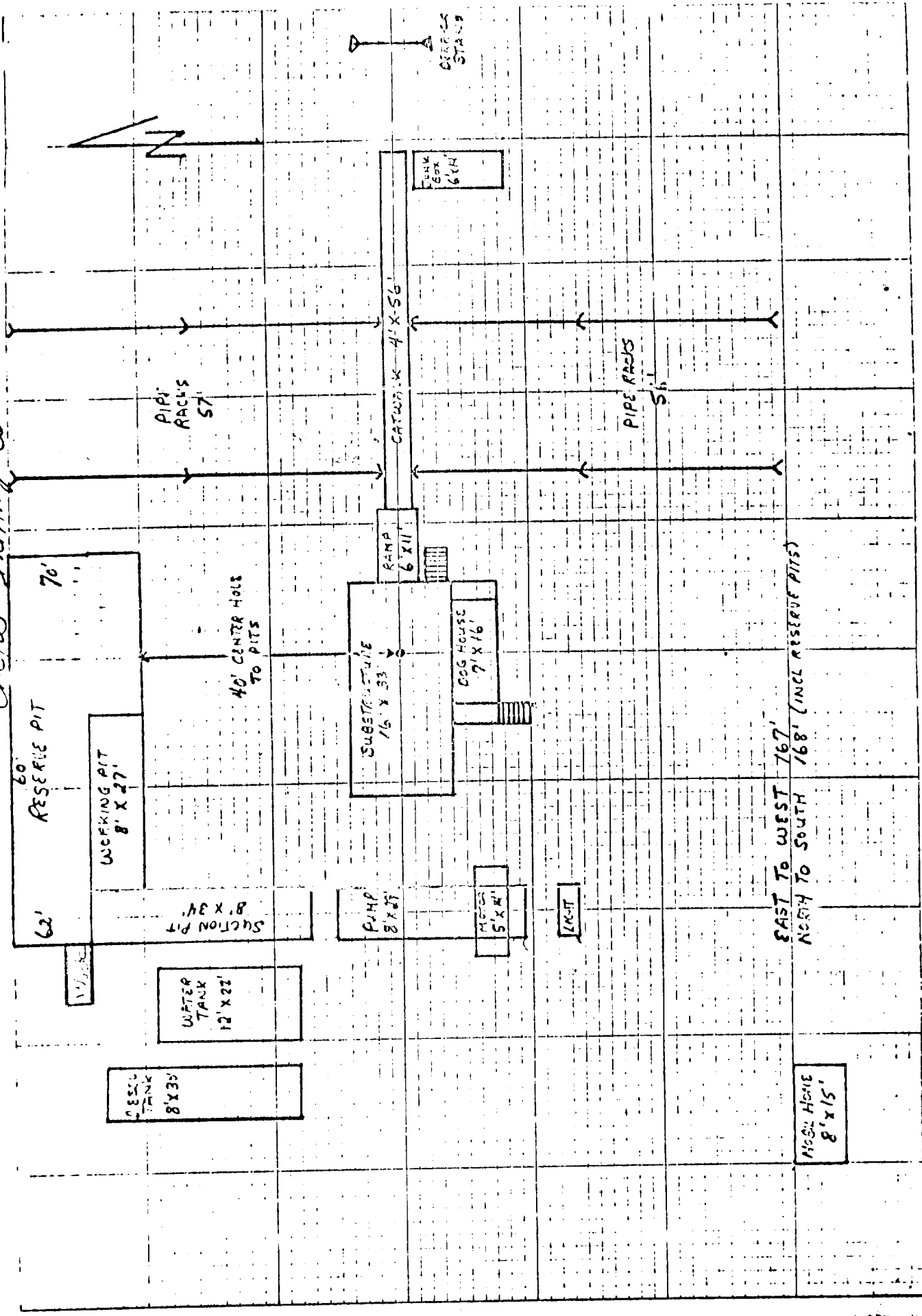
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35 0700

Cactus Railway Co.



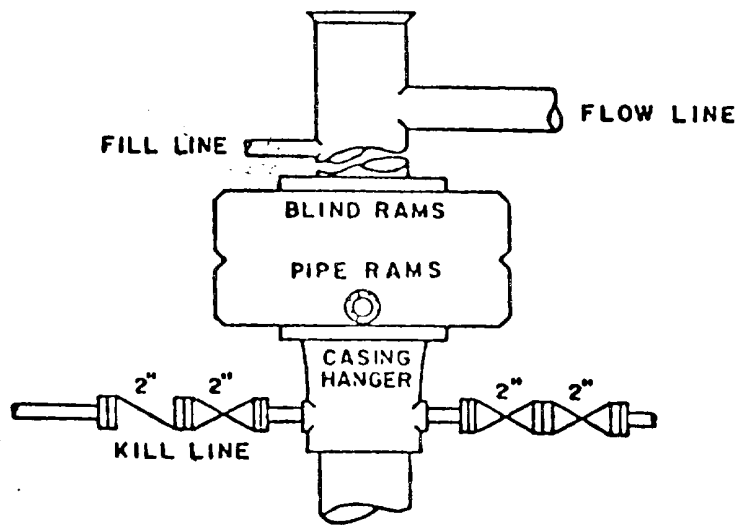


EXHIBIT "E"

D A & S Oil Well Servicing, Incorporated

Federal "A" No. 1

LOCATIONS

HOBBS, NEW MEXICO
LOVINGTON HIGHWAY
EUNICE, NEW MEXICO
MAIN AND AVE. O
ANDREWS, TEXAS
EUNICE HIGHWAY
MIDLAND, TEXAS

DA&S OIL WELL SERVICING

INCORPORATED

P. O. BOX 2545
HOBBS, NEW MEXICO 88240

TELEPHONES

HOBBS, 392-6591
EUNICE, 394-3021
ANDREWS, 523-4420
MIDLAND, 685-8555

D A & S Oil Well Servicing, Incorporated
Federal "A" #1
Surface Use Plan

Statement of Land Owner

In consideration of the sum of \$750.00, in hand paid, I do hereby agree that said amount is in full payment for surface damages for roads, location, pits and necessary pipe lines for the drilling and completion of a well located 1980 feet from the North line and 660 feet from the West line of Section 9, T26S, R36E, Lea County, New Mexico.

In consideration of the sum of \$640.00, in hand paid, I do hereby agree that said amount of \$2.00 per rod is, in full payment for Right-of-Way on unimproved road from the South East line of Section 9 to the location.

It is further agreed by the parties hereto that:

1. The location will be cleaned up after drilling and the pits filled.
2. The caliche pad and road will be left in place in the event of abandonment.
3. Every effort will be made to keep surface damage to a minimum.

4-13-78
Date

Frank Anthony
Frank Anthony
Surface Owner

4-12-78
Date

DA&S Oil Well Servicing, Inc.
Operator

4-12-78 5300

Archaeological Clearance Report
for
DA & S Oil Well Servicing

Federal A No. 1

by

Rod MacLennan

Edited and Submitted by

Scott C. Schermer
Acting Director
Agency for Conservation Archaeology
Eastern New Mexico University
Portales

11 September 1978

INTRODUCTION

An archaeological reconnaissance was completed recently by the Agency for Conservation Archaeology, Eastern New Mexico University, Portales, for DA & S Oil Servicing, Inc. in Lea County, New Mexico. The examined area will be impacted by the construction of a pad and short access road. This project was administered by Mr. Paul Bliss of DA & S Oil Well Servicing and Scott C. Schermer, Acting Director, ACA. The location was examined by Rod MacLennan on September 6, 1978 under Federal Antiquities Permit No. 78-NM-015.

SURVEY TECHNIQUE

The archaeologist accomplished the reconnaissance of the pad location by walking a series of parallel zigzag transects. A single zigzag transect the length and breadth of the access road was walked. These techniques provided optimal conditions for the observation of cultural resources within the reconnoitered area.

Federal A No. 1

LOCATION

The proposed pad location measures 400 X 400 ft and lies in the:

SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 9, T26S, R36E, NMPM, Lea County, New Mexico (BLM)

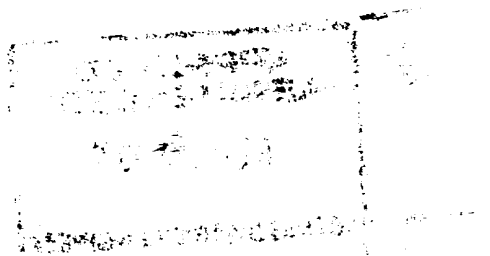
The proposed access measures 12 X 100 ft and is situated in the:

SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 9, T26S, R36E, NMPM, Lea County, New Mexico (BLM)

Map Reference: USGS Javalina Basin Quadrangle, 7.5 minute series, 1973.

TERRAIN

The proposed location is situated in an area of aeolian coppice stabilized dunes, south of Jal, New Mexico. The soil is red sand of



TERRAIN (continued)

the Haplargid-Torripsamment Association and is very loose.

FLORISTICS

The survey area is covered by a thicket of Prosopis juliflora mixed with a small amount of Quercus havardii. Because of the shrub cover, grass cover is sparse and comprised mainly of Bouteloua eriopoda.

CULTURAL RESOURCES

ACA did not encounter any archaeological sites, or isolated manifestations, within or adjacent to the surveyed area.

RECOMMENDATIONS

ACA recommends clearance for the proposed location and suggests that construction be allowed to proceed as currently planned.

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1960

U. S. Geological Survey

HOBBS DISTRICT

D A & S Oil Well Servicing, Inc. No. 1 Federal "A" SW $\frac{1}{4}$ NW $\frac{1}{4}$ sec. 9-26S-36E Lea County, New Mexico

Above Data Required on Well Sign

CONDITIONS OF APPROVAL

1. Drilling operations authorized are subject to compliance with the attached General Requirements for Drilling Operations on Federal Oil and Gas Leases, dated January 1, 1977.
2. Notify this office (telephone (505) 393-3612) when the well is to be spudded and in sufficient time for a representative to witness all cementing operations. Attached are names and telephone numbers of Geological Survey and Bureau of Land Management personnel who are available for consultation during construction, drilling, completion, and rehabilitation activities.
3. Immediate notice is required of all blowouts, fires, spills, and accidents involving life-threatening injuries or loss of life.
4. Secure prior approval of the District Engineer for variance from the approved drilling program and before commencing plugging operations, plug-back work, casing repair work, corrective cementing operations, or suspending drilling operations indefinitely.
5. Blowout prevention equipment is to be installed, tested, and in working order before drilling below the surface casing and shall be maintained ready for use until drilling operations are completed.
6. Operations must be in compliance with the provisions of the landowner agreement concerning surface disturbance and surface restoration.
7. 8-5/8 inch surface casing should be set in the Rustler Anhydrite formation and cement circulated to the surface. If surface casing is set at a lesser depth the 4-1/2 inch casing must be cemented from the casing shoe to the surface or cemented to the surface through a stage tool set at least 50 feet below the top of the Rustler, after cementing around the shoe with sufficient cement to fill to the base of the salt section.