

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK

DRILL ☒DEEPEN ☐

B. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Suncokeford Oil Co.

3. ADDRESS AND TELEPHONE NO.

P.O. Box 10665 Midland, TX 79702 915-682-9784
915-553-7200

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

At surface
2310' FSL AND 430' FWL

At proposed prod. zone

2310' FSL AND 430' FWL

Unit H

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

14 miles south of Midland, NM

15. DISTANCE FROM PROPOSED*

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

430'

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

100'

16. NO. OF ACRES IN LEASE

600

19. PROPOSED DEPTH

2900'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3584 GR

22. APPROX. DATE WORK WILL START*

As soon as possible

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	23#	550'	450 sacks Class C (circulate)
7 1/2"	4 1/2"	10.50#	2900'	360 SLS. light and 200 SLS. Class H } SEE STIPS.

The operation proposes to drill to a depth sufficient to test the Yates/Even Rivers formation for oil. If non productive, the well will be plugged and abandoned in a manner consistent with federal regulations. \$p.

Submit to
Bureau of Land Management and
Bureau of Reclamation
Attached

OPER. OGRID NO. 20595
PROPERTY NO. 15961
POOL CODE 41750
EFF. DATE 8/21/96
API NO. 30-025-33548

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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

TITLE

Permit

DATE

July 12, 1996

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

(ORIG. SGN.) RICHARD L. MANTIS

AREA MANAGER

AUG 8 1996

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

Drilling Program

Surface Use and Operating Plan (Same as Approved APP for Mobil Federal #7)

Exhibit #1 / #1A - Blowout Prevention Equipment
(Same as approved Mobil Federal #7)

Exhibit #2 Location AND Elevation Plot
(Attached)

Exhibit #3 ~~Location~~ A PLANNED Access ROAD
(Same as approved Mobil Federal #7)

Exhibit #4 Wells within one mile RADIUS
(Same as approved Mobil Federal #7)

Exhibit #5 Production Facilities Plot
(To be furnished later)

Exhibit #6 Rotary Rig Layout
(Attached)

Exhibit #7 Drilling Program
(Attached)

Hydrogen Sulfide Drilling Operations Plan
(Same as approved Mobil Federal #7)

Evidence of Bore Coverage
(Same as approved Mobil Federal #7)

District I
PO Box 1906, Hobbs, NM 88241-1906
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1909 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33548		Pool Code 41750	Pool Name East Lusk Delaware, West Yates
Property Code 15961	Property Name MOBIL FEDERAL (ALTERNATE)		Well Number 7A
OGRIID No. 020595	Operator Name SHACKELFORD OIL COMPANY		Elevation 3584

10 Surface Location

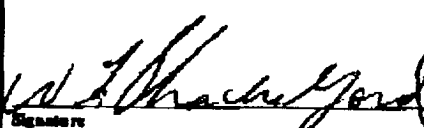
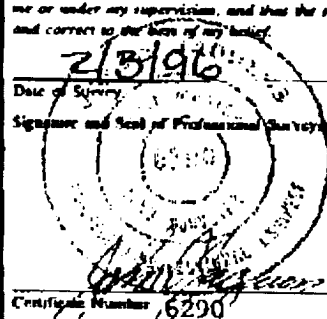
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
L	21	19S.	32R.		2310	SOUTH	430	WEST	L.P.A.

11 Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County

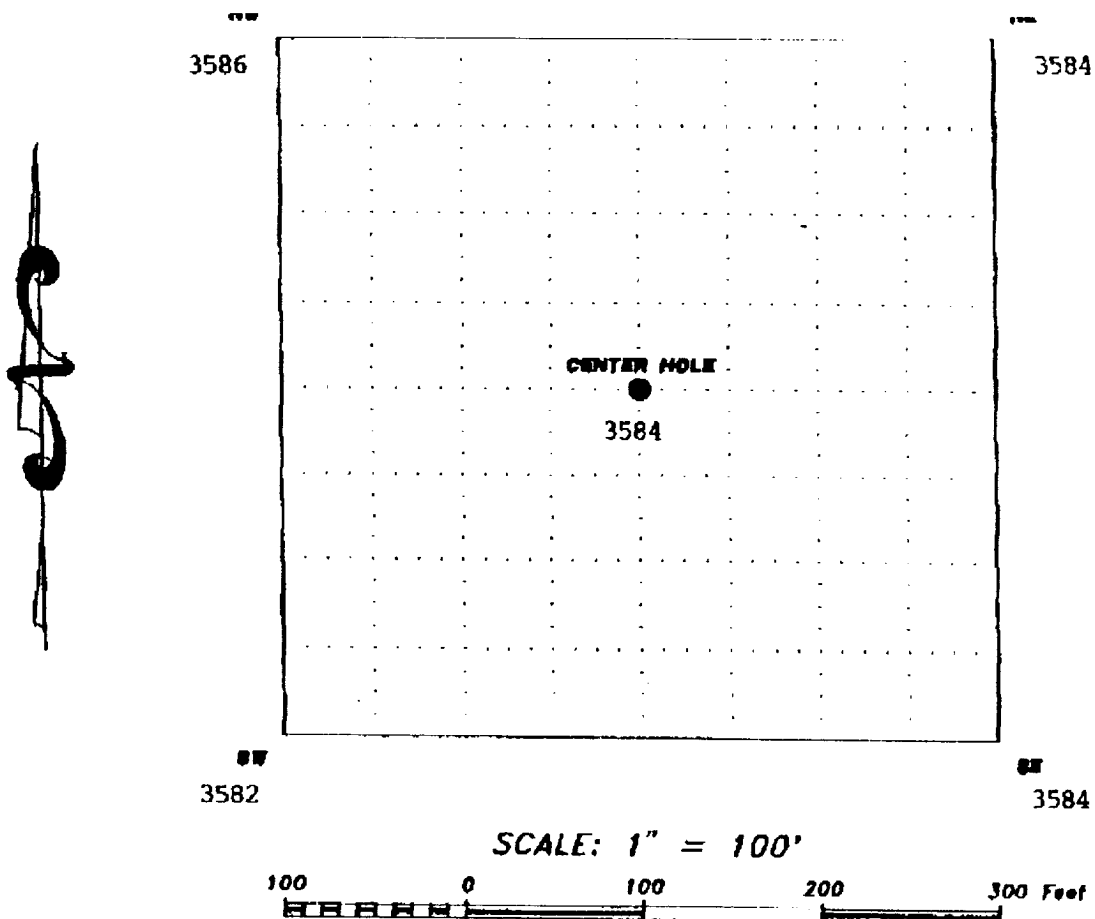
12 Ditch or Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature W. L. Shackelford Printed Name Agent Date 2/7/96 Done
	SECTION 21, T.19S., R.32E., N.M.P.M.			
430'				
				18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my belief. 2/3/96 Date of Survey Signature and Seal of Professional Surveyor  Certificate Number 6290



John D. Jaquess & Associates
Well Grid Elevations



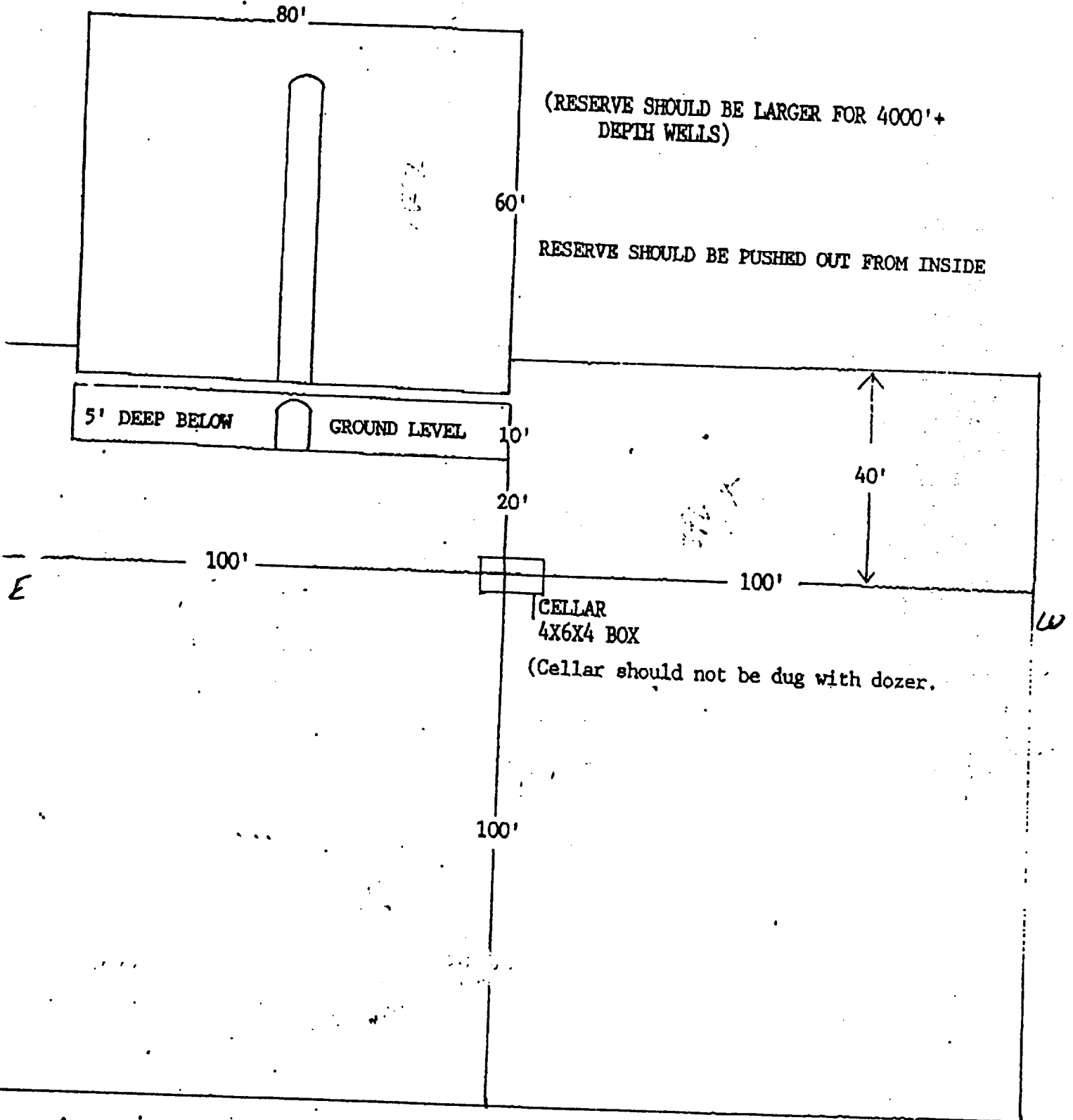
WELL INFORMATION

SHACKELFORD MOBIL FEDERAL #7^A (ALTERNATE)
2310 FSL, 430 FWL
SECTION 21, T.19S., R.32E.
LEA COUNTY, NEW MEXICO

CAPSTAR DRILLING
LOCATION SPECIFICATIONS

Rotary Ry Layout - Exhibit #6

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Drilling Plan

Proposed Depth and Objective

Yates and Seven Rivers 2900'

Casing Program

Surface - Drill a $12\frac{1}{4}"$ hole to 550' and set 550' of $8\frac{5}{8}"$ casing w/ 450 sacks of Class C cement (cementite)

Production - Drill a $7\frac{7}{8}"$ hole to ~~5500'~~ 2900' and set $4\frac{1}{2}"$ casing 360 sks of light and 200 sacks of Class H.

Logging Program A compensated neutron/formation density log with a gamma ray and caliper. A dual laterolog will be run for water saturation analysis. The gamma ray compensated neutron/formation density logs will be run from TD to the base of surface casing.

Mud Logging . Samples will be taken every 10 feet from 2400 feet to TD.

Mud Program

Surface
0-550'

SPD $12\frac{1}{4}"$ hole with fresh water containing gel and lime, if necessary for hole cleaning. Mud weight should be 8.5 - 8.7 lb/gal with a viscosity of 33-35 sec./1000 cc

Production
550' - 2900'

Drill out below surface pipe using $7\frac{7}{8}"$ bit w/ 10 lb/gal. brine for drilling the native salt section. Lime will be added to maintain a pH of 9.5 - 10.0

Cementing

Surface - Cement from SSD to surface w/ 450 sks. of Class C

Production - Cement from 2900' to surface with 360 sacks of light and 200 sacks of Class H.

Estimated Start Date As Soon As Possible

Estimated Drilling 8 Days

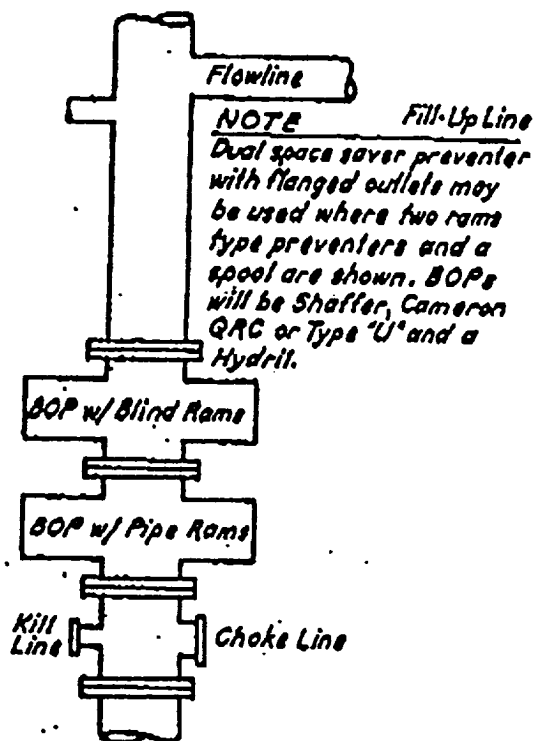


301 BOYD, E
ALLEN, TEXAS 75002

P. O. BOX 589
ALLEN, TEXAS 75002

(214) 727-8367

In Texas (800) 442-5224

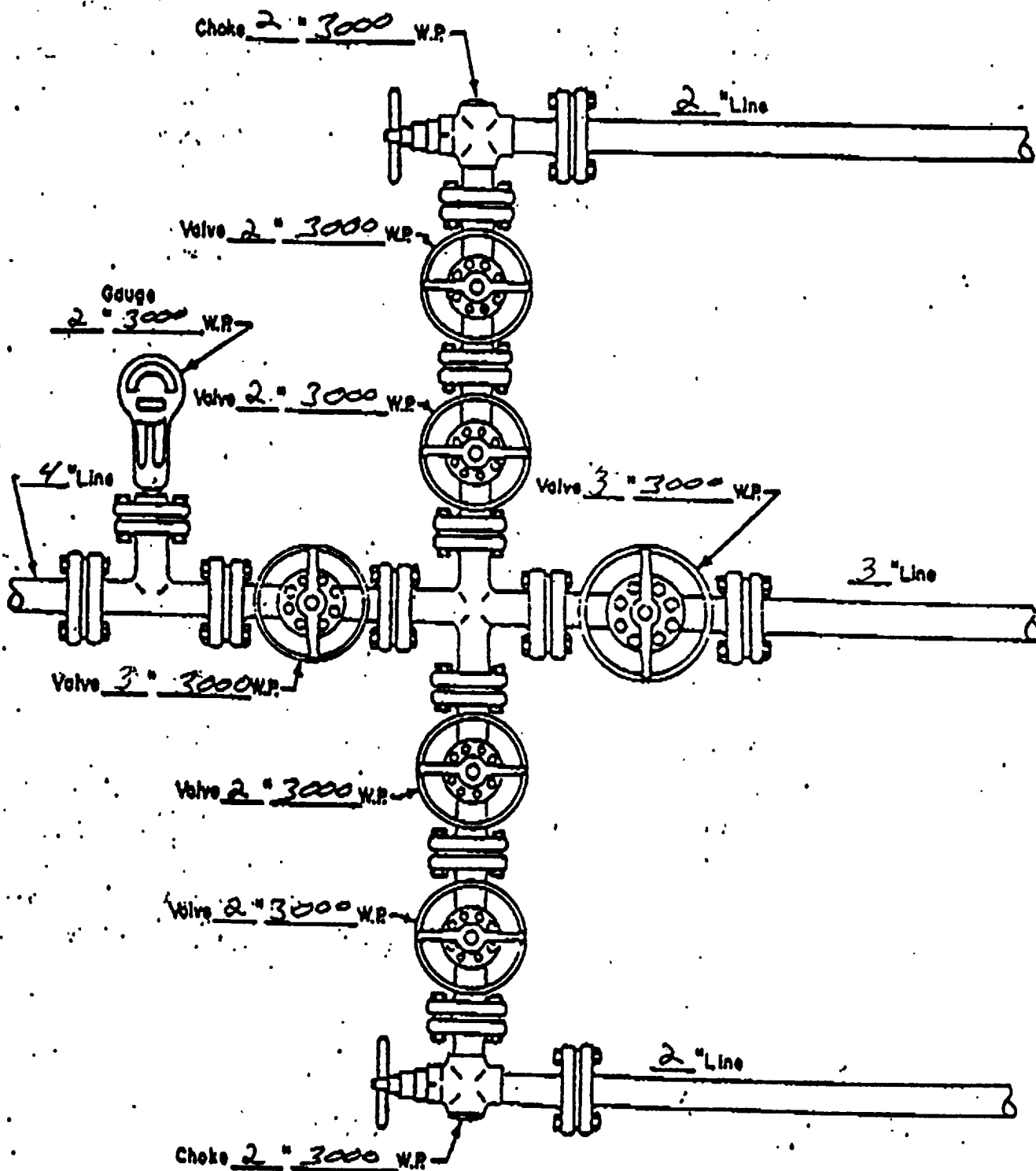


CASE I
BLOWOUT PREVENTER HOOKUP

3000* Working Pressure

Choke Manifold

Exhibit 1-A



MANIFOLD
3000 #W.P.

- ☒ Manual
- ☐ Hydraulic

SHACKELFORD OIL COMPANY

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

I. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H₂S).
2. The proper use and maintenance of personal protective equipment and life support system.
3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H₂S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H₂S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

II. H₂S SAFETY EQUIPMENT AND SYSTEMS

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S.

1. **Well Control Equipment:**
 - A. Flare line with electronic igniter or continuous pilot.
 - B. Choke manifold with a minimum of one remote choke.
 - C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
2. **Protective equipment for essential personnel:**
 - A. Mark II Survivor 30-minute units located in the dog house and at briefing areas, as indicated on well site diagram.
3. **H2S detection and monitoring equipment:**
 - A. 2 - portable H2S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
 - B. 1 - portable SO2 monitor positioned near flare line.
4. **Visual warning systems:**
 - A. Wind direction indicators as shown on well site diagram.
 - B. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.
5. **Mud program:**
 - A. The mud program has been designed to minimize the volume of H2S circulated to the surface. Proper mud weight, safe drilling practices, and the use of H2S scavengers will minimize hazards when penetrating H2S bearing zones.
6. **Metallurgy:**
 - A. All drill strings, casing, tubing wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

7. Communication:

- A. Radio communications in company vehicles including cellular telephone and 2-way radio.**
- B. Land line (telephone) communications at field office.**

8. Well testing:

- A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity which are necessary to safely and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill stem testing operations conducted in an H₂S environment will use the closed chamber method of testing.**

6/1/54

