Form 9-331 C

SUBMIT IN TRIPLICATE

API # 30-019-20014

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

NM 24602

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

DRILL X DEEPEN PLUG BACK

XX XX

2 NAME OF OPERATOR

Clayton W. Williams Jr.

3 ADDRESS OF OPERATOR

200 Gulf Building, Midland, Texas 797(

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

990' FNL and 990' FEL

At proposed prod. zone

Same

SALADO DOME

Wildcat

11-T4N-R19E

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

Approximately 16 miles east of Vaughn, New Mexico.
Driving distance by automobile approximately 22.4 miles.

Guadalupe New Mexico

15 DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 990'

16 NO. OF ACRES IN LEASE 1920

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. None

19 PROPOSED DEPTH 6000'

20 ROTARY OR CABLE TOOLS Cable

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5316.99' Ground Level

22. APPROX. DATE WORK WILL START* December, 1976 (as soon as after approval)

23 PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15"	13 3/8"	48# H40 ST&C used	575'	250 sx. class "C" with 2 CaCl
12 1/4"	10 3/4"	40.5# K55 ST&C new	1100'	No Cement (Sufficient to
10"	8 5/8"	24# K55 Flushjoint new	2200'	150 sx class "C" circulate with 2 % $CaCl_2$ (100' Fill with 100 excess
7 7/8	4½	10.5# K55 ST&C new	TD	525 sx 50-50 API class "H" poz with 2% gel 0.5 CFR- and 6 lbs. of salt per sack (2,0[illegible] fill plus 50 excess)

Mud Program: None (Cable Tool)
BOP Program: Manual API series 600 double BOP.
Cable tool stuffing box on top and lubricator, if required.

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 [signature] TITLE Operations Manager DATE 11-15-76

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

Via Santa Fe

*See Instructions On Reverse Side

APPLICATION FOR DRILLING

CLAYTON W. WILLIAMS, JR.
SALADO DOME No. 1
GUADALUPE COUNTY, NEW MEXICO

In conjunction with Form 9-331C, Application for Permit to Drill, subject well in Section 11, Township 4 North, Range 19 East, Guadalupe County, New Mexico, Clayton W. Williams, Jr. submits the following ten items of pertinent information in accordance with U.S.G.S. requirements:

1. The geologic surface formation is pediment, terrace, and other deposits of gravel, sand and caliche, of unknown depth, over the Artesian group.

2. The estimated tops of geologic markers are as follows:

50'	San Andres
400'	Glorieta
900'	Yeso
2300'	Abo
3300'	Magdalena of Pennsylvanian
5000'	Pre-Cambrian

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	At approximately 800' to 900'
Oil or Gas:	Pre-Cambrian at 5300' to 5000'

4. Proposed Casing Program: See Form 9-331C.

5. Pressure Control Equipment: See Form 9-331C and Exhibit "D".

6. Mud Program: None. Well will be drilled with Cable Tool Rig.

7. Auxiliary Equipment: Blowout Preventer.

8. Testing, Logging and Coring Programs: Gamma Ray-Neutron Logging. No testing or coring.

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated Starting Date: As soon as possible after approval.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
CLAYTON W. WILLIAMS, JR.
WELL No. 1 SALADO DOME
990' FNL and 990' FEL SEC. 11-T4N-R19E
GUADALUPE COUNTY, NEW MEXICO
(EXPLORATORY WELL)

This plan is submitted with Form 9-331C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operation, so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS.

A. Exhibit "A" is a copy of a portion of BLM quad color map no. NE-27, showing the proposed location and the surrounding area on a scale of ½ inch to a mile. The proposed well location is a total driving distance of approximately 22.4 miles east of the intersection of highways 60, 54, and 285 in Vaughn, New Mexico.

(1.) Proceed east from this intersection on highway 60 for a distance of approximately 13.5 miles, to a gate on the north side of the highway.

(2.) Enter through this gate onto a northbound dirt road and continue north for approximately 5.8 miles, at which point you will arrive at the Martinez Ranch house. Included in this 5.8 mile distance are the following check points:

(a.) A second gate 0.6 miles from the entry gate at highway 60.

(b.) A third gate 1.55 miles beyond the second gate.

(c.) A fourth gate 1.55 miles beyond the third gate.

(d.) A curved portion of the road, beginning 0.2 miles beyond the fourth gate. This curved portion of the road is approximately 0.4 miles in length.

(e.) Continuation in a relatively straight northbound direction for an additional 1.5 miles. At this point, you will have

reached the Martinez Ranch House.

(3.) Take a sharp right-hand turn at the Martinez Ranch house onto a dirt road heading southeast, and proceed on this road for a total distance of approximately 3.1 miles. At this point, you will have arrived at the point where the new access road to the wellsite will be constructed, on the right hand (south) side of the existing ranch road. Included in this 3.1 mile distance are the following check points:

(a.) Approximately 1.5 miles southeast of the Martinez Ranch house, you will pass a dirt road coming in from the south.

(b.) Approximately 1.15 miles further, you will reach a gate in a fence.

(c.) Approximately 0.45 miles beyond the gate, you will reach the point at which the new access road will be constructed. The proposed route of the new road is flagged and is clearly visible on the south side of the ranch road.

B. As indicated in Exhibit "A", there are other existing ranch roads leading to the proposed location, which do not pass as near to the Martinez Ranch house as the route described above in paragraph A. However, these other roads are more curved and more hilly, with rough, rocky surface in some areas, and would be a more difficult access route, especially for heavy equipment. The total distance via the recommended route is only 0.15 miles greater than via the other, less desirable route.

C. The existing ranch road from the Martinez Ranch house to the location of the proposed wellsite will be blade-scraped over the entire distance, and caliche fill will be added, if necessary, in areas where there has been washout damage.

2. PLANNED ACCESS ROADS.

A. Newly constructed access road will be approximately a quarter of a mile in length and 12 feet in width. This road is shown as a red line on Exhibit "A", and runs in a north-to-south direction from the existing ranch road, beginning at the point indicated in paragraph 1A(3)(c) above. It will meet the proposed drilling pad at the northwest corner of the pad, as shown in Exhibit "B".

B. The ground elevation in the area rises from north to south at the rate of approximately 14 feet per 200 lateral feet, and the new road will rise at that rate as it approaches the wellsite.

C. There is a fence approximately one-third of the distance from the existing ranch road to the wellsite and it is planned to install a gate in this fence, across the new road. The fence will be reinforced on both sides of the gate with "H" braces and "T" anchors.

D. The new road will be blade-scraped and caliche will be added, as necessary, to provide a solid surface.

E. No turnouts will be required on the new road. However, the existing ranch road will be widened, as necessary, at its junction with the proposed new road, to permit the entry of necessary equipment.

3. LOCATION OF EXISTING WELLS.

A. There are no oil or gas wells within a two-mile radius of the proposed wellsite. The nearest drilling activity resulted in a dry hole, about four miles north of the proposed location, in section 23-T5N-R19E. The nearest other drilling activity has been about 18 miles from the proposed location.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

A. There is no production equipment on this lease at the present time. In the event that the proposed well is productive, the necessary production equipment will be installed on the well pad. All gathering lines will be installed by the oil and/or gas purchaser.

5. LOCATION AND TYPE OF WATER SUPPLY.

A. It is planned to drill the proposed well with a fresh water system. The water will be hauled to the location by truck over the existing and proposed roads shown in Exhibit "A".

6. SOURCE OF CONSTRUCTION MATERIALS.

A. It is proposed to obtain the necessary caliche from the drilling pad area itself. The proposed pad area slopes upward from north to south, as indicated in paragraph 2B, above, and will be leveled by cutting into the surface on the south portion of the pad area and using the dirt and caliche thus removed to fill the northern portion of the pad area. It is

anticipated that only a small quantity of caliche will be required for the surface of the access roads and that this will be available from the pad area.

7. METHODS OF HANDLING WASTE DISPOSAL.

A. Drill cuttings will be disposed of in the reserve pit.

B. Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.

C. Water produced during operations will be disposed of in the reserve pit. Oil produced during operations will be stored in tanks until sold.

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

E. 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.

F. 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.

A. None required.

9. WELLSITE LAYOUT.

A. Exhibit "C" shows the relative location and dimensions of the well pad, reserve pit, and major rig components.

B. The wellsite location, as indicated in paragraphs 2B and 6A, above, slopes upward from north to south at an approximate rate of 14 feet per 200 lateral feet. The higher level portions of the proposed well pad area will be cut and leveled, and the dirt and caliche thus removed will be used to fill and level the lower portion of the pad.

C. There are no plans to line the earthern reserve pit, since it should seal quite rapidly with drill solids and bentonite. Water used for drilling is of discharge quality.

D. The pad and pit area and the proposed new access road have been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE.

A. After completion of drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.

B. Any unguarded pits containing fluids will be fenced until they have been filled.

C. If the proposed well is non-productive, surface restoration will be in accordance with the agreement with the surface owner. Pits will be filled and the location will be cleaned. The pit area, well pad, and all unneeded newly constructed access road will be ripped to promote revegetation. Rehabilitation should be accomplished within 90 days after abandonment.

11. OTHER INFORMATION.

A. Topography: The land surface at the wellsite rises from north to south at a rate of about 14 feet every 200 lateral feet, with only minor undulations. The elevation at the wellsite is 5316.99 feet.

B. Soil: The topsoil at the wellsite is moderately hard sand underlain by caliche.

C. Flora and Fauna: The vegetation cover is moderately heavy, consisting of typical semi-arid growth such as prairie grasses, etc. Wildlife in the area is typical of semi-arid desert land, including coyotes, rabbits, rodents, reptiles, etc. The area is used for cattle grazing.

D. There are no streams, rivers, ponds or lakes in the area.

E. The nearest occupied dwelling is the Martinez Ranch house, approximately 3.1 miles northwest of the wellsite. The nearest water well is a windmill about 3/4 of a mile southwest.

F. Surface Ownership: The wellsite is located on private surface, with federal control of the mineral resources. A copy of a letter of agreement with the landowner, Martinez Ranch Company, is attached as Exhibit "E".

G. There is no evidence of any archeological, historical, or cultural sites in the area.

12. OPERATOR'S REPRESENTATIVE.

The field representative responsible for assuring compliance with the approved surface use and operations plan is:

James B. Shepherd, Jr.
Operations Manager
200 Gulf Building
Midland, Texas 79701

Telephone: 915-682-6324 Office
915-684-5911 Home

13. CERTIFICATION.

See attachment.

Clayton W. Williams, Jr.
Well No. 1 Salado Dome

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 that the work associated with the operations proposed herein will be performed by Clayton W. Williams, Jr., and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

11-15-76
(Date)

J. B. Shepherd
(Name and Title)
Oper. Mgr.

NOV 22 1976

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	Lease	Well No.
CLAYTON WILLIAMS	Salado Dome	1

Unit Letter	Section	Township	Range	County
A	11	4 North	19 East	Guadalupe

Actual Footage Location of Well:
990 feet from the north line and 990 feet from the east line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
5316.99			Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

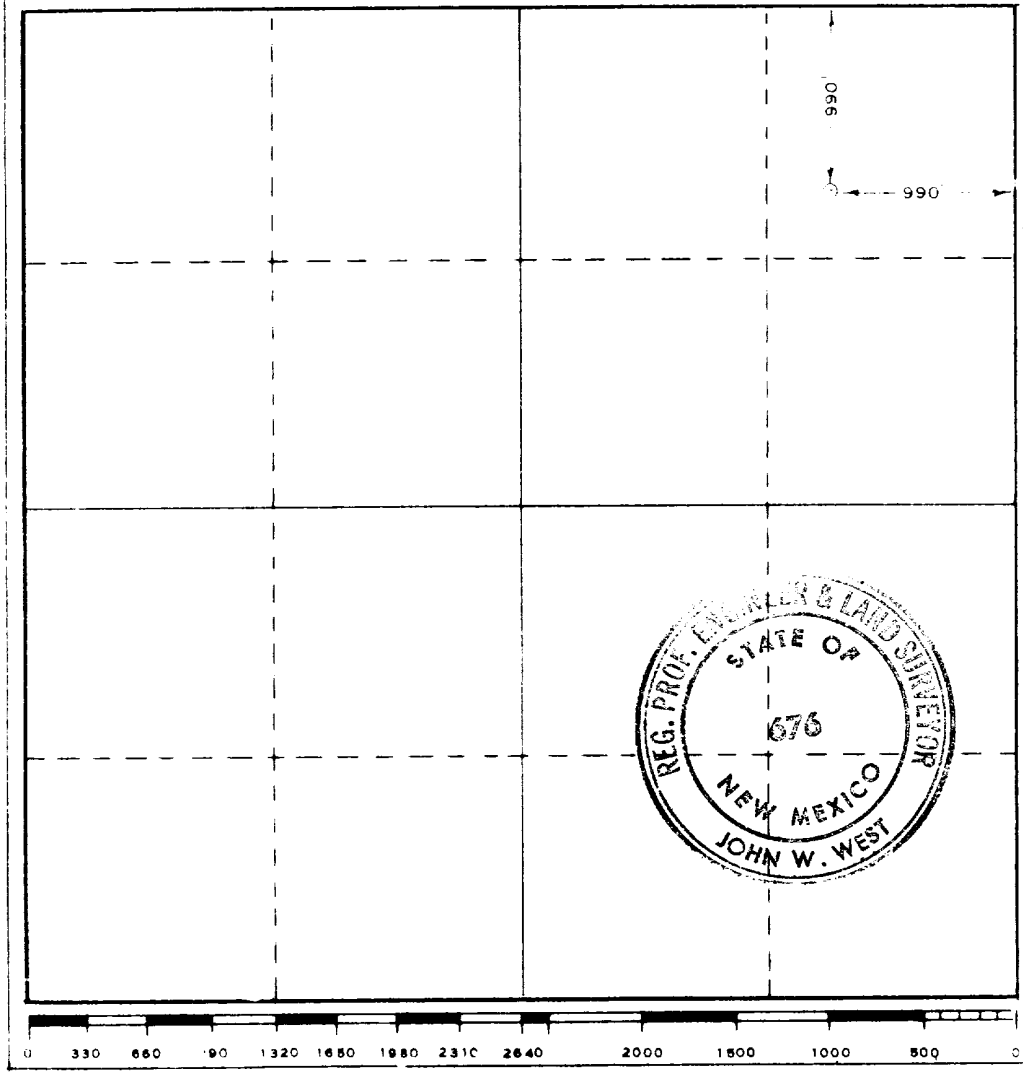
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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.

Edward N Linch

Name
agent

Position

Company

Date
11/19/76

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
Nov. 1, 1976

Registered Professional Engineer and/or Land Surveyor

John W West

Certificate No.
676

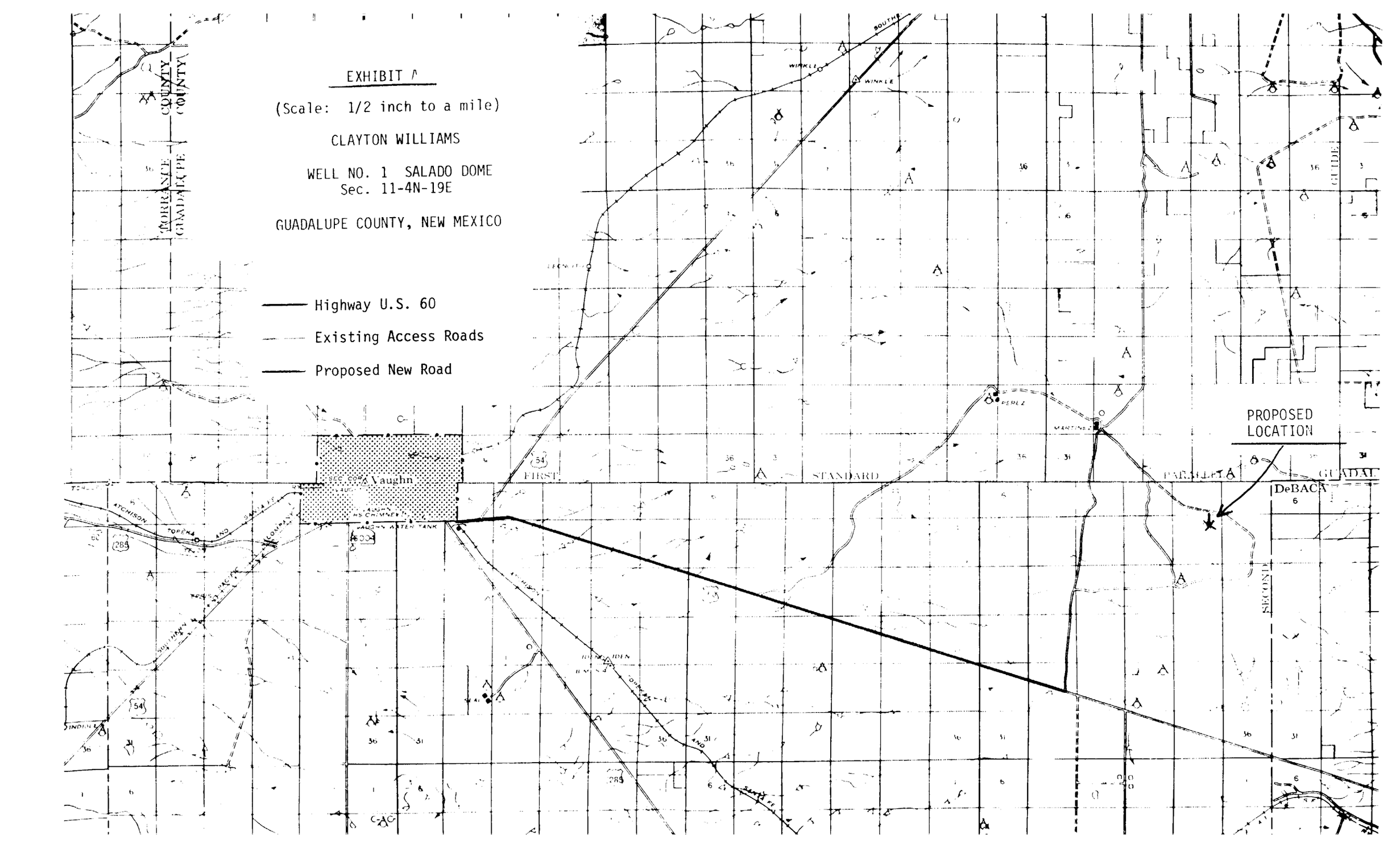
EXHIBIT A

(Scale: 1/2 inch to a mile)

CLAYTON WILLIAMS

WELL NO. 1 SALADO DOME
Sec. 11-4N-19E

GUADALUPE COUNTY, NEW MEXICO



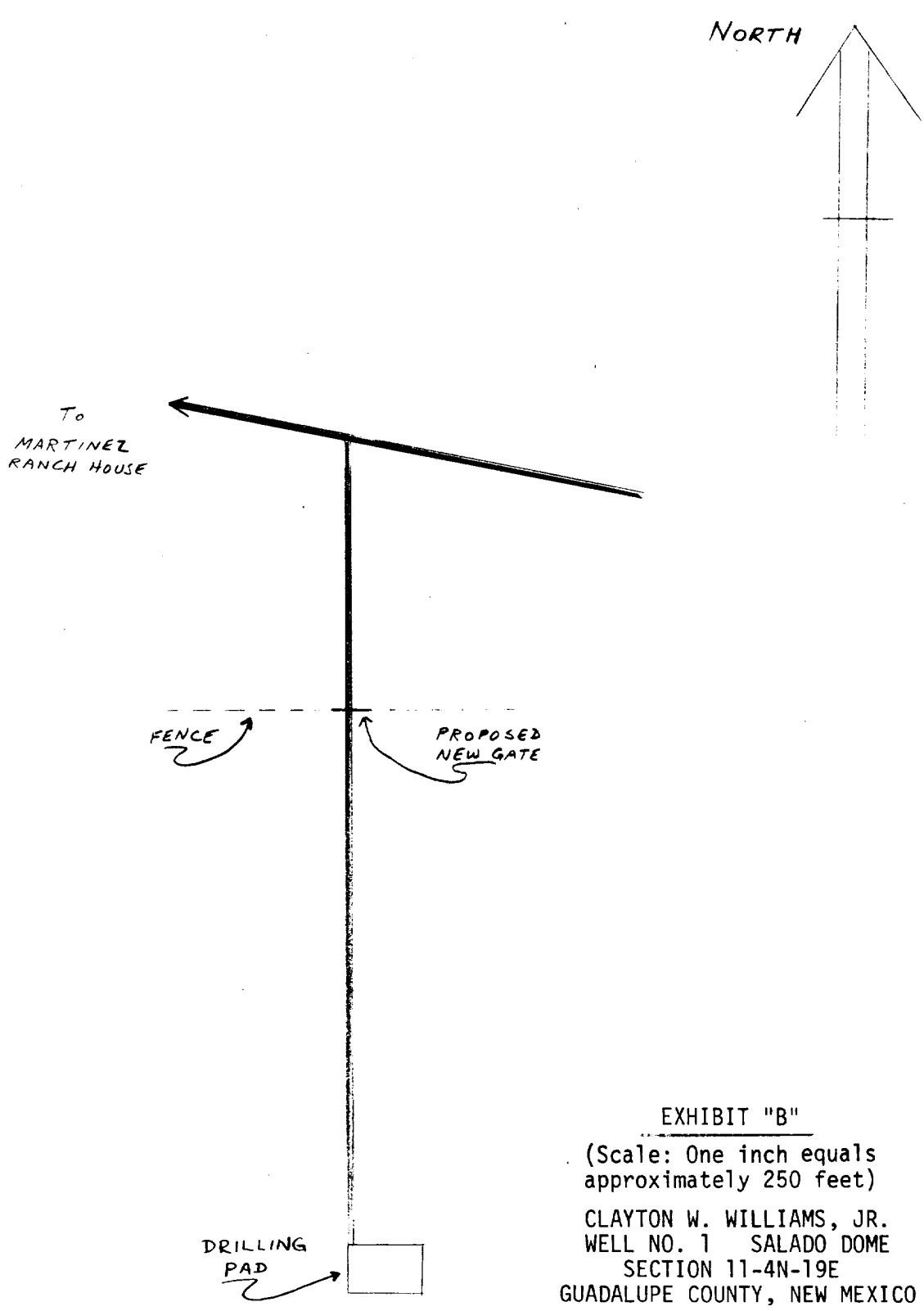


EXHIBIT "B"

(Scale: One inch equals approximately 250 feet)

CLAYTON W. WILLIAMS, JR.
WELL NO. 1 SALADO DOME
SECTION 11-4N-19E
GUADALUPE COUNTY, NEW MEXICO

——— Existing ranch road

——— Proposed new access road

EXHIBIT "C"

(Scale: One inch equals 30 feet)

CLAYTON W. WILLIAMS, JR.
WELL NO. 1 SALADO DOME
SECTION 11-4N-19E
GUADALUPE COUNTY, NEW MEXICO

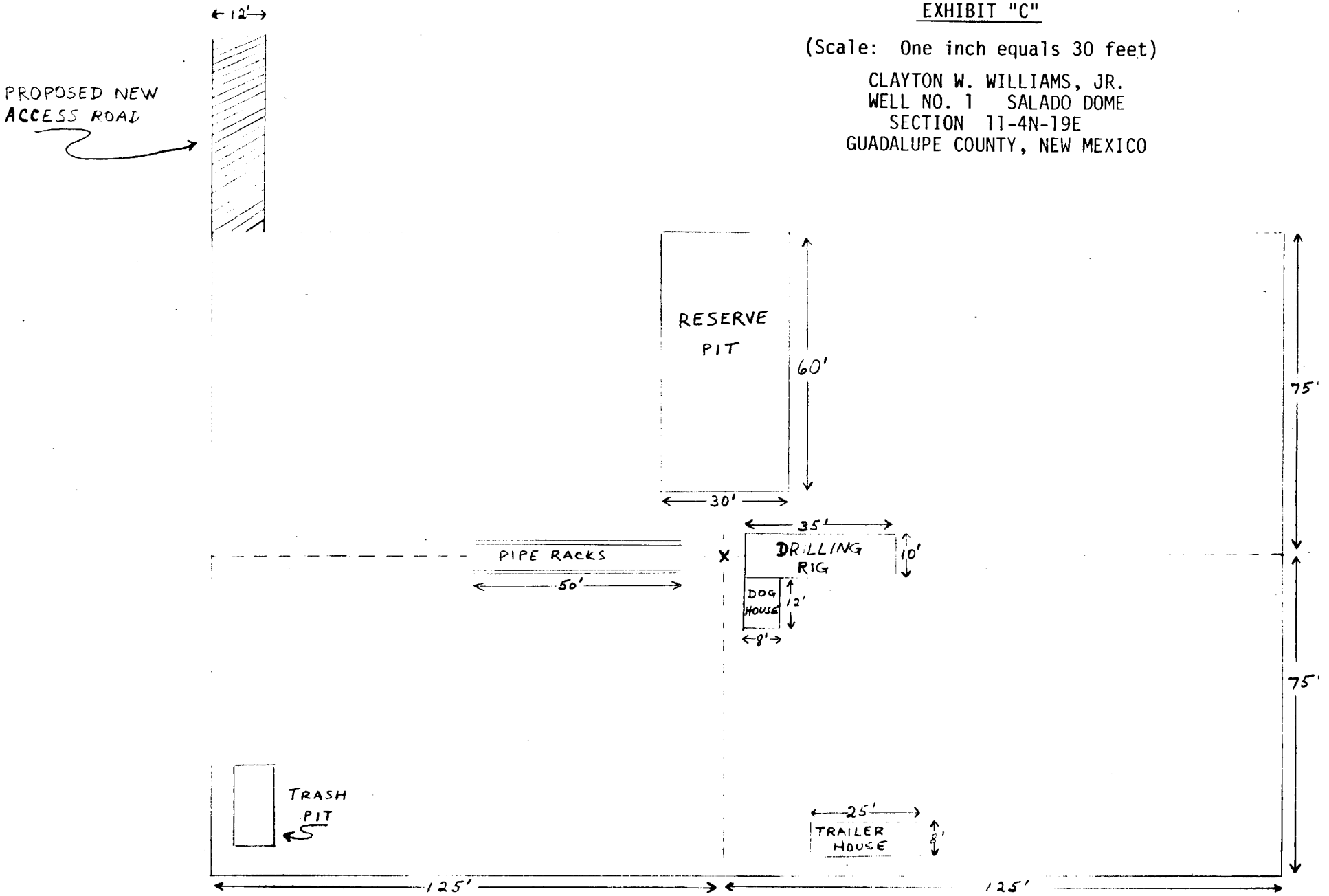
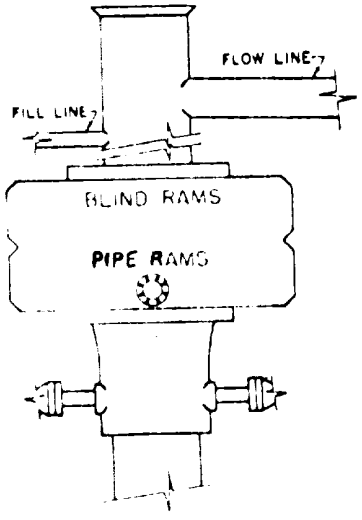


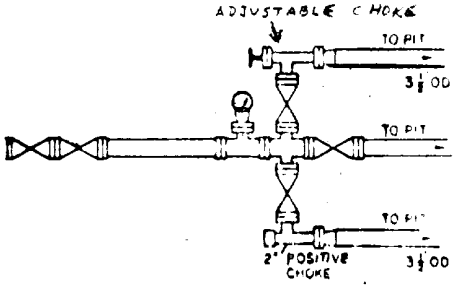
EXHIBIT "D"

CLAYTON W. WILLIAMS, JR.
WELL NO. 1 SALADO DOME
SECTION 11-4N-19E
GUADALUPE COUNTY, NEW MEXICO

BLOWOUT PREVENTER



CHOKE MANIFOLD



GRIFFIN & BURNETT, INC.

Oil Properties

KENNETH H. GRIFFIN
GARY G. BURNETT

501 PETROLEUM BUILDING
MIDLAND, TEXAS 79701
915 683-2705

November 2, 1976

Re: File No. 3167
SALADO DOME PROSPECT
Guadalupe County, New Mexico

MARTINEZ RANCH COMPANY
P. O. Box 45
Vaughn, New Mexico

Attention: Mr. Joe Vicente, Vice President

Gentlemen:

This letter will confirm the telephone conversation on November 1, 1976, between Mr. Vicente and the writer at which time Mr. Clayton W. Williams, Jr. was granted permission to enter upon the NE/4 of Section 11, T-4-N, R-19-E, Guadalupe County, New Mexico, and drill an exploratory test well in search of oil and/or gas.

It was agreed between Mr. Vicente and the writer that Mr. Williams would be liable for actual damage done to your crops and improvements as a result of drilling the above mentioned test well. It was further agreed that settlement for these damages, if any, would be made within a reasonable time after said test well is completed as a producer or is plugged and abandoned as a dry hole.

Your cooperation in regard to the drilling of this well is sincerely appreciated.

Yours very truly,
ORIGINAL SIGNED
BY KENNETH H. GRIFFIN
Kenneth H. Griffin

RECEIVED
NOV 3 2 1976

KHG/gp
cc: Clayton W. Williams, Jr.
200 Gulf Building
Midland, Texas 79701

EXHIBIT "E"
CLAYTON W. WILLIAMS, JR.
WELL NO. 1 SALADO DOME
SECTION 11-4N-19E
GUADALUPE COUNTY, NEW MEXICO