

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
Revised March 17, 1999

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

RECEIVED

FEB 10 2004

OCD-ARTESIA ☐ AMENDED REPORT

Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address MCKAY OIL CORPORATION P.O. BOX 2014 ROSWELL, NM 88202-2014		<sup>2</sup> OGRID Number
<sup>3</sup> Property Code	<sup>5</sup> Property Name MCKNIGHT #4	<sup>3</sup> API Number 30-005-62078
		<sup>6</sup> Well No. #4

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	35	6S	22E		990	SOUTH	660	EAST	CHAVES

<sup>8</sup> Proposed 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
<sup>9</sup> Proposed Pool 1 Pecos Slope; Abo						<sup>10</sup> Proposed Pool 2			

<sup>11</sup> Work Type Code	<sup>12</sup> Well Type Code	<sup>13</sup> Cable/Rotary ROTARY	<sup>14</sup> Lease Type Code FEE	<sup>15</sup> Ground Level Elevation 4102
<sup>16</sup> Multiple	<sup>17</sup> Proposed Depth 3161	<sup>18</sup> Formation ABO	<sup>19</sup> Contractor UNITED	<sup>20</sup> Spud Date ORIGINAL 12/27/83

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	8 5/8	24#	1296'	900 sks	SURFACE
	5 1/2	15.5#	2900'	200 sks	1700'

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

WELL WAS PLUGGED AND ABANDONED 1/4/84. MCKAY OIL CORPORATION PLANS TO RE-ENTER SAID WELL TO 2900' AND DRILL OUT CEMENT PLUGS TO 2900'. RUN 5 1.2" IN CASING TO 2900'.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>April D. McKay</i>		Approved by: <i>Jim A. Brown</i>	
Printed name: APRIL D. MCKAY		Title: <i>Feb</i> SUPERVISOR, DISTRICT II	
Title: VICE PRESIDENT		Approval Date: <i>JAN 20 2004</i> Expiration Date: <i>JAN 20 2005</i>	
Date: 2/12/04	Phone: 505-623-4735	Conditions of Approval: Attached <input type="checkbox"/>	

**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

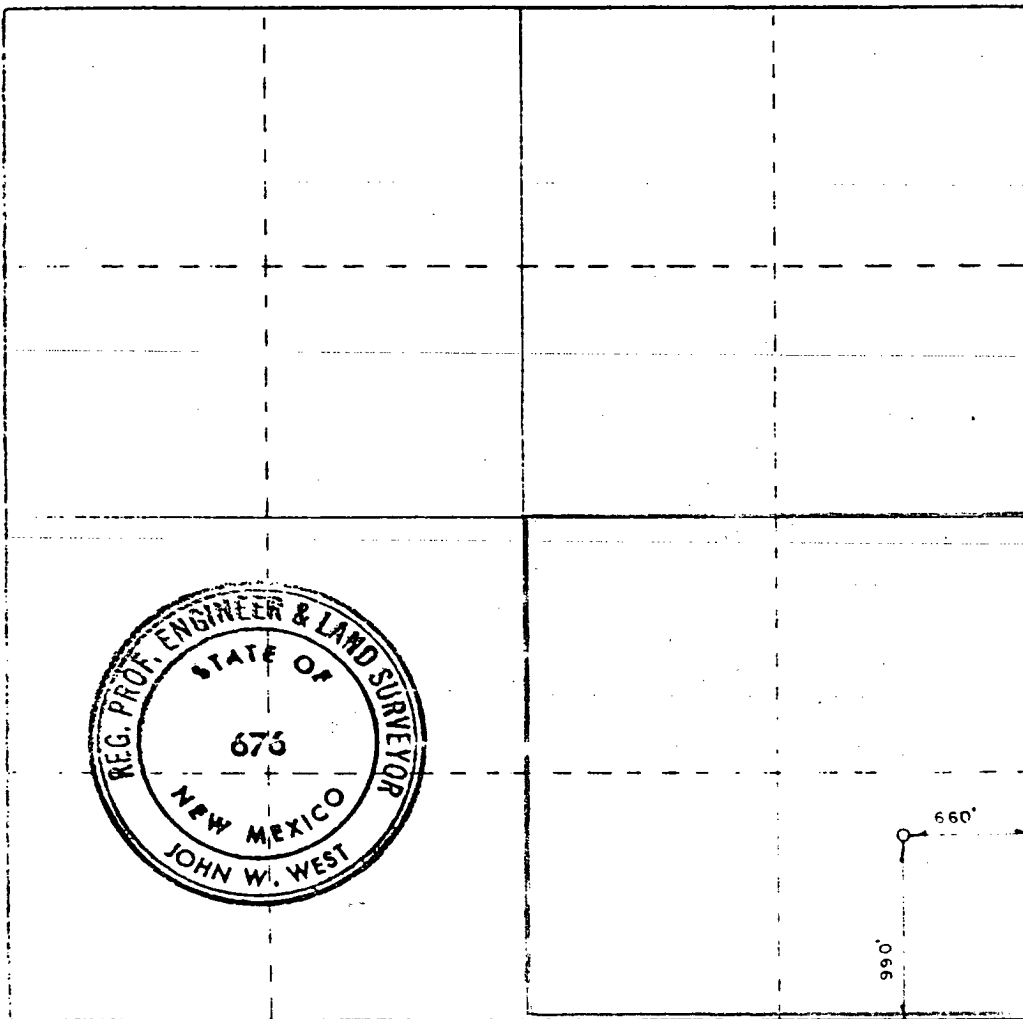
Operator <b>STEVENS OPERATING CO.</b>			Lease <b>McKNIGHT</b>		Well No. <b>4</b>
Section <b>P</b>	Section <b>35</b>	Township <b>6 SOUTH</b>	Range <b>22 EAST</b>	County <b>CHAVES</b>	
Subsurface Location of Well: <b>990</b> feet from the <b>SOUTH</b> line and <b>660</b> feet from the <b>EAST</b> line					
Surface Elev. <b>4102.4</b>	Producing Formation <b>ABO</b>	Pool <b>WEST PECOS SLOPE</b>		Dedicated Acreage: <b>160</b> 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.

*[Signature]*

Name  
**Patricia R. Thompson**

Position  
**Production Controller**

Company  
**Stevens Operating Corporation**

Date  
**November 21, 1983**

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  
**NOVEMBER 15, 1983**

Registered Professional Engineer  
and/or Land Surveyor

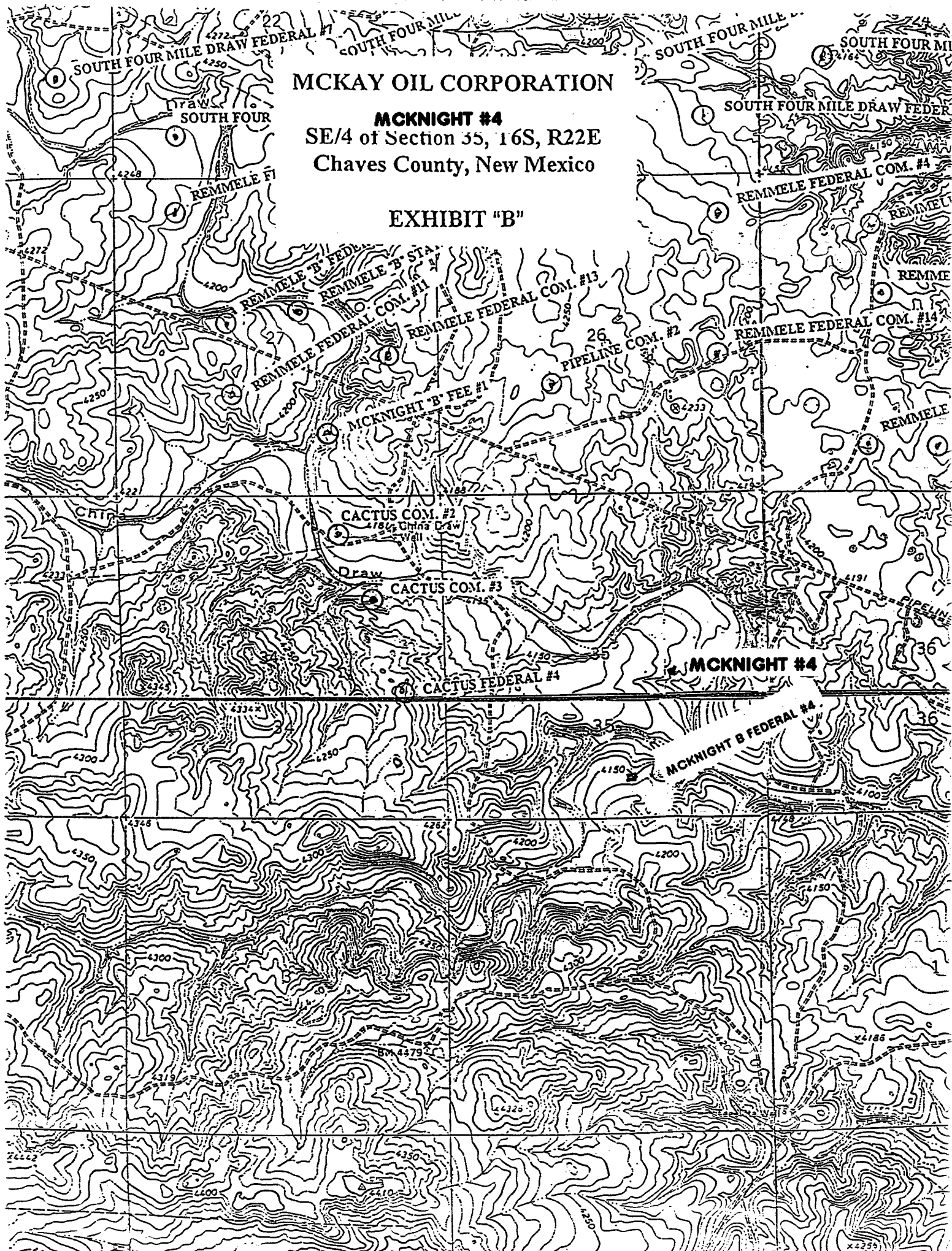
*[Signature]*

RECEIVED NOV 22 1983 576  
RONALD J. EIDSON, 3239

**MCKAY OIL CORPORATION**

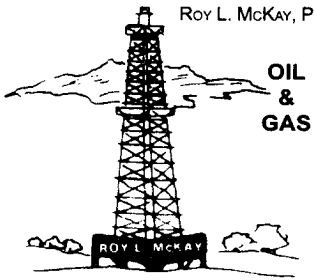
**MCKNIGHT #4**  
SE/4 of Section 35, 16S, R22E  
Chaves County, New Mexico

**EXHIBIT "B"**



# McKay Oil Corporation

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ROY L. MCKAY, PRESIDENT

MAILING ADDRESS: P.O. BOX 2014 ROSWELL, N.M. 88202 • TELEPHONE 505 / 623 - 4735  
STREET ADDRESS: ONE MCKAY PLACE ROSWELL, N.M. 88201 • FAX NO. 505 / 624 - 2202

February 12, 2004

Oil Conservation Division  
Bryan Arrant  
1301 W. Grand Avenue  
Artesia, NM 88211

Re: H2S Contingency Plan-McKnight #4

Bryan,

Please see attached Contingency Plan-H2S for the McKnight #4 located in Sec 35, T6S, R22E 660' FSL & 2310' FEL in Chaves County. Should you need any further information, please contact me at 505-623-4735.

Sincerely,

April McKay  
Vice President

**MCKAY OIL CORPORATION  
P.O. BOX 2014  
ROSWELL, NM 88202-2014  
505-623-4735**

**HYDROGEN SULFIDE (H<sub>2</sub>S) CONTINGENCY PLAN FOR THE  
MCKNIGHT #4  
LOCATED IN SEC 35, T6S, R22E IN  
CHAVES COUNTY, NEW MEXICO**

**NO HYDROGEN SULFIDE OR OTHER HAZARDOUS GASES OR FLUIDS  
HAVE BEEN ENCOUNTERED, REPORTED OR KNOWN TO EXIST AT THIS  
DEPTH IN THIS AREA.**

#### **MCKNIGHT #4**

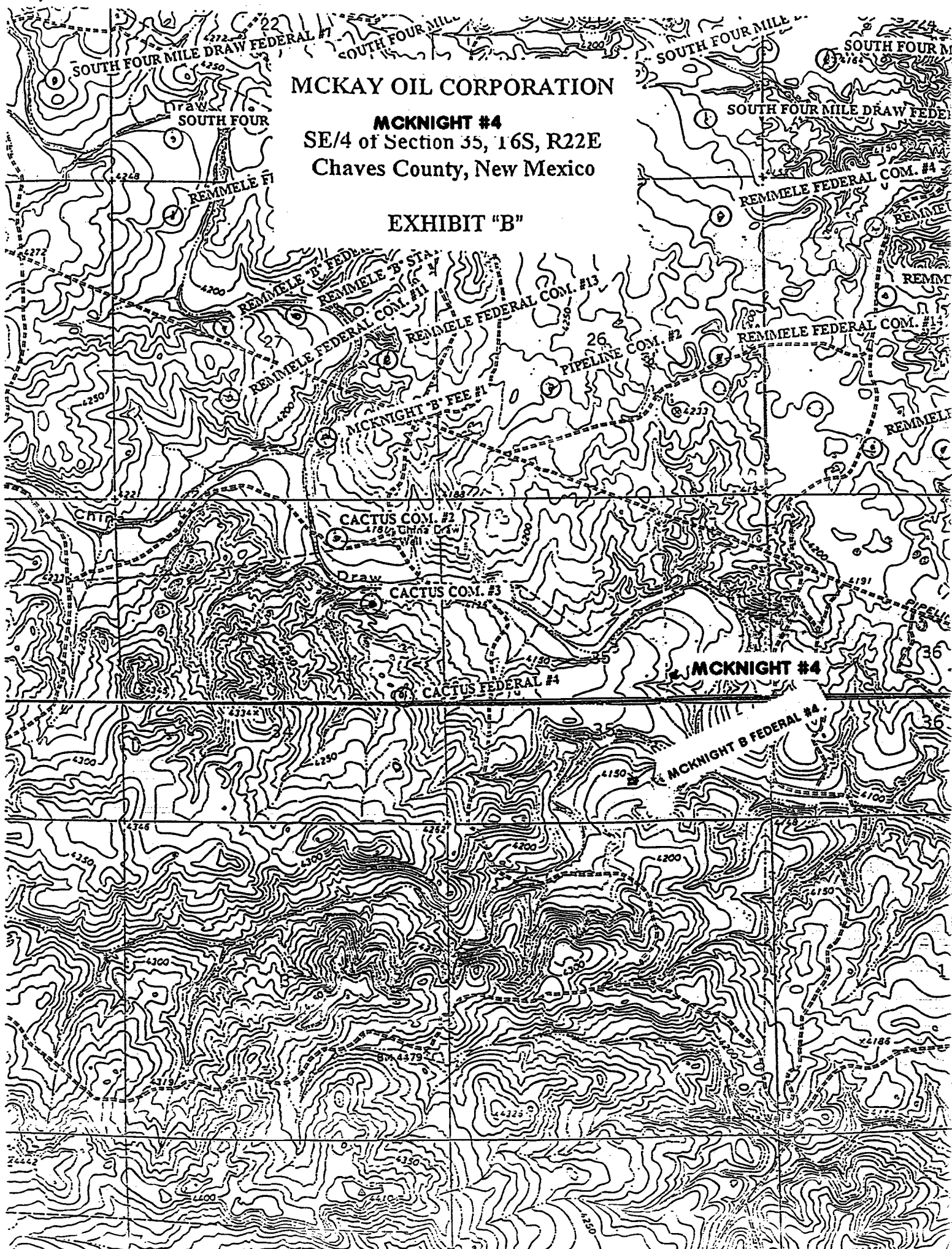
This is an open drilling site. H2S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H2S, including warning signs, wind indicators and H2S monitor. Pumpers carry (MICROPACKS) H2S pocket testers at all times. Pulling units has an H2S indicator that puts off light and alarm of any indication of H2S being present.

**MAPS-SEE ATTACHED**

**MCKAY OIL CORPORATION**

**MCKNIGHT #4**  
SE/4 of Section 35, 16S, R22E  
Chaves County, New Mexico

**EXHIBIT "B"**



## EMERGENCY PROCEDURES

In the case of a release of gas containing H<sub>2</sub>S, the first responder must isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder must evacuate any public spaces encompassed by the 100 ppm ROE. First responder must take care not to injure themselves during the operation. Company and or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

All responders must have training in the detection of H<sub>2</sub>S measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H<sub>2</sub>S monitors and air packs on order to control the release. Use the “buddy system” to ensure no injuries occur during the response.

## IGNITION OF GAS SOURCE

Should control of the well be considered lost and ignition considered, take care to protect against exposure of sulfur Dioxide (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas.

## CHARACTERISTICS OF H<sub>2</sub>S & SO<sub>2</sub>

COMMON NAME	CHEMICAL FORMULA	SPECIFIC GRAVITY	THRESHOLD LIMIT	HAZARDOUS LIMIT	LETHAL CONCENTRATION
HYDROGEN SULFIDE	H <sub>2</sub> S	1.189 AIR =1	10 PPM <sup>4</sup>	100 PPM/HR	600 PPM
SULFUR DIOXIDE	SO <sub>2</sub>	2.21 AIR =1	2 PPM	N/A	1000 PPM

## CONTACTING AUTHORITIES

McKay Oil Corporation personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. be prepared with all information available. The following call list of essential and potential responders must be in coordination with the State of New Mexico’s Hazardous Materials Emergency Response Plan (HMER).



## **MCKAY OIL CORPORATION CALL LIST**

<b>CHAVES COUNTY (505)</b>	<b>OFFICE</b>	<b>CELL PHONE</b>	<b>HOME PHONE</b>
HUMBERTO PEREZ	625-1154	626-8580	627-1985
JIM ROBINSON	625-1154	626-8579	624-1093
APRIL MCKAY	623-4735	626-8575	625-2848

### **CHAVES COUNTY (505) ROSWELL**

STATE POLICE	622-7200
CITY POLICE	911 or 624-6770
SHERIFF'S OFFICE	624-6500
AMBULANCE	911
FIRE DEPARTMENT	624-6800
LEPC (Local Emergency Planning Committee)	Teresa Barncastle 624-6770 ext 129
NMOCD	748-1283
ENMMC (Hospital)	622-8170