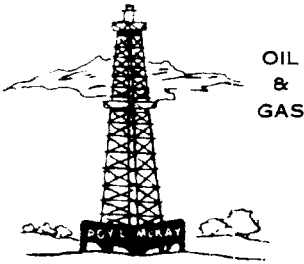


# McKay Oil Corporation

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



10205

December 13, 1990

State of New Mexico  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504

Attention: David R. Catanach

RE: Horizontal Drilling  
West Fork Unit #3  
Chaves County, New Mexico

Dear Mr. Catanach:

This letter is to request approval of deviation drilling for the captioned well which is located as described below:

West Fork Unit #3  
1980 FSL 1980 FEL  
Section 32, T-4S-22E

A copy of the Application for Drilling Permit is enclosed for your reference.

The proposed plan for horizontally drilling of this well shall be as follows:

- (1) Drilling a verticle hole to a total depth of approximately 3400 feet from ground level.
- (2) Run compensated neutron log and dual lateral log to TD.
- (3) If productive zone is indicated, cement back to approximately 40 feet above the zone and wait 24 hours.
- (4) Using a horizontal tool, at the top of the cement commence drilling a 90° curve to reach a horizontal plane at approximately 45 feet below kickoff point and 50

page 2 of 2  
Oil Conservation Division  
December 13, 1990

feet from verticle wellbore. (The direction of the kickoff can not be determined until actual drilling is commenced, but the drilling will not be any closer than 660 feet from an outside boundary line.)

- (5) Drilling horizontally for approximately 500 feet from the verticle wellbore.
- (6) Run directional surveys to determine location of bottom of hole.
- (6) Run casing liner and tubing.

McKay Oil Corporation is the lessee of the adjacent proration units to this well and therefore no additional notices are required.

Please schedule this application for the next available hearing date.

Very truly yours,

MCKAY OIL CORPORATION



James L. Schultz  
V.P. Land & Legal

JLS/tr  
40:OCDA.1-2

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

RECEIVED NOV - 2 1990  
Form C-101  
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

OCT 29 '90

API NO. (assigned by OCD on New Wells)

30-005-62807

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

LG-5555

7. Lease Name or Unit Agreement Name

West Fork Fed. Unit

8. Well No.

3

9. Pool name or Wildcat

West Pecos Abo

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

ARTESIA, OFFICE

DRILL ☒ RE-ENTER ☐ DEEPEN ☐ PLUG BACK ☐

b. Type of Well:

OIL WELL ☐ GAS WELL ☒ OTHER ☐

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. Name of Operator

McKay Oil Corporation

3. Address of Operator

P.O. Box 2014, Roswell, NM 88202

4. Well Location

Unit Letter J : 1980 Feet From The South Line and 1980 Feet From The East Line  
Section 32 Township 4S Range 22E NMPM Chaves County

10. Proposed Depth

3100'

11. Formation

Abo

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

4406' GR

14. Kind & Status Plug. Bond

Blanket

15. Drilling Contractor

16. Approx. Date Work will start

10-31-90

17.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
9 1/2" 9 7/8"	7.0"	20.0 #	900' ± 700'	500 SX	Circ
6 1/2"	4 1/2"	10.5 #	TD	325 SX	600' above
					T/pay

- Drill 9 1/2" hole to 900' ± and run 7.0" casing and cement to surface.
- Wait on cement for 18 hours.
- Nipple up on 7.0" casing using a double ram type B.O.P. and pressure test casing to 1000 psi for 30 minutes.
- Drill 6 1/4" hole to 3,100' to adequately test the Abo formation.
- Run 4 1/2" casing if warranted and cement to 600' above top of pay section and/or to isolate all oil, gas and water zones.

APPROVAL VALID FOR 180 DAYS

PERMIT EXPIRES 4/30/91

UNLESS DRILLING UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

*James H. Scholtz*

TITLE

V.P. Land & Legal

DATE

10-26-90

TYPE OR PRINT NAME

TELEPHONE NO.

(This space for State Use)

ORIGINAL SIGNED BY  
MIKE WILLIAMS  
SUPERVISOR, DISTRICT II

APPROVED BY

TITLE

DATE

OCT 30 1990

CONDITIONS OF APPROVAL, IF ANY:

## OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-102  
Revised 10-1-78

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

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

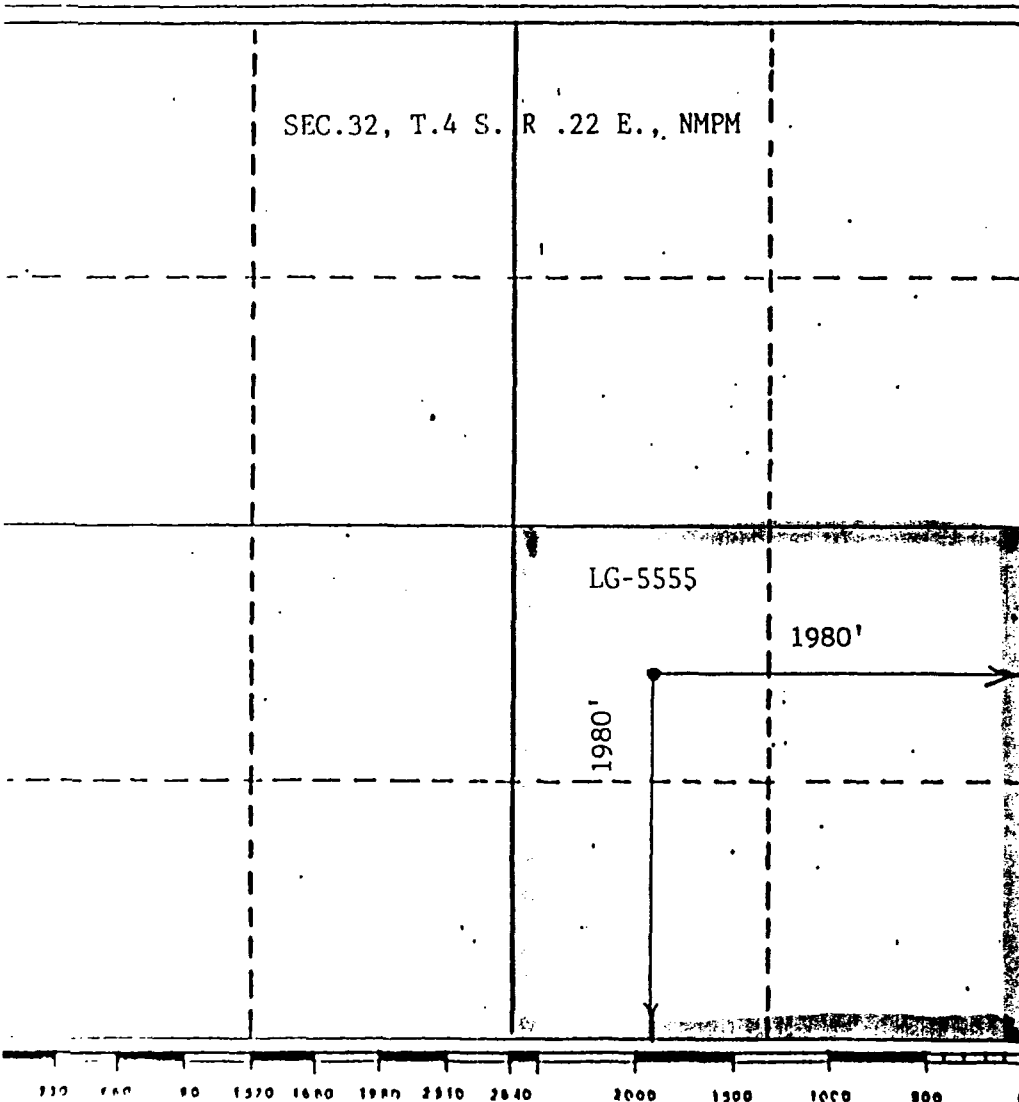
Operator McKAY OIL CORP.		Lease WESTFORK FEDERAL UNIT		Well No. 3	
Well Letter J	Section 32	Township 4 SOUTH	Range 22 EAST	County CHAVES	
Actual Postage Location of Well 1980					
1980		SOUTH		1980	
feet from the		line and		feet from the	
1980		EAST		line	
Ground Level Elev. 4406	Producing Formation Abo		Pool West Pecos Abo		Dedicated Acres 160
				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 Division.



## CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name

James L. Schultz

Position

VP Land &amp; Legal

Company

McKay Oil Corp.

Date

10-26-90

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

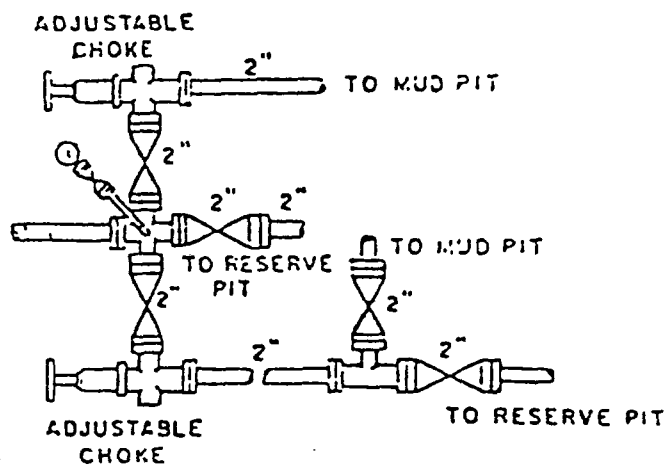
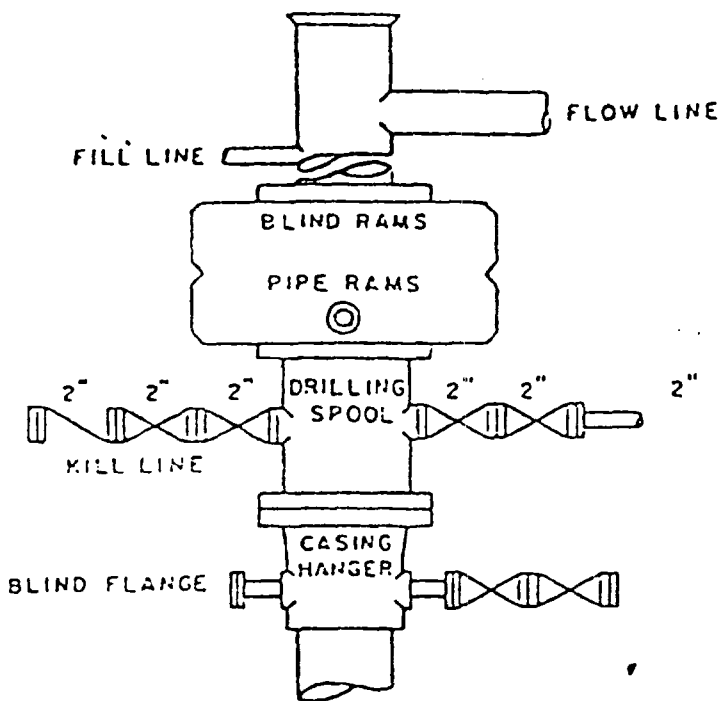
FEBRUARY 14, 1989

Registered Professional Engineer  
in the State of New Mexico

John D. Jacques, P.E. &amp; L.S.

Certificate No.

6290



### BOP DIAGRAM

3000# Working Pressure  
Rams Operated Daily