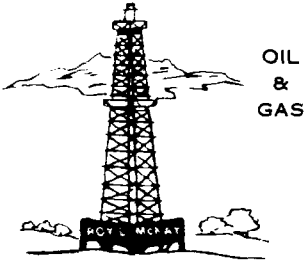


# McKay Oil Corporation

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



10207

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 #4  
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 #4  
1650 FSL 1650 FWL  
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.)

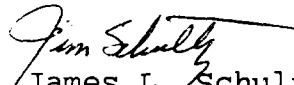
- (5) Drilling horizontally for approximately 500 feet from the verticle wellbore.
- (6) Run directional surveys to determine location of bottom of hole.
- (6) Run casing liner and tubing.

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:OCDD.1-2

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.  
IG-5555

7. Lease Name or Unit Agreement Name

West fork Unit

8. Well No.  
4

9. Pool name or Wildcat  
W. Pecos Slope Abo

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1. Type of Work:

DRILL  RE-ENTER  DEEPEN  PLUG BACK

2. Type of Well:

Oil Well  GAS WELL  OTHER  SINGLE ZONE  MULTIPLE ZONE

3. Name of Operator

McKay Oil Corporation

4. Address of Operator

P.O. Box 2011, Roswell, NM 88202

5. Well Location

Unit Letter K : 1650 Feet From The West Line and 1650 Feet From The South Line

Section 52 Township 4S Range 22E NMPM Chaves County

10. Proposed Depth  
3400'

11. Formation  
Abo

12. Rotary or C.T.  
Rotary

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

1574 GR

14. Kind & Status Plug. Good

Blanket

15. Drilling Contractor

Exploration Drilling

16. Approx. Date Work will start

asap

**PROPOSED CASING AND CEMENT PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
9 7/8"	7.0"	20.#	700' ±	500 sax	Circ
6 1/4"	4 1/2"	10.5#	TD	325 sax	600' above 1/pay

1. Drill 9 7/8" hole to 700' ± and run 7.0" casing and cement to surface.

2. Wait on cement for 18 hours.

3. Nipple up on 7.0" casing using a double ram type B.O.P. and pressure test casing to 1000 psi for 50 minutes.

4. Drill 6 1/4" hole to 3100' to adequately test the Abo formation.

5. (optional) If warranted, cement back to 40' above pay zone and begin horizontal drilling for approximately 500'. (This drilling is contingent upon approval of the OCD in Santa Fe and the amount of pay zone encountered upon reaching TD.)

6. Run 1 1/2" casing if warranted and cement to isolate all oil, gas and water zones.

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 BED A OUT PRESENT PROGRAM, IF ANY.

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

APPROVED BY James L. Schultz TITLE V.P. Land & Legal DATE 11-26-90

NAME OF PRESENT NAME James L. Schultz TELEPHONE NO. (505) 623-4755

(For Operator Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

OFFICER OF APPROVAL, IF ANY:

Submit to Appropriate District Office  
 State Lease - 4 copies  
 Fed Lease - 3 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

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

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

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 All Distances must be from the outer boundaries of the section

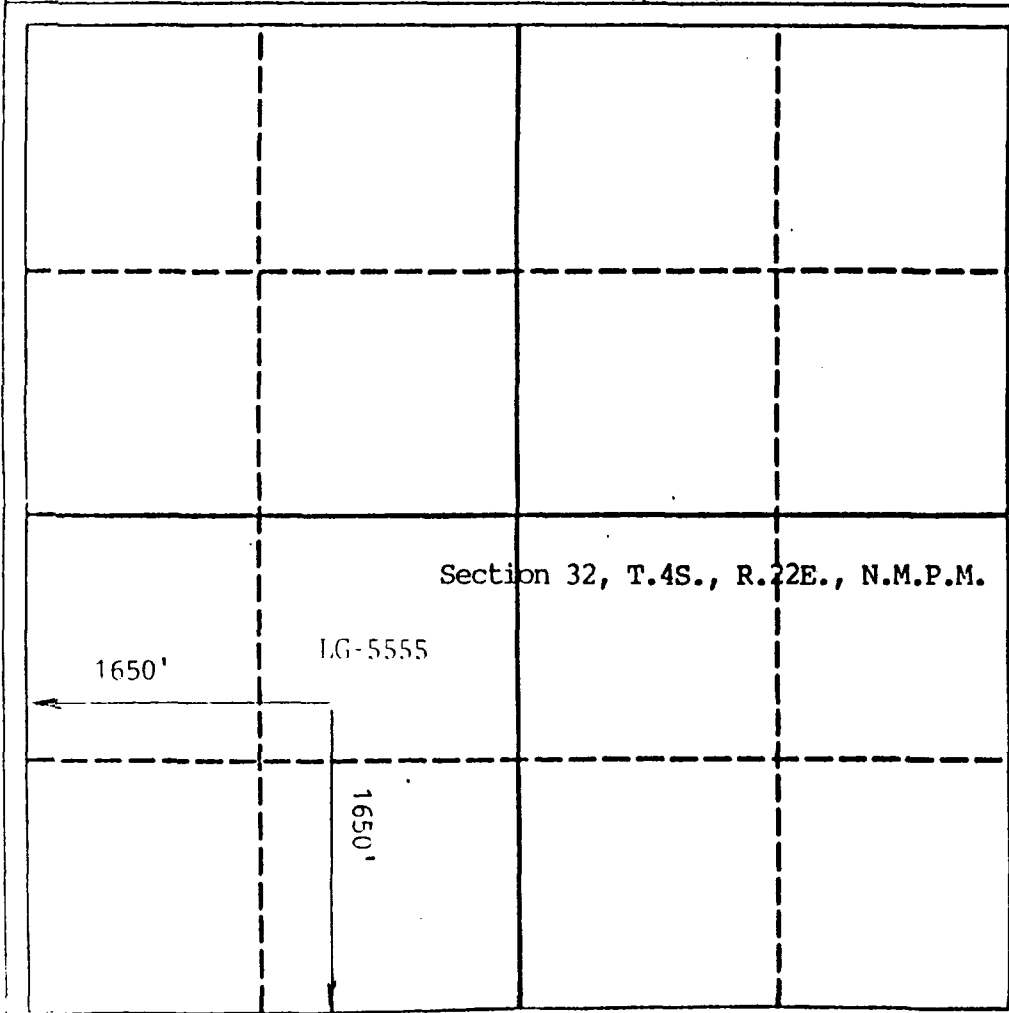
Operator McKay Oil Corporation			Lease West Fork Unit		Well No. 4
Unit Letter K	Section 32	Township 4S.	Range 22E.	County Chaves	
Actual Footage Location of Well: 1650 feet from the West line and 1650 feet from the South line					
Ground level Elev. 4374	Producing Formation Abo		Pool W. Pecos Slope Abo	Dedicated Acreage: 160 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

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

Signature: *James L. Schultz*

Printed Name: James L. Schultz

Position: V.P. Land & Legal

Company: McKay Oil Corp.

Date: 11-26-90

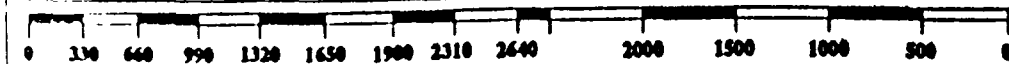
**SURVEYOR CERTIFICATION**

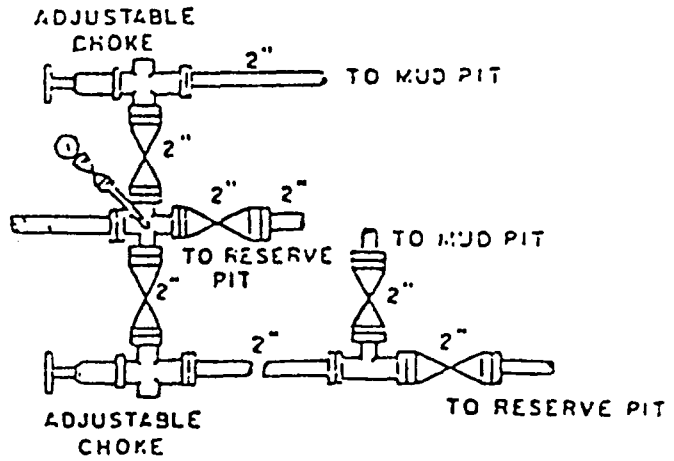
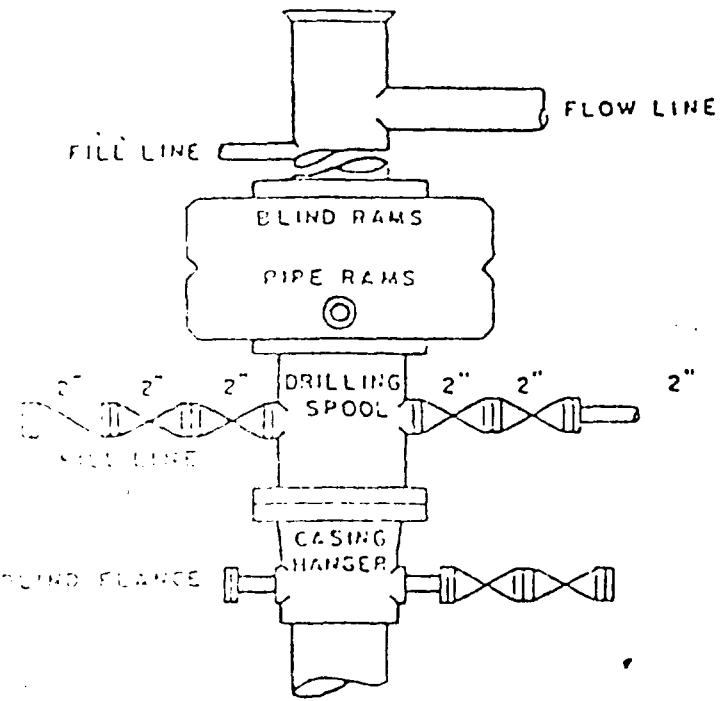
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: 11/21/90

Signature & Seal of Professional Surveyor: *J. Jacques*

Professional Engineer Seal: JACQUES, NEW MEXICO, 6290, PROFESSIONAL ENGINEER





**BOP DIAGRAM**

**3000# Working Pressure  
Rams Operated Daily**