## N.M. Oil Cons. DIV-Dist. 2 1301 W. Grand Avenue Artesia, NM 88210

Form 3160-3 (April 2004)		2 2161	002 I Q	,	OMB No.	APPROVED 1004-0137 arch 31, 2007
UNITED STATI DEPARTMENT OF THE BUREAU OF LAND MA	E INTER			)	5. Lease Serial No.	6195
APPLICATION FOR PERMIT TO	O DRILL	OR REE	NTER		6. If Indian, Allotee	or Tribe Name
la. Type of work: DRILL REEN	NTER				7. If Unit or CA Agree	ement, Name and No.
lb. Type of Well: Oil Well Gas Well Other		✓ Single Zoi	ne Multip	ole Zone	8. Lease Name and W Remmele B Fe	
2. Name of Operator McKay Oil Corporation					9. API Well No. 30.005	. 63173
3a. Address PO Box 2014 Roswell, NM 88202-2014		ne No. <i>(includ</i> <b>5-623-473</b>	1 '		10. Field and Pool, or E W. Pecos ABO	• •
Location of Well (Report location clearly and in accordance with     At surface 2130' FSL 660' FWL	any State re	equirements *)			11. Sec , T R. M. or Bi Unit k, Sec. 25,	•
At proposed prod. zone  14 Distance in miles and direction from nearest town or post office*  Approximately 25 miles				· · · · · · · · · · · · · · · · · · ·	12. County or Parish Chaves	13. State
15 Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig unit line, if any)	16 No	o. of acres in l	ease	17 Spacii	ng Unit dedicated to this w	vell
18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19 Pr 430	oposed Depth		20. BLM/	BIA Bond No. on file	
21 Elevations (Show whether DF, KDB, RT, GL, etc.) 4181'	22. A <sub>I</sub>	•	te work will sta 1/2006	rt*	23 Estimated duration 7-10 days	1
		Attachmen	<u> </u>			
The following, completed in accordance with the requirements of On:  1. Well plat certified by a registered surveyor  2. A Drilling Plan	shore Oil an	,   4 E		he operation	ons unless covered by an	existing bond on file (see
3 A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Office)	em Lands, t	6	perator certific Such other site authorized office	specific inf	ROSWELL CONTROL formation and/or plans as	
25. Signature Jak Brugg		Name (Printe James	d/Typed) L. Schultz			Date 12/12/2007
Title Agent						
Approved by (SigArPD CANCELLE	$\mathbf{D}$	Name (Printe	d/Typed)			Date
Title Assistant Field Manag Lands And Minerals	er,	Office <b>RO</b>	SWELL F	ELD O	FFICE API	PROVED FOR 2 YEA
Application approval does not warrant or certify that the applicant be conduct operations thereon Conditions of approval, if any, are attached	holds legal o	or equitable ti	tle to those righ	nts in the su	bject lease which would e	ntitle the applicant to

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

\*(Instructions on page 2)

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

#### State of New Mexico

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

DISTRICT II 1301 W. GRAND AVENUE, ARTESIA, NM 88210 OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

Form C-102 Revised October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

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

DISTRICT IV WELL LOCATION AND ACREAGE DEDICATION PLAT ☐ AMENDED REPORT 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Pool Code Pool Name API Number Property Code Property Name Well Number REMMELE "B" FEDERAL -----OGRID No. Operator Name Elevation MCKAY OIL CORPORATION 4186

#### Surface Location

1	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	D	25	6-S	22-E		2130	SOUTH	660	WEST	CHAVES

#### 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
Dedicated Acres	Joint o	r Infill Co	nsolidation (	Code Or	der No.				
160									

## NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

	OR A NON-STANDARD UNIT I	IAS BEEN APPROVE	D BY THE DIVISION
			OPERATOR CERTIFICATION  I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
	GEODETIC COORDINATES  NAD 27 NME  Y=1006052.4 N  X=394729.2 E  LAT.=33.765074 N  LONG.=104.679720 W		James L. Schultz  Printed Name  SURVEYOR CERTIFICATION
SEE DETAIL	DETAIL 1178.5'4184.5'		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 belief.
2130,			Date Surveyed WILL AR Signature & Seal of O Professional Surveyor  Professional Surveyor  Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239

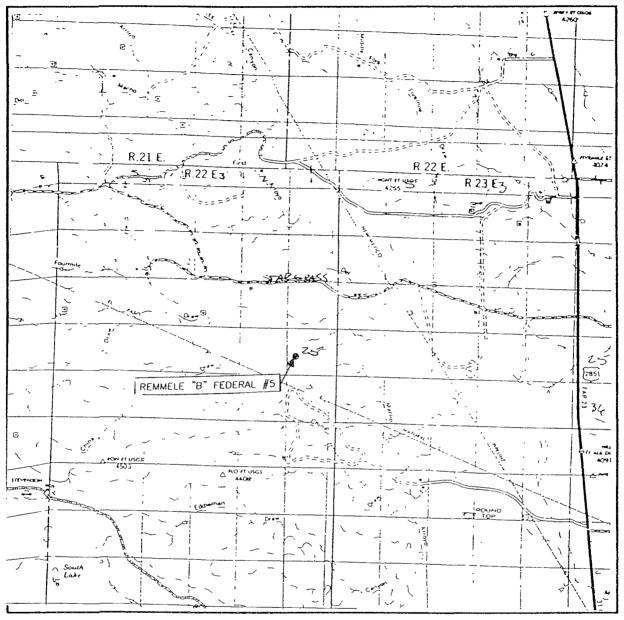
## PERTINENT INFORMATION

### FOR MCKAY OIL CORPORATION REMMELE B FEDERAL 5 2130' FSL & 660' FWL Sec. 25, T6S, R22E

## Chaves County, New Mexico

<u>LOCATED</u> :	25 air miles Northwest of Roswell, NM.
LEASE NUMBER:	NM 36190
LEASE ISSUED:	8/8/1978
RECORD LESSEE:	McKay Petroleum Corporation
BOND COVERAGE:	Operator's \$25,000 Statewide
AUTHORITY TO OPERATE:	Assignment of Operating Rights
ACRES IN LEASE:	1800.00
SURFACE OWNERSHIP:	Federal
OWNER:	USA-BLM
POOL RULES:	General Statewide Rules
EXHIBITS:	<ul><li>A. Road and Well Map</li><li>B. Contour Map</li><li>C. Rig Layout</li><li>D. BOP Diagram</li><li>E. Lease Map</li></ul>

# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 25 TWP. 6-S RGE 22-E

SURVEY NM.P.M.

COUNTY CHAVES STATE NEW MEXICO

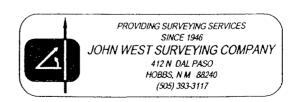
DESCRIPTION 2130' FSL & 660' FWL

ELEVATION 4186'

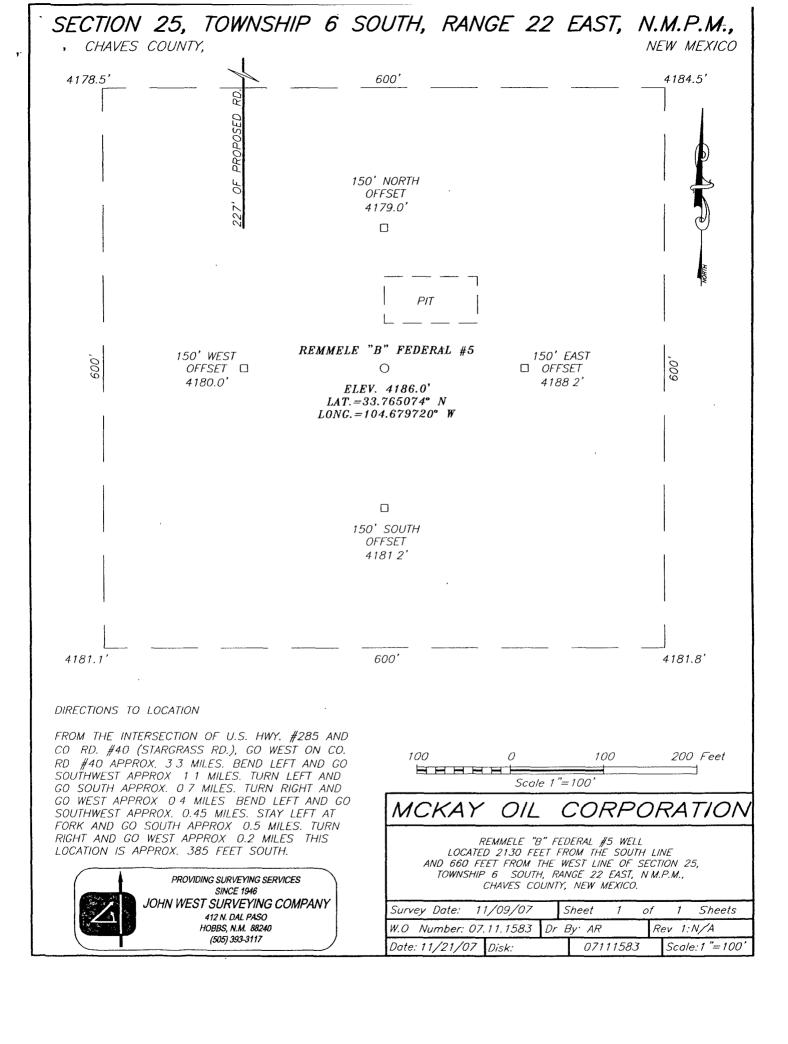
MCKAY OIL

CORPORATION

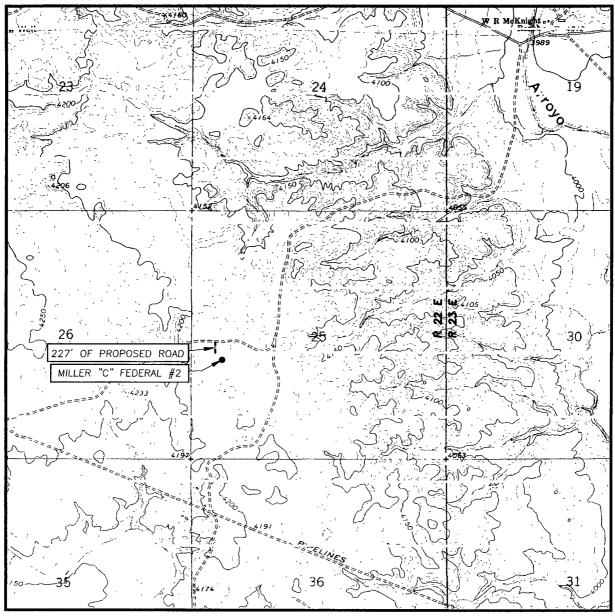
LEASE REMMELE "B" FEDERAL







# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

MESA SW, N.M.

CONTOUR INTERVAL: MESA SW, N.M. - 10'

SEC. 25 TWP. 6-S RGE. 22-E

SURVEY N.M.P.M.

COUNTY CHAVES STATE NEW MEXICO

DESCRIPTION 2130' FSL & 660' FWL

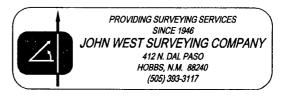
ELEVATION 4186'

MCKAY OIL

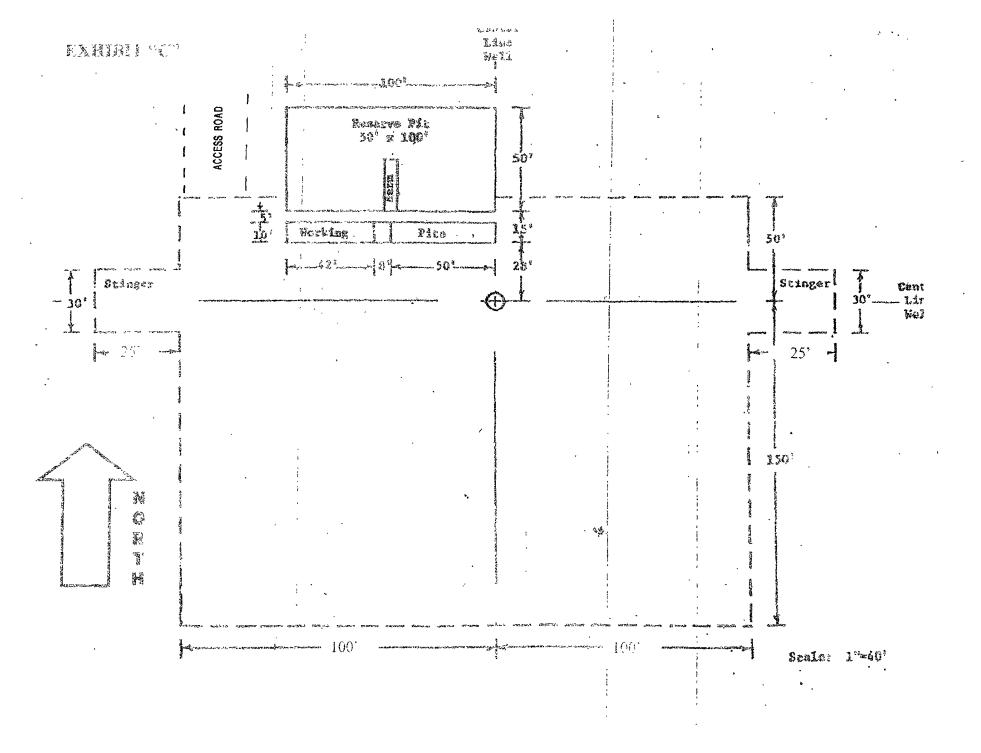
OPERATOR CORPORATION

LEASE REMMELE "B" FEDERAL

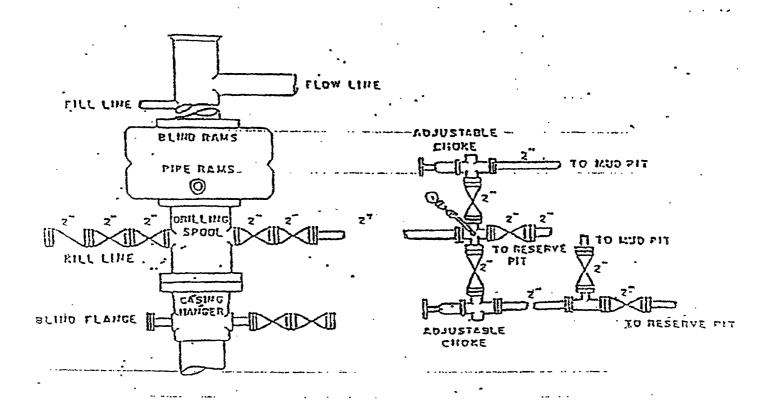
U.S.G.S. TOPOGRAPHIC MAP







## **EXHIBIT "D"**



<b>н</b> в <b>ў</b> 36191	McKay Oil 36192 ************************************	<sup>35192</sup>	英 <sub>2</sub> 30:135	1/16c-fed "2 # 3 5 D		₩ <sup>3</sup> ₩ <sup>4</sup> 5Mil		`
8	1 6 M/2 1 6 M/2 9	MIDERNO SE	11	12   McKoy Oil   LLEE Fed   (J/A1040)	**************************************	*** **********************************	Betty Moats, etal   Lena   Mc Whorter, Est   Mc Kay 0,1   32323   14 HBP   127 \$2 J/A1023   Mc Kay 0,1   Mc K	Berty Moots,
υS	Lookout-Fed 15 6	o3 "Lookout-Fed"	Lookout Fed Tula Brown 7N	McKayoil 1807 1230420se LLEEFEd 13Mil.	McKay 011  = 32322  Miller-Fed  US	`Middle Fork-Fed '	McKay 01 32323 4 HBP   12 \$2 J/M023 Five Mile   12 J/M942 Fork-Fed   12 J/M942 Fork-Fed   32323 *Five Mile Tank-Fed '	Neia
Koy 0:1 193 ★	McKayOi (Yates Pet, etal) 4   9, LG-9574 459 29	0 8 McKay Oil 36193	McKay Oil 36193	McKay Oi)	/ McKay Oil	McKay Dil **1	McClellan Oil 6 1 89   Mckay Oil 33 25   LG - 5572	
17	16	Hickory Oil (Proper Steen)  39 Mil   15 Abo  15 - C93 8c	*1,4	₩15Mil 13	— ᆗ 18 ★************************************	"Charolette"  3 Mil ***2** WR McKnight  17  McKay Dil	16	1
* Lucky"	Mesa Pet /Roach-St	₩23Mil		McKeyon ye **	** 5mil  Snakeweed-Fed " **  **	→ 32323 Ni.2Mil.	*'	
JM Mr.   State   Kay (Mirchell Enches)   11   (We Tex Driy 1/2)   75 88   Pecos River   Oper Inc	State O	olc # #5	Four Mile grow Fod "  McKag Oil  36194	Makau Dubk 12 8 1	McKau Oil McKau Oil	"Five Mile Tank-Fed" 2 SMil	Fred Pool Yatas Pet, etal	23 Yatı
±3 25M₁/	McKay Ol So Four Mile Draw-	McKay Oil 36194 McKay Oil HBP	Mesa ≭ *	77 36194 1 OII 107 Mil   36195 107 Mil   36195	32324 \$ 32324 \$ 51	32324 Mercury Figh Feb.	Quicksdur Res	
20		22   Composition of the composit	**	**	McKay Fed	20  Pecos River Oper, Inc. McM Fed	1 * 3 6 Mil	
	Ruby So Four Mile Draw Fed" ommele U.S	Se Forty 11 Act 18 1 8/88 Reinold Ray Star Star Star Star Star Star Star Star	900y 9	US I	McKay Oil WR Me 175 56351 Kright 11 McKay Oil, etal	U.S. Mitchell MWolfe	Pecchange Control of the Control of	Florenc
95) 4 9 Mekau 961	Remmele - Fed 1 103 H2 McKay Oil 1 12 99	7 Ray P. 180y	F14 36:95 29Mil	McKoy Oil 168 Remmele \$64 75751 McKoy Oil \$36195 \$64 Mil	32325 32325 35.2 McKay Oil	mirchell Morris Harris	McKay Oil 4 1 96 311525. 86035 McKay Oil 1300 McKay Oil McKay Oil McKay Oil	Yet:
29	McKay Oil 28	27 Stote St. 13	McKay 2 Pipeline 31 Mil	茶4 Mil 25	- 3 HEP 30	75-1 29	Mickey Oil 13 00 Mickey Oil 19 00 Mickey	
u s	"McKnight" U.S Ruby Remmele	ATMAIR MATERIAL ATMAIR	Liekkay On America Colores Collins (13 Colores Collins (13 Colores Collins (13 Colores Collins (13 Col	Remmele Fed.  ***********************************	Ayud China offie Drow-Fed Mc Mc Knight	Knight Biege 2 22	Florence US Remmele, eloss;	U.S. Florenci Remmele, e
Kay 0:1 - IBP 9575 78	Sanders Pet 9   2003 9   2003 9   2003 9   2003 9   2004 9   2004 9   2004 9   2004 9   2004 9   2004 9   2004 9   2004 9   2004 9   2005 9   2005 9	Cactus Praid of Praid	Crystal podsonys British Charles Collins, 1/3 B 3300 Chad Collins, 1/3 U S	YE AEP Yetes Pet.	McKayOil) McKnight etal	Yare, Pet, etal 6 · 1 · 98 V · 4153 15 <sup>63</sup>	Yotes Pet, etal. 54. 6 · 1 98 Florence V · 4154 etal(S) 1563	State Yate Florence 7 Remmele,etal v
32	Gody Gody EJM Mc- Knightetal	McKqy Oil	McKay Dil Tanner - red To 200 M. Kay Oile Comp McKay Oil Nekay Oil (Sanders Pet) Gladys	(Yates Pet XX to 3200') (15Mil.	2 x <sup>2</sup> McKayOil 32.325 — 3 31 — 3 x <sup>8</sup> McKay	32 Mckey 0:1	**************************************	
		(Sanders Pet) 9 1498 McKayon 8 22 Cactus Fed 'Cactus Fed' 48	Musignt etal	McKay Oil (Stevens Oper)  McKay fil  McKay fil  McKay fil  China Draw-St"	McKay  China Draw Fed."		Sunta Gr	
State 3 2 1	us या जा श	u S 41 31 21 7	4 3 2 1	State	× 5.9 Mil U.S.	State 4 3 2 1	Mocho-St State 41 31 2	51
McKay Pet 8 1 2015 114 337 114 00	McKay Pet 8   2015  14337  14 00	Mckay Per 8 12014 243 450∞ 1	# 8 McV ± O.13x3 1 03 8 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	36653 TELOV	70-6 Text Yates bet 2 70-79 727 73-66-47 73-66-47 75-66-4	Yates Pet et al	(ates Pet, et al 6	Yate Li
5 .	Yotes Pet Pol 12: 2002 V9 1703	3	「於於野一〇」·cs // Abo Disc clode #2 2	etal	6	5 Mesa Pet Macho-Fea_'1 Tn3400\\	4	
	157. 202		``NM-St"	Yates Pet \$2	Macho-Fed "  Agree Pet.  The Michael Pet.  The M	TD#400 < / 1	State	isN . ★ "Saci
tes Pet, etal	US Rouit Pet (Yotes Pet,etal ½)	U S Yates Pet, etal	McKay Pet Mrs AC  McKay Pet Mrs AC  Mrs AC  Williams	K Mauguerette Haley, et al  Yates Pet.  18 Mil.  K Marg. Haley, et al	_ /	Cates Pet.	Yates Pst. LG-6675	Yets

#### SUPPLEMENTAL DRILLING DATA

#### MCKAY OIL CORPORATION REMMELE B FEDERAL 5 2130' FSL & 660' FWL Sec. 25, T6S, R22E

Chaves County, New Mexico

The following items supplement Form 3160-3 in accordance with instruction contained in Onshore Oil and Gas Order No. 1:

- 1. SURFACE FORMATION: San Andres
- 2. ESTIMATED TOPS OF GEOLOGICAL MARKERS:

Yeso - 891' Tubb - 2387' Abo - 2615'

#### 3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATIONS:

Fresh Water - In surface formation above 600' Gas - In Abo Formation below 2615'

#### 4. PROPOSED CASING PROGRAM:

12-1/4" hole 8-5/8" X-42 24# 950'+ WITNESS 7-7/8" hole 5-1/2" J-55 15.5# TD

#### 5. PROPOSED CEMENTING PROGRAM:

Surface to 950' class "C" - 350 sxs cemented and circulated

to surface.

Production Casing class "C" - 300 sxs cemented with adequate

cover.

#### 6. PROPOSED DRILLING PROGRAM:

McKay Oil Corporation proposes to drill and test the ABO formation. Approximately 950' of surface casing will be set and cemented to surface. 5-1/2" production casing will be set and cemented with adequate cover, perforated and stimulated as needed for production.

- 7. PRESSURE CONTROL EQUIPMENT: Blowout preventer will consist of 2 ram, 2M system. A sketch of the BOP is attached to Pertinent Information.
- 8. CIRCULATION MEDIUM: Mud Drilling
- 9. <u>AUXILIARY EQUIPMENT</u>: Full-opening drill string safety valve fit for the drill string in use, will be kept on the rig floor at all times.
- 10. TESTING, LOGGING AND CORING PROGRAM:

Samples: Catch samples from surface to TD.

DST's: None.

Logging: GR-CNL, Dual Lateral MSFL from

surface to TD.

Coring: None.

11. <u>ABNORMAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE</u>: None anticipated.

12. <u>ANTICIPATED STARTING DATE</u>: On or before January 20, 2008 Drilling should be completed within 10 days. Completion operations (perforations and stimulation) will follow drilling operations.

#### MULTI-POINT SURFACE USE AND OPERATIONS PLAN

#### MCKAY OIL CORPORATION REMMELE B FEDERAL 5 2130' FSL & 660' FWL Sec. 25, T6S, R22E

Chaves County, New Mexico

#### NM 36190

This plan is submitted with the application for permit to drill the above described well. The purpose of the plan is to describe the location of the proposed well, 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 portion of a road map showing the location of the proposed well is staked. The well is approximately 25 miles north of Roswell, NM.
- B. <u>Directions</u>: from the intersection for U.S. Highway #285 and County Road #40 (Stargrass Road) go west of County Road #40 approximately 3.3 miles. Bend left and go southwest approximately 1.1 miles. Turn left and go south approximately 0.7 miles. Turn right and go west approximately 0.4 miles. Bend left and go southwest approximately 0.45 miles. Stay left st fork and go south approximately 0.5 miles. Turn right and go west approximately 0.2 miles. The location is approximately 385 feet south.

#### 2. PLANNED ACCESS ROAD:

- A. Length and Width: 227'long and 20' wide.
- B. Surface Materials: Sand, gravel and caliche where needed.
- C. Turnouts: None
- D. Maximum Grade: No more than 3%.
- E. <u>Drain Design</u>: Road will have drainage ditches on both sides and a crowned top, with culverts and/or low water crossings as necessary.

- F. Culverts: None.
- G. Cuts and Fill: None.
- H. Gates, Cattle guards: None needed. Already in place.
- I. Top Soil: Very little.

#### 3. LOCATION OF EXISTING WELLS:

A. A map indicating the location of adjacent wells is attached.

#### 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A: <u>See Exhibit "A"</u> for location of existing lease wells. If the well is commercial, production facilities and tank battery will be constructed.
- B. Cuts and Fills: Less than 5' of cut and fill will be required for the pad size of  $250' \times 250'$ . (See Exhibit "D")
- C. <u>Top Soil</u>: Any topsoil which can sustain plant vegetation will be bladed and piled for future rehabilitation.

#### 5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water will be purchased from a commercial source and trucked to the location over existing and proposed access roads.

#### 6. SOURCE OF CONSTRUCTION MATERIALS:

A. Closest Pit to the location.

#### 7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during test will be disposed of in the drilling pits. Oil produced during tests will be stored in test 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 placed in portable receptacles and hauled from the location upon completion of drilling and completion operations.
- F. All trash and debris will be removed from the well site within 30 days after finishing drilling and/or completion operations.

#### 8. ANCILLARY FACILITIES:

A. None necessary.

#### 9. WELL SITE LAYOUT:

- A. Exhibit "C" indicates the relation location and dimensions of the well pad, mud pits, reserve pit and major rig equipment.
- B. The location slopes very slightly to the east and southeast.
- C. The reserve pit will be lined with plastic to prevent loss of water.

#### 10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in an aesthetically pleasing conditions as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the well is non-productive or abandoned, the disturbed area will be rehabilitated using the preserved soil mentioned in 2.I. and 4.C.

#### 11. OTHER INFORMATION:

- A. <u>Topography</u>: The topography is a gradual slope to the south-east in the vicinity of the access road and south in the vicinity of the drill pad. Regional slope is east toward the Arroyo del Macho, which is northeast of the location.
- B. Soil: Sandy loam with limestone outcropping.
- C. <u>Flora and Fauna</u>: The flora consists of typical desert vegetation, such as yucca, cactus and various grasses. Fauna consists of desert wildlife such as coyotes, rodents, snakes, dear and antelope.

- D. Ponds and Streams: Arroyo del Macho northeast of the proposed location.
- E. <u>Residences and other Structures</u>: The David Corn Ranch (old W.R. McKnight Ranch) is approximately 1-1/4 miles to the northeast.
- F. <u>Archaeological</u>, <u>Historical</u> and <u>Other Cultural Sites</u>: An archaeological report from Archeological Survey Consultants from Roswell, NM will be filed under separate cover.
- G. Land Use: Grazing.
- H. Surface Ownership: USA-BLM.

#### 12. OPERATOR'S REPRESENTATIVE:

Jim Robinson Roswell, New Mexico (505) 623-4735 (O) (505) 626-8579 (C)

#### 13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exists; that he statements made in this plan are, to the best of my knowledge true and correct; that the work associated with the operations proposed herein will be performed by MCKAY OIL CORPORATION and its subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to provisions of 18 USC 1001 for the filing of a false statement.

SIGNATURE!

12-13-07

DATE

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

regulations

Approval Printed Name/Title

#### State of New Mexico **Energy Minerals and Natural Resources**

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe

Date

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

office

Form C-144

June 1, 2004

Pit or Below-Gra	de Tank Registration or Closur	<u>e</u>
Is pit or below-grade tank covered	l by a "general plan"? Yes 🗵 No 🗌 Submi	tted 4/16/04
Type of action: Registration of a pit of	or below-grade tank 🛛 Closure of a pit or below-grad	le tank 🔲
Operator MCKAY OIL CORPORATION Teleph	one: _505-623-4735 e-mail address: _april@mckayoil.	com
Address: PO Box 2014 Roswell, NM 88202-2014		
Facility or well name: Remmele B Federal 5 API #:	U/L or Qtr/Qtr_L Sec 25 T6S R2	22E
County. <u>CHAVES</u> Latitude Longitude	NAD: 1927 🗌 1983 🗍 Surface O	wner Federal 🛭 State 🗌 Private 🔲 Indian 🗍
<u>Pit</u>	Below-grade tank	
Type: Drilling Production Disposal	Volumebbl Type of fluid	
Workover    Emergency	Construction material	
Lined Unlined []	Double-walled, with leak detection? Yes  If not,	explain why not.
Liner type: Synthetic ☑ Thickness12mil Clay ☐		
Pit Volumebbl		
Depth to ground water (vertical distance from bottom of pit to seasonal	Less than 50 feet	(20 points)
high water elevation of ground water.)	50 feet or more, but less than 100 feet	(10 points)
	100 feet or more	( 0 points)
Wellhead protection area (Less than 200 feet from a private domestic	Yes	(20 points)
water source, or less than 1000 feet from all other water sources)	No ·	( 0 points)
water source, or less than 1000 feet from an other water sources )	1 th 200 C t	(20
Distance to surface water. (horizontal distance to all wetlands, playas,	Less than 200 feet	(20 points)
irrigation canals, ditches, and perennial and ephemeral watercourses)	200 feet or more, but less than 1000 feet	(10 points)
	1000 feet or more	( 0 points)
	Ranking Score (Total Points)	0
If this is a pit closure: (1) attach a diagram of the facility showing the pit's	s relationship to other equipment and tanks (2) Indicate	te disposal location (check the onsite box if
your are burying in place) onsite 🛛 offsite 🗌 If offsite, name of facility_	(3) Attach a general d	escription of remedial action taken including
remediation start date and end date (4) Groundwater encountered No 🔲	Yes 🔲 If yes, show depth below ground surface	ft and attach sample results (5)
Attach soil sample results and a diagram of sample locations and excavation	ns /	
Additional Comments		
	/	
		,
I hereby certify that the information above is true and complete to the best been/will be constructed or closed according to MOCD guidelines Date 12/7/2005	of my knowledge and belief I further certify that the distribution, a general permit , or an (attached) alternative	ne above-described pit or below-grade tank has OCD-approved plan □.
Printed Name/Title James L Schultz, Agent	Signature Follows	
Your certification and NMOCD approval of this application/closure does otherwise endanger public health or the invironment. Nor does it relieves		

# **Southwest Petroleum Land Services, LLC**

100 N Pennsylvanıa Roswell, NM 88203 (505) 622-6713 (505) 622-9282 fax

December 12, 2007

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

Re: H2S Contingency Plan- Remmele B Federal 5

Bryan,

Please see attached Contingency Plan-H2S for the Remmele B Federal 5 located in Sec 25, T6S, R22E 2130' FSL & 660' FWL in Chaves County Should you need any further information, please contact me at 505-626-6879

Sincerely,

Jim Schultz <sup>1</sup>

Agent for McKay Oil Corporation

#### MCKAY OIL CORPORATION PO BOX 2014 ROSWELL, NM 88202-2014 505-623-4735

HYDROGEN SULFIDE (H2S) CONTINGENCY PLAN FOR THE REMMELE B FEDERAL 5
LOCATED IN UNIT L OF SEC 25, T6S, R22E IN CHAVES COUNTY, NEW MEXICO

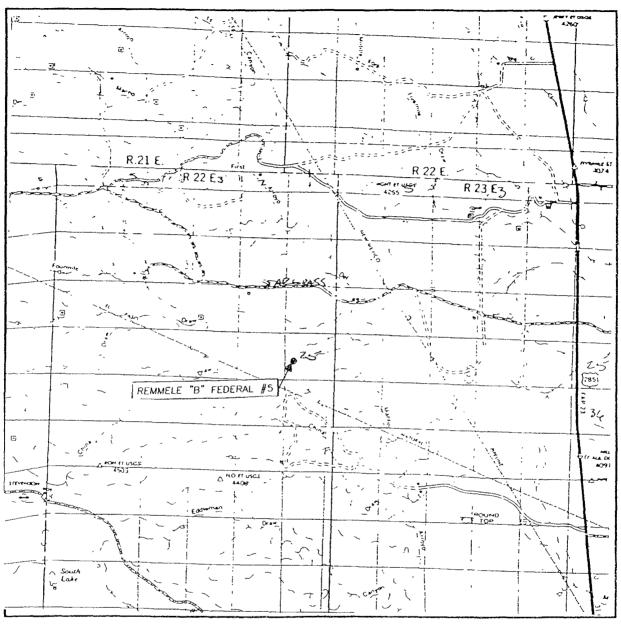
NO HYDROGEN SULFIDE OR OTHER HAZARDOUS GASES OR FLUIDS HAVE BEEN ENCOUNTERED, REPORTED OR KNOWN TO EXIST AT THIS DEPTH IN THIS AREA.

#### REMMELE B FEDERAL 5

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 have an H2S indicator that puts off light and alarm on any indication of H2S being present.

MAPS - SEE ATTACHED

# VICINITY MAP



SCALE 1" = 2 MILES

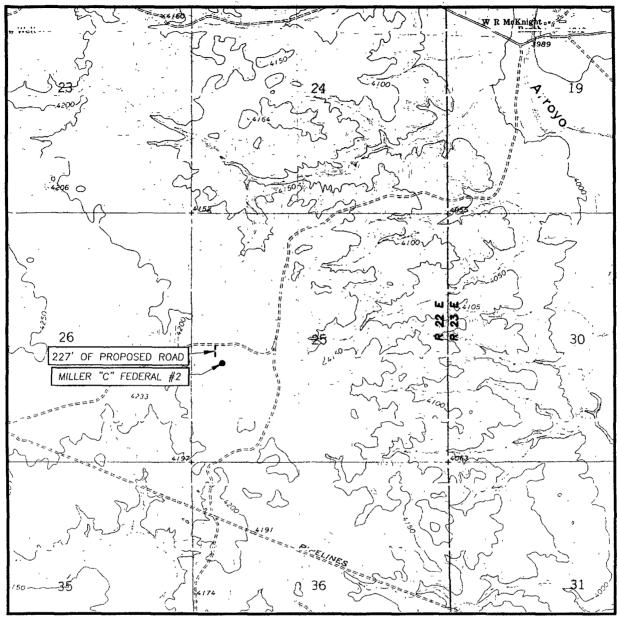
SEC 25 IWP 6-5 RGE. 22-E
SURVEYNM.PM
COUNTY CHAVES STATE NEW MEXICO
DESCRIPTION 2130' FSL & 660' FWL
ELEVATION 4186'
MCKAY OIL OPERATORCORPORATION
LEASE REMMELE "B" FEDERAL



PROVIDING SURVEYING SERVICES SINCE 1946 JOHN WEST SURVEYING COMPANY 412 N OAL PASO HOBBS, N.M. 88240 (505) 393-3117



# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: MESA SW, N.M. - 10'

SEC. 25 TWP. 6-S RGE. 22-E

SURVEY N.M.P.M.

COUNTY CHAVES STATE NEW MEXICO

DESCRIPTION 2130' FSL & 660' FWL

ELEVATION 4186'

MCKAY OIL

OPERATOR CORPORATION

LEASE REMMELE "B" FEDERAL

U.S.G.S. TOPOGRAPHIC MAP

MESA SW, N.M.



PROVIDING SURVEYING SERVICES SINCE 1946 JOHN WEST SURVEYING COMPANY 412 N. DAL PASO HOBBS, N.M. 88240 (505) 393-3117

#### **EMERGENCY PROCEDURES**

In the case of a release of gas containing H2S, 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 this 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 H2S measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H2S monitors and air packs in 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 (SO2). 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 H2S & SO2**

COMMON	CHEMICAL	SPECIFIC	THRESHOLD	HAZARDOUS	LETHAL
NAME	FORMULA	GRAVITY	LIMIT	LIMIT	CONCENTRATION
HYDROGEN SULFIDE	H2S	1.189 AIR=1	10 PPM4	100 PPM/HR	600 PPM
SULFUR DIOXIDE	SO2	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

CHAVES COUNTY (505) OFFICE CELL PHONE HOME PHONE JIM ROBINSON 625-1154 626-8579 624-1093 ROY MCKAY 623-4735 626-8571 623-4735

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