

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
C. E. LaRue and B. N. Muncy, Jr. ✓

3. ADDRESS OF OPERATOR
P.O. Box 196, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface: 1980' FNL & 1980' FEL, Section 17, T14S, R28E
At proposed prod. zone: Grayburg

5. LEASE DESIGNATION AND SERIAL NO.
NM0558973

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Lillie Federal

9. WELL NO.
6

10. FIELD AND POOL, OR WILDCAT
Sams Ranch Grayburg

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 17, T14S, R28E

12. COUNTY OR PARISH
Chaves

13. STATE
New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
15 miles east of Hagerman, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
1980

16. NO. OF ACRES IN LEASE
216 2,232.52

17. NO. OF ACRES ASSIGNED TO THIS WELL
160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1320'

19. PROPOSED DEPTH
1600'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3564.5 GL

22. APPROX. DATE WORK WILL START*
November 30, 1978

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	10-3/4"	32#	250'	100 sacks circulated
9-7/8"	7"	20#	1600'	350 sacks circulated

Gas is dedicated

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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 Operator DATE November 6, 1978

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE 11-28-78

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:



NMOCC COPY

United States Department of the Interior

GEOLOGICAL SURVEY
P. O. Drawer U
Artesia, New Mexico 88210

November 28, 1978

C. E. LaRue & B. N. Muncy, Jr.
P. O. Box 196
Artesia, New Mexico 88210

C. E. LaRue & B. N. Muncy, Jr.
Lillie Federal No. 6
1980 FNL 1980 FEL Sec. 17, T14S, R28E
Eddy County Lease No. NM-0558973

Above Data Required on Well Sign

Gentlemen:

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 1,600 feet to test the Grayburg formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and this approval including the GENERAL REQUIREMENTS.
3. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
4. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate sandstone brown (Federal Standard Color #595A, color 20318 or 30318).

Sincerely yours,

(Orig. Sgd.) ALBERT R. STALL

Albert R. Stall
Acting District Engineer

N MEXICO OIL CONSERVATION COMMISS
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 C.E. La Rue & Muncy Jr.			Lease Lillie Fed. Com.		Well No. 6
Unit Letter G	Section 17	Township 14 South	Range 28 East	County Chaves	
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the East line					
Ground Level Elev. 3564.5	Producing Formation Grayburg	Pool Sams Ranch St.	Dedicated Acreage: 160 Acres		

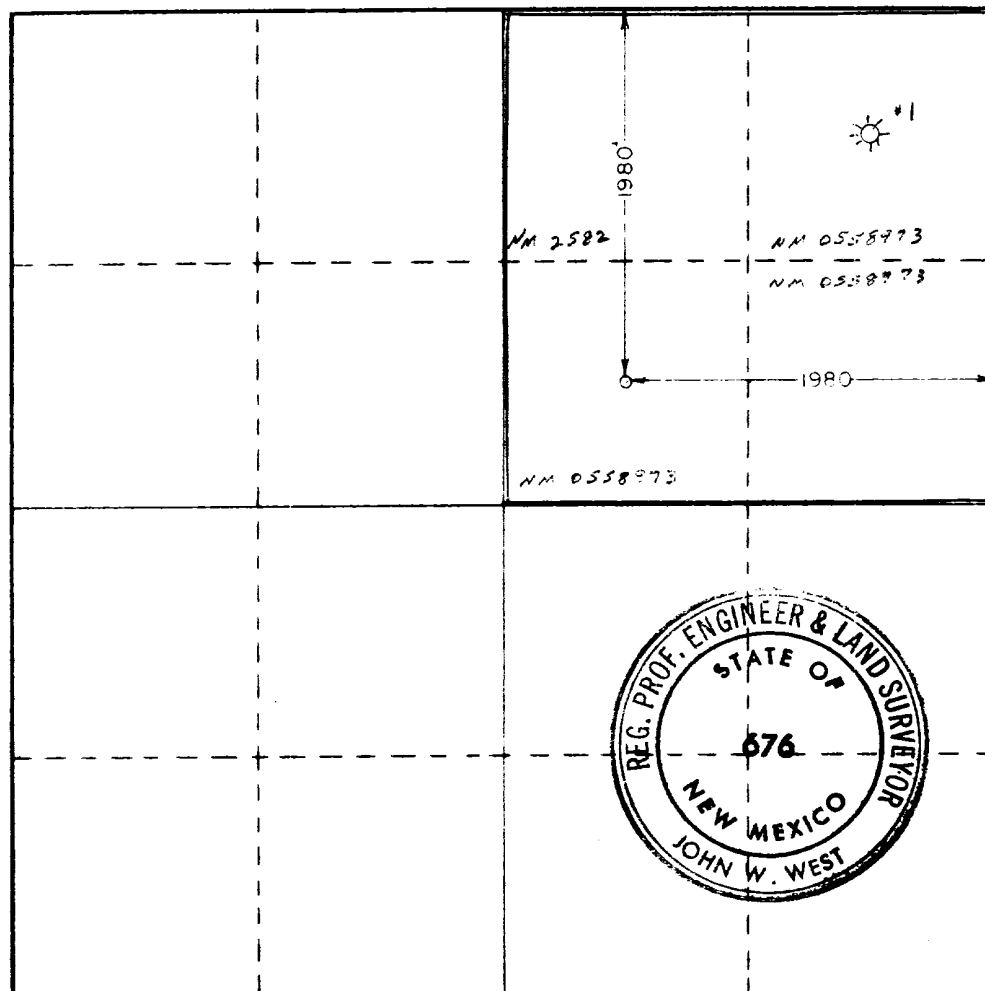
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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 Com.

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.

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CERTIFICATION

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

Name _____
 Position _____
 Operator
 Company **C.E. LaRue and B.N. Muncy, Jr.**

Date
November 6, 1978

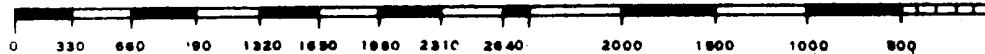
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Nov. 4, 1978

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. **John W. West 676**
Ronald J. Eldson 3239



Lease No. NM 558973
C. E. LaRue and B. N. Muncy, Jr.
Lillie Federal No. 6
1980' FNL and 1980' FEL, Section 17, T14S, R28E
Chaves County, New Mexico
Development Well

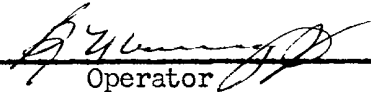
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1978
NO. 10
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ARTESIA, NEW MEXICO

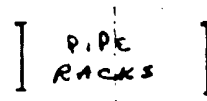
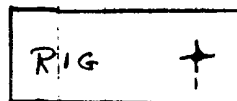
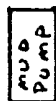
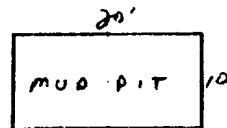
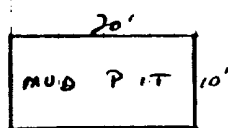
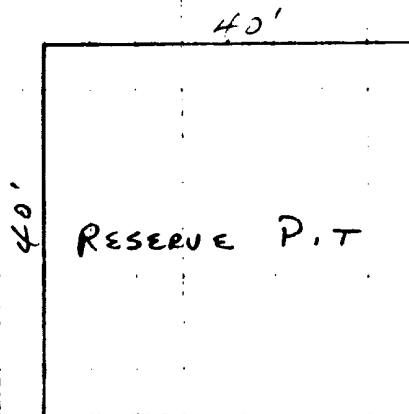
1. Existing Roads - Maps showing drillsite location and all existing roads are shown on Exhibit A. From Hagerman, New Mexico, go east for 15 miles on State Road 31, then northwest on an existing gravel road for $2\frac{1}{2}$ miles, then west on existing caliche road for $1\text{-}3\frac{1}{4}$ miles, then south 1320' on road to be constructed.
2. Planned Access Roads - Road will be constructed for approximately 1320' south from existing caliche road. Maximum width will be less than 12 feet and no turnouts will be constructed. Road will be surfaced with caliche in areas where required, with caliche to be transported from pits already in use and shown on attached maps. Nothing in proposed road area will require special drainage as surface is such that no culverts or special drainage facilities will be required. Center line of new road has been staked with flagging visible from one stake to another.
3. Existing wells are shown on Exhibit A.
4. No gathering or production lines will be necessary as gas purchaser will install all necessary lines. No tank battery will be used as all gas indicates to be dry. All pads and access roads will be used for production and maintenance. If well is non-productive, the drilling pad and such access road as not needed to reach other location will be ripped and restored in accordance with current rules.
5. There are no rivers, creeks, lakes, ponds or water wells in the entire lease area. All water for drilling purposes will be trucked to location over present and to be constructed access roads shown on Exhibit A from the nearest water supply at Hagerman, New Mexico.
6. Caliche pits will be the only source of material used in road and pad construction, location is shown on Exhibit A, in SE $1\frac{1}{4}$ NW $1\frac{1}{4}$ and SW $1\frac{1}{4}$ NW $1\frac{1}{4}$, Section 17. All material will be hauled over present roads and roads to be constructed as shown on Exhibit A.
7. All cutting and drilling fluid will be left in pits and covered after they have dried, which should be in 4 to 6 weeks. All garbage and trash will be kept in containers, placed in trash pit as shown on Exhibit C and covered when well is completed. No well in area has produced water or oil during drilling.
8. No camps or airstrips will be constructed.
9. See Exhibit C. There will be no lining used in mud pits. All equipment and transportation will use only access roads and drilling pad. Mud will be stacked on drilling pad adjacent to mud pump. Only minor leveling and caliche cover will be needed on drilling pad. No significant cuts or fills will be required other than construction of mud pits and reserve pit. The pad and pit area have been staked.
10. At completion of drilling and completion operations, all equipment not necessary for well production will be removed, pits will be filled when dried, and trash pit will be covered when completion equipment is moved off. All access roads not needed for other producing wells or lease will be ripped and restored in accordance with current rules as will the pad if well is non-productive.
11. Area in general is fairly flat, with sand dunes cresting the principal changes in elevation. Mesquite and scrub oak are primary brush growth, with extremely scanty native grasses and fairly heavy weeds. All surface area is Federal land, as are all roads present and to be constructed. Topsoil is quite sandy, underlaid by caliche. Land is used for grazing purposes and is classed very low in number of livestock it will maintain because, the extremely sparse vegetation, and the fact there is no natural water above ground in the area for streams or ponds and closest water well to this location is 6 miles southeast. Nothing has been observed in the area that would give indication of archeological historical or cultural sites. There are no steep hillsides or gullies in the area where road and drilling pad are to be constructed and no drainage or erosion problems should be encountered. Road and pit construction will require little change other than blading and spreading caliche. Wildlife in the area is typical semi-arid natives, numbers of all are considerable less than average across most of this country. The only structure in the area is an occupied ranch house with windmill 6 miles southeast of proposed location.
12. Operators representative is B. N. Muncy, Jr., P.O. Box 196, Artesia, New Mexico 88120. Telephone number (505) 746-6651.

13. I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I'm 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 assisted with the operations proposed herein will be performed by LaRue and Muncy and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

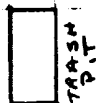
November 6, 1978
Date


Operator

N SCALE 1"=20'



100'



DRILLING PAD - LEVELLED AND CALICHO

100'

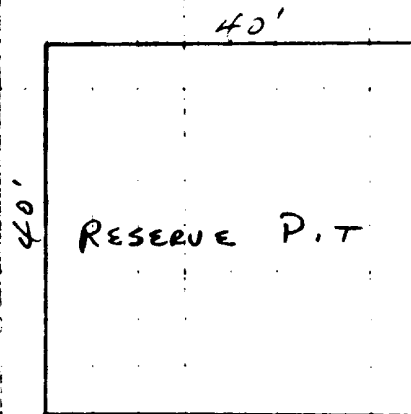
PITS WILL BE DUG TO COVER GARBAGE AND TRASH, WHICH WILL BE KEPT IN CONTAINERS UNTIL WELL IS COMPLETED.

C.E. LARUE AND SONS

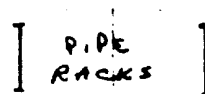
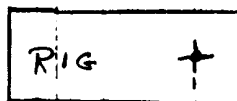
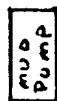
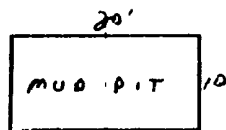
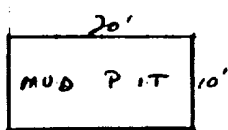
LILLIE FERRIS 1966

FLA. 100

N - SCALE 1"=20'



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100'

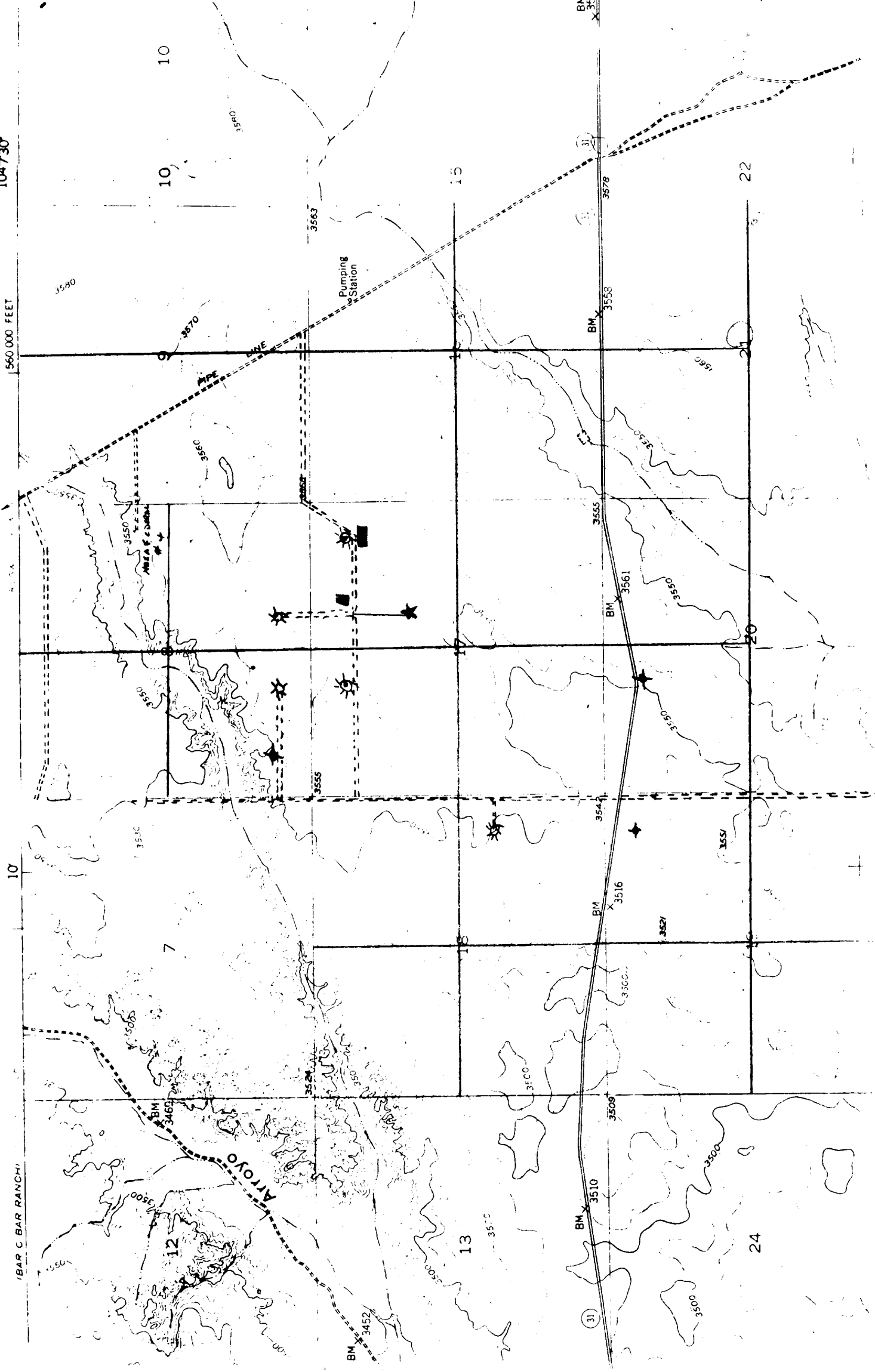


DRILLING PAD - LEVELLED AND CALICHO

100'

PITS WILL BE DUG TO COVER GARBAGE AND TRASH, WHICH WILL BE KEPT IN CONTAINERS UNTIL WELL IS COMPLETED.

C.E. LARUE AND B.N. [unclear]
LILLIE FEDERAL #16



EXISTING ROADS

PROPOSED ROADS

=====

CALICHE PITS

PIPE

LOCATION



C.E. LARUE AND B.N. MUNCY, JR
LILLIE FEDERAL # 6
EXHIBIT A

EXISTING ROADS

PROPOSED ROADS

CALICHE PITS

LOCATION



C.E. LARNE AND B.N. MUNCY.
LILLIE FEDERAL # 6
EXHIBIT B

