

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-32325-B	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR McKay Oil Corporation ✓		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Box 2014, Roswell, New Mexico 88202		8. FARM OR LEASE NAME China Draw Fed.	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1107' FSL & 1057' FWL		9. WELL NO. # 4	
At proposed prod. zone same		10. FIELD AND POOL, OR WILDCAT W. Pecos Slope Abo	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE Approx. 21 miles north of Roswell, NM		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 30-6S-23E	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1057'		12. COUNTY OR PARISH Chaves	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1 1/2 mile		13. STATE NM	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4068' GR		22. APPROX. DATE WORK WILL START* ASAP	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0 J-55	900±	850 cf cement circ.
7 7/8"	4 1/2"	10.5 J-55	TD	1200 cf cement including 480 cf to tie in 4 1/2" to 8 5/8" from 1500' to 800'

We propose to drill and test the Abo formation. Approximately 900' of surface casing will be set and cemented to surface. If commercial, 4 1/2" production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: See Supplemental Drilling Data which is attached.

BOP PROGRAM: BOP will be installed on 8 5/8" casing and test daily.

Gas is not dedicated.

Posted API
ID-1, NL
2-14-86

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 Sam T. Schults TITLE Landman DATE 1-16-86
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY S/Phil Kirk TITLE Area Manager DATE 1-31-86
CONDITIONS OF APPROVAL, IF ANY: _____

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

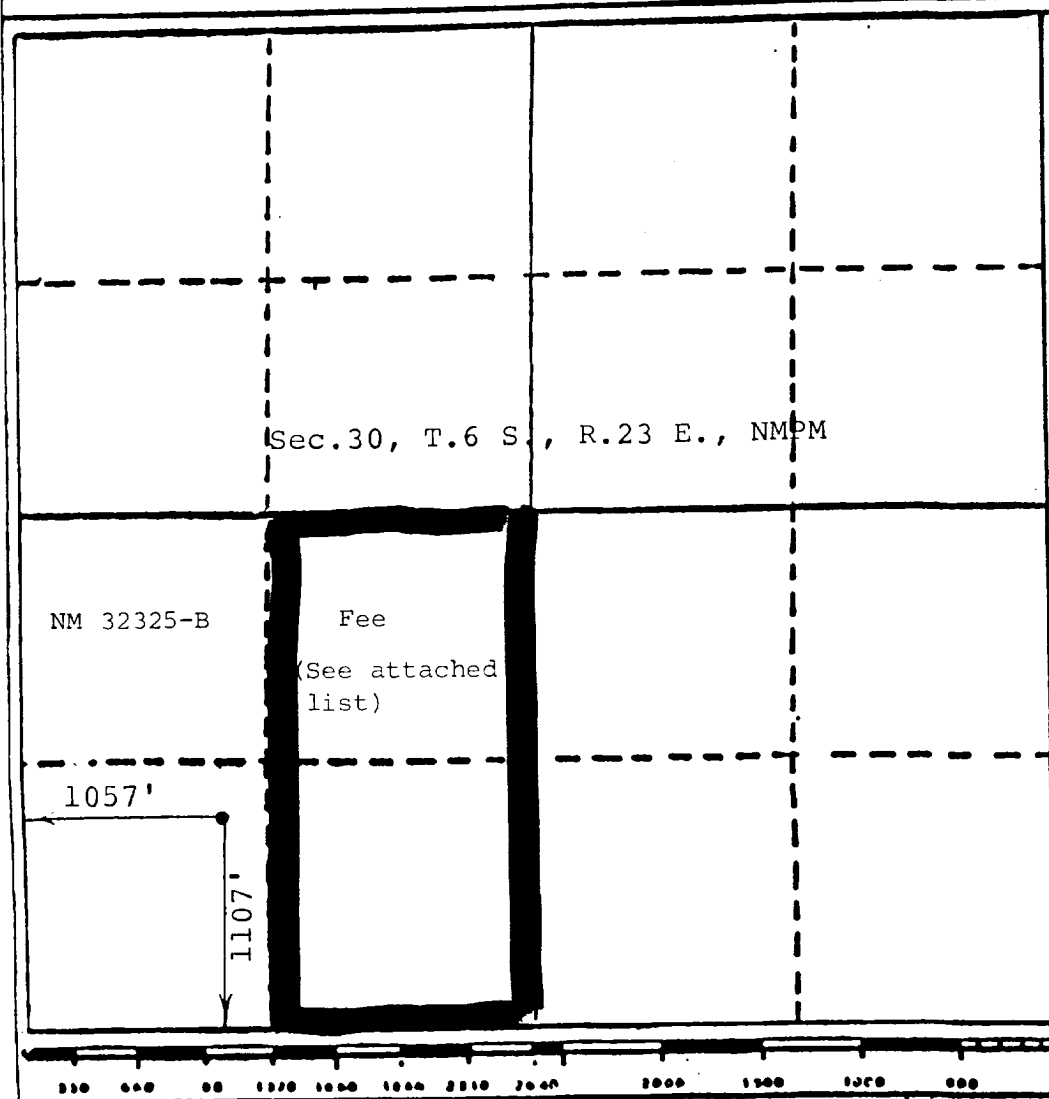
Operator McKay Oil Corp.		Lease China Draw Federal		Well No. X4
Unit Lessee M	Section 30	Township 6 South	Range 23 East	County Chaves
Actual Well Location of Well				
1107 feet from the South line and		1057 feet from the West line		
Ground Level Elev. 4068	Producing Formation Abo	Pool West Pecos Slope Abo	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 _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____
communitization agreement will be done if well is productive

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.

James L. Schultz

Name
James L. Schultz

Position
Landman

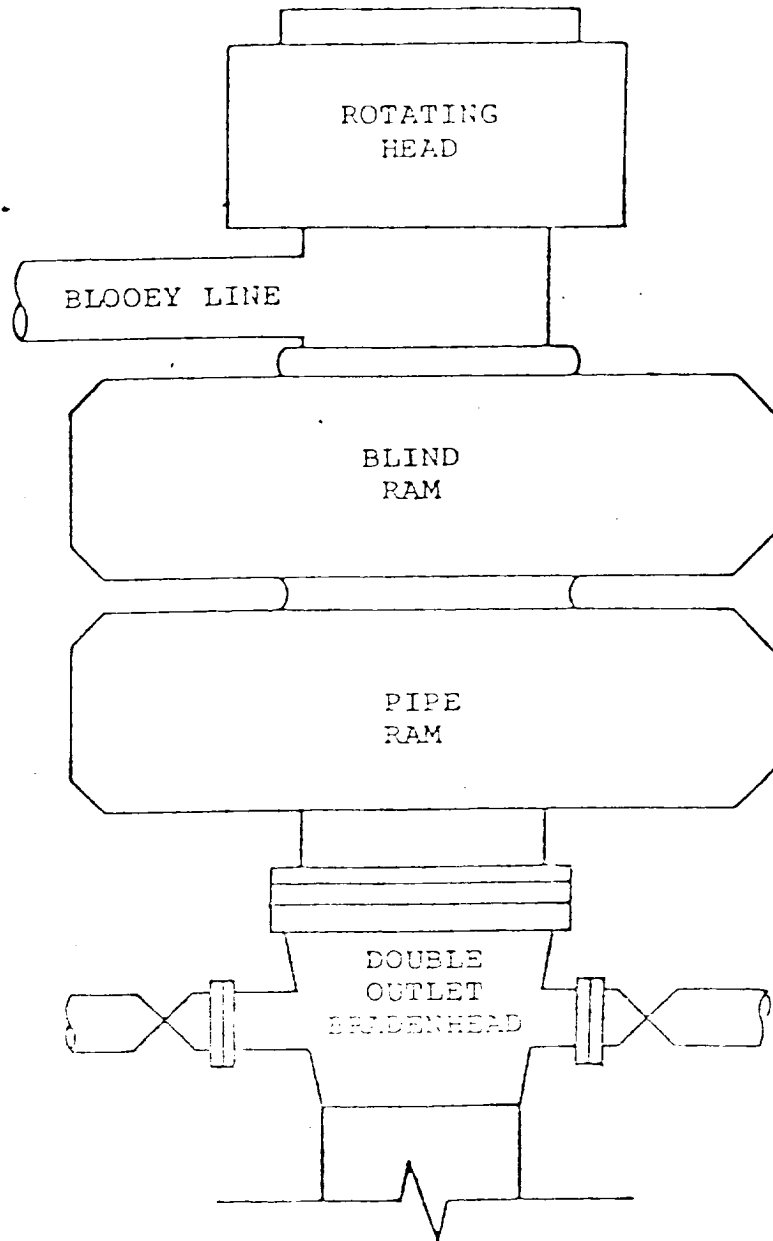
Company
McKay Oil Corporation

Date
1-15-86

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.

John D. Jaquess, P.E. & L.
Date Surveyed
January 14, 1986
New Mexico
6290

MCKAY OIL CORPORATION
China Draw Federal #5
SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 30-6S-23E
Chaves County, New Mexico



BOP STACK

3000 PSI WORKING PRESSURE

SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION
China Draw Federal #8 4
SW1/4SW1/4 Sec.30-6S-23E
Chaves County, N.M.

NM 32325-B

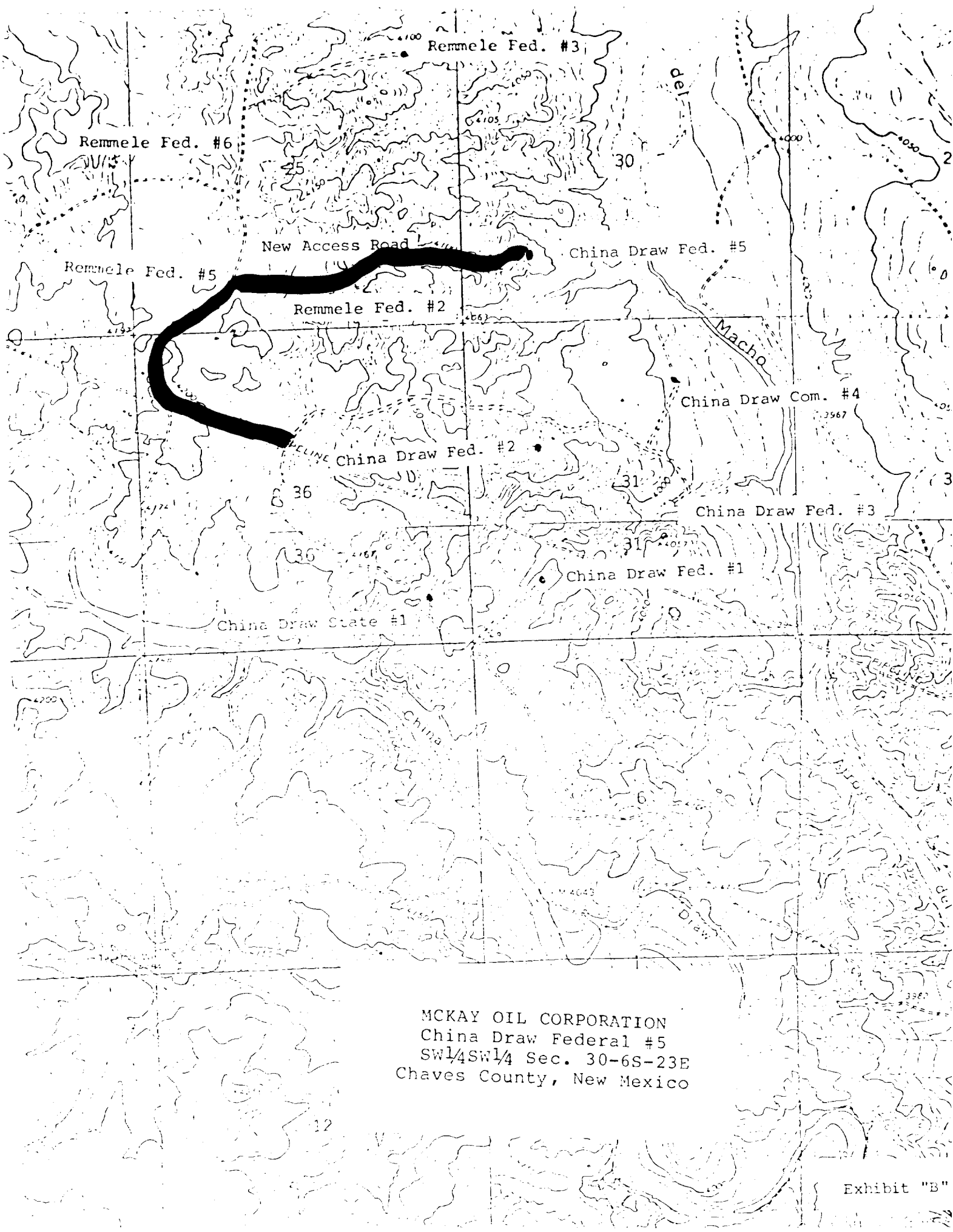
The following items supplement Form 9-331C in accordance with instructions contained in NTL-6.

1. SURFACE FORMATION: San Andres
2. ESTIMATED TOPS OF GEOLOGIC MARKERS:
Yeso - 719'
Tubb - 2249'
Abo - 2929'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:
Fresh water - In surface formations above 600'
Gas - In Abo formation below 2929'
4. PROPOSED CASING PROGRAM: See Form 9-331C
5. PRESSURE CONTROL EQUIPMENT: Blowout preventer stack will consist of at least a double-ram blowout preventer rated to 3000#WP. A sketch of the BOP is attached.
6. CIRCULATING MEDIUM:
0'- 600' Lime and gel, spud mud, viscosity 32 to 34 seconds.
600'- 2800' Fresh water
2800'- TD Start mudding up at 3300'; viscosity 36 to 38 seconds; water loss 10 cc or less; 3-5% Diesel; 2 KCL
Mud additives will be used to control water loss.
7. AUXILIARY EQUIPMENT: full-opening ~~kelly cock~~, to fit the drill string in use, will be kept on the rig floor at all times. *drill string safety valve*

AWC

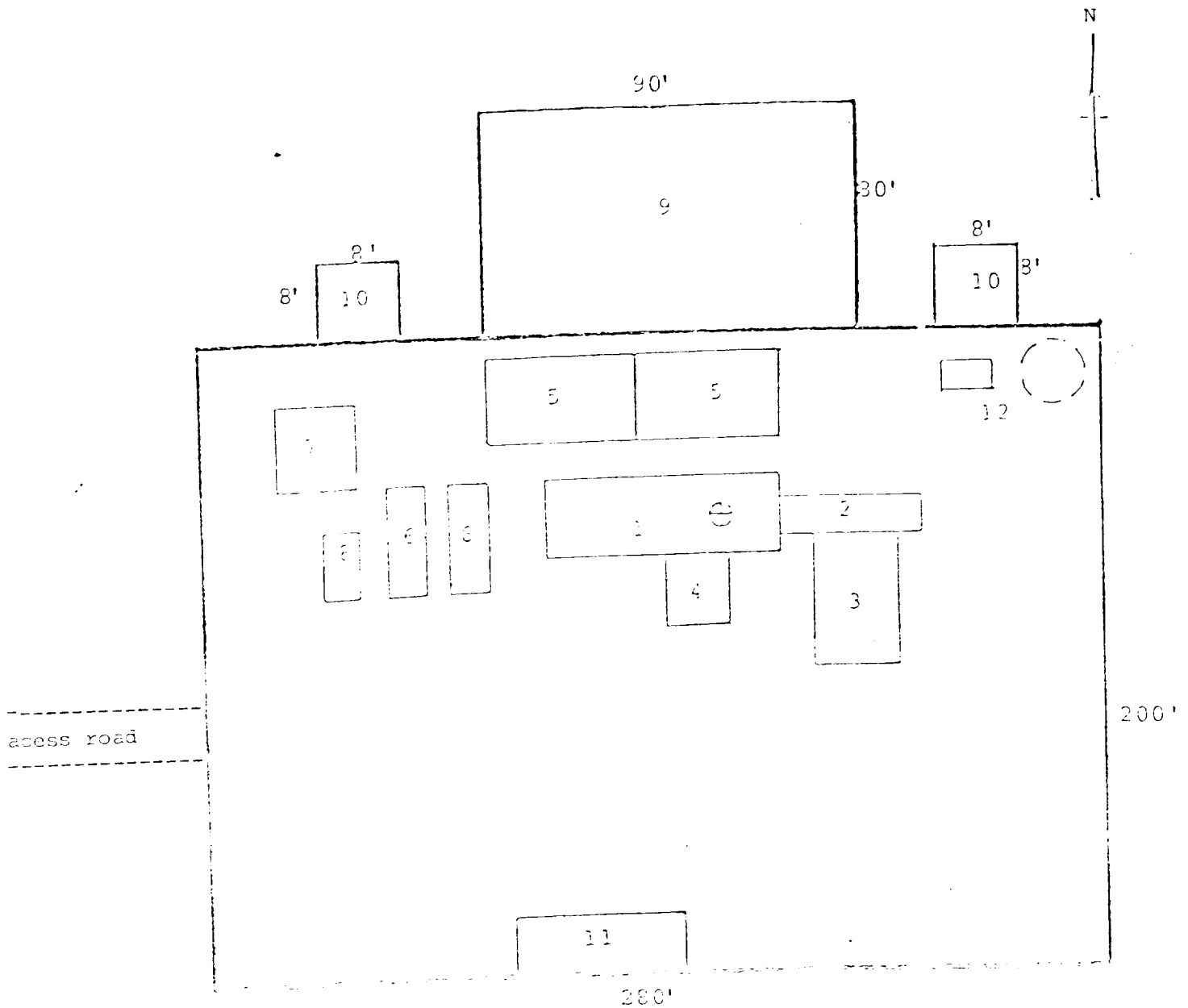
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1.	William David McKnight 301 N. Missouri Roswell, New Mexico 88201	SSN	<u>585-18-0731</u>
2.	Frank M. Remmele aka Fritz Remmele and Ladye Dee Remmele, his wife 300 S. Kentucky Roswell, New Mexico 88201	SSN	<u>525-26-7891</u>
		SSN	<u>525-44-9999</u>
3.	Ladye Dee Remmele, II ada Eta Remmele	SSN	<u>516-52-0754</u>
4.	F. Michelle Storey aka Mickey Remmele Box 3059 Coos Bay, Oregon 97420	SSN	<u>586-03-5192</u>
5.	Mrs. Brian Elizabeth Williams aka Beth Remmele 2304 Taxco, No. 10 Ft. Worth, TX 76116	SSN	<u>585-48-3202</u>
6.	Elwin Miller and Maryln Miller, his wife 909 S. Michigan Roswell, New Mexico 88201	SSN	<u>495-26-0250</u>
		SSN	<u>585-10-1994</u>
7.	Sue Miller Burks 3200 N. Garden Roswell, New Mexico 88201	SSN	<u>585-10-0889</u>
8.	Donald Miller P.O. Box 2448 Santa Fe, New Mexico 87501	SSN	<u>585-07-5793</u>
9.	Marianne Rankin 3250 Primrose Abilene, TX 79606	SSN	<u>450-58-6761</u>
10.	Pauline M. Tomlinson 600 S. Kentucky Roswell, New Mexico 88201	SSN	<u>225-52-5389</u>
11.	James Mikell McKnight, III Box 57 San Simon, AZ 85632	SSN	<u>585-18-2342</u>



MCKAY OIL CORPORATION
China Draw Federal #5
SW1/4SW1/4 Sec. 30-6S-23E
Chaves County, New Mexico

MCKAY OIL CORPORATION
 China Draw Federal #5
 SW1/4SW1/4 Sec. 30-6S-23E
 Chaves County, New Mexico



LEGEND

- | | |
|-------------------|---------------------------|
| 1. Production Pit | 7. Water Tank |
| 2. Corral | 8. Light Plant |
| 3. Pipe Rack | 9. Reserve Pit |
| 4. Lighthouse | 10. Trash Pit |
| 5. Mud Pits | 11. Trailer House |
| 6. Old Tanks | 12. Production Facilities |