# For Section 103(c), New Onshore Production Well

Mark below to indicate the materials reviewed and relevant to the request. Attach accordingly. Every blank should be checked to indicate that support data is attached or marked N/A indicate not applicable.

1.44.1

1

In conformance with Office of Management and Budget guidelines, data of a specific nature such as a Bureau of Land Management form, a directional drilling survey, etc., which has already been submitted to the Authorized Officer for another purpose, shall not be submitted again as a requirement but may be submitted voluntarily. If such data is not submitted, the applicant shall so indicate below that the data is on file with the Authorized Officer.

- Revised Form FERC 121, "Application for Determination of the Maximum Lewful Price Under the Natural Gas Policy Act."
- Statements under oath as required by 18 CFR 274.204, as amended, for each application.
- 3. A statement that completed copies of revised Form FERC 121 have been forwarded to the purchaser(s) and to the colessee(s) and/or the working-interest owners.
- Form 9-330\* "Well Completion or Recompletion Report and Log."

- 5. A plat locating and identifying the well of interest and the outline of the promation unit. Also, identification and explanation of any other wells within the promation unit.
- A copy of the State Spacing Order or, as applicable, the appropriate reference to a State regulation and/or a 'Federal units agreement.
- 7. For a new well which was spudded on or after February 19, 1977, and drilled as an additional well into an existing proration unit, a copy of the record developed prior to the commencement of drilling (as reasonably possible to do so), with geological and engineering support data included, sufficient to support a finding that the new well is nocessary or a copy of the State Spacing Order allowing the exception well within the spaced area. Also, support data acquired after commencement of drilling, is appropriate.

2. Other:

PWill be renumbered within BLM 3162 series following conversion of operating regulations from Title 30 to Title 43 of the CFR.



Roswell Daily Record 2301 North Main Street Roswell, New Mexico 88201

Attention: Legal Advertising

Gentlemen:

McKay Oil Corporation desires to place a public notice in your newspaper for one day. The notice is attached.

Please place this notice in your paper on January 30th and forward a copy of it along with your billing to:

McKay Oil Corporation P.O. Box 2014 Roswell, New Mexico 88201

Your assistance in this matter is appreciated.

Yours very truly,

MCKAY OIL CORPORATION

Assistant to the President

Attachment

# <u>N O T I C E</u>

McKAY OIL CORPORATION hereby gives notice that it has filed with the United States Department of the Interior, Bureau of Land Management, Assistant District Manager for Minerals, in Roswell, New Mexico, for a category determination under Section 103(c) and Section 107(c) of the Natural Gas Policy Act of 1978 on the following property.

Well:	South Four Mile Draw Fed.	<b>#4</b>
Location:	Section 23, T6S-R22E	
County:	Chaves County, New Mexico	•

1

Written comments will be accepted by the Authorized Officer commencing with the publication date and continuing for at least 21 days following the placement of a preliminary category determination in the State BLM or Regional MMS Public Records Office.

### APPLICATION PURSUANT TO SECTION 103(c) of THE NATURAL GAS POLICY ACT (NGPA) OF 1978

### AFFIDAVIT

### STATE OF NEW MEXICO

COUNTY OF CHAVES

BEFORE ME, the undersigned authority, duly commissioned and qualified within and for the State and County aforesaid, presonally came and appeared Cindy L. Kelton, who, being by me first duly sworn, deposed and said:

That she is the Assistant to the President of McKay Oil Corporation, the applicant for the well as described heretofore in this application, and in that capacity, she is requesting the appropriate Authorized Officer to determine the eligibility of said well for wellhead pricing purposes pursuant to the rules and regulations of the Bureau of Land Management and the Federal Energy Regulatory Commission (FERC) and to the NGPA.

That to the best of her information and knowledge the surface drilling of the well for which she seeks a determination was begun after February 18, 1977, and that the well satisfies any applicable Federal or State well-spacing requirements.

She further states that application is made pursuant to 18 CFR 274.204(d) and that the well is not within a State law proration unit: (1) which was in existence at the time the surface drilling to the well began; (2) which as applicable to the reservoir from which natural gas is produced; and (3) which applied to any other well which either produced natural gas in commercial quantities or the surface drilling of which began before February 18, 1977, and was thereafter capable of producing natural gas in commercial quantities.

That she has concluded that to the best of her information and knowledge, the natural gas for which she seeks a determination is produced from a new onshore production well, and that he has no knowledge of any other information not described in the application which is inconsistant with this conclusion.

She further states that she has mailed, or caused to be mailed, postage prepaid, a copy of the completed revised Form FERC 121, "Application for Determination of the Maximum Lawful Price Under the Natural Gas Policy Act," to the purchaser(s) and the colessee(s) and/or working interest owners, which are listed separately.

To the best of her knowledge and belief, all information contained in this application for category determination, pursuant to the NGPA, is true and correct including all documents, testimony, and evidence submitted with the application.

Signed Sindy L. Kelton

Assistant to the President McKAY OIL CORPORATION

Subscribed in my presence and duly sworn to before me, this 20th day of <u>January</u>, 1987.

My C

spires: 1-20-88

• • • • • • • • • • • • • • • • • • •	· 4,2,5		property of the state	Hope us here	Arris Alener - 19	
Trans fios etal Gi 16192	Trons (sis etc) s i 9: sstar	inenco 8 · 1 · 80 32308	Tremwestern Gos.etal (McKay Oil) II + 88 37372 ∏2/-⊥-	Transwestern Gas Supply (McKay 0:11 32322	Yates Pet Stevens C Fred Pool, Jr Y 10 17 97 Rio Petroj Pati 3: 75 % 5 7 66 7 73 66	
10 MAR CO	11 175 L. Mr50 2 4 · 45	12 NTSE Meso 2 4 - 83	לא - דן 7 1	8 ≭; <sub>™™</sub> , ```	9 11 8 MAIO14 12 5 49 M 55	<b>9</b> • ''y'
••••	Tula Brown 'sk' U.S. K.ä.S-aan	Tulo Brown 5M N E Signa U S	Miller-Fed." US	"Middle Fork -Fed." U S.	Fine Mir Son Fed	
(Mckoy Oil) Transwesth Gos,etal 36133 652 McF	McKay(Al Transwestern Gus, eta) HBP 36 193	McZuyQit Tronswestern Gas, etal 5 1 - 91 36192	// Mc Kay Oil, etal Her 32323	Mitchell Ener, etol 6: 15:83	McCiellon Oil Transwestern 6 - 1 - 07   Gos L(McHay Oil) La Gati L6 - 55 72 38 20 J	Tre
0 <sup>1</sup> 15 <sup>Disc</sup> 5 3 82	14	13	<sup>19</sup> او خ	W.R. McKnight 17 McKay Oit Transwestern Gas, Hol	। ।6 ≰' ३२४	
> "Fourmile Draw-Fed."2	"Four Mile 0 3 Draw"	U S	- at 1 u.s.	II + 1 - 80 II +	"worr.st" 6	23
1 Mc Koy Oil Transwestern Gas etal OS - (1-9) 36:194	Mc May Oil Transwestern Gas, etal 5 (-9) 36134	McKey Oil McKey Jironswesth 663,4401 Trons 5 :1 : 91 Westh 36194 5 : 5 36194 5 : 5	Mirchell Enereta Tan. Mar. Orig fz 500. Mar. Orig fz 21 21 21 21 21 21 21 21 21 21 21 21 21	Stevens Oil Micheli Entrance	Fred Pool Stevens Oil Julichell Ener chal Minchell Ener B - 20-06 Mi.M.F.F.C.	۲r
le Draw" Mtsy 22	÷"	24   m "So. Four   c	Royale Fee #1' 195 Royale Fed Com#1	20 Stevens Oper MEM-Fed	21 Stevens Oper Ted Paol McAr Per	
Ruby Kenno by US Pridd	Puby Kennon © oy F Jay U S.	Mile Draw" o vs o	4 McKayOil Transmestern Gas, etal H-1 88 W R. Mc U.S. 32351 Knight	U.S.	US WR. Mcknight	
Meso Rucy Meso Remon Gasta Pay Gasta Paida	Aug. 71 McKayGil Arnan TronswesternGas, etal 5-3 36155 4-33 36155 4-409Gil Storens Oli	Mc Koy Qil Transwistern Gas, etal 3 35:05 "Remmele"	1 1.405 Mile Mitchell Mitchell Energen Trier ctul Tex Mex. Dry Ve 5 Tiss Mex. 6-15-85	Hitchell Energedi Tex Mex Drig 17 C 15 83 X	Tronsweeth Goz Supply (McKay Oil, etal) II-1 @ 22952 Ø	
	Costero 1 191 36:95	1. 1. 4	S 8494 Fed. Comm*	29	28	
rid U.S. Arght,	U.S. Sincerstum U.S.	1361361 5U.S.	us 4 rhight W.P. McKnight (China Dr	"Melvin-Fed." U S.	"McKnight-Fed."	
Alterneti Ever "c Fred Ever "c Tea Mar (prig) 	L Nitchell Incortor Kar	(MEG Pet) Sun 4-1 21 25 9575 425 28	SHISH English Com	1 <sup>11</sup> (МсКаў ОІІ) 16 5573 	Tronswestern 60s (McKoy Oil) L6-5573	
34	6 13 63 35 McKayCii Slodys Transwestern Sauletai E. J. M. 5 1 31 Aktrant	36 2,433711 Merknight 173316	- J 31 32 32 32 32 32 32 32 32 32 32 32 32 32	32 W	33	
U S.	is:56 én/ _∲⁴- ∪S	(To Bibi "Crina Draw-St." State	s.947 HL U.S.	"Mache St" Stote	Nocho-St State	
4) 31 21 Votes Pet 1 3 1 21 -	7 4 3 2 Existent v 417	di 3 Miso Pet Angi Jr. Angi Jr. Bagi Jr. Bagi Jr. Bagi Jr. Bagi Jr. Bagi Jr.	Tra Meto Meto Pet (MYS Ve)	4 3 2 2 9 c (MIS /4) 0 <sup>2</sup> 1 1		
⊥ <u>⊥</u> ⊥ - 3c7is ⊥ -		Z.5 Mil. SI. Crone t etai	9 TMAL TD 3230	5 i #7 5 Mesa Per. Mocho-Fer1-1	4	
	*******	17 Carol-Fed. 17 Mil.U.S. (MTS YE) Meso Ber		TD9400 - Y		*
U S. NATS LID, <sup>1</sup> /2 Meso 1/2	56072 Meso V2 9 1 03 36703 A 10 A 10 10 10 10 10 10 10 10 10 10	r Mauguerette Haley, et al Stevens Oil Mischerl Ener, etoi 1/2 Richetrol, tela K Mark Mayren	(MTS 1/2) Mesa, 1701 7547	US Mesa Pct-XII Mitchell Mitchell Entration (hit5 v2) Drig V2 JSG40 (6:5 87 JSG40 (6:5 87	(MT5 V2) (MT5 V2) Meso <del>Pet</del> L6 6675	
n 5 P 36707 10	11	31 25 % 4 10 % (MT5 ¥2) Mesa Per 12 36653	R storp 32' Meso film film streng 32' Meso film film meret a streng 7 Fet. (443)	36640 6 15 09 C 15 09 Pile Mc. 8	9 <sup>(161)</sup>	*
 		Ars A C Williams Reberto C. Dorothy Williams Public As Epi Sec 9 US US		***	* Si Mil Si Mil	*
Vatris Fet	U.S. Vates Het B 91 Noroz	(MT5 ½) 考知	Mocho-Fed \$2 32 will	Mocho-Fed Fiorence US McKnight (MTS Y2) Meso,etal 6-18 89 HBC Ben, HBC B6648 Fiorence McKnigh	Votes Pet	╞─
96 / 77 / 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		Mtsd <b>Pyt</b> 36653	Mesa Per 	Porene Meaning Porene		

### TTATE OF NEW MERICO LIERTY AND MERICALS DEPARTMENT

TOBRIT ANAYA COVERIKOR

LAND COMMISSIONER

JIM BACA, MIMBER

. .

Ę

AND DESCRIPTION OF

÷.

PAUL BIDERNAN SECRETARY

ED KELLEY DIRECTOR, MINING

AND MINERALS

DIVISION AND MEMBER

• • .

· .

#### OIL CONSERVATION COMMISSION

STATE PETROLEUM ENCINEER JOE D. RAMEY, MEMBER AND DIRECTOR, OIL CONSERVATION DIVISION

#### GIL CONSERVATION DIVISION

PRINCIPAL OFFICE: STATE LAND OFFICE BLDG., OLD SANTA FE TRAIL, SANTA FE MAILING ADDRESS: P. O. BOX 2083, SANTA FE, NEW MEXICO 87501

TELEPHONE: (505) 827-5800

JOE D. RAMEY, DIRECTOR

TECHNICAL SUPPORT CHIEF PICERNO L. SINETS 1 WATER PESCIFICE SPECIALIUT OSCAF A. SINESCU

GENERAL CUINALL. PERFY PERPOL

### DISTRICT OFFICES

e transfer i e Chaudh i ste

elo (1922) el Teorgeotza (1920) el Dell'A

uluu Seltinuy September († 1921 - Seltinu I

2. F. Firstγ, stricts to strict Ω \_\_\_\_\_\_

- M. CustNuberry
  Catanach
  W. Spay
  A. A. Plathomics
  W. Wink
- DISTICT III NURDO (1741)

1000 Rio Brazos Road Delezhone: (505) 034-6178

P. T. Chavez, Jupers our and 011 s Sat Tropertor

J. A. Eductor, Geologist and Docty Oil & Gas Inspector

C. C. Gholson, Deputy Cil & Gas Inspector

# ILLECIBLE

GEOLOGISTS

ENGINEERS

CARL G. ULVOG

ROY E. JOHNSON

MICHAEL E. STOCNER GILBERT QUINTANA

DISTRICT II + ARTESIA SECIO

P. O. DRMAR DD Telephone: (505) 746-1283

L. A. Clements, Supervisor and Oil & Cas I. Terrer.

Larry Brocks, Geologist & Dijert Oil & Gas Inspire a

Deputy Cill & Gos Inspectation

M. B. Williams B. W. Weaver M. C. Stubblefield

DISTRICT IV - SANTA FE 87501

P. O. Box 2088 Telephone: (505) 827-5300

C. G. Ulvog, Geologist and Cil & Gas Inspector

R. E. Johnson, Geologist and Deputy Oil & Gas Inspector and the land of the line of the line of the they

### (a) Wildeat Gas Wells

# II I FGIBLE

In San Juan, Lio Arriba, and Landoval Counties, a wildcat well which is projected to a gasproducts; horizon shall be located on a designated drilling tract consisting of 160 surface contiguous acres, gre or leas, substantially in the form of a square which is a quarter section, being a legal subdivision of the U.S. Public Lund Surveys, and shall be located not closer than 790 feet to any outer boundary of the tract nor closer than 130 feet to any quarter-quarter section or subdivision inner boundary.

In the event oil production is encountered in a well which was projected to a gas-producing horizon and which is located accordingly but does not conform to the oil well location rule below, it shall be necessary for the operator to bring the matter to a hearing before approval for the production of oil can be given.

### (b) Wildcat Oil Wells

į

ł

ł

1

A wildcat well which is projected to an oil-producing horizon as recognized by the Division shall be located on a tract consisting of approximately 40 surface contiguous acres substantially in the form of square which is a legal subdivision of the U.S. Public Land Surveys, or on a governmental quarter-quarter section or lot, and shall be located not closer than 330 feet to any boundary of such tract.

In the event gas production is encountered in a well which was projected to an oil-producing horizon and which is located accordingly but does not conform to the above gas well location rules, it shall be notessary for the operator to bring the matter to a hearing before approval for the production of gas can Pa given.

# 117. All counties except Les, Chaves, Eddy, Roosevelt, San Juan, Rio Arriba, and Sandoval

Any wildow well which is projected as an oil well in any county other than Lea, Chaves, Eddy, Pousavelt, contraction, Ric Arrith, and Condoval shall be located on a tract consisting of approximately 40 surface contiguous acres substantially in the form of a square which is a legal subdivision of the U.S. Public Land Surveys, or on a greaternetil porter-quitter section or lot and shall be located not closer than 330 feet to any bundlery of

Any willout will will be projected as a gas well to a formation and in an area which, in the opinion of which there is a second of the opplication to drill, may reasonably be presumed to be productive of the runner than the source of the drilling tract consisting of 160 surface contiguous area, core or lyse. is react that which which is the second of childs a parter section, being of iso surface contriguous area, attain to the original field of the form of a locare which is a parter section, being # legal subdivision of the "Locar Parto a locary of all is limited for the area for 660 feet to any other boundary of such \*rait or fullous to a locar to the sublicitude of the otherwise graduate formal results...

... ATALA DILEB SALL DILLANDA ELLANDERADA EST DEVELOPMENT MELLE

### 111 3.1.**3.** All Complex

int is itter the program is special pool gives, with covelopment will for a define that protons in interval is a set of the set of the part of the part of the set of the s 2. di 

### II. Gas Wells

# (a) Iea, Chaves, Eddy, and Reconvelt Counties

Unless otherwise provided in spanial pool rules, each development well for a Coffined part of in a firsting younger than too W lifeary formation, or in the Wolfsamp formation which was created and leftned typels levition prior to Nevamour 1, 1975, or in a Pennsylvanian age or older formation which was created and defined by the division prior to June 1, 1964, shall be located on a designated drilling tract consisting or 160 surface contiguous acres, more or less, substantially in the form of a square which is a quarter section being a logal subdivision of the U.S. Public Land Surveys, and shall be located not closer than 660 feet to any outer boundary of such tract nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary nor closer than 1300 feet to the nearest well crilling to or capable of producing from the same

Unloss of arwise presided in the special pool rules, each development well for a defined on port in the Wolf, up formation which was created and defined by the Division after November 1, 1975, or of Pounsplus fan age in older while wis created and octined by the Division after June 1, 1964, shall be located on a designated drilling tract consisting of 320 surface contiguous acres, more or less, comprising any two contiguous quarter sections of a single governmental section, being a legal subdivision of the U.S. Public Land Surveys. Any such well having more than 160 acres dedicated to it shall be located not closer than 660 feet to the nearest side boundary of the dedicated tract nor closer than 1980 feet to the nearest end boundary nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary. (For the purpose of this rule, "side" boundary and "end" boundary are as defined in Section B I(a) of this rule.)