

Oil Cons. Commission  
Lower DD  
Artesia, NM 88210  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN 1. APPLICATION  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R1425.

38-105-62345

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  
McKay Oil Corporation

3. ADDRESS OF OPERATOR  
P.O. Box 2014, Roswell, New Mexico 88202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At surface 1930 FEL & 660 FSL  
At proposed prod. zone same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
Approx. 25 miles north of Roswell, New Mexico

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any) 660'

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

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
4207' GL

RECEIVED BY  
OCT 21 1986  
O. C. D.  
ARTESIA, OFFICE

5. LEASE DESIGNATION AND SERIAL NO.  
NM-36193

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Four Mile Draw Fed.

9. WELL NO.  
#4

10. FIELD AND POOL, OR WILDCAT

W. Pecos Slope Abo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 14-6S-22E

12. COUNTY OR PARISH 13. STATE  
Chaves NM

16. NO. OF ACRES IN LEASE  
2,207.51

19. PROPOSED DEPTH  
3400'

20. ROTARY OR CABLE TOOLS  
Rotary

22. APPROX. DATE WORK WILL START\*  
ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

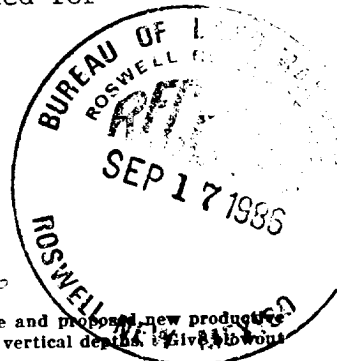
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24 J-55	900'	850 cf cement circulated
7 7/8"	4 1/2"	10.5 J-55	TD	1200 cf cement including
				480 cf to tie in 4 1/2" to
				8 5/8" from 1500' to 800'

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 tested daily.

Gas is not dedicated.



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 a blowout preventer program, if any.

24. SIGNED James L. Schultzy TITLE Landman DATE 9-17-86  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY S/Phil Kirk TITLE Area Manager DATE 9-25-86  
CONDITIONS OF APPROVAL, IF ANY:

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

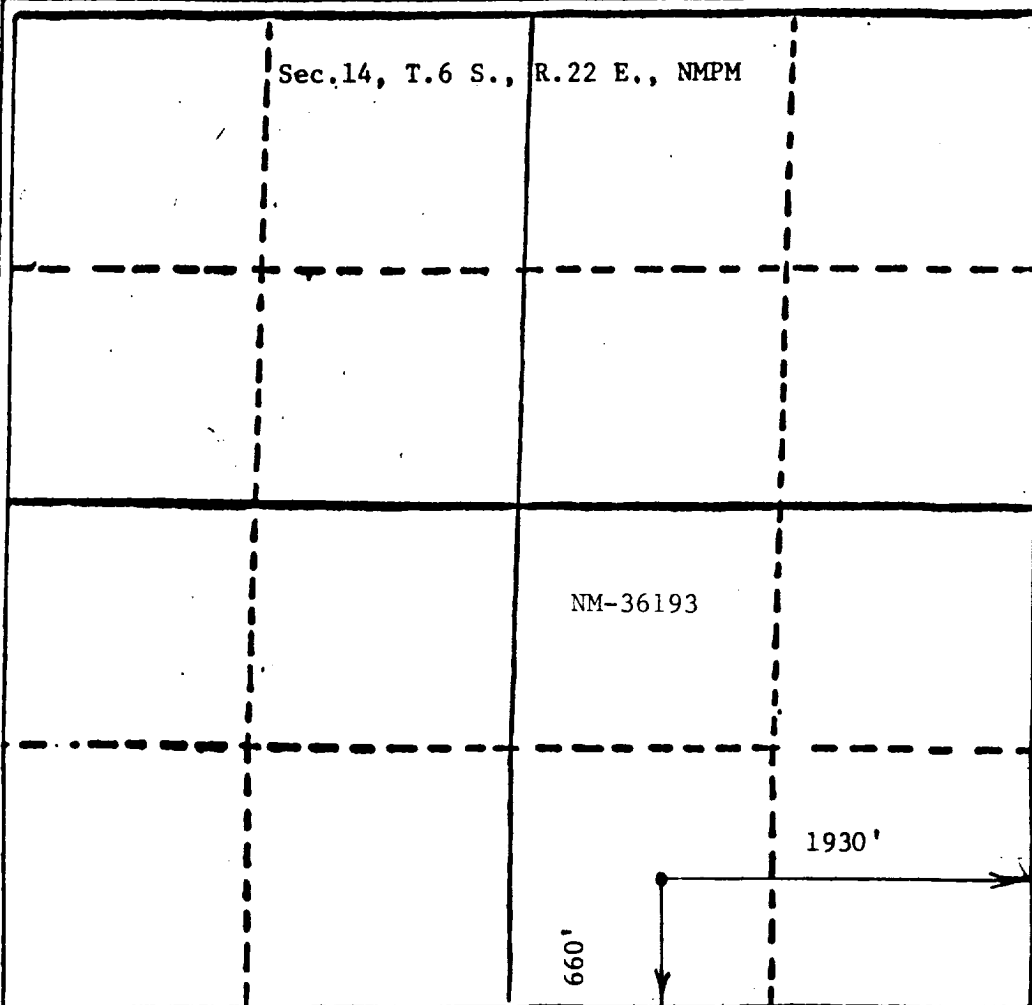
Operator McKay Oil Corp. ✓			Lease Four Mile Draw Federal			Well No. 4
Unit Letter 0	Section 14	Township 6 South	Range 22 East	County Chaves		
Actual Location Location of Well 1930 East 660 South						
Ground Level Elev. 4207	Producing Formation Abo		Pool W. Pecos Abo Slope		Dedicated Acreage 160	

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 to "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 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

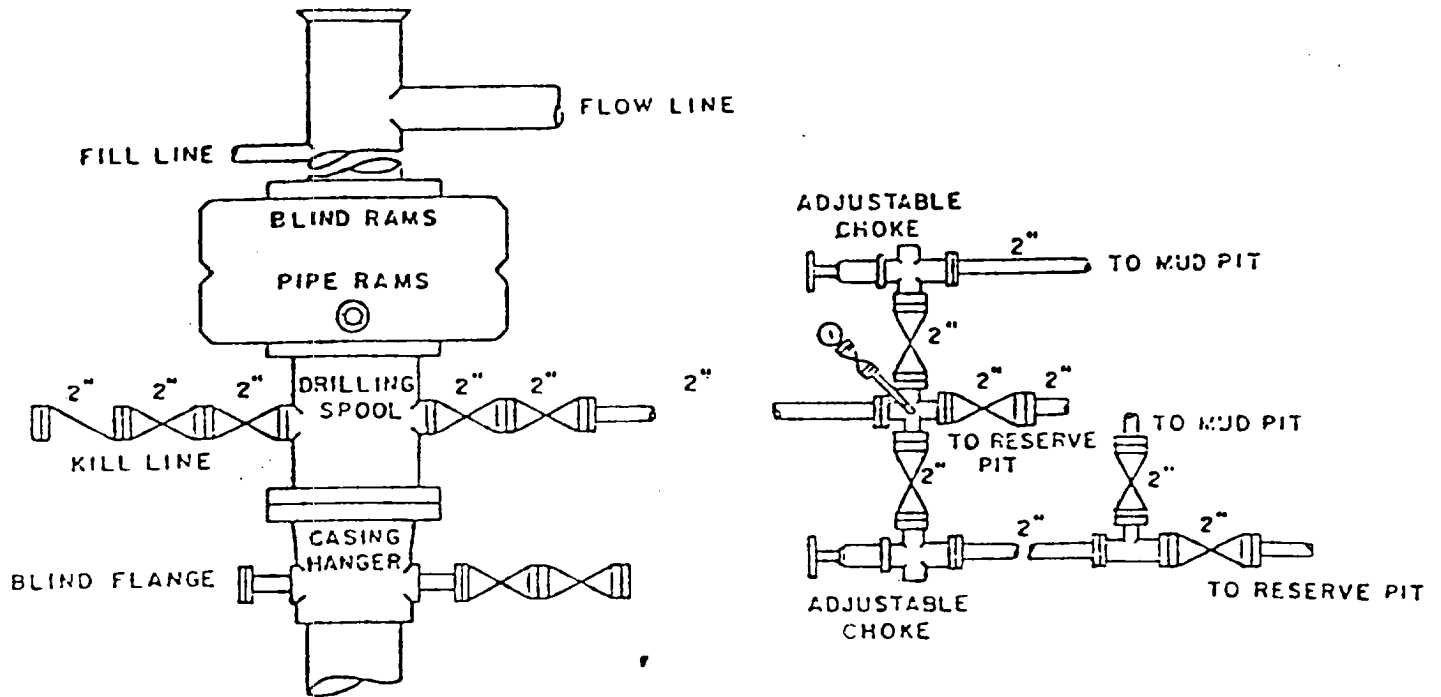
Company  
McKay Oil Corporation

Date  
9-15-86

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.

Date Surveyed  
September 8, 1986  
Registered Professional Engineer  
and/or Land Surveyor  
*John E. Jaquess*  
John E. Jaquess, P.E., L.S.  
Certificate No. 6290  
PROFESSIONAL

MCKAY OIL CORPORATION  
 Four Mile Draw Federal #4  
 SE/4 Sec. 14-6S-22E  
 Chaves County, New Mexico



BOP DIAGRAM

3000# Working Pressure  
 Rams Operated Daily

SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION  
Four Mile Draw Fed. #4  
SW1/4SE1/4 Sec.14-6S-22E  
Chaves County, N.M.

NM 36193



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

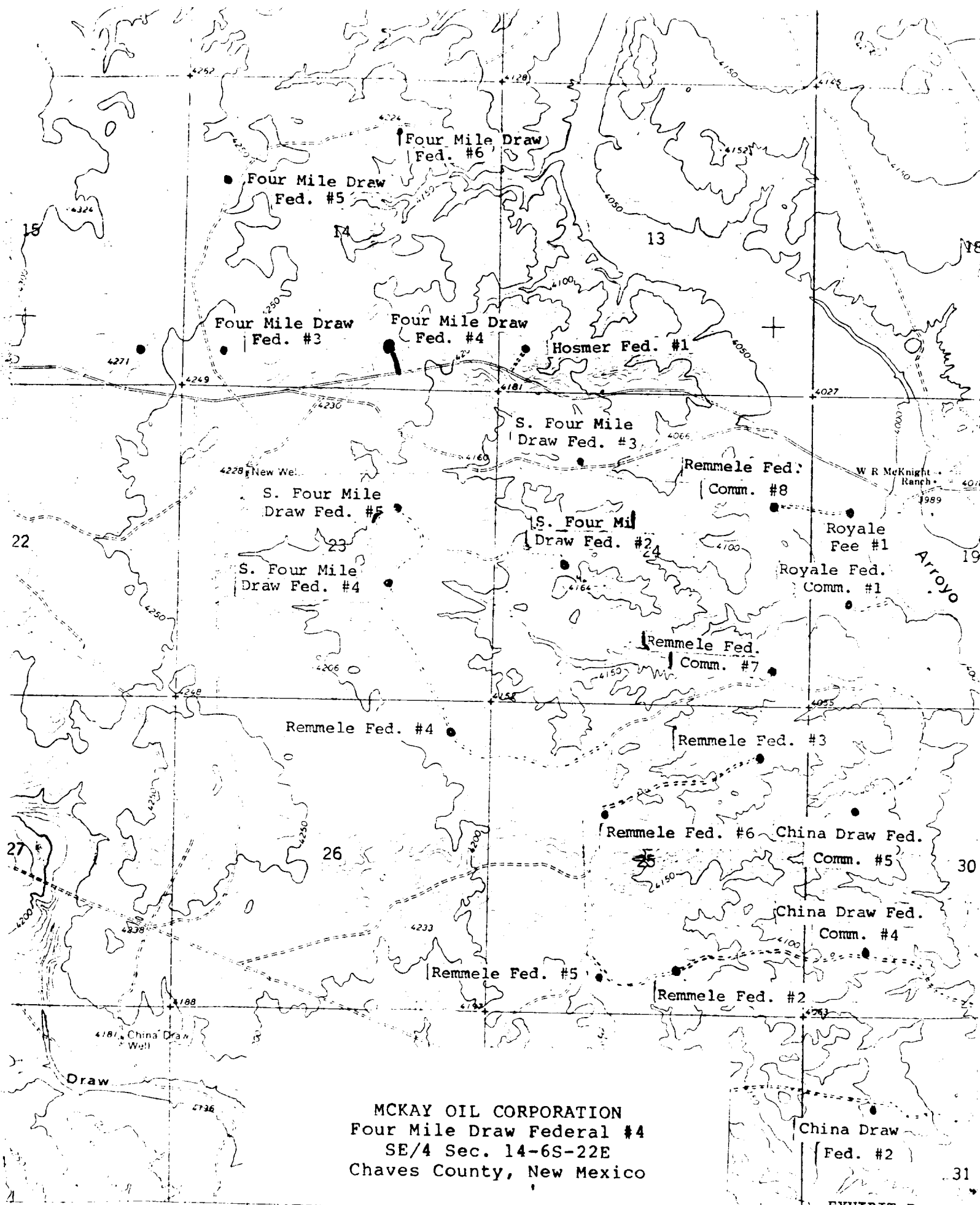
1. SURFACE FORMATION: San Andres
2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Yeso	-	758'
Tubb	-	2288'
Abo	-	2968'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:

Fresh water	-	In surface formations above 600'
Gas	-	In Abo formation below 2968'
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 2800'; viscosity 36 to 38 seconds; water loss 10 cc or less; 3-5% Diesel; 2 KCL

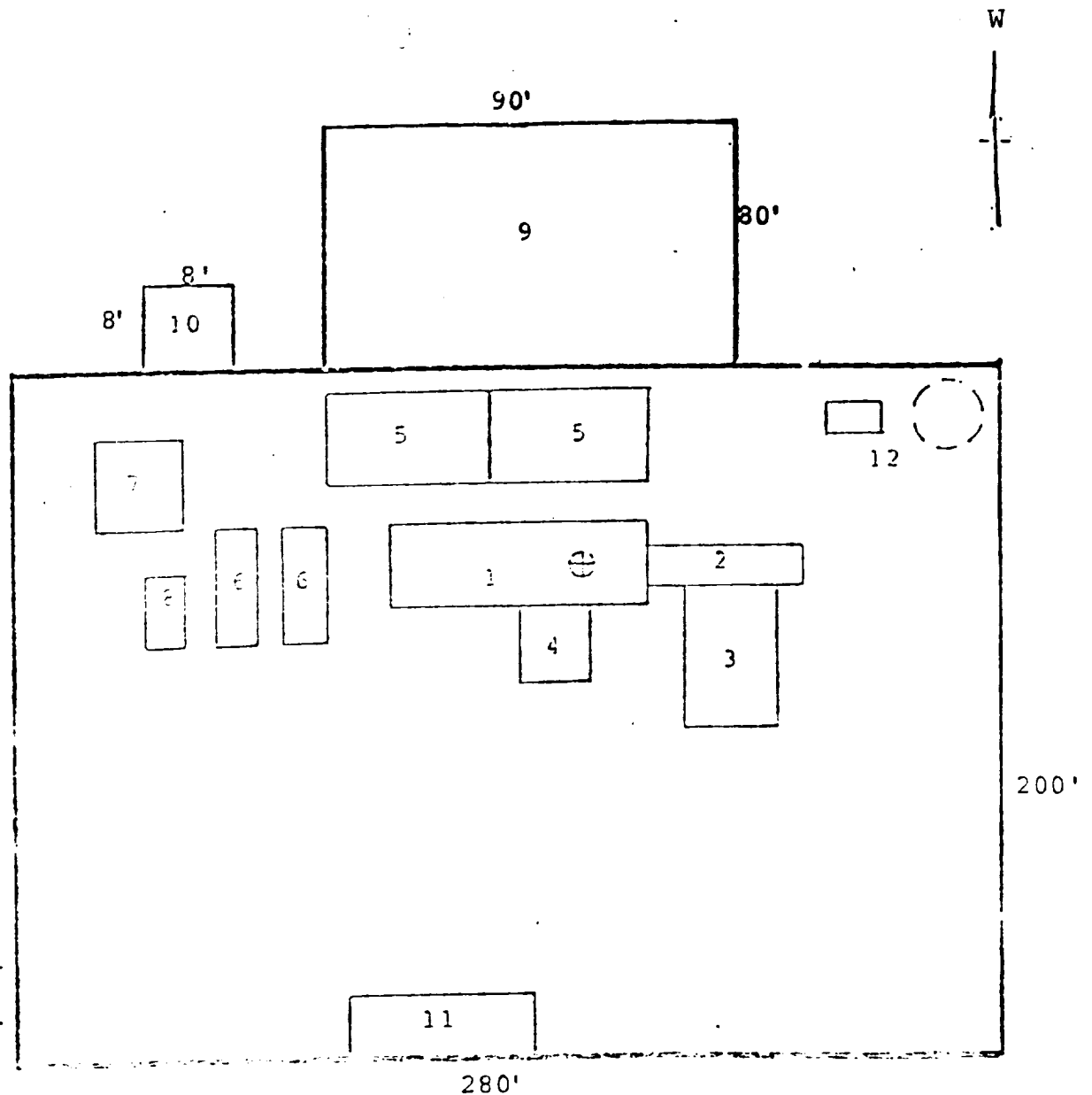
Mud additives will be used to control water loss.
7. AUXILIARY EQUIPMENT: full-opening drill string safety valve fit the drill string in use, will be kept on the rig floor at all times.



MCKAY OIL CORPORATION  
Four Mile Draw Federal #4  
SE/4 Sec. 14-6S-22E  
Chaves County, New Mexico

EXHIBIT B

MCKAY OIL CORPORATION  
 Four Mile Draw Federal #4  
 SE/4 Sec. 14-6S-22E  
 Chaves County, New Mexico



RIG LAYOUT

- |                 |                           |
|-----------------|---------------------------|
| 1. Substructure | 7. Water Tank             |
| 2. Catwalk      | 8. Light Plant            |
| 3. Pipe Rack    | 9. Reserve Pit            |
| 4. Doghouse     | 10. Trash Pit             |
| 5. Mud Pits     | 11. Trailer House         |
| 6. Mud Pumps    | 12. Production Facilities |