

Drawer DD

Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
BUREAU OF OIL & GAS MANAGEMENT
DEC 8 1986
ROSWELL, NEW MEXICO

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☐GAS WELL ☒OTHER ☐

2. NAME OF OPERATOR

McKay Oil Corporation

3. ADDRESS OF OPERATOR

P.O. Box 2014, Roswell, New Mexico 88201

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface
1880 FWL-1980 FNL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

28 Miles Northwest of Roswell, NM

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

1880'

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

1/2 mile

16. NO. OF ACRES IN LEASE

909.88

19. PROPOSED DEPTH

3,400'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160.0

20. ROTARY OR CABLE TOOLS

Rotary

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

4214'

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 circulated
7 7/8"	4 1/2"	9.5 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.

Posted ID-1
NL, API
1-16-87

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

TITLE Landman

DATE

12-7-86

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

S/Phil Kirk

TITLE

Area Manager

DATE

DEC 30 1986

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL OF THIS APPLICATION DOES NOT WARRANT OR
CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE
TITLE TO THOSE RIGHTS IN THE SUBJECT LEASE WHICH WOULD
ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREON.

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

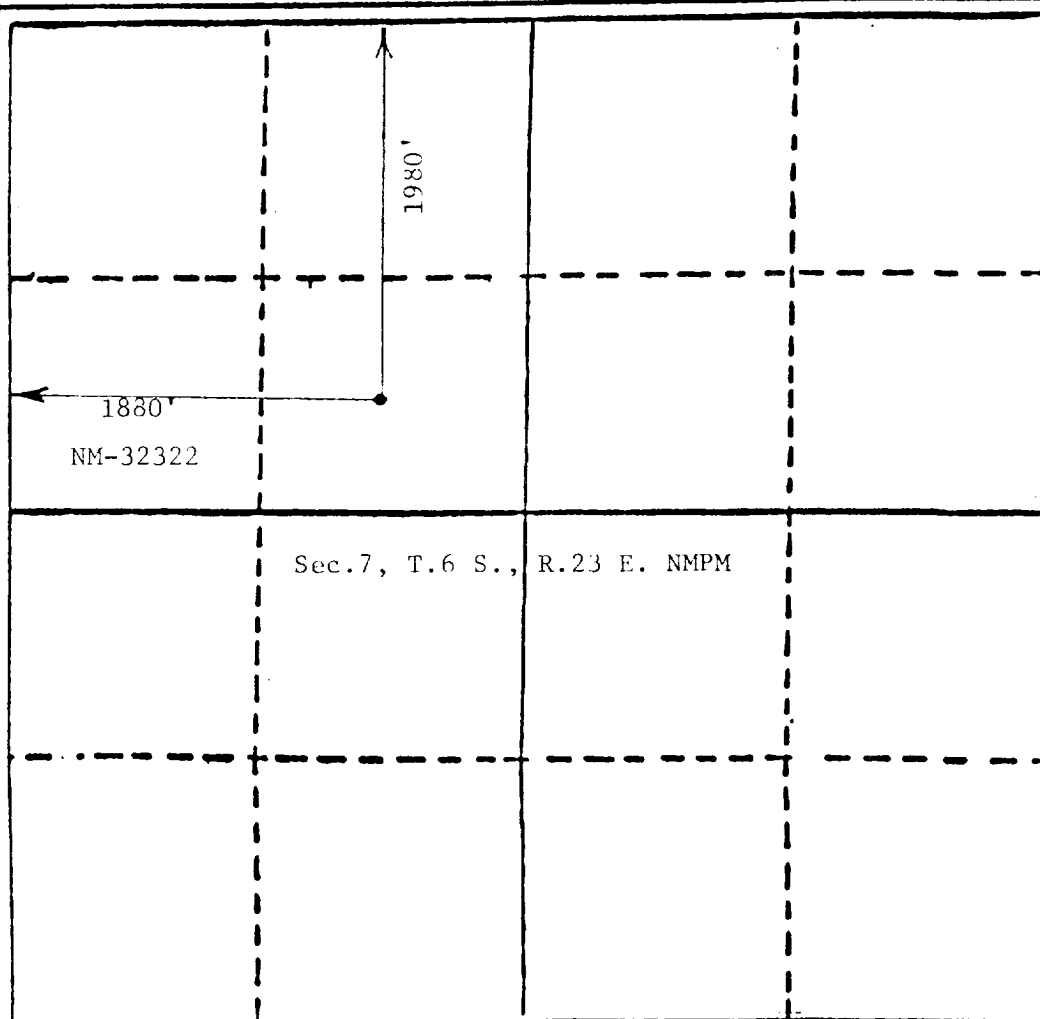
Operator McKay Oil Corp. ✓		Lease Miller Federal		Well No. #2
Unit Letter F	Section 7	Township 6 South	Range 23 East	County Chaves
Actual Wellbore Location of Well 1880 feet from the West line and 1980 feet from the North line				
Ground Level Elev. 4214	Producing Formation ABO	Pool W. Pecos Slope Abo	Dedicated Acreage 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or machine 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.) _____

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.

Sam L. Shackelford
Name
Sam L. Shackelford

Position
Agent

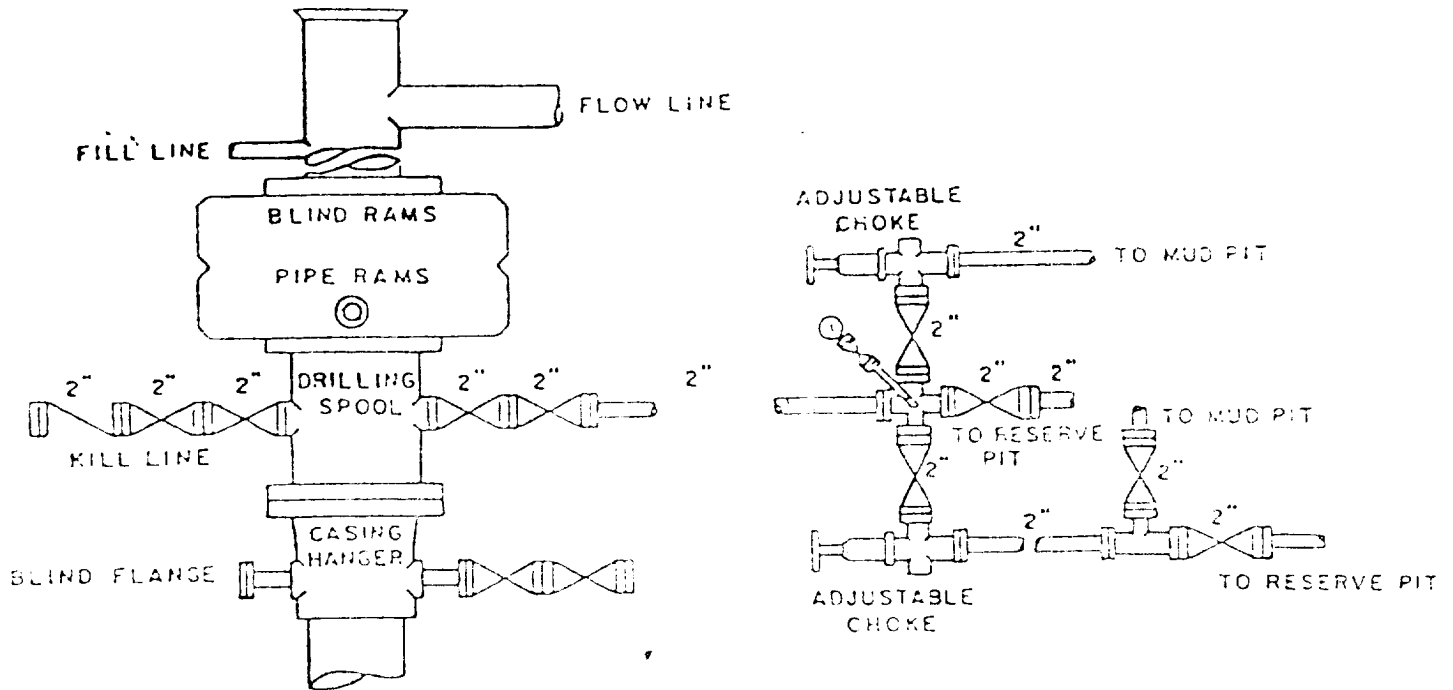
Company
McKay Oil Corp.

Date
12-7-86

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. JACQUES
NEW MEXICO
November 15, 1986
Registered Professional Engineer
and/or Land Geologist
John D. Jacques, P.E. & L.S.
Certificate No. 6290

MCKAY OIL CORPORATION
 Miller Federal #2
 SE1/4NW1/4, Sec. 7-6S-23E
 Chaves County, New Mexico



BOP DIAGRAM

3000# Working Pressure
 Rams Operated Daily

EXHIBIT D



SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION
Miller Federal #2
SE1/4NW1/4 Sec. 7-6S-23E
Chaves County, N.M.

NM 32322

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	-	653'
Tubb	-	2083'
Abo	-	2868'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:

Fresh water	-	In surface formations above 600'
Gas	-	In Abo formation below 2868'
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'- 2750	Fresh water
2750'- TD	Start mudding up at 2750'; 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
Miller Federal #2
SE 1/4, Sec. 7-6S-23E
Chaves County, New Mexico

Draw

31 32 33

12 13 17 18

MILLER FED. #2
MILLER FED. #3
MILLER FED. #4
Hosmer Fed. #1
Hosmer Fed. #2
Hosmer Fed. #3
Hosmer Fed. #4
Snakehead Fed. #1

New Access Road-----
Existing Access Road---

W R McKnight
Ranch

EXHIBIT B

MCKAY OIL CORPORATION
Miller Federal #2
SE1/4NW1/4, Sec. 7-6S-23E
Chaves County, New Mexico

Draw

31 32 33

4233 4250 4200 4151 4150 4155 4141

4228 4211 4201 4172 4160 4150 4148 4128 4120 4110 4097 4012

12 13 17 18

West Knight

MILLER FED. #2

MILLER FED. #3

MILLER FED. #4

Hosmer Fed. #1

Hosmer Fed. #2

Hosmer Fed. #3

Hosmer Fed. #4

Shakewood Fed. #1

New Access Road-----
Existing Access Road---

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Chaves County, New Mexico

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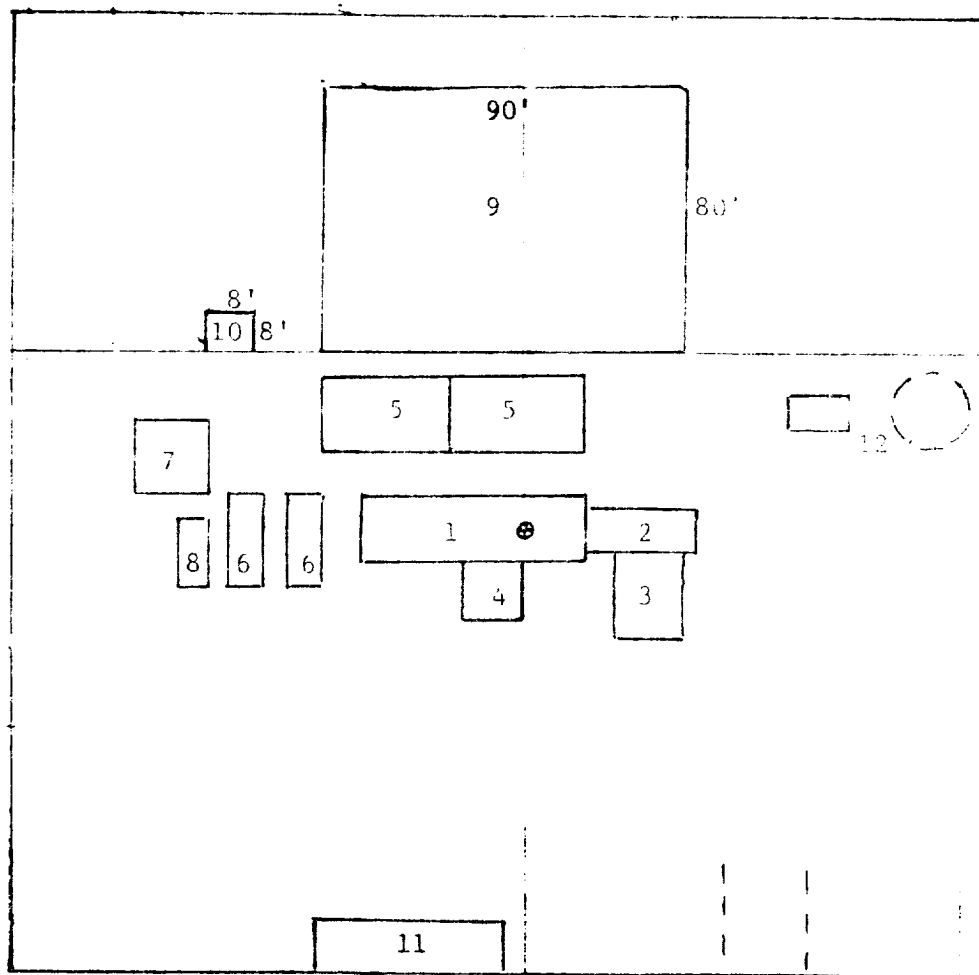
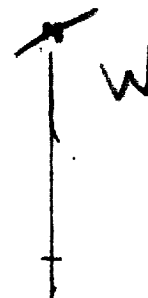
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EXHIBIT B

MCKAY OIL CORPORATION
 Miller Federal #2
 SE1/4NW1/4, Sec. 7-6S-23E
 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 |