casing will be run and cemented with adequated cover, perforated and stimulated as needed for production.

See Supplemental Drilling Data Which is Attached. MUD PROGRAM:

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

Gas is not dedicated.

NL, AP.I 12-16-87

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 proposel is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout

preventer program, if any.	1	
24. SIGNED	TITLE Landman	12-17-86
(This space for Federal or State office use)		
S/Homer Meyer, Acting	Area Manager	DEC 3 1 1986
APPROVED BY	TITLE	DATE

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

OIL CONSERVATION DIV P. O. DOX 2088

form C-102

STATE OF NEW MEXICO SANTA FE, NEW MEXICO 87501 ENERGY AND MINERALS DEPARTMENT All distances must be from the outer houndaries of the Section. Well No. Operator South 4 Mile Draw Federal McKay Oil Corporation County Range Township Section Unil Leller Chaves 22 East 6 South .22 Actual l'obtage Location of Wells fret from the East 660 test from the North Dedicated Acreages Producing Formation Ground Level Elev. 160 W. Pecos Slope Abo Acres ARO 4248 1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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? TA Yes 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 comtained herein is true and complete to the best of my knowledge and belief. 660 NM - 36194Name Shackelford Sam L. Position Agent Company McKay Oil Corp. 12-17-86 I hereby certify that the well location shown on this plat was platted from field notes of octual surveys made by me or ler my supervision, and that the same Is true and correct to the best of my knowledge and belief. December 5, & L.S

1000

1500

2000

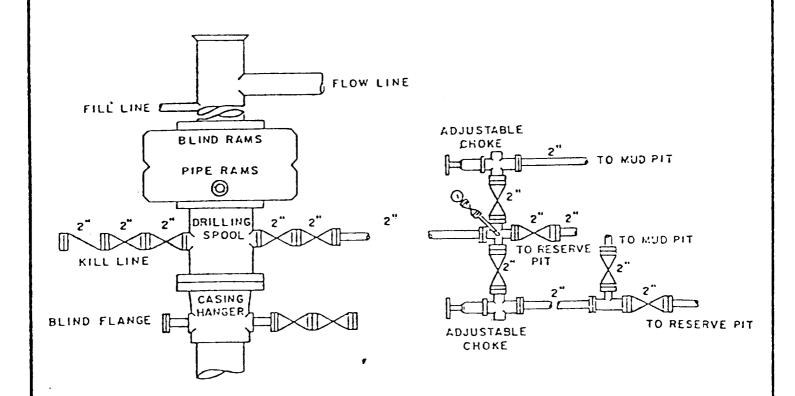
1080 2310

1370 1686

...

800

McKay Oil Corporation
S. 4 Mile Draw Federal #9
NE%NE% Sec. 22-6S-22E
Chaves County, New Mexico



BOP DIAGRAM

3000# Working Pressure Rams Operated Daily

SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION
South Four Mile Draw Fed. Comm. #9
NEl/4NEl/4 Sec. 22-6S-22E
Chaves County, N.M.



NM 36194

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 - 800'
Tubb - 2320'
Abo - 3010'

- 3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:

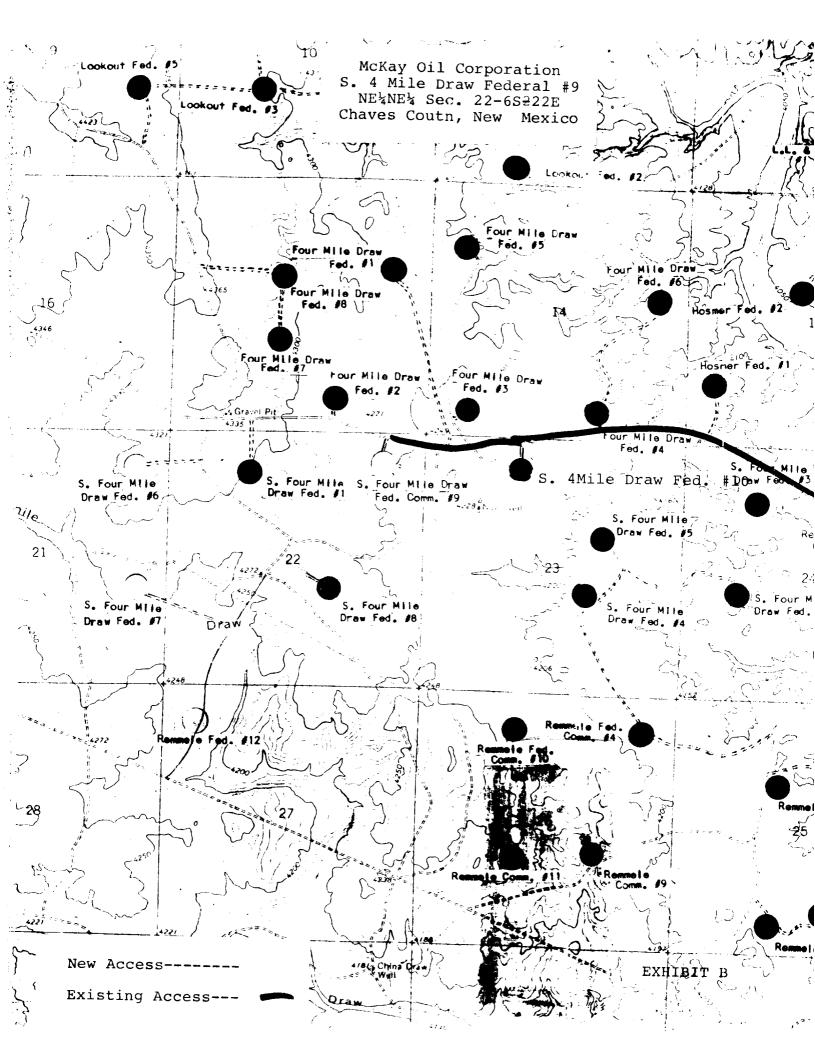
 Fresh water In surface formations above 600'

 Gas In Abo formation below 3010'
- 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:
 - O'- 700' Lime and gel, spud mud, viscosity 32 to 34 seconds.

 700'- 2910 Fresh water
 2910'- TD Start mudding up at 2910'; 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
S. 4 Mile Draw Federal #9
NE\NE\Sec. 22-6S-22E
Chaves County, New Mexico

