

C/SF

NM Oil Cons. Co 'ssion  
Form 8-111-C  
(May 1964)

Drawer DD

Artesia, NM 88210

SUBMIT IN TRIPPLICATE\*  
(Other instructions on  
reverse side)

Form approved.  
Budget Bureau No. 42 R1425.

30-005-62439

5. LEASE IDENTIFICATION AND SERIAL NO.  
NM-36191

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Pierce Fed.

9. WELL NO.

10

10. FIELD AND POOL, OR WILDCAT

W. Pecos Slope Abo.

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

Sec. 5-6S-22E

12. COUNTY OR PARISH 13. STATE

Chaves

NM

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160.0 140.87

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START\*

ASAP

# 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 ☐

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

2108'FWL & 600'FSL

At proposed prod. zone

same

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)

600'

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

1/3 mile

16. NO. OF ACRES IN LEASE

2,113.35

19. PROPOSED DEPTH

3,400'

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

4445'GL

## PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT OF PIPE | 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 3000' |

Well to be drilled and to c 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 cement, perforated and stimulated as needed for production.

NOTE: See Supplemental Drilling Data Which is Attached.

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

Gas is not dedicated.

Posted DD-1  
NL, RPI  
1-30-87

IN ORDER TO 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.

SIGNATURE

TITLE Landman

DATE 12-30-86

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

S/Phil Kirk

TITLE

Area Manager

CONDITIONS OF APPROVAL, IF ANY:

DATE

DEC 31 1986

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 DIVISION

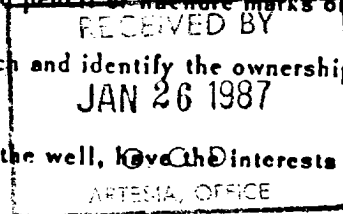
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-102  
Revised 10-1-78

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

|                                                                                                   |                            |                            |                                    |                  |
|---------------------------------------------------------------------------------------------------|----------------------------|----------------------------|------------------------------------|------------------|
| Operator<br>McKay Oil Corp. ✓                                                                     |                            | Lease<br>Pierce Federal    |                                    | Well No.<br>#10  |
| Unit Letter<br>H                                                                                  | Section<br>5               | Township<br>6 South        | Range<br>22 East                   | County<br>Chaves |
| Actual Postage Location of Well:<br>2108 feet from the West line and 600 feet from the South line |                            |                            |                                    |                  |
| Ground Level Elev.<br>4445                                                                        | Producing Formation<br>Abo | Pool<br>W. Pecos Slope Abo | Dedicated Acreage:<br>140.97 Acres |                  |

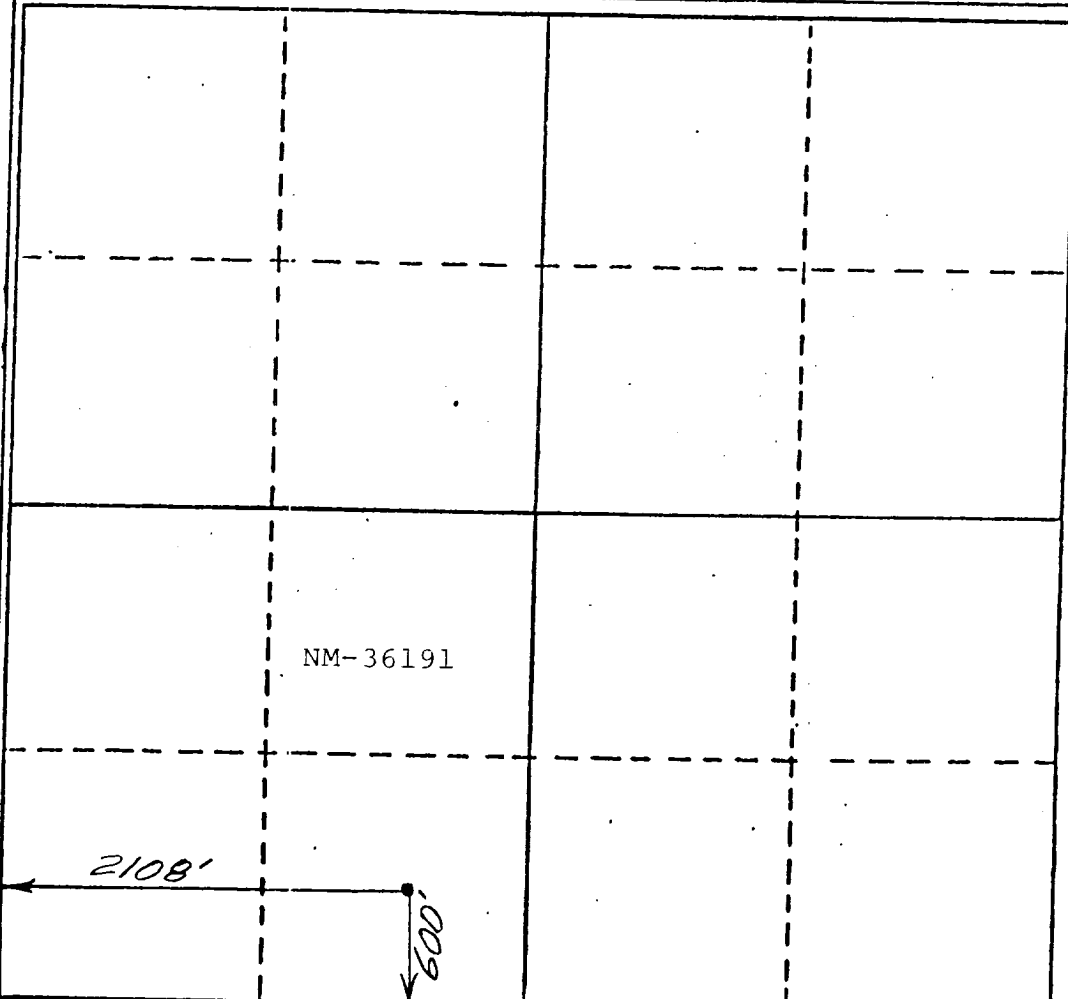
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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.) \_\_\_\_\_

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

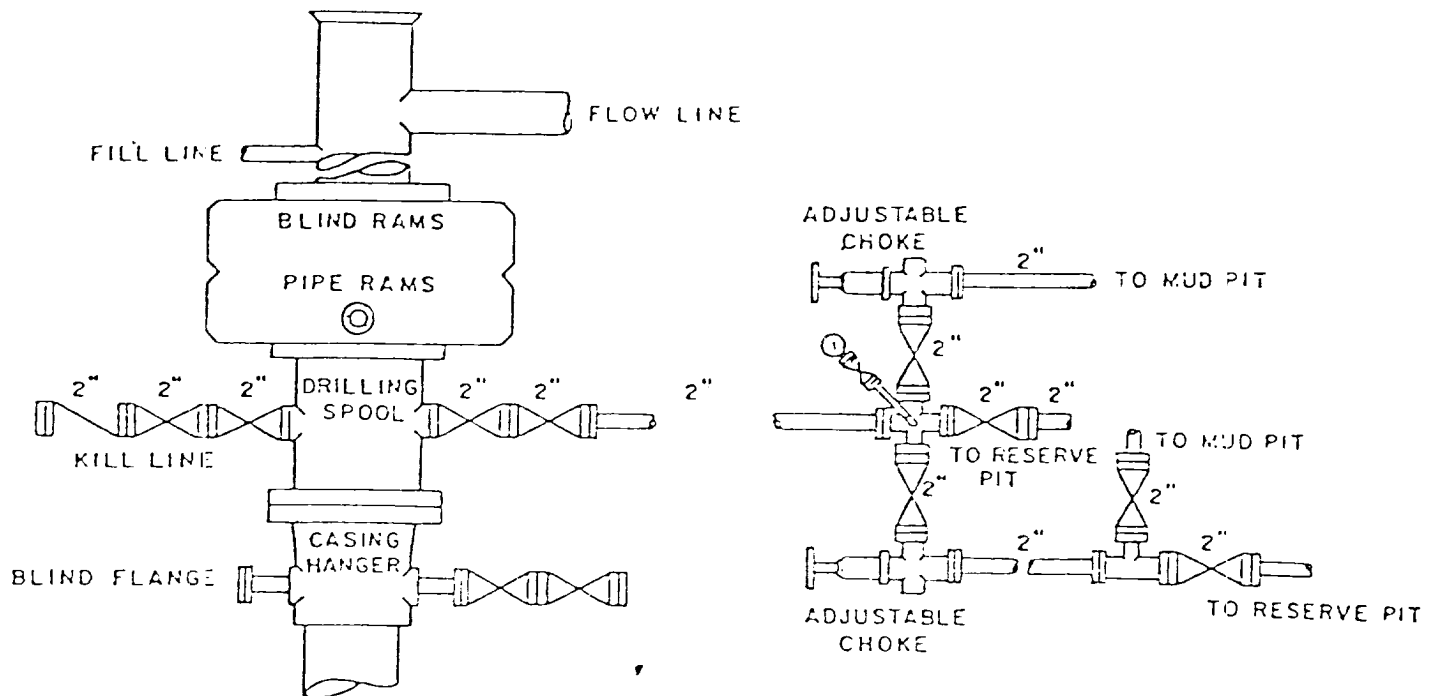
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name  
Sam L. Shackelford  
Position  
Agent  
Company  
McKay Oil Corp.  
Date  
12-30-86

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  
December 23, 1986  
Registered Professional Engineer and/or Land Surveyor  
John D. Jaquess, P.E. & L.S.  
Certificate No. 6290

MCKAY OIL CORPORATION  
Pierce Federal #10  
SE/4SW/4 Sec. 5-6S-22E  
Chaves County, New Mexico



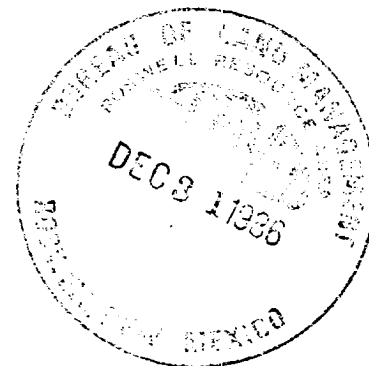
BOP DIAGRAM

3000# Working Pressure  
Rams Operated Daily

SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION  
Pierce Federal #10  
SE/4SW/4 Sec. 5-6S-22E  
Chaves County, N.M.

NM 36191



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 | - 856   |
| Tubb | - 2558' |
| Abo  | - 3258' |
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:

|             |                                    |
|-------------|------------------------------------|
| Fresh water | - In surface formations above 600' |
| Gas         | - In Abo formation below 3258'     |
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'- 700'   | Lime and gel, spud mud, viscosity 32 to 34 seconds.                                                 |
| 700'- 3158 | Fresh water                                                                                         |
| 3158'- TD  | Start mudding up at 3158'; 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  
Pierce Federal #10  
SE/4SW/4 Sec. 5-6S-22E  
Chaves County, New Mexico

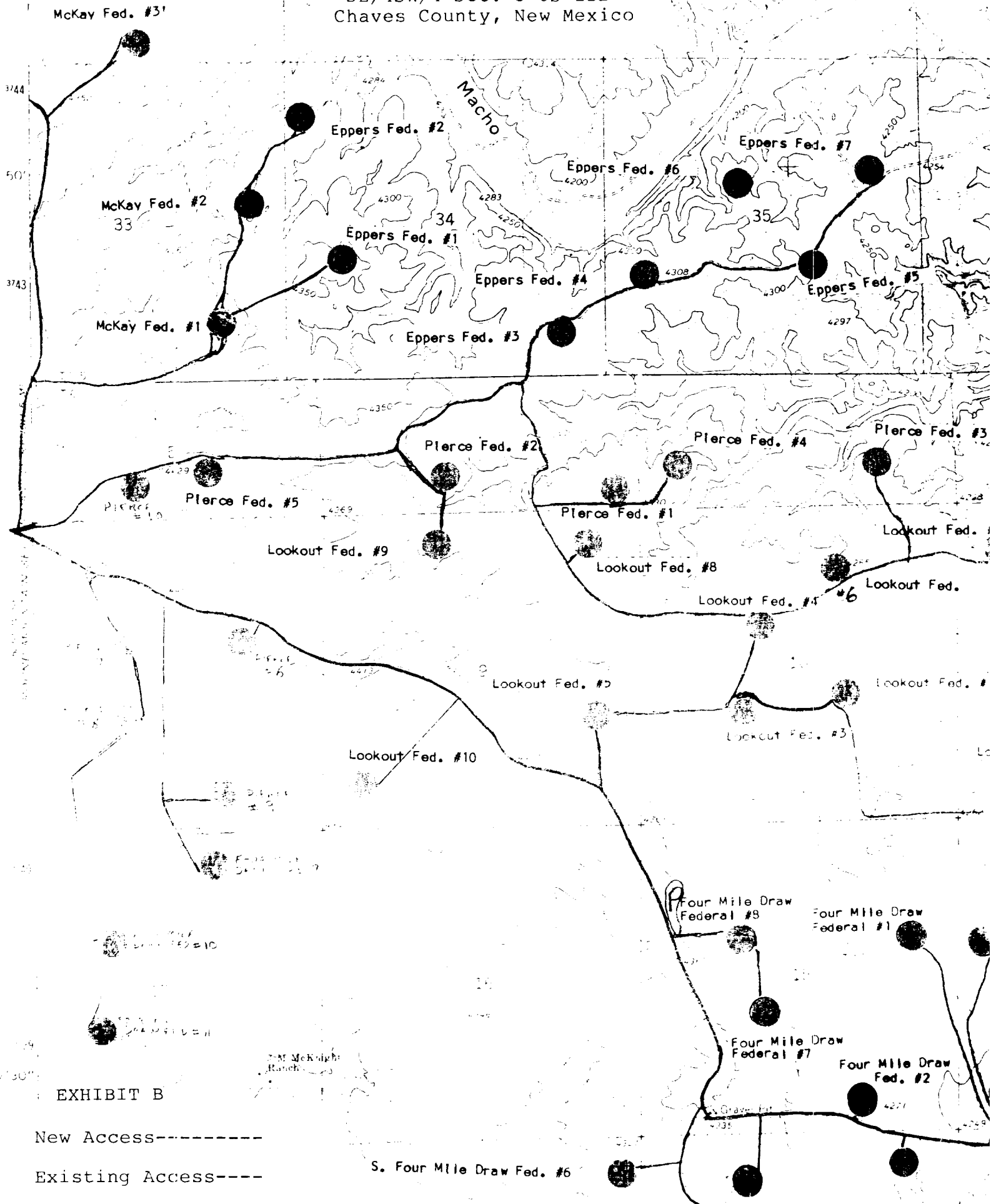


EXHIBIT B

New Access-----

Existing Access----

MCKAY OIL CORPORATION  
Pierce Federal #10  
SE/4SW/4 Sec. 5-6S-22E  
Chaves County, New Mexico

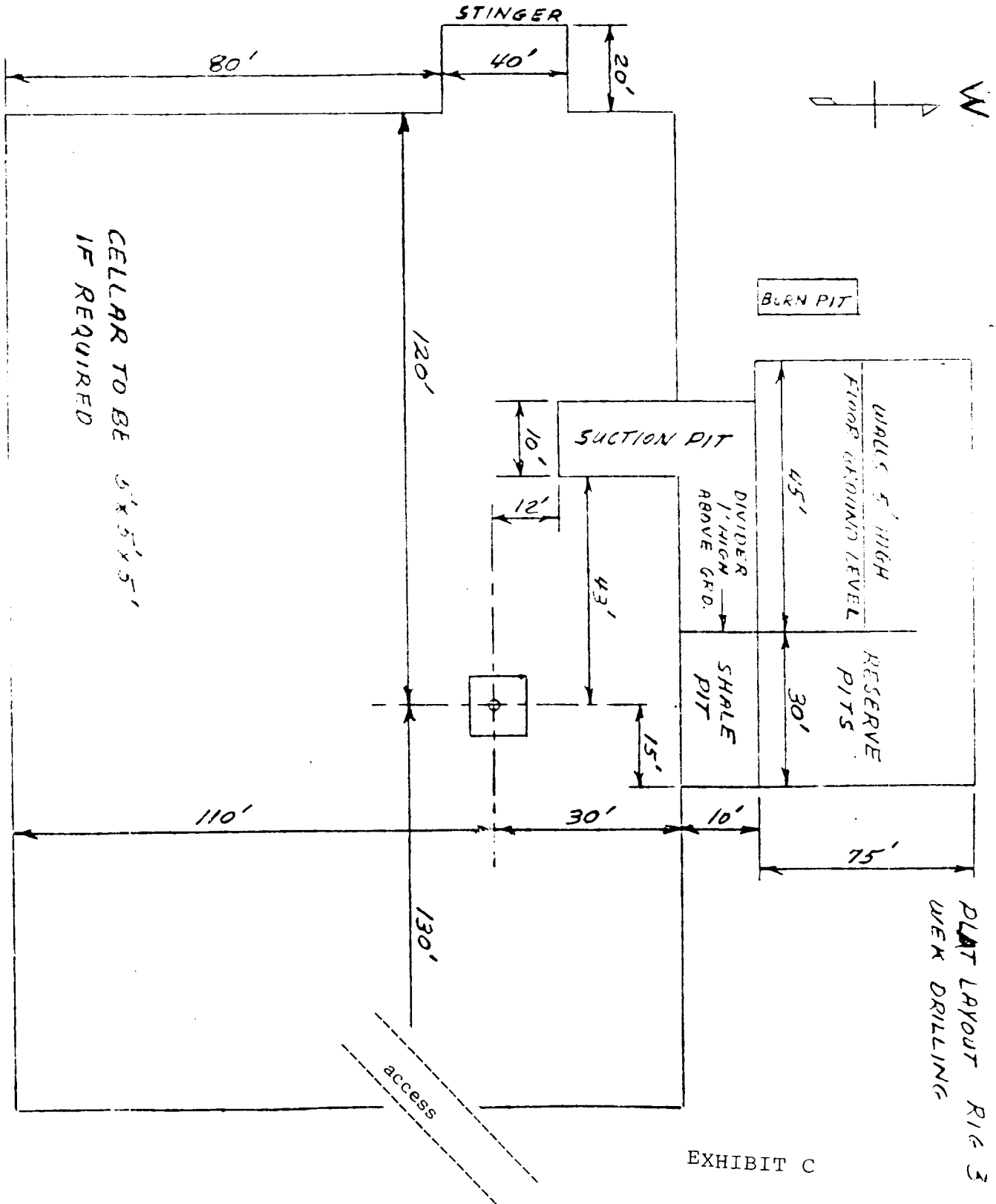


EXHIBIT C

PLAT LAYOUT RIG 3  
WELL DRILLING