

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

McClellan Oil Corporation

3. ADDRESS OF OPERATOR

P.O. Box 848, Roswell, New Mexico 88201

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

At proposed prod. zone 150' FWL & 990' FSL

U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

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

20 miles north of Loco Hills, New Mexico

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

150'

16. NO. OF ACRES IN LEASE

800

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

750'

19. PROPOSED DEPTH

2025'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

Unit

20. ROTARY OR CABLE TOOLS

Cable Tools

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

3926' GL

22. APPROX. DATE WORK WILL START*

June 25, 1977

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"	23 lb.	390'	100 sx (circ.)
8"	5 1/2"	10 1/2 lb.	2025'	100 sx

Propose to test the Queen sand, for use as an oil well in the Sulimar Queen Unit, or as an injection well if production is not accomplished, to be determined after the well is drilled. If production is indicated will set pipe and attempt completion. Cortez Drilling Company P.O. Box 848, Roswell, New Mexico will be the contractor.

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

Joe J. McClellan

TITLE Operator

DATE June 11, 1977

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

JUL 1 - 1977

APPROVED BY

Joe J. Lara

TITLE ACTING DISTRICT ENGINEER

DATE JUL 1 - 1977

CONDITIONS OF APPROVAL, IF ANY:

Subject to attached stipulations
and approval from the
NMOCC as an unsaturated location!

*See Instructions On Reverse Side

THIS APPROVAL IS RESCINDED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS.
EXPIRES OCT 1 - 1977

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION FORM

Form 1-1-77
Supersedes 6-128
Rev. 1-1-75

All distances must be from the center line to center of the well.

Operator McClellan Oil Corp.		Lease Sulimar Queen Unit tract 1		Acres 13
Section M	Section 24	Range 15 South	Range 29 East	County Chaves
Distance from the center line to the well 150		Distance from the center line to the well 990		Direction South
Area of well face 3926.0	Forming and Form Unit Queen sand		Unit Sulimar Queen Unit Unit 40	

- Outline the acreage dedicated to the subject well by colored pencil or ballpoint pen on the plot below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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?

RECEIVED

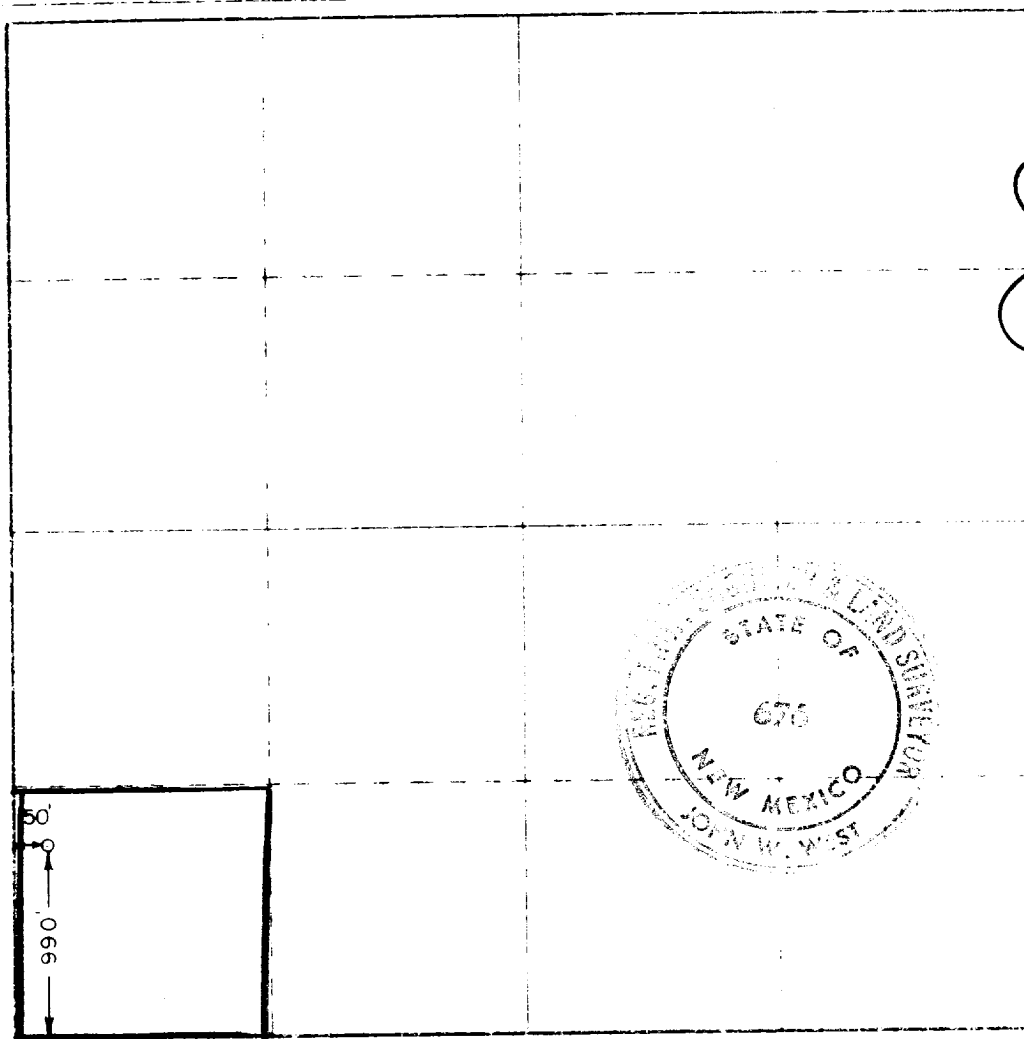
JUN 13 1977

**U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO**

☐ 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 Commission.



CERTIFICATION

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

Jack L. McClellan
Jack L. McClellan
President

McClellan Oil Corp.

6/11/77

I hereby certify that the well location shown on this plot was plotted from field notes of our geologists made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

June 11, 1977

John W. West
John W. West
676

SURFACE USE PLAN

SURFACE USE PLAN

McClellan Oil Corporation Sulimar Queen Unit TRACT I-13
150' FWL & 990' FSL Section 24-T15S-R29E
Chaves County, New Mexico
Federal Lease LC 069280-A

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JUN 13 1977

U. S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

1. Existing Roads
Exhibits "A" and "A-1" are a portion of the Chaves County New Mexico State Highway Department map indicating the location of the proposed well with respect to Artesia. Approximately 20 miles of State Highway 31 will be utilized. Approximately 4 miles of paved, county-maintained road will be utilized. The balance of the road is an oil well location road maintained at irregular intervals by the operator. The route to be used is indicated in yellow with the new road to be constructed depicted in red.
2. Planned Access Road
Exhibit "B" indicates the existing county road that will be used. Portions of a lease road will be used as indicated on Exhibit "B" and approximately 1900' of new road will be constructed. The new road will be bladed and contoured, and the nature of the surface will necessitate the use of caliche on the access road or location pad.
3. Location of Existing Wells
Exhibit "C" indicates location of wells, ownership of leases, proposed roads, of various tracts in the area.
4. Location of Tank Battery, Production Facilities & Production Gathering & Service Lines
This information is depicted on Exhibit "D". This well will be a part of an existing unit, and the oil, gas & water will be pumped through a 2" line as depicted on Exhibit "D", to an existing tank battery and related facilities already in existence. All tanks, pump jacks and other susceptible equipment will be fenced and all safety methods employed. This will be a cable tool hole, therefore Exhibit "D" indicates dimension of the proposed location site.
5. Location and Type of Water Supply
All water used in the drilling will be trucked in by commercial transport on existing roads indicated on Exhibits "A" and "B".
6. Source of Construction Materials
Caliche necessary for building access road and location will be taken from an existing caliche pit as shown on Exhibit "B-1".
7. Handling of Waste Disposal
All material removed from the hole during the drilling operation will be placed in the pit adjoining the drilling location as depicted on Exhibit "B". As this is a cable tool operation, mud will not be utilized and therefore will result in disposal of drilling materials only. Any combustible or biochemcially degradable material will be placed in the burn and trash pit.
8. Ancillary Facilities
No ancillary facilities are planned.
9. Well Site Layout
Well site layout is depicted on the accompanying Exhibit "D". The pits will not be lined as this is a cable tool operation and only cuttings will be dumped in the pit.

10. Plan for Restoration of Surface

All deadmen will be pulled, pits will be filled and levelled and all waste material disposed of as discussed in No. 7. The access road and location will be restored as near as possible to its natural state, following the directions of appropriate governmental agencies, if the well is abandoned. Otherwise, the location will be cleared and maintained in an orderly manner as future wells are drilled in the area.

11. Other Information

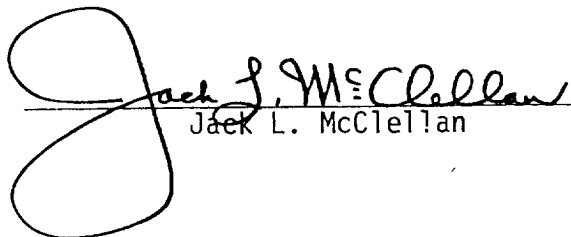
This test is in a well-developed area of oil activity and is well within a unitized area. The surface consists of sand dunes with little useful vegetation. No fences will be crossed and a road approximately 1900' will be constructed directly between two producing wells.

12. Operator Representatives

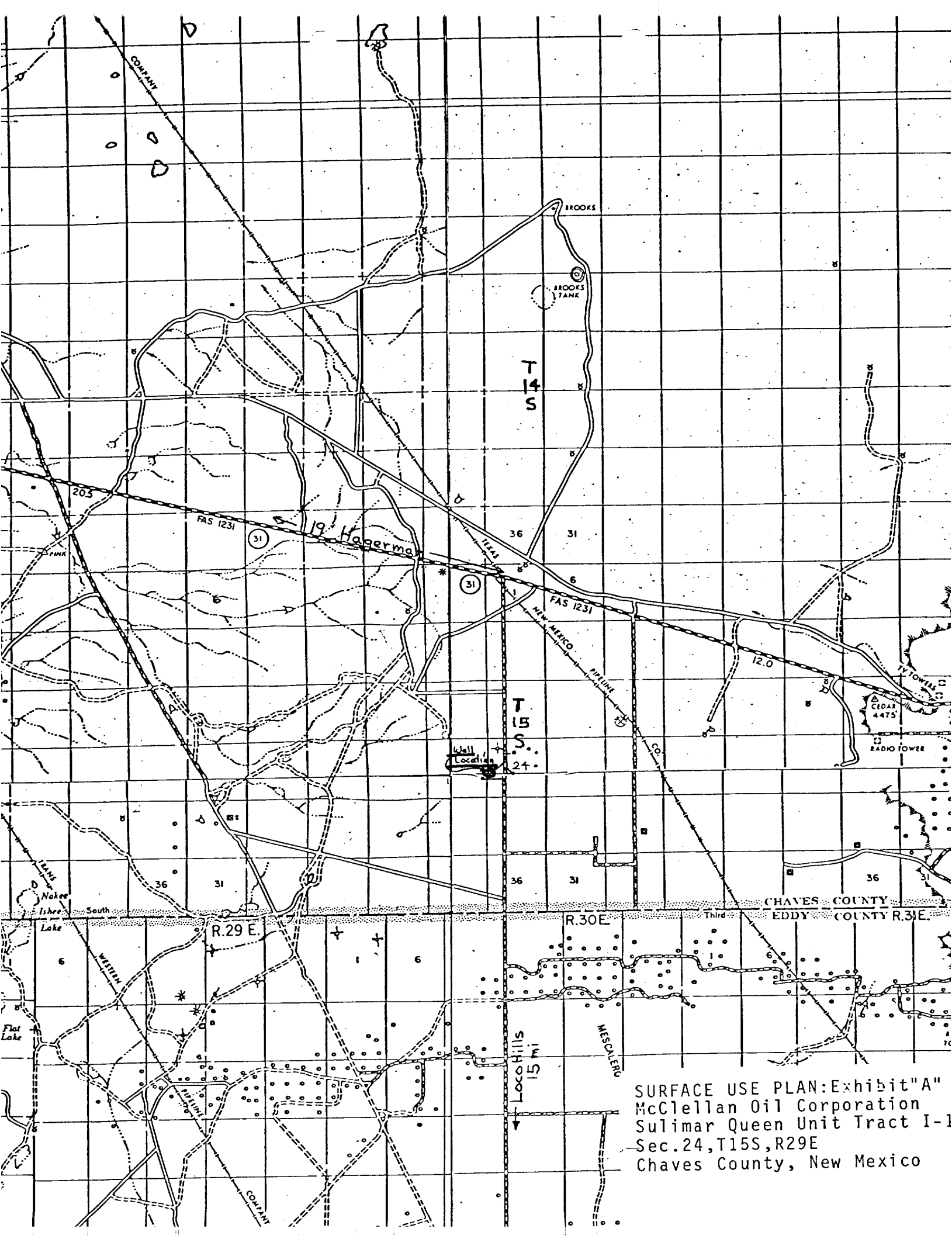
C. V. Miller	1106 Yates, Artesia, N. M. 88210 Mobile Unit 236 (Dial 746-4302)	746-3668
Cleo Brown	1808 Booker, Artesia, N. M. 88210 Mobile Unit 235 (Dial 746-4302)	748-2228
Jack L. McClellan	612 N. Kansas, Roswell, N. M. 88201	622-3200 or 622-4076

13. Certification

I certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by McClellan Oil Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

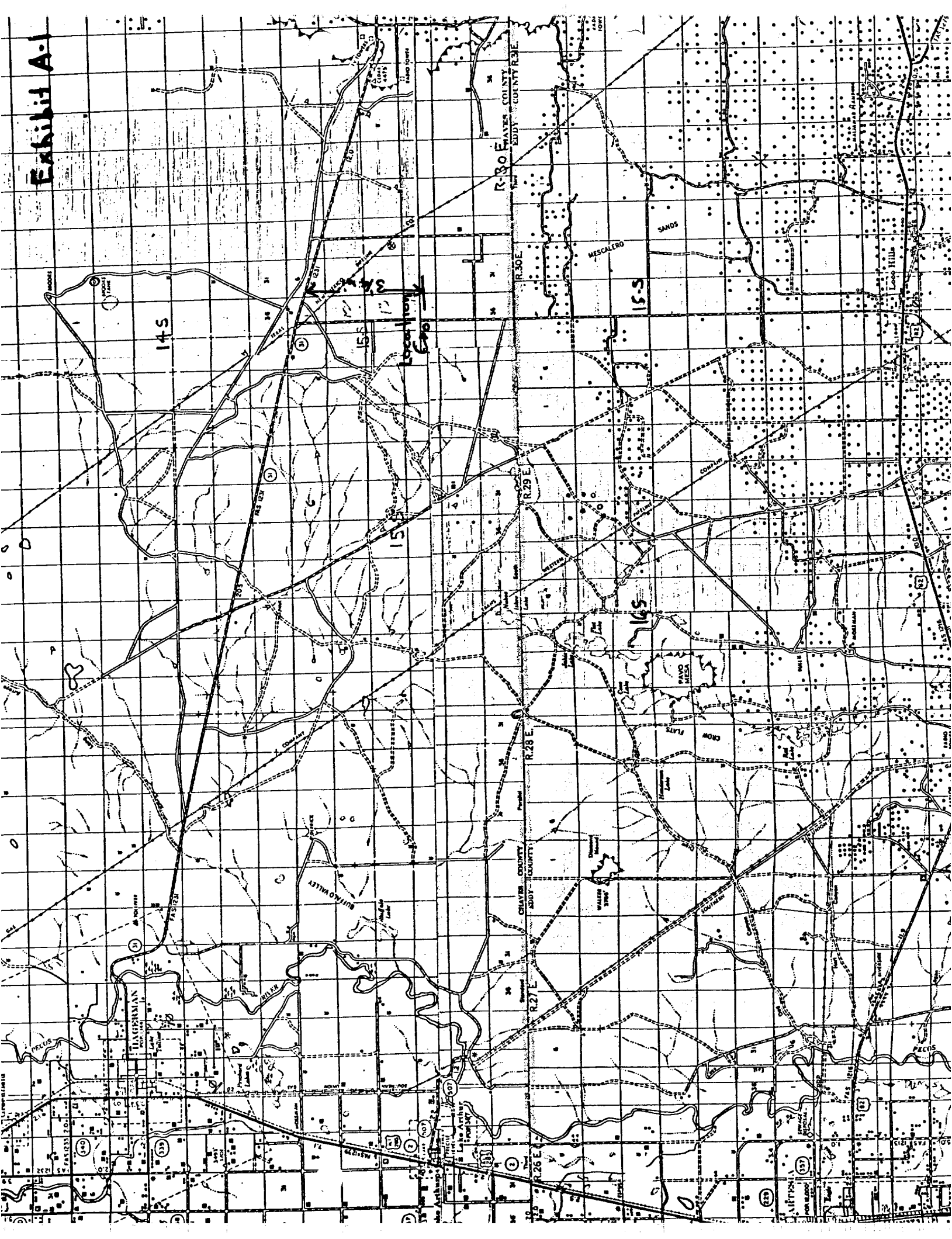


Jack L. McClellan

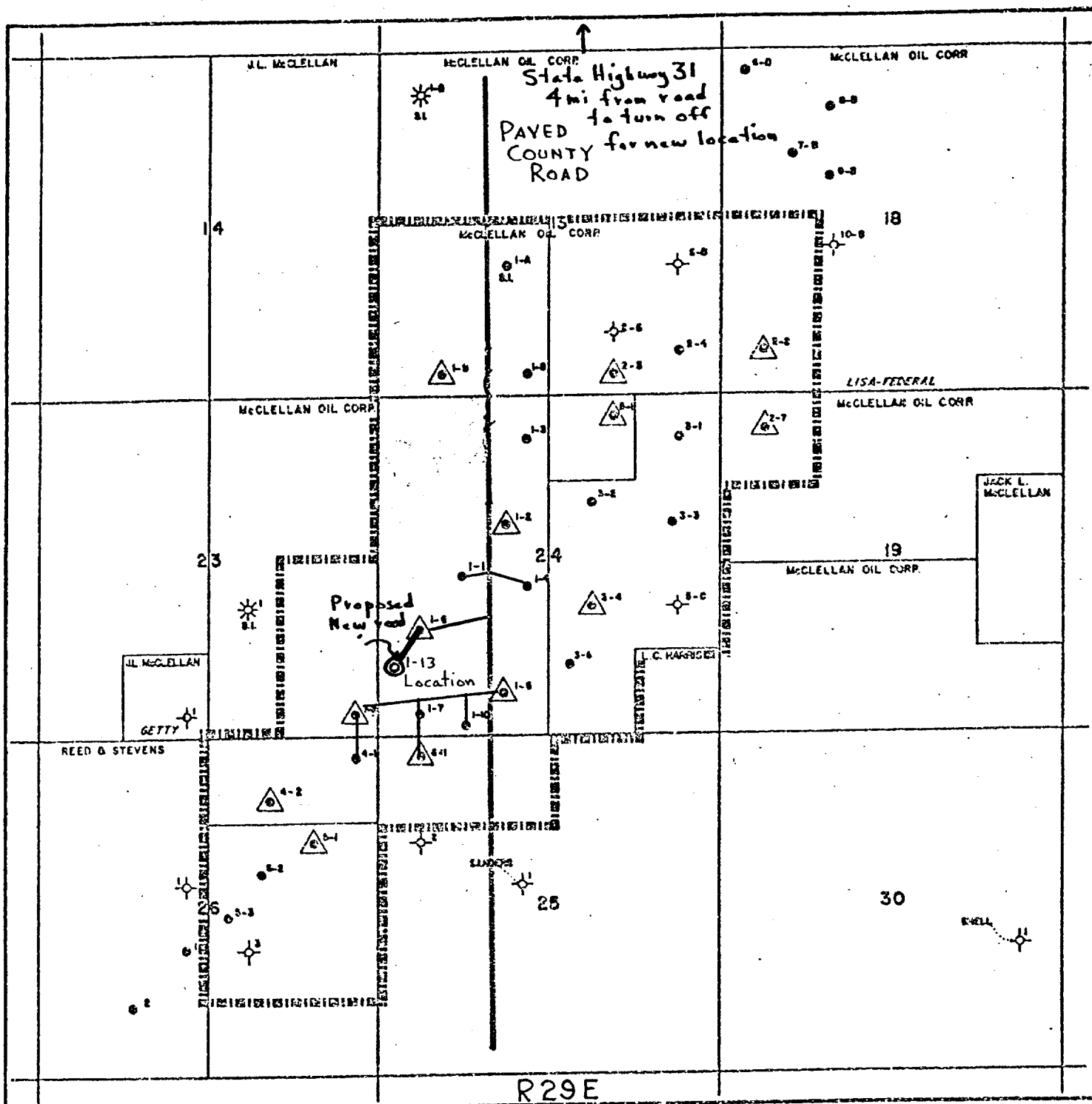


SURFACE USE PLAN: Exhibit "A"
McClellan Oil Corporation
Sulimar Queen Unit Tract I-1
Sec. 24, T15S, R29E
Chaves County, New Mexico

Exhibit A-1



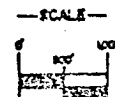
McCLELLAN OIL CORPORATION
Tract I- 13



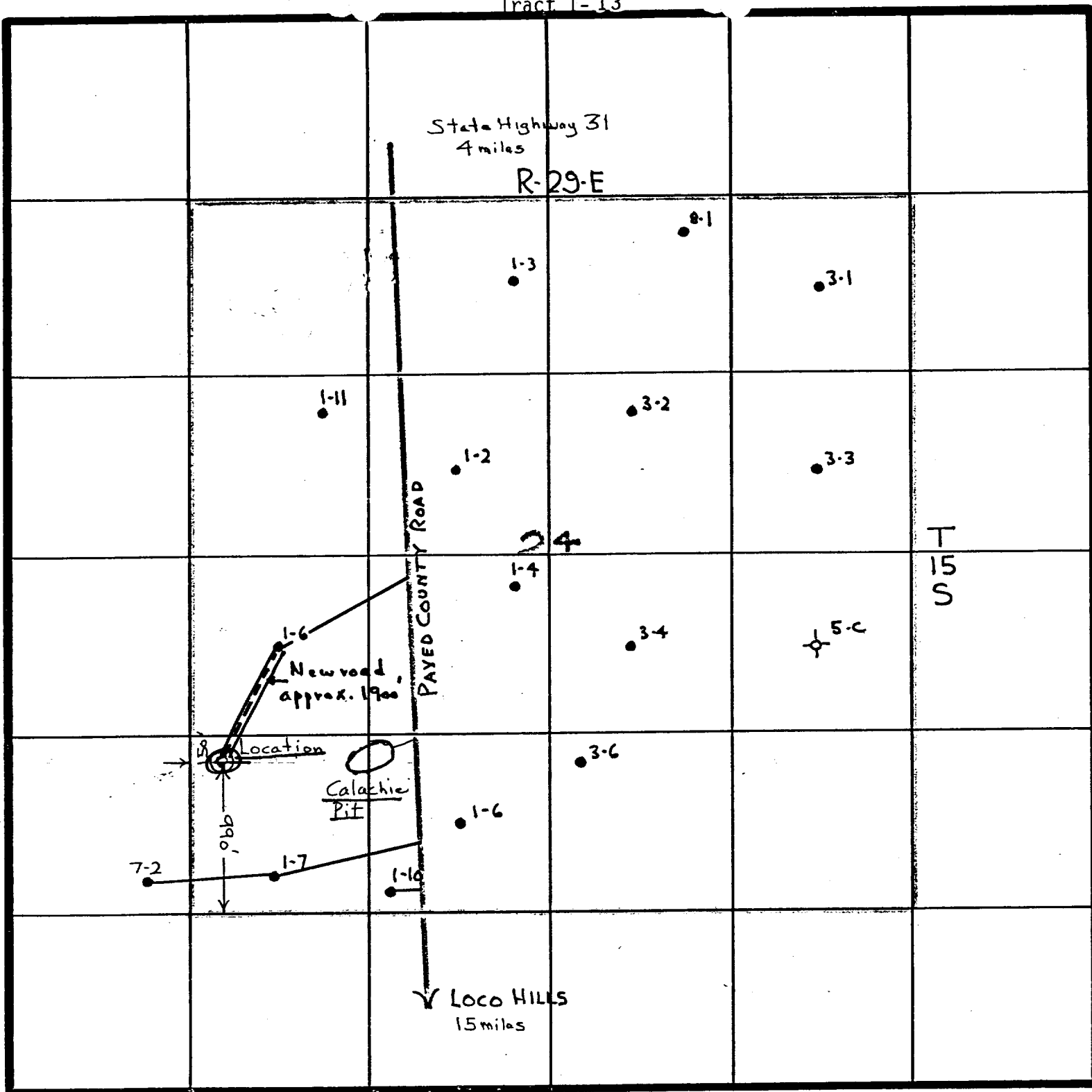
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McCLELLAN OIL CORPORATION
SULIMAR QUEEN FIELD
CHAVES COUNTY, NEW MEXICO

FIELD MAP



SURFACE USE PLAN: Exhibit "B"
McClellan Oil Corp.
Sulimar Queen Unit Tract I-13
Sec. 24, T15S, R29E
Chaves County, New Mexico

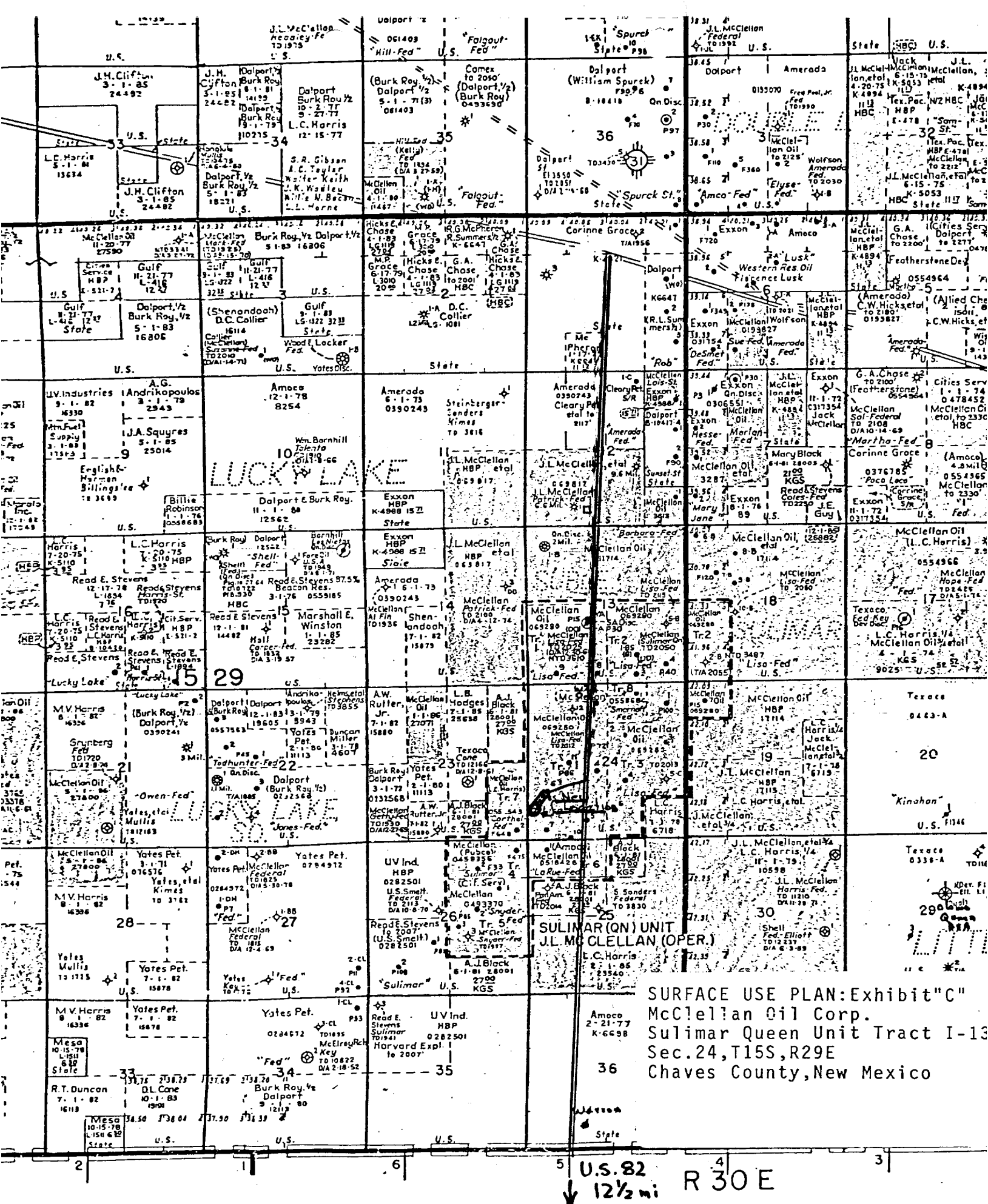


County CHAVES State NEW MEXICO

Section 24 Township 15-S Range 29-E

Remarks:

EXHIBIT "B-1"





McClellan Oil Corporation

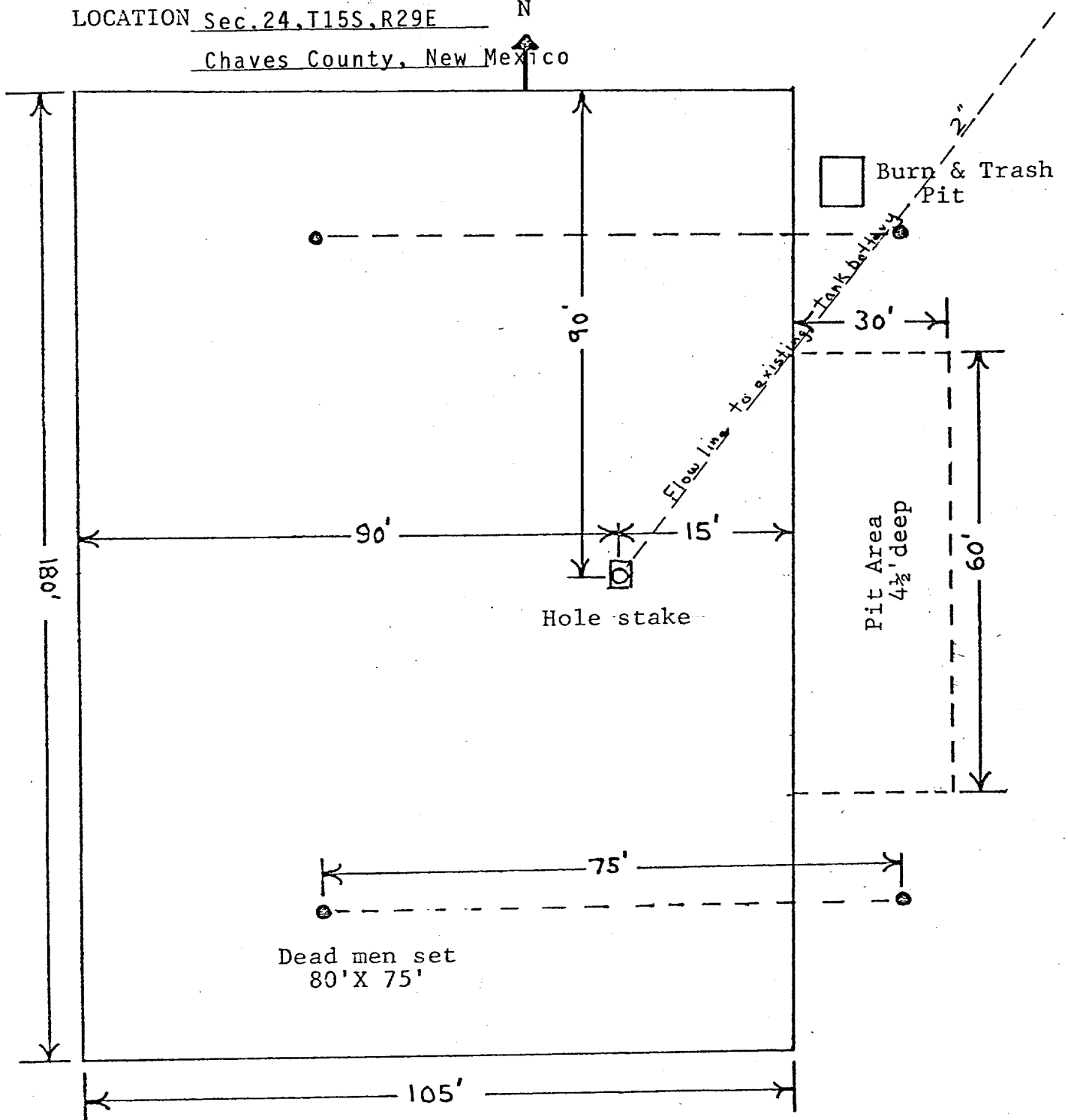
Box 848

Roswell, New Mexico 88201

WELL Sulimar Queen Unit-Tract I-13

LOCATION Sec.24,T15S,R29E

Chaves County, New Mexico



CABLE TOOL LOCATION PLAN SURFACE USE PLAN: Exhibit "D"
McClellan Oil Corp.
Sulimar Queen Unit Tract I-13
Sec.24,T15S,R29E
Chaves County, New Mexico

BUREAU OF LAND MANAGEMENT
ROSWELL, NEW MEXICO

January 29, 1976

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JUN 20 1977
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

Lease # LC-0269280-A
Operator McClellan Oil Corp.
Well Name 13-Subsidence Queen Unit Tr. 1
Location Sec. 24, T-15-S, R-29-E.

"STANDARD STIPULATIONS FOR ALL DRILLING
IN RELATION TO OIL AND GAS ACTIVITIES
IN THE ROSWELL DISTRICT"

(The following list of 14 stipulations are some of the more commonly used stipulations for oil and gas drilling operations in southeastern New Mexico. The blocks checkmarked in red designate the stipulations applicable to the particular drilling permit listed above. Special or additional stipulations (if any) are written in under #15.)

- ☒ 1. If, during operations, the operator or any person working in his behalf, discover any historic or prehistoric ruin, monument or site, or any object of antiquity subject to the Antiquities Act of June 8, 1906, (34 Stat. 225, 16 U.S.C. Secs. 431-433), and 43 CFR Part 3, then work will be suspended and the discovery promptly reported to the District Manager. The Bureau will then take such action as required under the Act and regulations thereunder. When directed by the District Manager, the operator will obtain, at his expense, a qualified archaeologist to examine and, if necessary, excavate or gather such ruins or objects.
- ☐ 2. All access roads constructed in conjunction with the drilling permit should be limited to _____ feet in width, along with turnouts. If well is a producer, all roads will be adequately drained to control runoff and soil erosion. Drainage facilities may include ditches, water bars, culverts and/or any other measure deemed necessary by the responsible BLM representative.
- ☐ 3. Each existing fence to be crossed by the permittee will be braced and tied off before cutting so as to prevent slacking of the wire. The opening will be protected as necessary during construction to prevent the escape of livestock and upon completion of construction, the fence will be repaired to BLM specifications. A cattleguard with an adjacent 12 foot gate will be installed in any fence where a road is to be regularly traveled.

☐ 4. When a road or construction in connection with the drilling operation breaks or destroys a natural barrier used for livestock controls, gap thus opened shall be fenced to prevent drift of livestock. Said fences shall be constructed according to BLM specifications.

☒ 5. Materials removed during construction must be disposed of in such a manner that it does not detract from the aesthetics and does not accelerate erosion. When clearing the area of operations of vegetation other than grass, the vegetation removed will be placed in drainages, washes, gullies, etc., and "walked down" by crawler type tractor. If no drainages are in the immediate area, the vegetation will be "walked down" in place. After construction has been completed, the affected area will be left in as aesthetically pleasing condition as possible. All trash resultant from construction activities will be disposed of. Any large rocks left as a result of construction activities will not be piled or left in rolls but will be left so they do not detract from the scenic attributes of the area and will not hinder the movement of livestock or big game animals.

☒ 6. Any "available topsoil" encountered during the construction of the drill site area will be stockpiled and made available for re-surfacing of the reserve pit area (after pits are covered) after completion of the drilling operation.

☒ 7. "Caliche" for use in the construction of the drill pad and access road shall be obtained from existing authorized pits whenever possible, as determined by the responsible BLM representative. No new pits shall be opened without prior approval from the responsible BLM representative.

☒ 8. The "mud pits" shall be well constructed and under no circumstances will they be allowed to leak or be cut to drain. They shall not be located on natural drainages. Waste or discharge of any kind will not be allowed to enter any drainage. Any plastic material used to line pits and/or sumps shall be cut-off below ground level, as far down as possible, and disposed of before the pits are covered. All unattended pits, containing liquids, will be fenced and the liquid portion allowed to evaporate before the pits are broken.

☒ 9. All pits found to contain toxic liquids will be fenced and covered with a fine-mesh netting for the protection of wildlife as directed by the responsible BLM representative.

1/2" or less

- ☒ 10. All waste associated with the drilling operation will be buried in place (in a separate trash pit) or removed and deposited in an approved sanitary landfill. All garbage (metal containers will be crushed) and debris left on site will be buried at least three feet deep. All trash and debris will be buried or removed from the site within one month after removal of the drill rig. The permittee will comply with all state laws and regulations pertaining to the disposal of human waste.
- ☐ 11. If the well is a producer, during cleanup: all cut and fill banks will be made to be no steeper than _____ slope wherever possible.
- ☒ 12. The well "site", if a producer, will be maintained and kept clean of all trash and litter or other foreign material which detracts from the surrounding environment. Maintenance shall also include measures necessary to stabilize soil conditions (other than reseeding) on the road and pad area, and maintenance of facilities associated with said well, to the satisfaction of the District Manager for the lifetime of the well.
- ☒ 13. In the event the oil or gas test results in a dry hole, the drill pad and access road will be ripped in accordance with "BLM Roswell Districts' Ripping Recommendations for Caliche or Compacted Drill Pads and Access Roads" (3109). (Reseeding of the affected areas may be required at the discretion of the District Manager).
- ☒ 14. All structures above ground not subject to applicable conservation and safety requirements should be painted a non-glare, non-reflective, non-chalking color that simulates the natural colors of the site.
- ☒ 15. Special Stipulations:

BLM recommends that Fed. Std. 595a (30318) sandstone brown paint be used on all above ground structures.