

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

Elk Oil Company

3. ADDRESS OF OPERATOR

P. O. Box 310, Roswell, New Mexico 88201

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

At surface

660 FSL; 1980 FEL

At proposed prod. zone

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

15. DISTANCE FROM PROPOSED*

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

660

16. NO. OF ACRES IN LEASE

80

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

1600

20. ROTARY OR CABLE TOOLS

Cable Tools

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

3717

22. APPROX. DATE WORK WILL START*

November 19, 1979

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10	8 5/8	20	300	150 sx
8	4 1/2	10.5	1600	150 sx

Drill to approximately 1600' to test Queen formation.
Will use all existing roads, no new roads required.

Control head will be used.

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

President

DATE 11/8/79

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

11-19-79

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NEW MEXICO OIL CONSERVATION COMMISSION
 WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-102
 Supersedes O-128
 Effective 1-1-65

All distances must be from the outer boundary of the Section

ELK OIL COMPANY		Mark Federal		Well No. 1
0	19	15 South	29 East	Chaves
660	South	1780	East	
3717.1	Queen	Und. Round Tank Queen Assoc.	40	Acres

Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

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NOV 26 1979

O. C. C.

ARTESIA, OFFICE

1. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty)

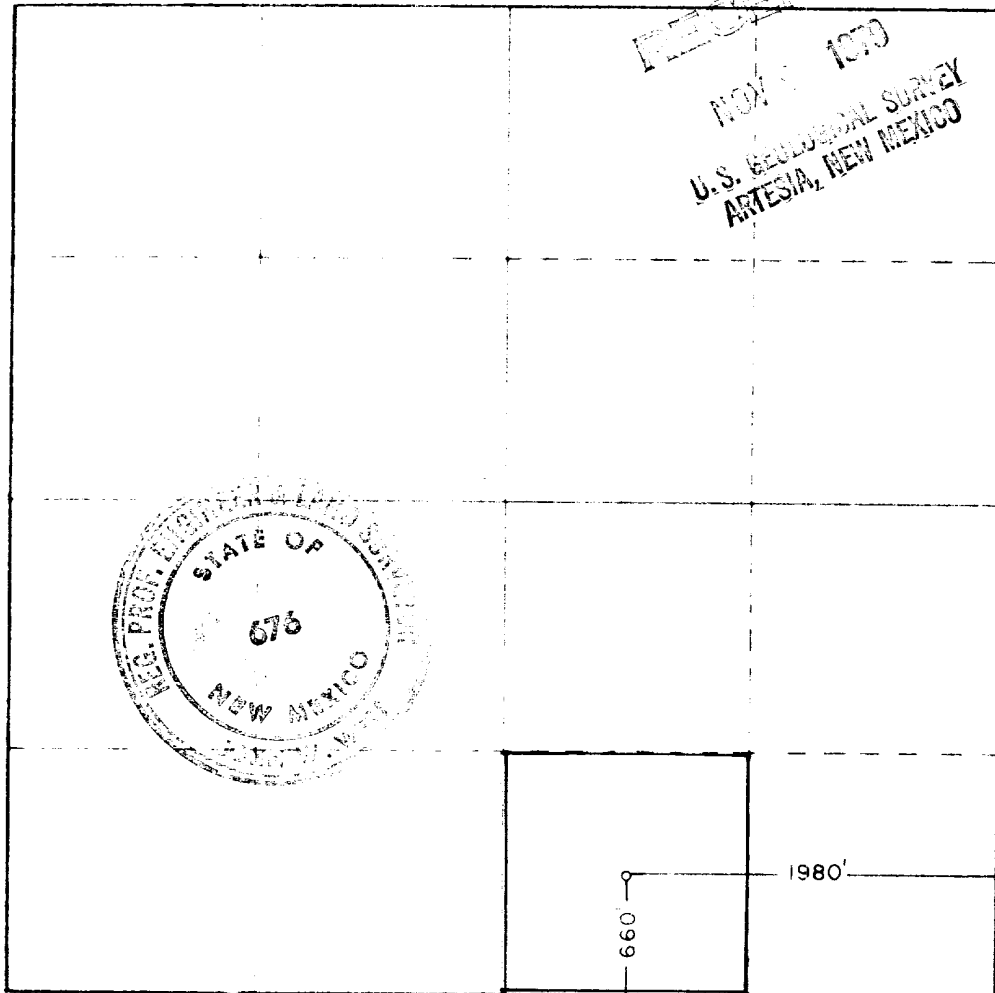
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force pooling, etc?

☐ 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 Commission.

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U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO



CERTIFICATION

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

Joseph J. Kelly

President

Elk Oil Company

November 8, 1979

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

November 6, 1979

John W. West

Certify to: John W. West 676
 Ronald J. Eidson 3239



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

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NOV 26 1979

O. C. C.
ARTESIA, OFFICE

November 19, 1979

Elk Oil Company
P. O. Box 310
Roswell, New Mexico 88201

Gentlemen:

ELK OIL COMPANY
Mark Federal No. 1
660 FSL 1980 FEL Sec. 19 T.15S R.29E
Chaves County Lease No. NM 28000

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 1,600 feet to test the Queen formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and this approval including the GENERAL REQUIREMENTS.
3. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
4. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate Sandstone Brown (Federal Standard No. 595A, color 20318 or 30318).
5. Cement behind the 8-5/8" casing must be circulated.
6. Please have anyone contacting the Survey in regard to this well to identify the well with all of the information required above for the well sign.

Sincerely yours,

GEORGE H. STEWART

George H. Stewart
Acting District Engineer



REQUIREMENTS
(NTL-6)

1. Location: 1980 FEL & 660 FSL, Section 19-15S-29E
2. Elevation: 3717 GRD
3. Geologic name of surface formation: Recent Alluvium of Quaternary age
4. Type of drilling rig and associated equipment: Cable Tool
5. Proposed drilling depth and objective formation: 1600' Queen
6. Estimated tops of geologic markers:

Yates <u>760</u>	San Andres <u> </u>	Abo <u> </u>
7-Rivers <u> </u>	Glorieta <u> </u>	Wolfcamp <u> </u>
Queen <u>1500</u>	Tubb <u> </u>	<u> </u>
7. Estimated depths of any oil, water, or gas: 1500'
- 8-9. Proposed casing program:

<u>8 5/8"</u>	<u>@ 300'</u>	Grade <u>H</u>	Wt. <u>20</u>	Type Cement <u>Class C</u>
<u>4 1/2"</u>	<u>@ 1600'</u>	Grade <u>K</u>	Wt. <u>9.5</u>	Type Cement <u>Class C</u>
<u> "</u>	<u>@ '</u>	Grade <u> </u>	Wt. <u> </u>	Type Cement <u> </u>
10. Specifications for pressure control equipment and testing procedures: Cable Tool, Control Head
11. Type and characteristics of drilling fluids: Native Mud
12. Testing, logging, and coring programs: 2 hr drill test and each show
of oil, gas or water. Gamma Ray Neutron Log
13. Anticipated abnormal pressures or temperature: None
14. Anticipated commencement and completion date: November 20- December 20
15. Other pertinent information: None

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

ELK OIL COMPANY
WELL NO. 1 MARK FEDERAL
660 FSL and 1980 FEL Sec. 19-15S-29E
Chaves County, New Mexico
NM-28006

This plan is submitted with Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS:

- A. Well will be drilled on an existing drillsite utilizing existing roads, as shown in Exhibit A.
- B. Exhibit B is a plat showing all existing roads within a one mile radius of the wellsite.

2. LOCATION OF EXISTING WELLS:

- A. Existing wells are shown on the attached plat, Exhibit C.

3. LOCATION OF TANK BATTERIES, ETC.:

- A. Tank batteries or Production facilities exist within one mile of the proposed location owned or controlled by Elk Oil Company, shown on attached plat Exhibit C.
- B. In the event the proposed well is productive, the production facilities will be located in the southeast portion of the drillsite. The facility will consist of 2-200 barrel stock tanks and a heater treater.
- C. The reserve pits will be back filled and leveled and surface returned to its original contours.

4. LOCATION AND TYPE OF WATER SUPPLY:

- A. All water used in drilling operations will be trucked to the drillsite from commercial sources.
- B. There is no known surface water in the area.

5. METHODS FOR HANDLING WASTE DISPOSAL:

- A. Well cuttings will be disposed in the reserve pit. All waste and trash will be either burned or buried in a separate pit.

Surface Use and Operations Plan

Page 2

6. ANCILLARY FACILITIES:

A. None anticipated.

7. WELL SITE LAYOUT:

A. Attached is a plat of the wellsite and rig layout, Exhibit D.

8. PLANS FOR RESTORATION OF THE SURFACE:

A. As soon as practical upon completion of the well, the pits will be back filled and leveled and the surface returned to its original contours.

9. OTHER INFORMATION:

A. See attached topographic map for terrain of the general area.

B. The soil is a thin, sandy alluvium underlain by a caliche hardpan.

C. Vegetation is a mesquite and sparse semi-desert grass and weeds.

10. OPERATOR'S REPRESENTATIVE:

Joseph J. Kelly
P. O. Box 310
Roswell, New Mexico 88201

Office Phone (505) 623-3190
Home Phone (505) 623-6074

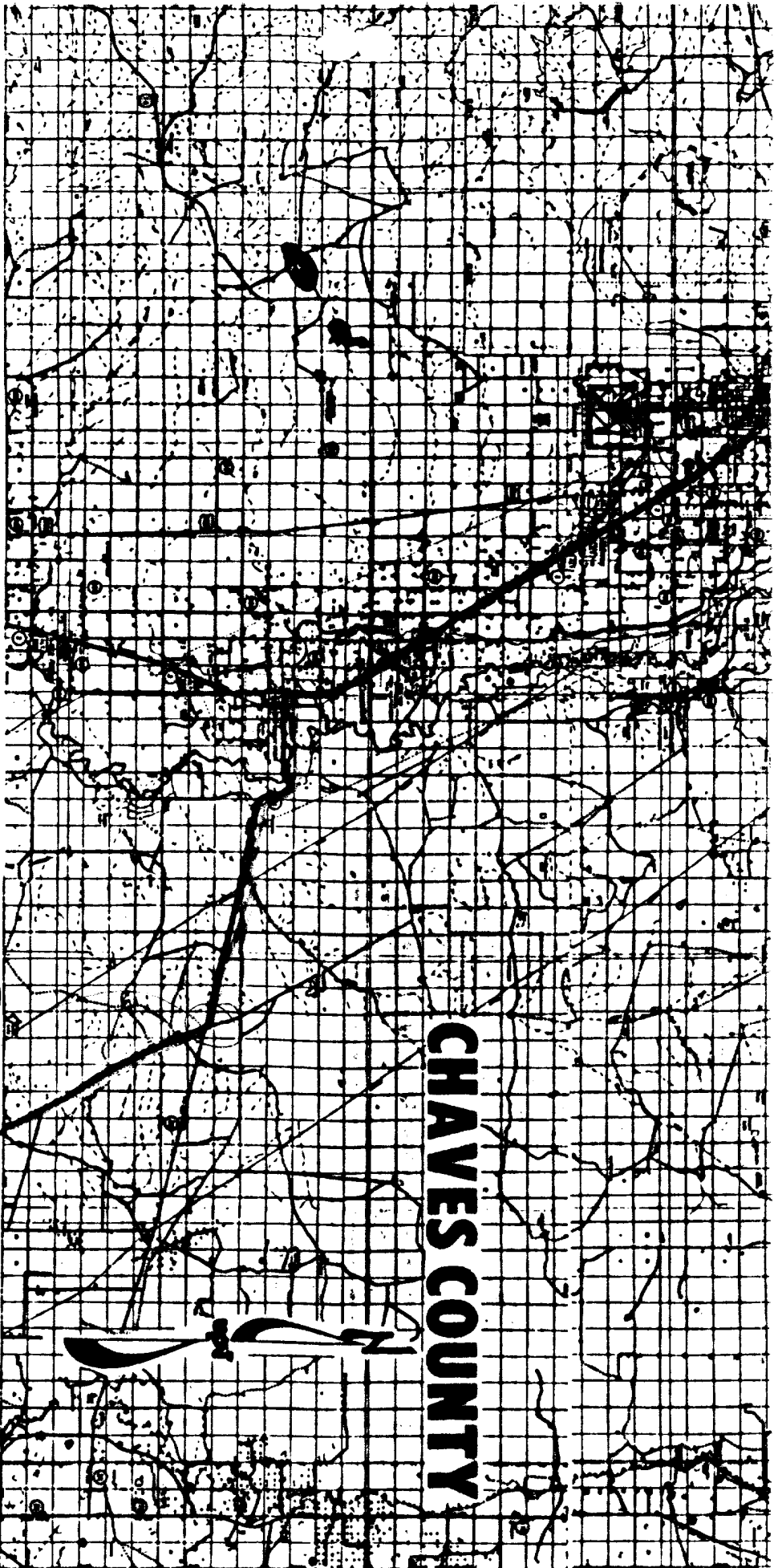
11. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite 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 ELK OIL COMPANY and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

ELK OIL COMPANY

DATED: Nov 3, 1979

BY: Joseph J. Kelly
Joseph J. Kelly, President



CHAVES COUNTY

EXHIBIT "A"
ELK OIL COMPANY
Well #1 Mark Federal
660 FSL, 1980 FEL, Sec. 19
Township 15S, Range 29E,
Chaves County, New Mexico
1"=2000'

PAVED Hg
EXISTING AREAS R/S

* Note:

Turn right on first road
past old missile site,
thru cattle guard with
"Marajo" Sign, approx. 13
miles east of Hagerman on
State Road 31.

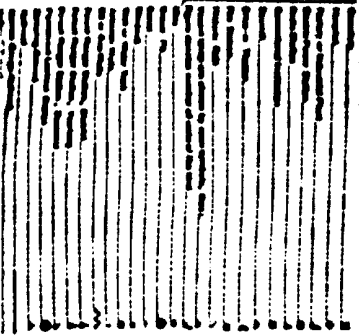
CONVERSION TABLE FOR YOUR CONVENIENCE

DISTANCES		LIQUID MEASURES	
Miles To Hagerman & Hagerman To Miles		Gallons To Liters & Liters To Gallons	
MILES	KILOMETERS	GALLONS	LITERS
0.62	1	2.6	1
3.11	5	1.28	4
6.21	10	2.64	10
12.43	20	3.98	15
18.64	30	6.76	26

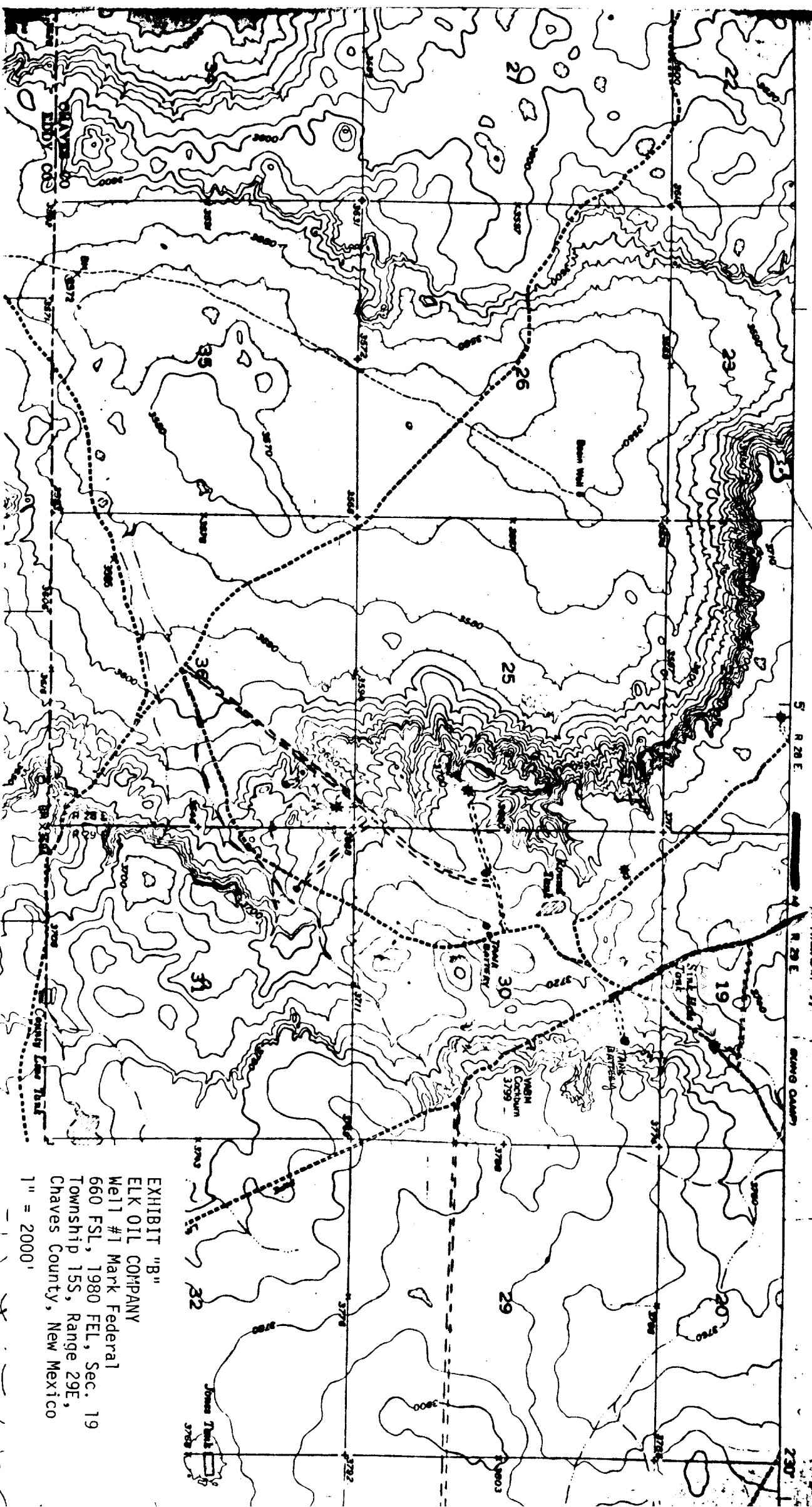
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Legend



UNITED STATES
DEPARTMENT OF THE INTERIOR
BIOLOGICAL SURVEY



5.35 MILES
TO MINERAL 71

5.35 MILES
TO MINERAL 71

EXHIBIT "B"

ELK OIL COMPANY
Well #1 Mark Federal
660 FSL, 1980 FEL, Sec. 19
Township 15S, Range 29E,
Chaves County, New Mexico

1" = 2000'

R-29 E

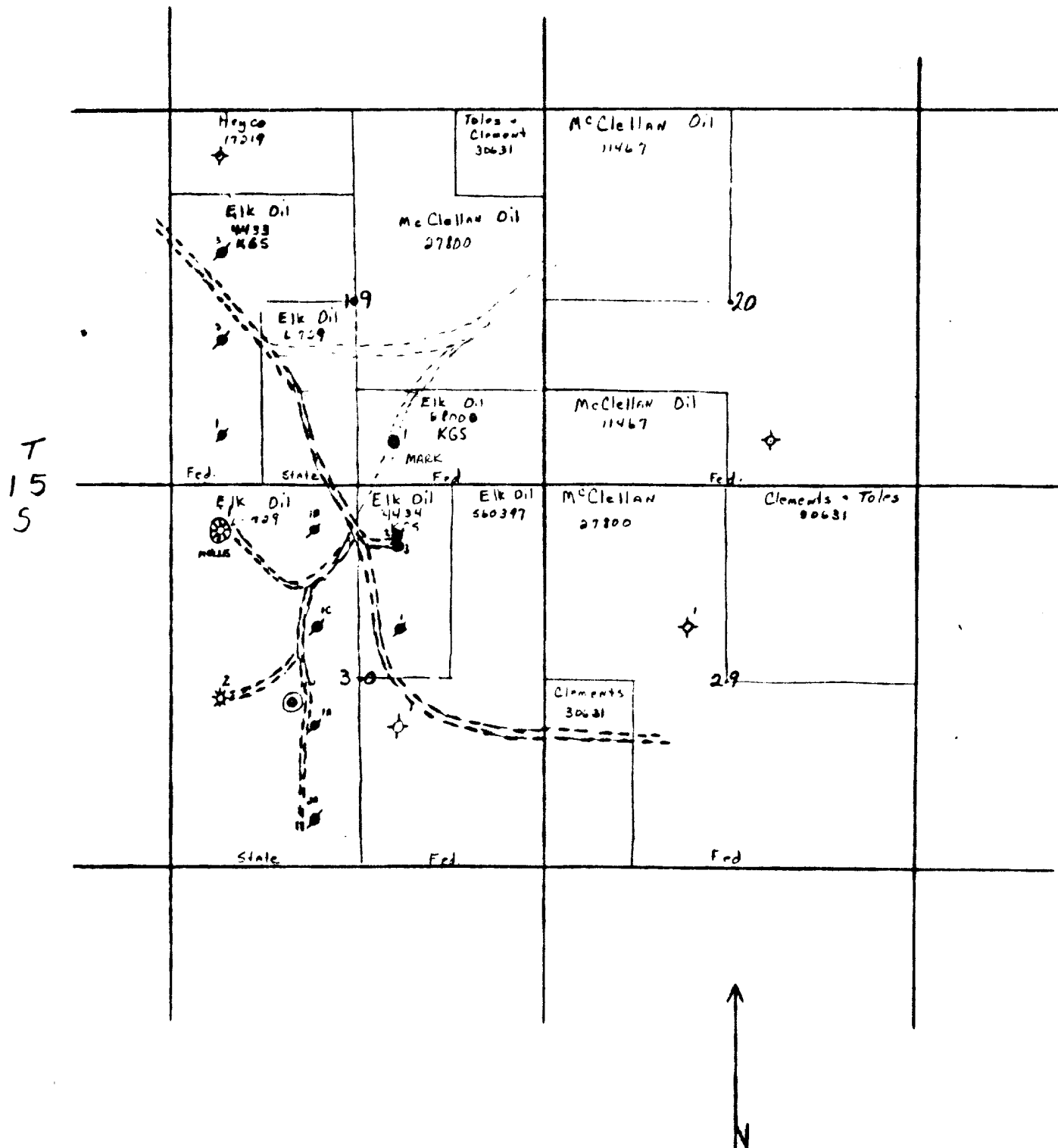
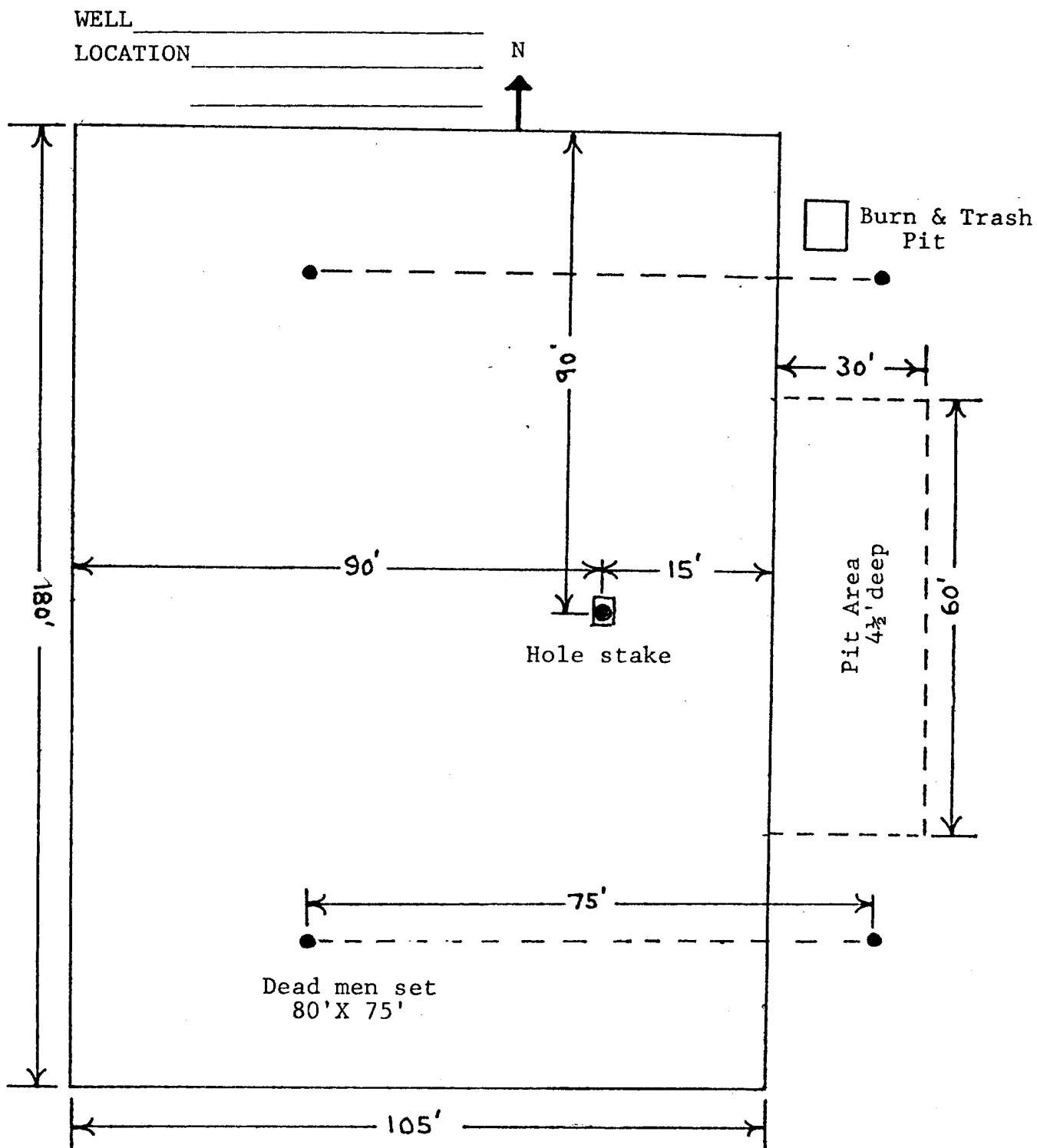


EXHIBIT "C"
 ELK OIL COMPANY
 Well #1 Mark Federal
 660 FSL, 1980 FEL, Sec. 19
 Township 15S, Range 29 E,
 Chaves County, New Mexico
 1"=2000'



CABLE TOOL LOCATION PLAT

EXHIBIT "D"
ELK OIL COMPANY
Well #1 Mark Federal
660 FSL, 1980 FEL, Sec. 19
Township 15S, Range 29E,
Chaves County, New Mexico