

M.O.C.D. COPY

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-R1425.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
Bliss Petroleum, Inc.

3. ADDRESS OF OPERATOR
504 N. Shipp, Hobbs, New Mexico 88240

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
Unit C --660' FNL & 1980 FNL Sec. 26, T14S, R29E
At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
20 Miles East of Hagerman, N. M.

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

16. NO. OF ACRES IN LEASE
160

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.
None

19. PROPOSED DEPTH
3400'

20. ROTARY OR CABLE TOOLS
Cable tools then Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3817' GL

22. APPROX. DATE WORK WELL START*

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10"	8 5/8"	23-24#	320'	200 sz class "C" w/ 2% CaCl
7 7/8"	5 1/2"	14#	3400'	600 sz class "C" w/ 10% salt

SEE ATTACHMENTS FOR COMPLETE DETAILS OF OPERATIONS.
MUD PROGRAM, BLOWOUT PREVENTERS, ETC.

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JUN 16 1980
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

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 Paul Bliss TITLE President DATE June 12, 1980

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE June 25, 1980

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 plate, 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 C-102
Supersedes C-128
Effective 1-1-65

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

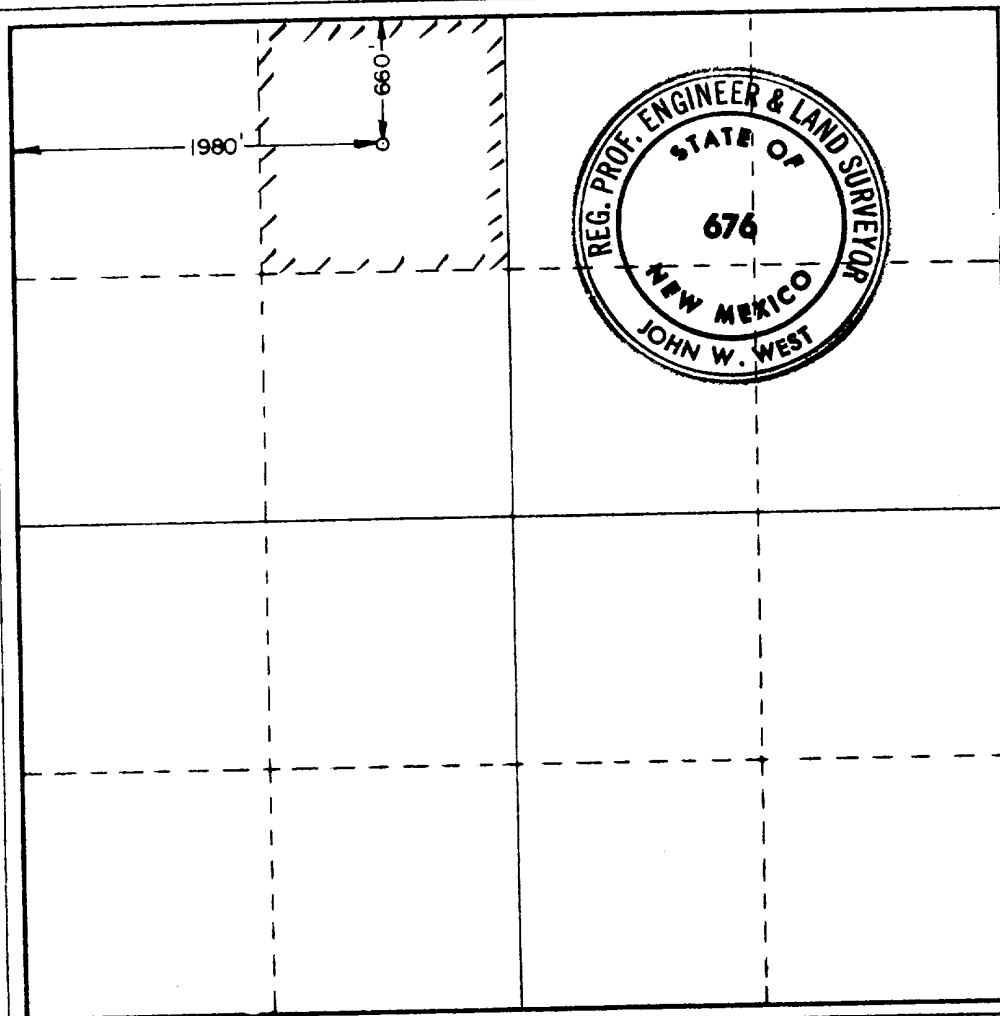
Operator Bliss Petroleum, Inc.,			Lease Gulf Federal		Well No. 1
Tract Letter C	Section 26	Township 14 South	Range 29 East	County Chaves	
Actual Footage Location of Well: 660 feet from the North line and 1980 feet from the West line					
Ground Level Elev. 3816.8	Producing Formation San Andres		Pool Wildcat SA Undesignated	Dedicated Acreage: 40 Acres	

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?

☐ 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 contained herein is true and complete to the best of my knowledge and belief.

Paul D. Bliss
Name **Paul D. Bliss**
Position **President**
Company **Bliss Petroleum, Inc.**
Date **June 12, 1980**

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
June 11, 1980

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6463
Ronald J. Eidson 3239

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600



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United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

June 25, 1980

Bliss Petroleum, Inc.
504 N. Shipp
Hobbs, New Mexico 88240

Gentlemen:

BLISS PETROLEUM, INC.
Gulf Federal No. 1
660 FNL 1980 FWL Sec. 26, T. 14S, R.29E.
Chaves County Lease No. NM-25480

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 3,400 feet to test the San Andres 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. All access roads will be limited to a 12 foot wide driving surface, excluding turnarounds. Surface disturbance associated with road construction will be limited to 20 feet in width.
4. 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.
5. 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).
6. Notify the Survey by telephone 24 hours prior to spudding well.

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7. Cement behind the 8-5/8" casing must be circulated.
8. 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,

(Orig. Sgd.) GEORGE H. STEWART

George H. Stewart
Acting District Engineer

Bliss Petroleum, Inc.

Gulf Federal No. 1

Unit C, 660' FNL & 1980' FWL Section 26, T14S, R29E,

Chaves County, New Mexico - Federal Lease NM 25480

1. Surface Formation: Quaternary Alluvium

2. Estimated tops of geologic markers: Base Salt 1070'
 Queen 1820'
 San Andres 2450'

3. Estimated depth of mineral-bearing formations:

 Fresh Water - None
 Queen -1820' Gas
 San Andres -3050' to 3350' oil & gas

4. Casing Program

<u>Hole</u> <u>Size</u>	<u>Size of</u> <u>Casing</u>	<u>Weight</u> <u>Per ft.</u>	<u>Cond.</u>	<u>Grade</u>	<u>Depth</u>	<u>Sacks</u> <u>Cement</u>	<u>Est. Top</u> <u>of Cement</u>
10'	8 5/8"	23-24#	New	H-40	320'	200	Circ.
7 7/8"	5 1/2"	14#	New	K-55	3400'	600	Circ.

5. Blowout Preventer: Blind Ram Cable Tool Control while drilling with cable tools. Shaffer Type Manual with Blind Rams & Pipe Rams while drilling and completing well.

6. Mud Program: 0-1600' native spud mud, 34 viscosity, weight 8.9#;
 1600-3400 salt base mud viscosity 35-38, weight 10.1#,
 water loss 20.

7. Auxiliary Equipment: Kelly valve, safety sub with full opening valve,
 drill pipe float valve.

8. Logging and Testing: No drillstem tests or coring anticipated. Log to consist of Gamma Ray-Neutron.

9. Anticipated pressure and potential hazards: The Orla Petco. Henderson Fed. No. 1 in Section 23, indicates that the maximum pressure will be less than 1000# and that hydrogen sulfide will not be encountered.

10. Starting date and duration: Starting date will be before June 30, 1980.
 Abbott Bros. Drilling Contractors from Hobbs, N.M. will drill to 320' with their cable tool rig and set surface pipe. A DA&S Well Servicing Unit will be used with Star Tool Co. rotary equipment to drill from 320' to 3400'. They will be used in an attempt to test and complete as a producer. Operations are expected to be complete in 21 days.

SURFACE USE AND OPERATIONS PLAN

Bliss Petroleum, Inc.

Gulf Federal No. 1

Federal Lease NM 25480; 660' FNL & 1980' FWL of Section 26, T14S, R29E, Chaves Co.,
New Mexico

1. Existing Roads:

Exhibit "A" is a portion of a topographic map showing the existing lease roads that will be utilized and their junction with State Road No. 31 about 20 miles East of Hagerman, N.M..

2. Planned Access Road:

Length and Width: The proposed road will be built 12 feet wide and 1600 feet long. As shown on Exhibit "B" the proposed road will tie into the unimproved existing road that crosses Section No. 26.

Surfacing Material: We plan to scrape off topsoil and use existing caliche to smooth out the road.

Maximum Grade: One Percent.

Turnouts: None required.

Drainage Design: None required.

Culverts: None required.

Cuts and Fills: None required.

Gates and Cattleguards: None required.

3. Location of Existing Wells:

Exhibit "C" is a portion of a Chaves County ownership map showing all existing wells within a radius of 1 mile.

4. Location of Existing and/or Proposed Facilities:

Exhibit "B" shows the location of the proposed well, pipelines and roads in Section 26. In the event commercial production is found the tank battery or producing equipment will be located on the drilling pad.

5. Location and Type of Water Supply:

All fresh water required for drilling and road construction will be hauled from the water station in Maljamar, N.M.. All brine water will be hauled from B & E Brine Station at Loco Hills, N.M..

6. Source of Construction Materials:

No construction materials will be needed to make location and road. We plan to scrape off the topsoil and level the ground enough to handle the rigs.

7. Methods of Handling Waste Disposal:

Drill cuttings will be disposed of in the drilling pits.

Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.

Water produced during test will be disposed of in the drilling pits. Oil produced during test will be stored in test tanks until transferred to tank battery for sale.

Current laws and regulations pertaining to the disposal of human waste will be complied with.

Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of trash pit is shown on Exhibit "D".

All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities: None required.

9. Wellsite Layout:

Exhibit "D" shows the relative location and dimensions of the well pad, slush pits and location of major rig components while drilling with cable tools.

Exhibit "E" shows the relative location and dimensions of the well pad, reserve pit, trash pit and the location of major rig components while drilling with the well servicing unit and rotary tools.

The well site will require minor levelling of sand and caliche rock. No cuts and fills will be necessary.

The reserve pit will be plastic lined.

10. Plans for Restoration of the Surface:

After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and location cleaned of all trash and junk to leave wellsite in an aesthetically pleasing condition as possible.

11. Other Information:

Topography: Land surface is rolling caliche nodules.

Soil: Soil consists of silty loams and silty clay loams. Inclusions consist of rare chert gravels and more frequent caliche nodules.

Flora and Fauna: Vegetative cover is sparse and consists of mesquite and very thin native grass. Wildlife consists of coyotes, rabbits, rodents, reptiles, dove, quail and crows.

Residences and Other Structures: There are no residences or any other structures in the area.

Ponds and Streams: None in the area.

Surface Use Plan
Bliss Petroleum, Inc.
Gulf Federal No. 1
PAGE Three

Archeological, Historical and Cultural Sites: None observed in the area.

Land Use: Grazing and hunting in season.

Surface Ownership: Federal land owned by the Federal Government.

12. Operator's Representatives:

The field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

Paul Bliss
504 N. Shipp
Hobbs, New Mexico 88240
(505) 393-7320

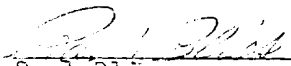
John R. Parish
Box 1113
Andrews, Texas
(915) 523-5200

13. Certification:

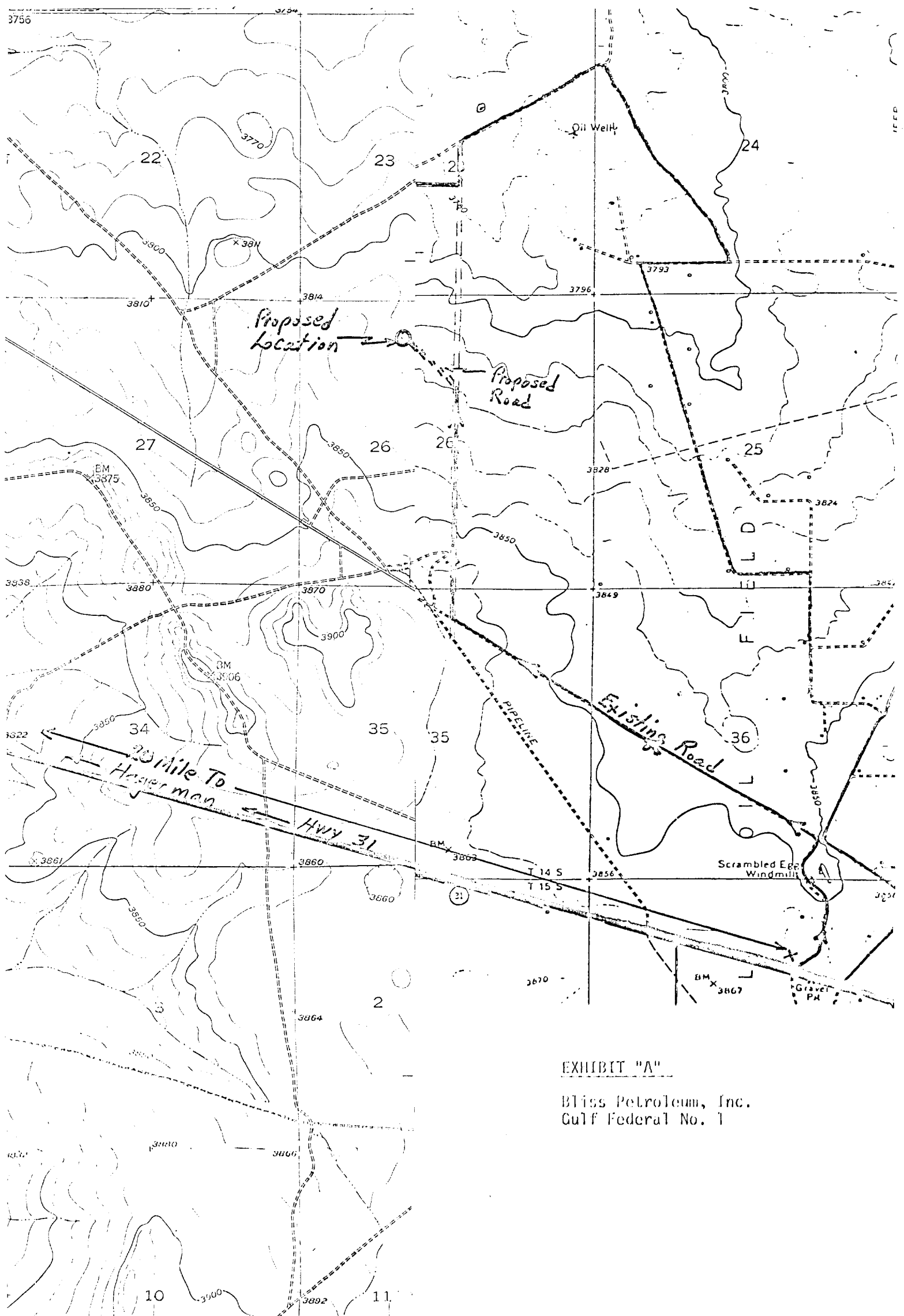
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and the work associated with the operation proposed herein will be performed by myself and my contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

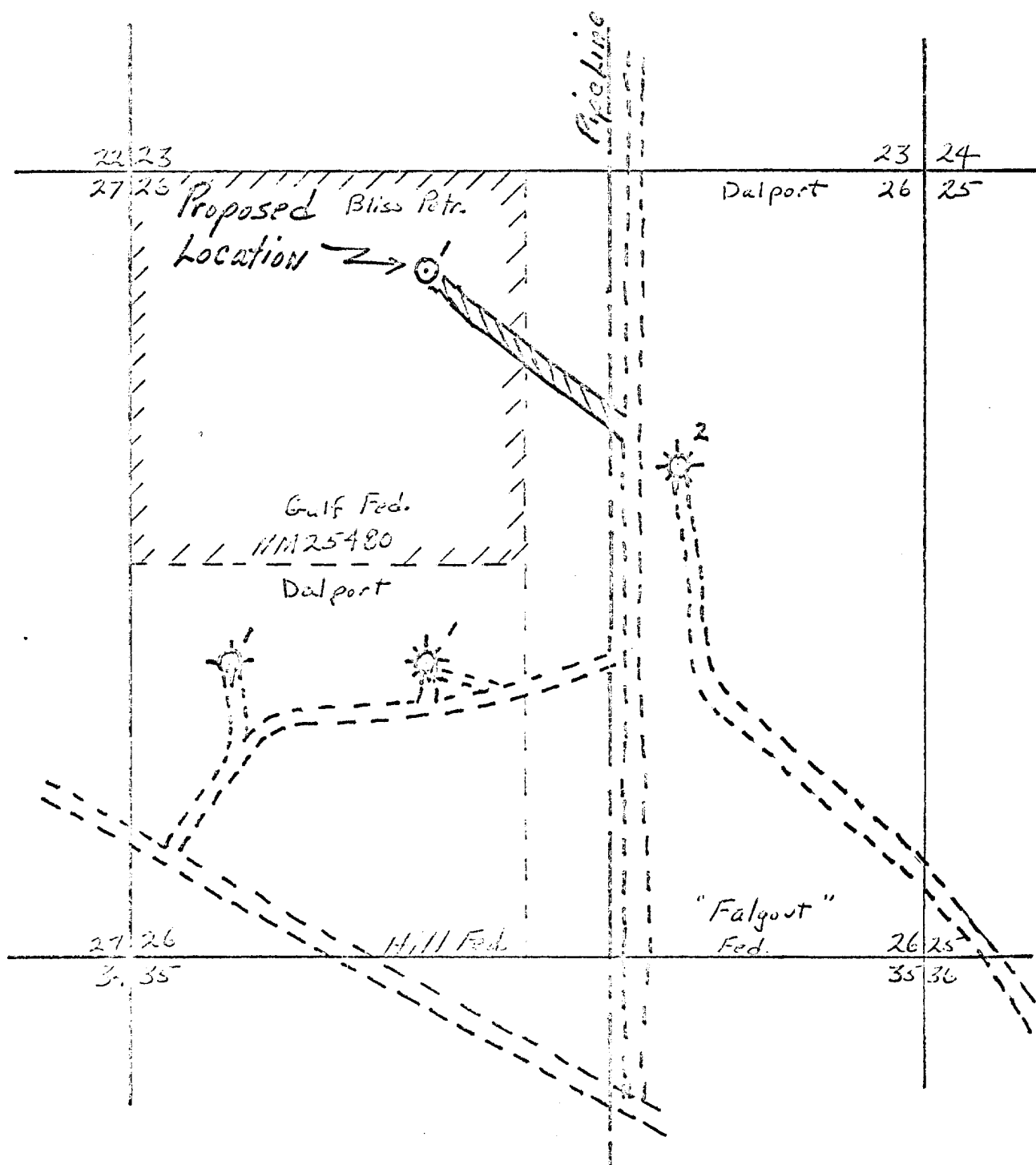
BLISS PETROLEUM, INC.

June 12, 1980



Paul Bliss
President





Section 26 - T14S-R29E, Chaves Co., N.M.


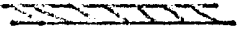
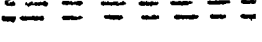
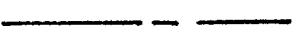
-  Proposed Location
-  Proposed Road
-  Existing Roads
-  Pipeline

EXHIBIT "B"

Bliss Petroleum, Inc.
Gulf Federal No. 1

BLISS PETROLEUM, INC.

504 NORTH SHIPP
HOBBS, NEW MEXICO 88240

PHONE 505 393-7320

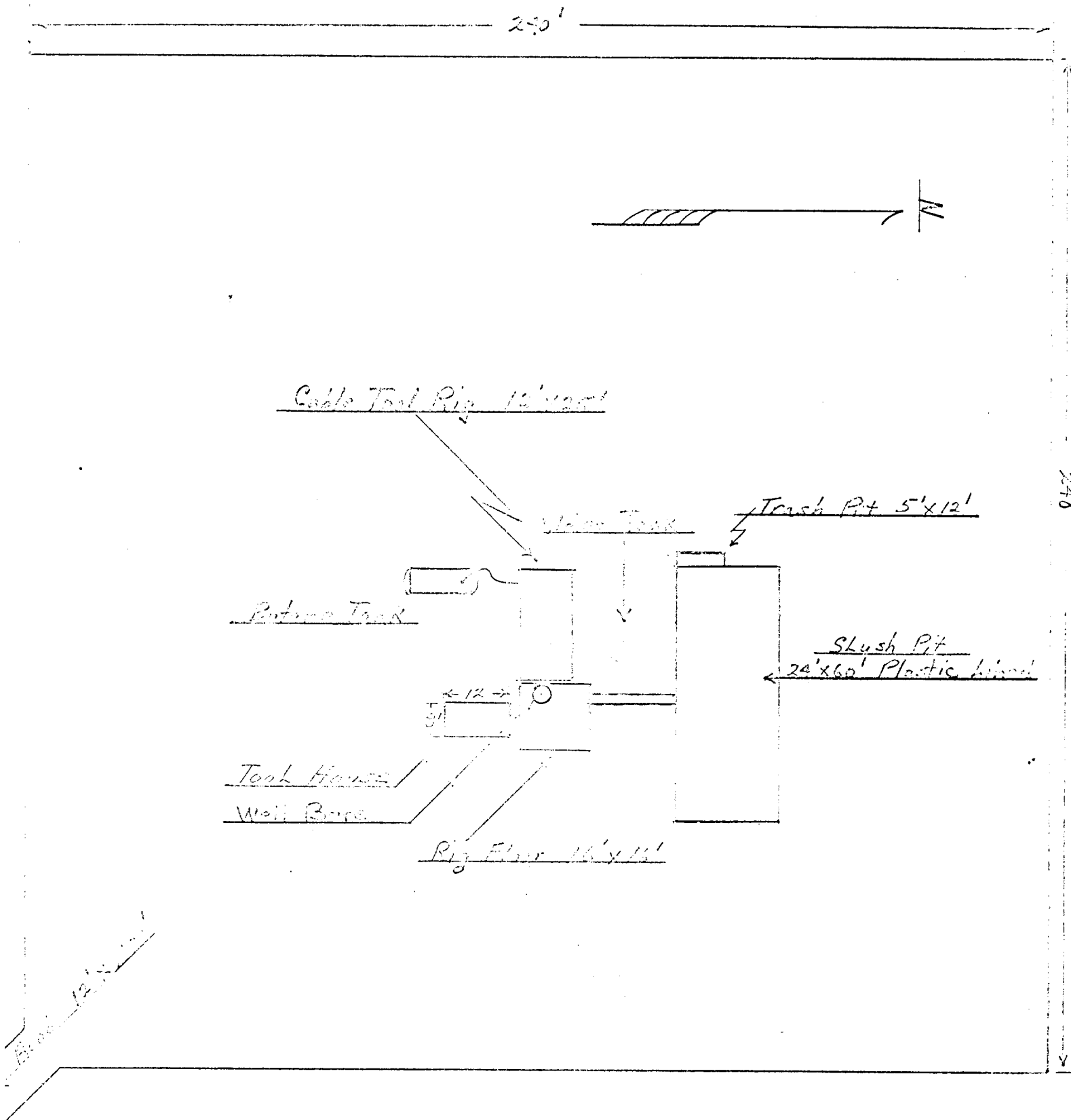


EXHIBIT "D"

Bliss Petroleum, Inc.
Gulf Federal No. 1

BLISS PETROLEUM, INC.

504 NORTH SHIPP
HOBBS, NEW MEXICO 88240

PHONE 505 393-7320

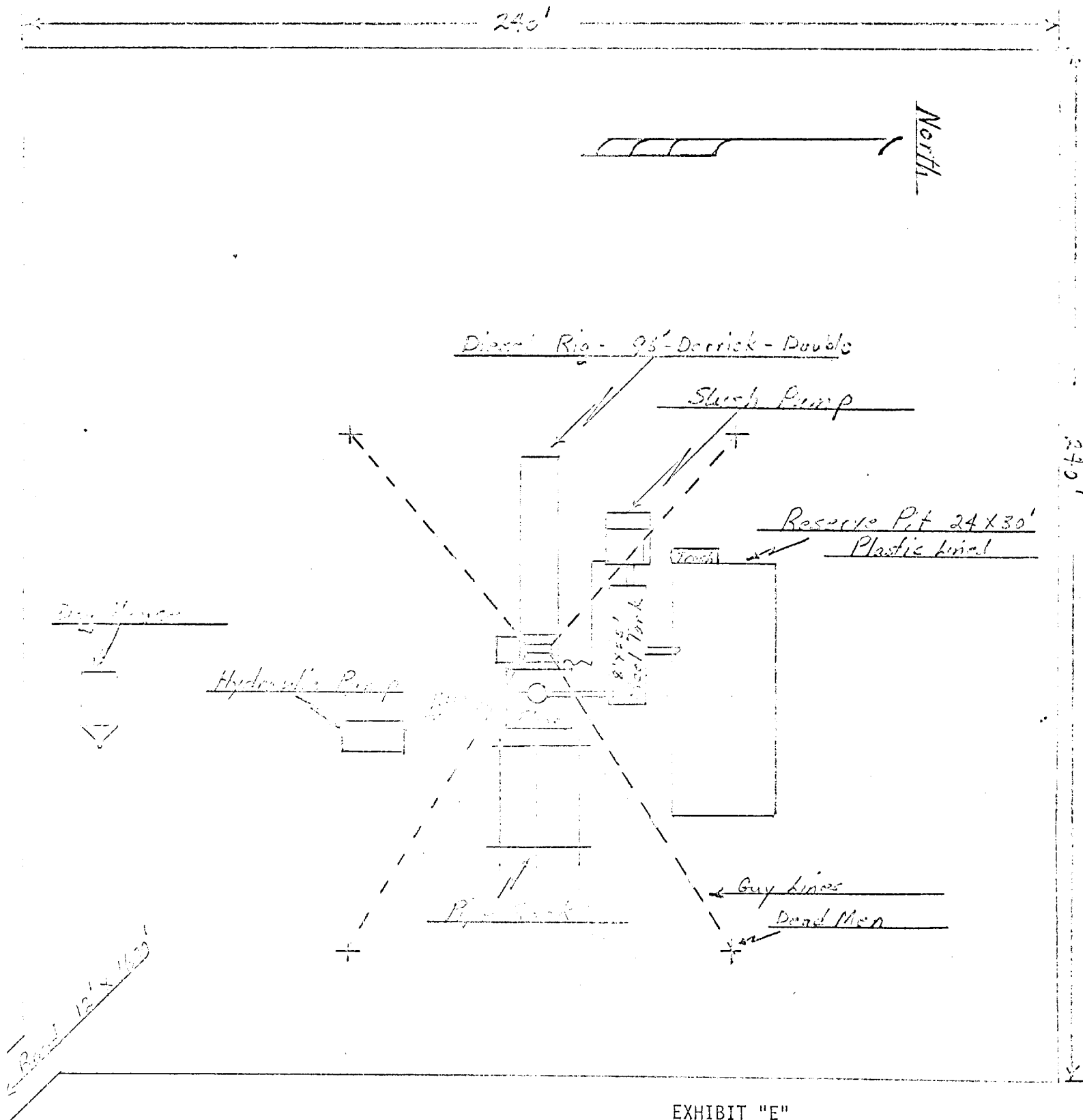


EXHIBIT "E"

Bliss Petroleum, Inc.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

February 2, 1981

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

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FEB 05 1981

O. C. D.
ARTESIA, OFFICE

Bliss Petroleum, Inc.
P. O. Box 1817
Hobbs, New Mexico 88240

Attention: Mr. Paul Bliss

Administrative Order NSP-1231

Gentlemen:

Reference is made to your application for a 160-acre non-standard proration unit consisting of the following acreage in the Double L Queen Associated Pool:

CHAVES COUNTY, NEW MEXICO
TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
Section 26: NW/4

It is my understanding that this unit is to be dedicated to your Gulf Federal Well No. 1 located 660 feet from the North line and 1980 feet from the West line of said Section 26.

By authority granted me under the provisions of Rule 4(b) of Order No. R-5353, the above non-standard proration unit is hereby approved.

Sincerely,

JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Artesia
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Artesia