

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

REVISED

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. Drawer 730 Roswell, NM 88202

AUG 29 '89

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

At surface

1980 FEL & 660 FSL

At proposed prod. zone

O. C. D.
ARTESIA, OFFICE

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

4 Miles east of Lake Arthur

15. DISTANCE FROM PROPOSED*

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

660 ft.

16. NO. OF ACRES IN LEASE

280

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*

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

N/A

19. PROPOSED DEPTH

8350

20. ROTARY OR CABLE TOOLS

Rotary

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

3493 GR

22. APPROX. DATE WORK WILL START*

Sept. 1, 1989

23.

PROPOSED CASING AND CEMENTING PROGRAM

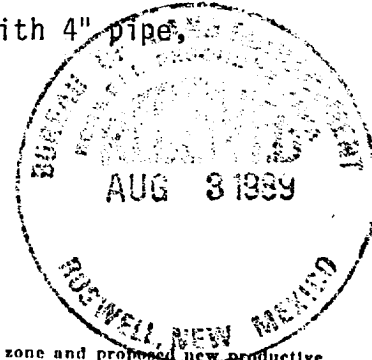
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48	±350	300 sx - Circulate
12 1/4"	8 5/8"	24	±1350	750 sx - Tie Back
7 7/8"	4 1/2"	11.6	±8350	800 sx - Top of Wolfcamp

Mud Program: Drill from surface to top of Abo (±4700 ft) with fresh water and native mud. Mud up for Abo with 9.0 ppg wt, 40 viscosity and 15cc water loss. Drill to TD with mud. Increase viscosity for drill stem testing.

BOP Specifications: Will install a 3000 psi double hydraulic BOP with 4" pipe, blind rams and hydril.

Gas is not dedicated.

Post ID-1
9-1-89
New loc + API



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

Operation's Manager

DATE

Aug. 2, 1989

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

S/Phil Kirk

TITLE

Area Manager

DATE

AUG 17 1989

CONDITIONS OF APPROVAL, IF ANY:

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT IN ADVANCE.

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.

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

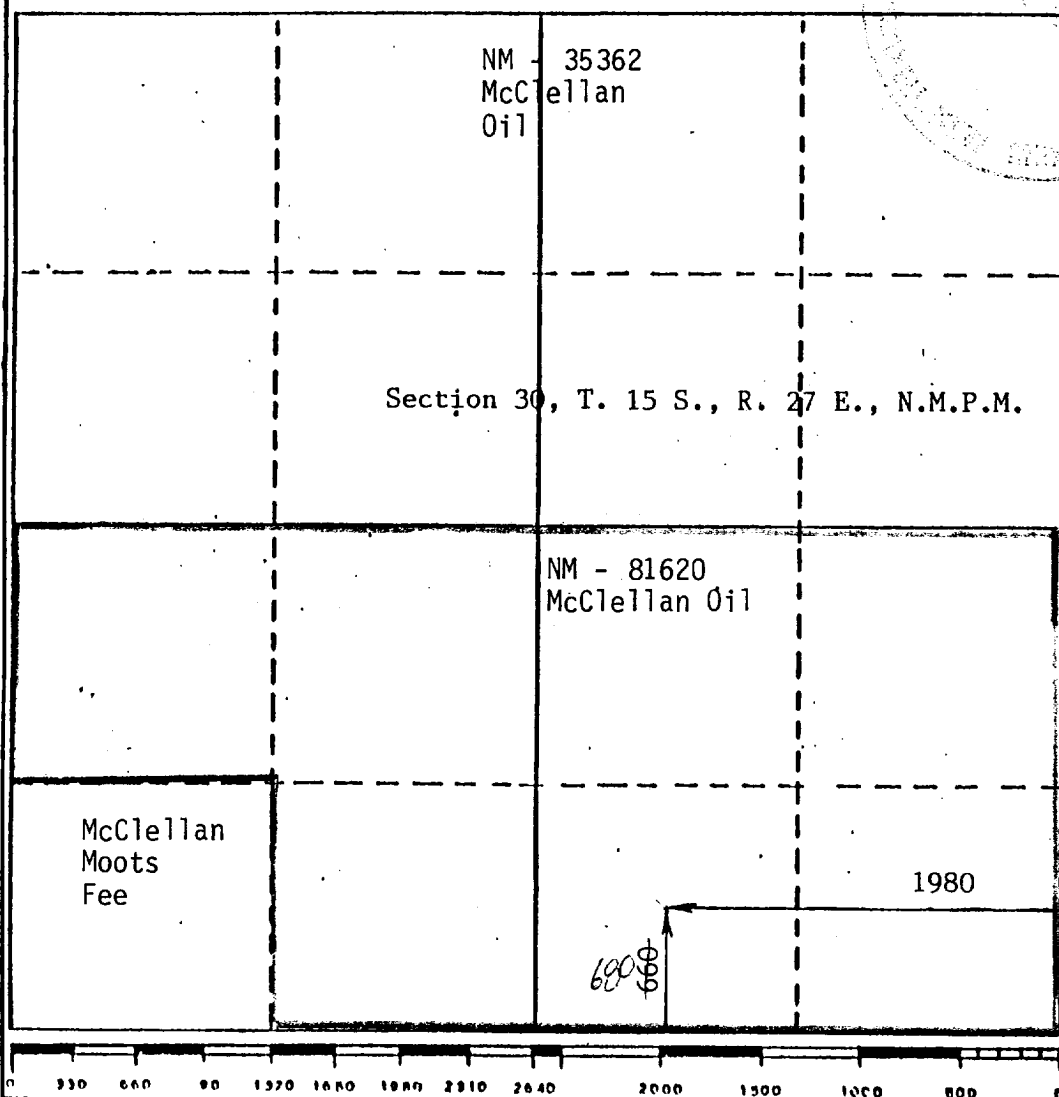
Operator McClellan Oil Corporation			Lease L.A. Federal		Well No. 1
Unit Letter 0	Section 30	Township 15 South	Range 27 East	County Chaves	
Actual Footage Location of Well: 1980 feet from the East line and 660 feet from the South line					
Ground Level Elev. 3493	Producing Formation Atoka-Morrow	Pool Wildcat		Dedicated Acreage 320	Acre

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 Communitization

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.

Paul Ragsdale

Name Paul Ragsdale

Position Operation's Manager

Company McClellan Oil Corp.

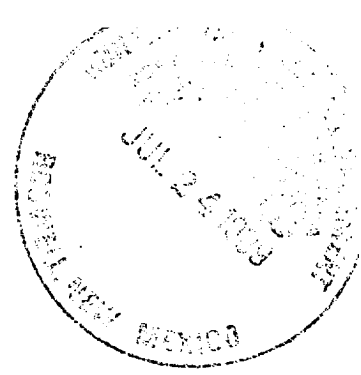
Date July 14, 1989

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.

JOHN D. JAQUES
NEW MEXICO
JULY 12 1989
Registered Professional Engineer
and/or Land Surveyor
John D. Jaques
Professional Engineer & L.S.
Certificate No. 6290

APPLICATION FOR DRILLING

McCLELLAN OIL CORPORATION
LA Com Fed. #1
1980 FEL & 660 FSL, Sec. 30-T15S-R27E
Chaves County, New Mexico
Lease No. NM-81620
(Wildcat Well)



In conjunction with Form 3160-3, Application for Permit to Drill subject well, McClellan Oil Corporation submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

San Andres	1261'	Abo	4737'	Atoka	8100'
Glorietta	2680'	Wolfcamp	5840'	TD	8350'
Tubb	3995'	Strawn	7650'		
3. The estimated depths at which water, oil or gas formations are anticipated to encountered:

Water: Surface water between 100' to 300'.

Oil: Slight oil shows in San Andres at 1500'.

Gas: Anticipated Wolfcamp, Strawn, Atoka zones will be gas bearing.
4. Proposed Casing Program: See Form 3160-3.
5. Pressure Control Equipment: See Form 3160-3 and Exhibit "E".
6. Mud Program: See Form 3160-3.
7. Auxiliary Equipment: Blowout preventer, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging, and Coring Program:

Drill Stem Tests: Possible DST in Strawn and/or Atoka-Morrow.

Logging: From surface Casing to T.D.: G/R, CNL-LDT, DLL, MSFL

Coring: None planned.
9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified.
10. Anticipated starting date: August 31, 1989.
Anticipated completion of drilling operations: Approximately 35 days.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

McCLELLAN OIL CORPORATION
LA Com Fed. #1
1980 FEL & ~~560~~⁵⁸⁰ FSL, Sec. 30-T15S-R27E
Chaves County, New Mexico
Lease No. NM-81620
(Wildcat Well)



This plan is submitted with the 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, to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operations.

1. EXISTING ROADS:

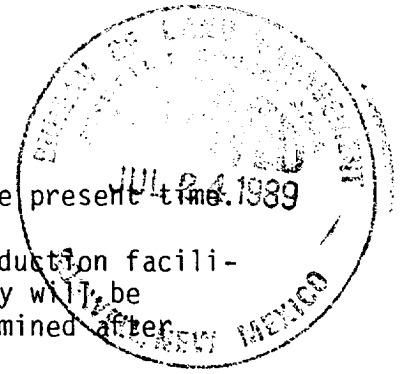
- A. Exhibit "A" is a portion of the BLM color quad map showing the location of proposed well and access road as staked, in relation to existing roads and highway. The well is approximately 4 miles east of Lake Arthur, NM.
- B. Directions: Take U.S. Highway 285 Alt to Lake Arthur, Turn east approximately 1 1/2 mile to the Pecos River, cross the bridge, follow the main county road approximately 1 1/2 miles to the intersection; turn right approximately 1 1/4 miles and the location will be on the south side of the existing road. The proposed location (400' square) and access road is staked and is color coded in red on Exhibit "A" and "B".

2. PLANNED ACCESS ROAD

- A. Length & Width: The proposed access road will be 12 feet wide (24' Max.) and approximately 150 feet long from the existing wellsite pad to the northeast corner of the proposed location.
- B. Construction: The proposed access road will be constructed by grading and topping with compacted caliche if needed and the surface will be properly drained.
- C. Turnouts: One 20 ft wide turnout will be installed.
- D. Culverts: None required.
- E. Cuts and Fills: Approximately seven feet will be cut and filled to level the location. See Exhibit F.
- F. Gates, Cattleguards: None required.
- G. Off Lease ROW: Not applicable.

3. LOCATION OF EXISTING WELLS:

- A. Existing wells within a two mile radius are shown on Exhibit "C".



4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. There are no production facilities on this lease at the present time.
- B. If the well proves to be commercial, the necessary production facilities, gas separation-process equipment and tank battery will be installed on the drilling pad. Pipeline well be determined after completion.

5. LOCATION & TYPE OF WATER SUPPLY

- A. It is planned to drill the proposed well with fresh water which will be obtained from commercial or private sources. The water will be transported over existing and proposed access roads.

6. SOURCE OF CONSTRUCTION MATERIALS

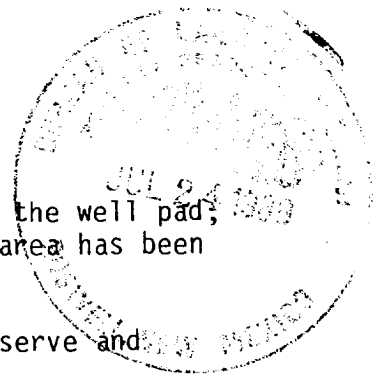
- A. Surfacing for the proposed access road and wellsite pad will be obtained while cutting the location. The topsoil from the location will be stockpiled near the location for future rehabilitation use. No surface materials will be disturbed except those necessary for actual grading and leveling of the drill site and access road.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing materials to prevent livestock from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or a separate disposal application will be submitted to the BLM for approval.
- E. Oil produced during operations will be stored in tanks until sold.
- F. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- G. 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 using either a dumpster or netting.
- H. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILIARY FACILITIES:

- A. None Required.



9. WELLSITE LAYOUT:

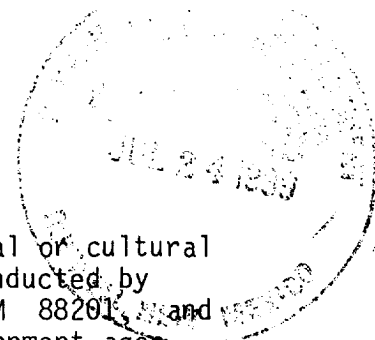
- A. Exhibit "D" shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The pad and pit area has been staked and flagged.
- B. Mat Size: Max. Pad size: 250' x 165', plus 100' x 75' reserve and working pits.
- C. Cut and Fill: Requires a 7 foot cut on the northeast and fill to the south and west.
- D. The surface will be compacted after leveling. Caliche will be placed around the wellhead after completion attempts. The reserves will be plastic lined pits.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. 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 the location cleaned of all trash and junk to leave the wellsite contoured as before construction.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.

11. OTHER INFORMATION:

- A. Topography: From the wellsite elevation of 3493', the land surface in the vicinity of the wellsite is on a 1.3':100' northwest facing slope that drains toward a draw. The location is located on a caliche dome.
- B. Soil: The topsoil at the wellsite is caliche with outcrops of gypsum rock.
- C. Flora and Fauna: The vegetative cover consists of a fair cover of grass, mainly grama, dropseed, three-awn, tabosa and blue stem grass along with mesquite, yucca, cacti and miscellaneous wildflowers. The wildlife consists of rabbits, coyotes, antelope, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.
- D. Residences and Other Structures: None in the area.
- E. Ponds and streams: The Pecos River is located 3 miles to the west.
- F. Land Use: Cattle grazing.
- G. Surface Ownership: The proposed wellsite and access road are on Federal surface. The minerals are also Federal.



11. OTHER INFORMATION: cont...

- G. There is no visible evidence of archaeological, historical or cultural sites in the area. An archaeological survey has been conducted by Archaeological Survey Consultant, P.O. Box D, Roswell, NM 88201, and their report has been submitted to the appropriate government agencies.

12. OPERATOR'S REPRESENTATIVE:

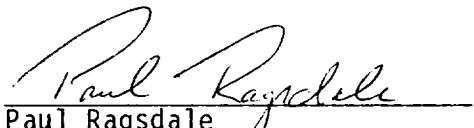
- A. The field representative responsible for assuring compliance with the approved surface use and operations plan is as follows:

Paul Ragsdale
McClellan Oil Corporation
P.O. Box 730 or 601 Moore Dr.
Roswell, New Mexico 88202
Office Phone: (505) 622-3200
Home Phone: (505) 623-3940
Mobile Phone: 623-0989 #9125

13. CERTIFICATION:

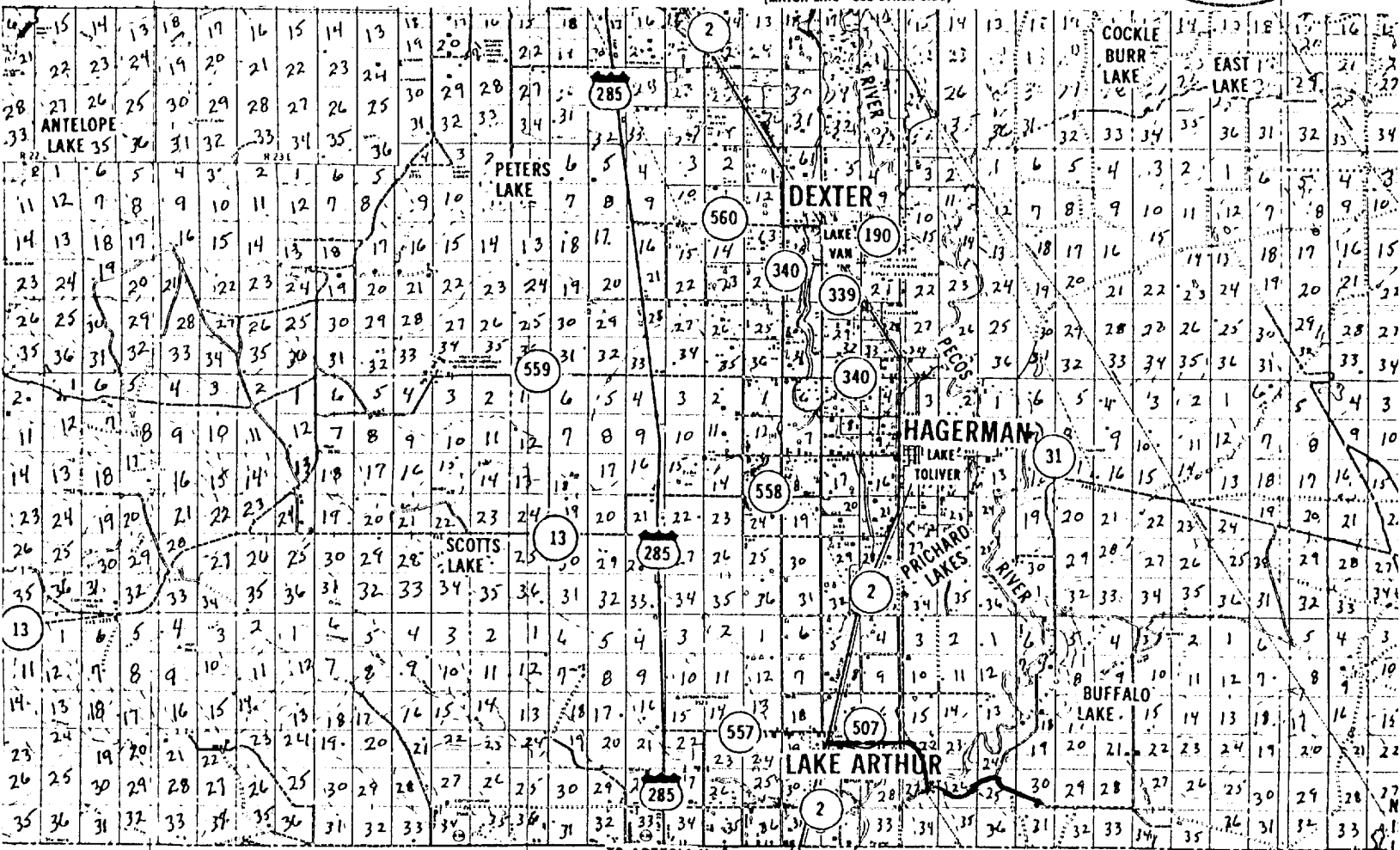
I hereby certify that I have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan to the best of my knowledge, are true and correct; and, that the work associated with the operations proposed herein will be performed by McClellan Oil Corporation and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for filing a false statement.

July 19, 1989


Paul Ragsdale
McClellan Oil Corporation

JUL 24 1969
MOSWELL, NEW MEXICO

(MATCH LINE - SEE OTHER SIDE)



R23E

R24E

TO ARTESIA
R25E

TO ARTESIA R26E

R27E

R28E

E

D

D

Y

C

O

U



Exhibit A
McClellan Oil Corporation
L. A. Fed #1
1980 FEL & 660 FSL
Sec 30-T15S-R27E

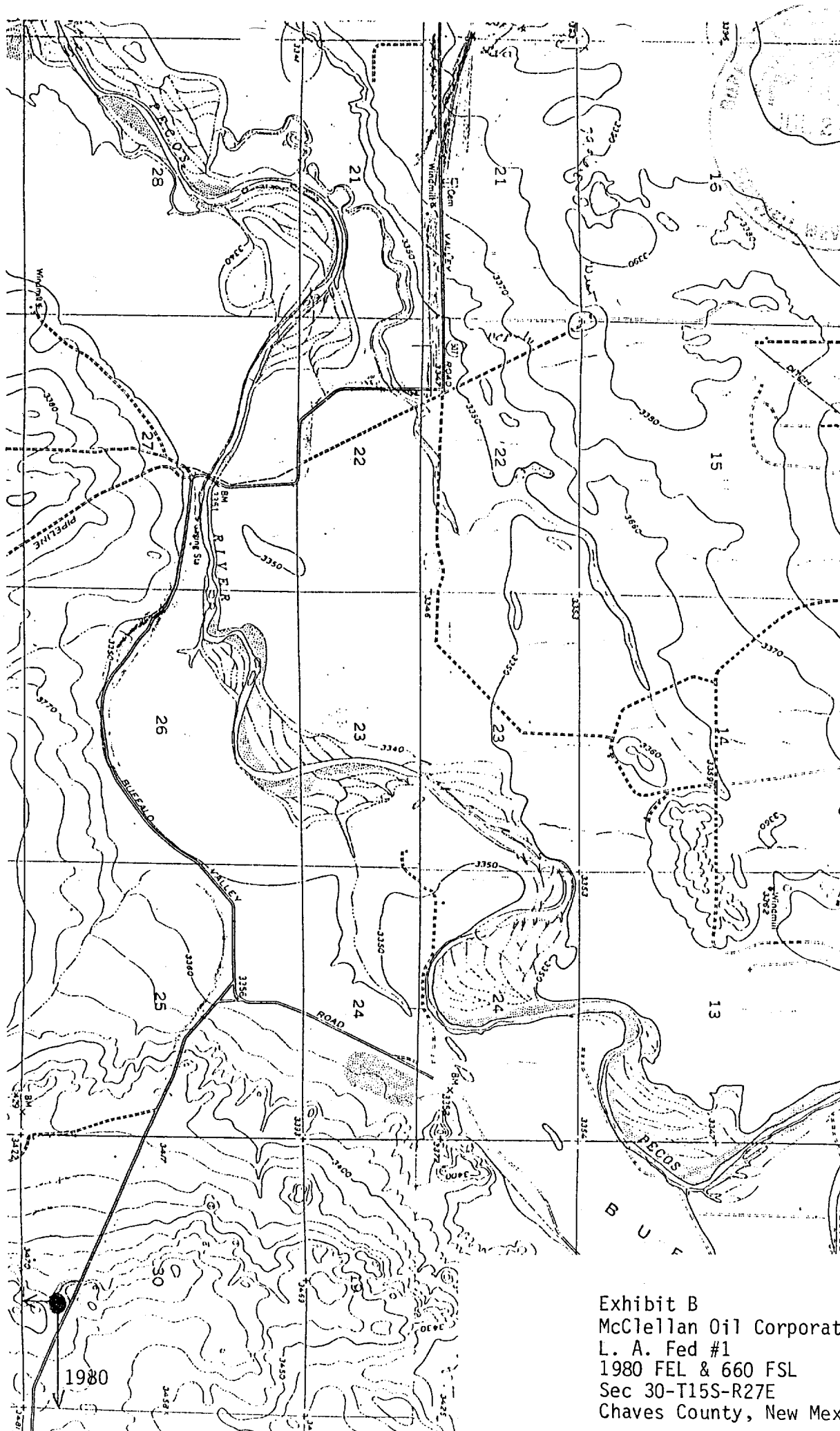


Exhibit B
McClellan Oil Corporation
L. A. Fed #1
1980 FEL & 660 FSL
Sec 30-T15S-R27E
Chaves County, New Mexico

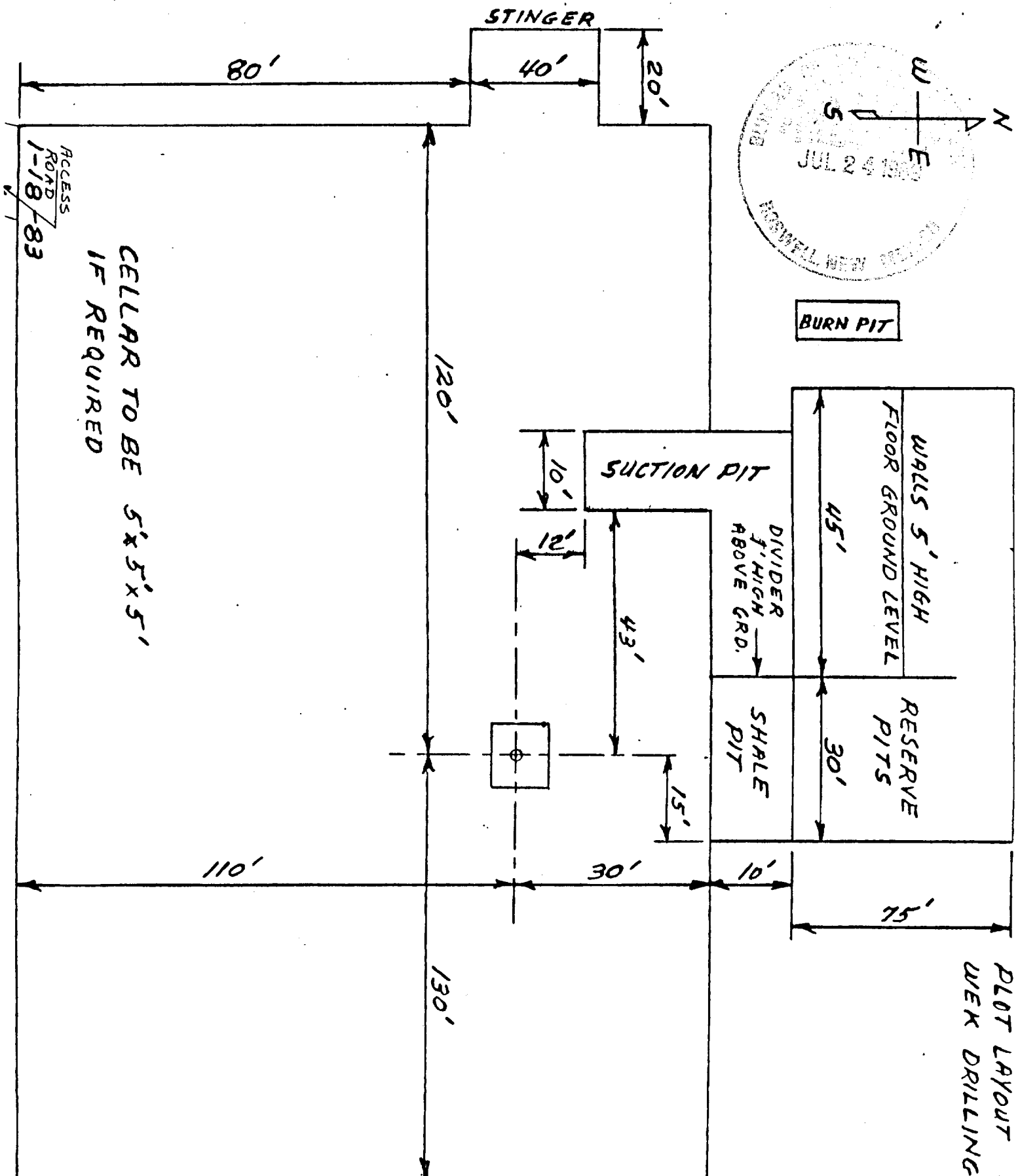


Exhibit D
McClellan Oil Corporation
L. A. Fed #1
Rig Layout

PLOT LAYOUT RIG 3
WEK DRILLING

10/15/74

WEK DRILLING CO., INC. - Rig 2
BLOWOUT PREVENTER SPECIFICATION

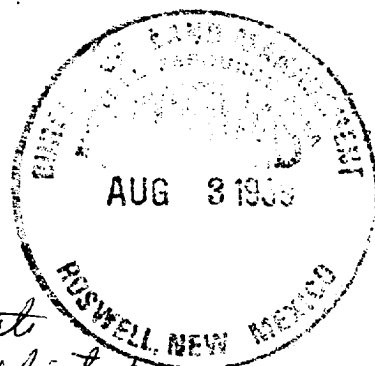
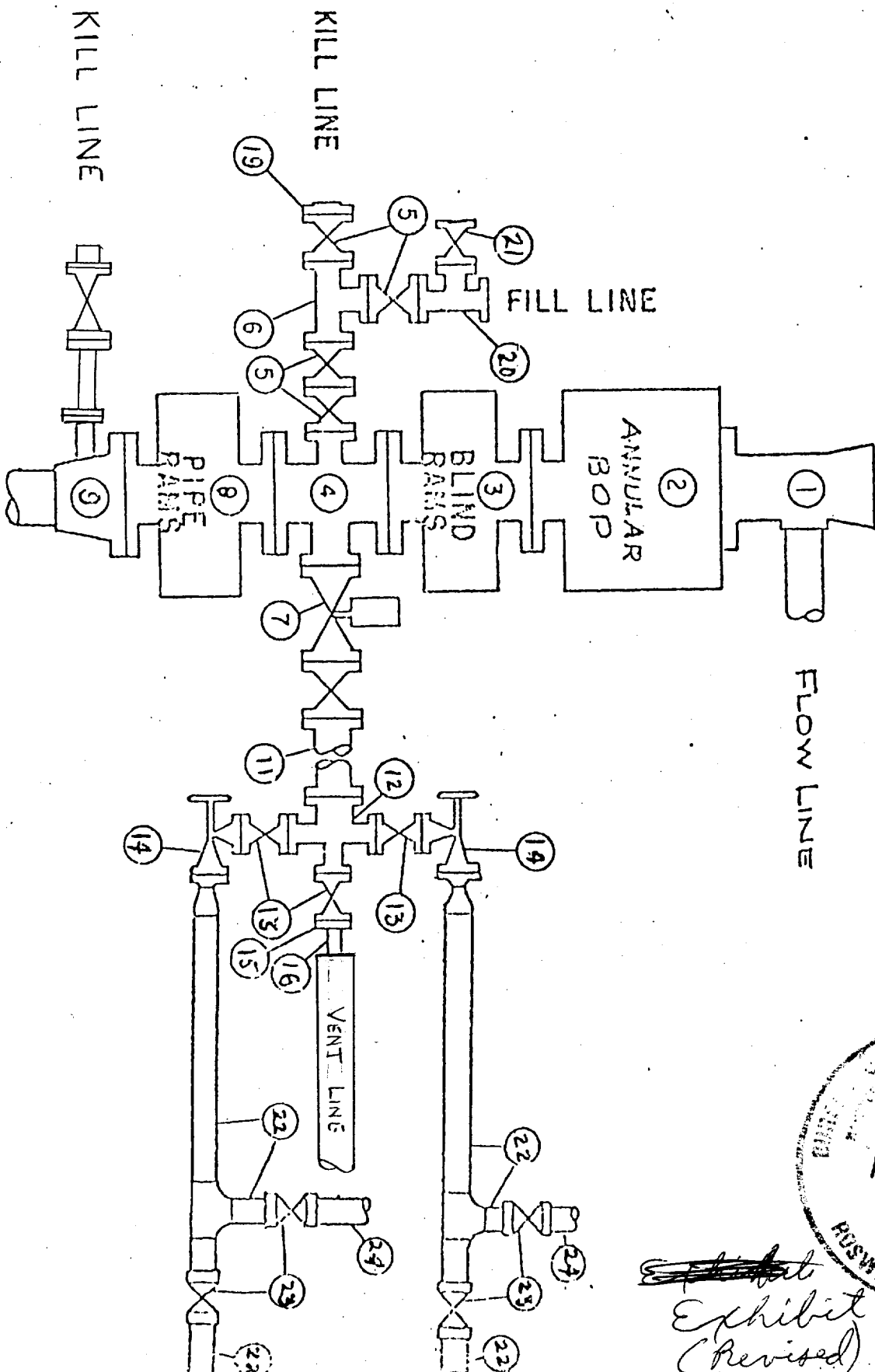


Exhibit E
(Revised)

JOHN D. JACOBESS
CONSULTING ENGINEERS
P.O. Box 2565
ROSWELL, NEW MEXICO 88201
(505) 622-8866

JOB GRID ELEVATIONS

SHEET NO. _____ OF _____

CALCULATED BY _____ DATE _____

CHECKED BY _____ DATE _____

SCALE _____

L.A. Federal #1
1980 FEL, 660 FSL
Section 30, T. 15 S., R. 27 E., N.M.P.M.

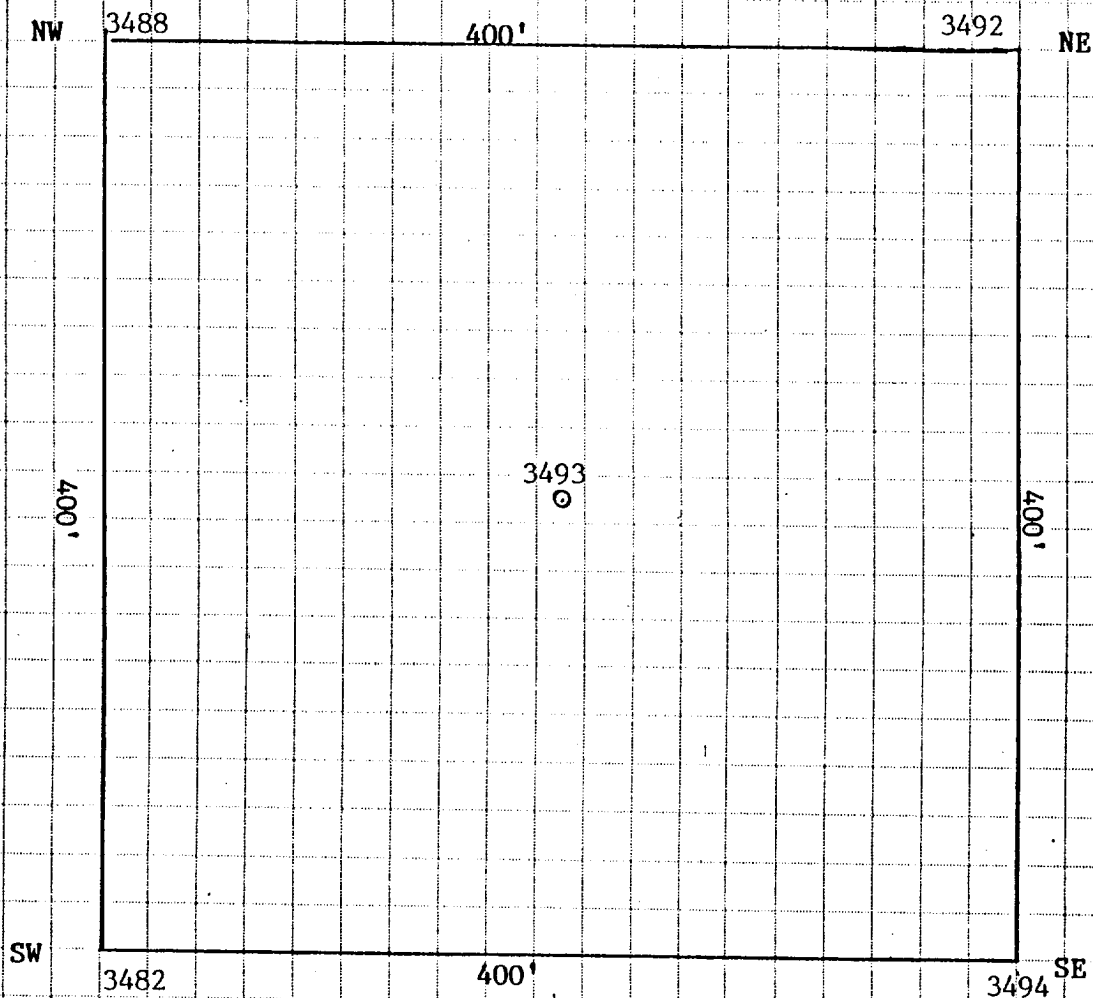


Exhibit F
McClellan Oil Corporation
L. A. Fed #1
Grid Elevations

