

NM OIL CONS. COMMISSION  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
Artesia, NM 88210

401

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK  
 DRILL       DEEPEN       PLUG BACK

2. TYPE OF WELL  
 OIL WELL       GAS WELL       OTHER  *Re-entry*      SINGLE ZONE       MULTIPLE ZONE

3. NAME OF OPERATOR  
 McClellan Oil Corporation

4. ADDRESS OF OPERATOR  
 P.O. Drawer 730, Roswell, NM 88202

5. LOCATION OF WELL (Report location clearly and in accordance with any State regulations)  
 At surface  
 330' FNL & 330' FEL  
 At proposed prod. zone

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE  
 16 miles north of Loco Hills, N.M.

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.  
 (Also to nearest drlg. unit line, if any)      330'

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 2658'

9. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 3698' G.L.

10. NO. OF ACRES IN LEASE  
 1480

11. PROPOSED DEPTH  
 2300'

12. NO. OF ACRES ASSIGNED TO THIS WELL  
 40

13. ROTARY OR CABLE TOOLS  
 Pulling Unit

14. APPROX. DATE WORK WILL START\*  
 2/12/86

| 23. PROPOSED CASING AND CEMENTING PROGRAM |                |                 |               |                    |
|---|----------------|-----------------|---------------|--------------------|
| SIZE OF HOLE                              | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
| 7-7/8"                                    | 4-1/2"         | 10.5 lb.        | 2300'         | 200 sx             |
|   |                |                 |               |                    |
|   |                |                 |               |                    |

RECEIVED BY  
 FEB 12 1986  
 O. C. D.  
 ARTESIA, OFFICE

5. LEASE DESIGNATION AND SERIAL NO.  
 NM-0916

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 Simmons Fed.

9. WELL NO.  
 3

10. FIELD AND POOL, OR WILDCAT  
 Henshaw Grayburg-West

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Sec. 26-T16S-R29E

12. COUNTY OR PARISH  
 Eddy

13. STATE  
 NM

Propose to re-enter the Simmons Fed. No. 3 to a depth of 2300' in order to test the Penrose Sand. If production is indicated by logs, will run 4-1/2" casing and attempt completion.

Post IO-1  
 2-14-86  
 Nhoce, BK

OTO - 2637  
 PVA - 2-21-62

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.

SIGNED Mark McClellan TITLE Geologist DATE 1/20/86

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 2-11-86

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

APPROVAL SUBJECT TO  
 GENERAL REQUIREMENTS AND  
 SPECIAL STIPULATIONS  
 ATTACHED

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN TRIPPLICATE\*  
(Other instructions on re-verse side)

Form approved.  
Budget Bureau No. 42-R1424.

5. LEASE DENOMINATION AND SERIAL NO.

NM-0916

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Simmons Fed.

9. WELL NO.

3

10. FIELD AND POOL, OR WILDCAT

Wildcat

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

Sec. 26-T16S-R29E

12. COUNTY OR PARISH 13. STATE

Eddy

NM

SUNDRY NOTICES AND REPORTS ON WELLS  
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. KIND OF WELL  OIL WELL  GAS WELL  OTHER  Re-enter

2. NAME OF OPERATOR  
McClellan Oil Corporation

3. ADDRESS OF OPERATOR  
P.O. Drawer 730, Roswell, NM 88202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.)  
At surface

330' FNL & 330' FEL

14. PERMIT NO. 15. ELEVATIONS (Show whether DT, RT, GR, etc.)  
3698' G.L.

14. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

|  |  |
|--|--|
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/>    |
| FRACTURE TREAT <input type="checkbox"/>      | MULTIPLE COMPLETE <input type="checkbox"/>       |
| SHOOT OR ACIDIZE <input type="checkbox"/>    | ABANDON* <input type="checkbox"/>                |
| REPAIR WELL <input type="checkbox"/>         | CHANGE PLANN <input checked="" type="checkbox"/> |
| (Other) <input type="checkbox"/>             |  |

Alter casing plan

SUBSEQUENT REPORT OF:

|  |  |
|--|--|
| WATER SHUT-OFF <input type="checkbox"/>        | REPAIRING WELL <input type="checkbox"/>  |
| FRACTURE TREATMENT <input type="checkbox"/>    | ALTERING CASING <input type="checkbox"/> |
| SHOOTING OR ACIDIZING <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/>    |
| (Other) <input type="checkbox"/>               |  |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Propose to revise casing plan to include 24 lb/ft, 8-5/8" casing to be set at 395'. If production is indicated by logs, will pull 8-5/8" casing, run 4-1/2" casing to 2300' and circulate cement, as per verbal approval by Armando Lopez on 2/7/86.

18. I hereby certify that the foregoing is true and correct

SIGNED Mark McClellan TITLE Geologist DATE 2/7/86

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

|                           |      |
|---------------------------|------|
| NUMBER OF COPIES RECEIVED |      |
| DISTRIBUTION              |      |
| STATE                     |      |
| FILE                      |      |
| U.S.S.                    |      |
| LAND OFFICE               |      |
| TRANSPORTER               | OIL  |
|                           | SALE |
| REGISTRATION OFFICE       |      |
| OPERATOR                  |      |

## NEW MEXICO OIL CONSERVATION COMMISSION

### WELL LOCATION AND ACREAGE DEDICATION PLAT

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

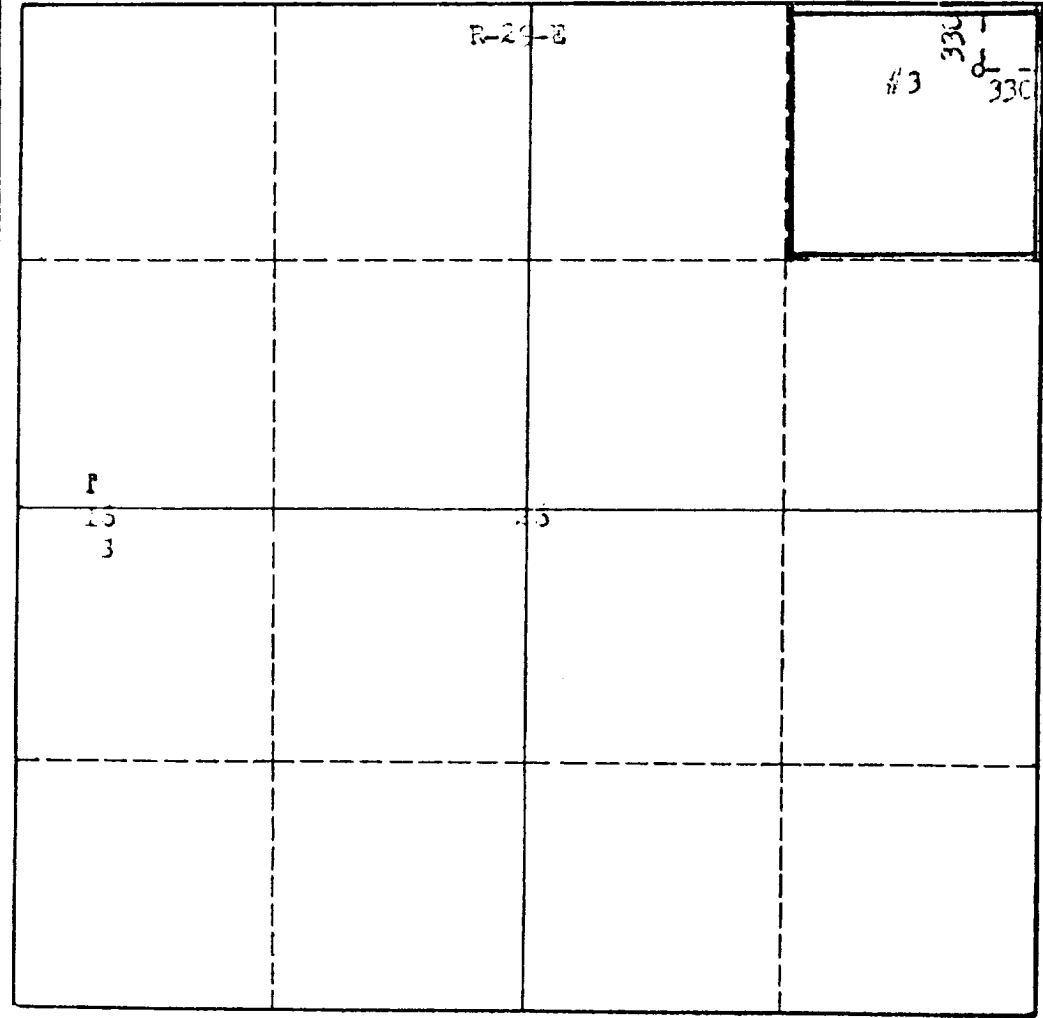
#### SECTION A

|  |                                       |                                   |                                       |                        |
|--|---------------------------------------|-----------------------------------|---------------------------------------|------------------------|
| Operator<br><b>Jack McClellan</b>  |                                       | Lease<br><b>Federal (Simmons)</b> |                                       | Well No.<br><b>3</b>   |
| Unit Letter<br><b>A</b>  | Section<br><b>26</b>                  | Township<br><b>7-16-3</b>         | Range<br><b>7-29-3</b>                | County<br><b>Sully</b> |
| Actual Footage Location of Well:<br><b>330</b> feet from the <b>North</b> line and <b>330</b> feet from the <b>East</b> line |                                       |                                   |                                       |                        |
| Ground Level Elev.<br><b>3 2678</b>  | Producing Formation<br><b>Penrose</b> | Pool<br><b>Wildcat</b>            | Dedicated Acreage:<br><b>40</b> Acres |                        |

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES \_\_\_\_\_ NO \_\_\_\_\_. ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES \_\_\_\_\_ NO \_\_\_\_\_. If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

| Owner | Land Description                      |
|-------|---------------------------------------|
|       | <b>RECEIVED</b><br><b>MAR 26 1962</b> |

#### SECTION B



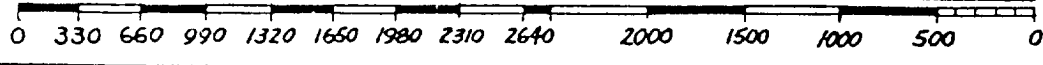
**CERTIFICATION**

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

|          |                          |
|----------|--------------------------|
| Name     | <i>Jack L. McClellan</i> |
| Position | OPERATOR                 |
| Company  | JACK L. MCCLELLAN        |
| Date     | MARCH 22, 1962           |

I hereby certify that the well location shown on the plat in SECTION B 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   | <i>March 21, 1962</i> |
| Registered Professional Engineer and/or Land Surveyor | <i>James H. Brown</i> |
| Certificate No.                                       | <b>542</b>            |



SURFACE USE PLAN

## SURFACE USE PLAN

McClellan Oil Corporation  
Simmons Fed. No. 3

1. Existing Roads  
Exhibit "A" is a portion of the Eddy County road map of the New Mexico State Highway Department, showing the proposed well site in relation to nearby highways and ranch-oil field roads. Go to Hagerman, go east of Hagerman 17 miles to Loco Hills cut off, turn south 10.7 miles, turn right 1/2 mile to Phillips Plant and go right on main road 1.6 miles to Y. Take left hand fork 1/10th of a mile. Turn left 2 miles, turn right 1-1/2 miles to rig. All roads and highways to be used are marked in yellow and the proposed well site is marked in red.
2. Planned Access Roads  
Exhibit "B" shows the county road and existing access roads. The existing access road will be upgraded. No fences will be involved or crossed.
3. Location of existing wells  
Exhibit "C" shows all the producing wells within 2 miles of the proposed test with ownership of various tracts.
4. Location of Tank Battery, Production Facilities & Production Gathering & Service Lines  
If gas production is achieved, the location of the line will be determined by the purchaser laying in the gathering system to his existing gas lines.
5. Location and Type of Water Supply  
There is no useable water in this area. All water needed for drilling, testing and completion will be trucked in by a commercial transport on existing roads as shown on Exhibit "A".
6. Source of Construction Materials  
If it is necessary to use caliche on new road and location, this material will be obtained from the existing pits in the area as determined by the dirt contractor.
7. Handling of Water Disposal  
All waste material remaining after the drilling of this well will be placed in mud pits as shown on Exhibit "D". Any combustible or biochemically degradable material will be placed in the "burn and trash pit."
8. Ancillary Facilities  
No ancillary facilities are planned.
9. Well Site Layout  
This information is shown on Exhibit "D".
10. Plan for Restoration of Surface  
All pits will be filled in and leveled. Deadmen will be removed. The access road and location will be restored as near as possible to its natural state following instructions from appropriate governmental agency, if well is abandoned; otherwise the location will be cleared and maintained

in an orderly manner.

11. Other Information

The topography of the land surrounding the staked well is depicted on Exhibit "B".

12. Operator Representatives

Paul Ragsdale  
601 Moore  
Roswell, New Mexico 88201

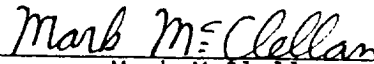
505/622-3200 Office  
505/623-0989 Mobile Unit 9125

Mark McClellan  
878 East Agate  
Roswell, New Mexico 88201

505/622-3200 Office  
505/623-0989 Mobile Unit 9128

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 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.

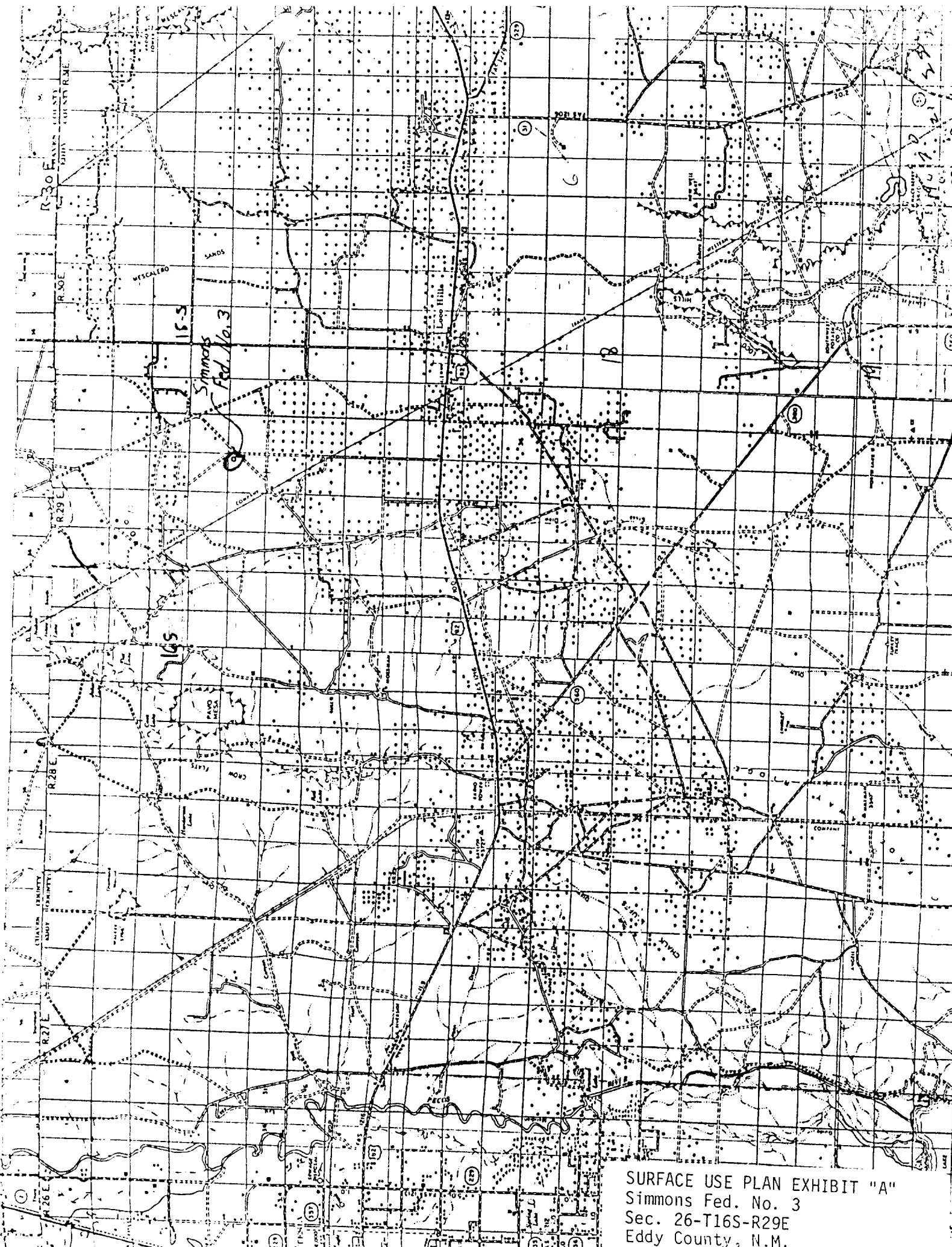
  
\_\_\_\_\_  
Mark McClellan

Simmons Fed. #3  
McClellan Oil Corp.

REQUIREMENTS  
(NTL-6)

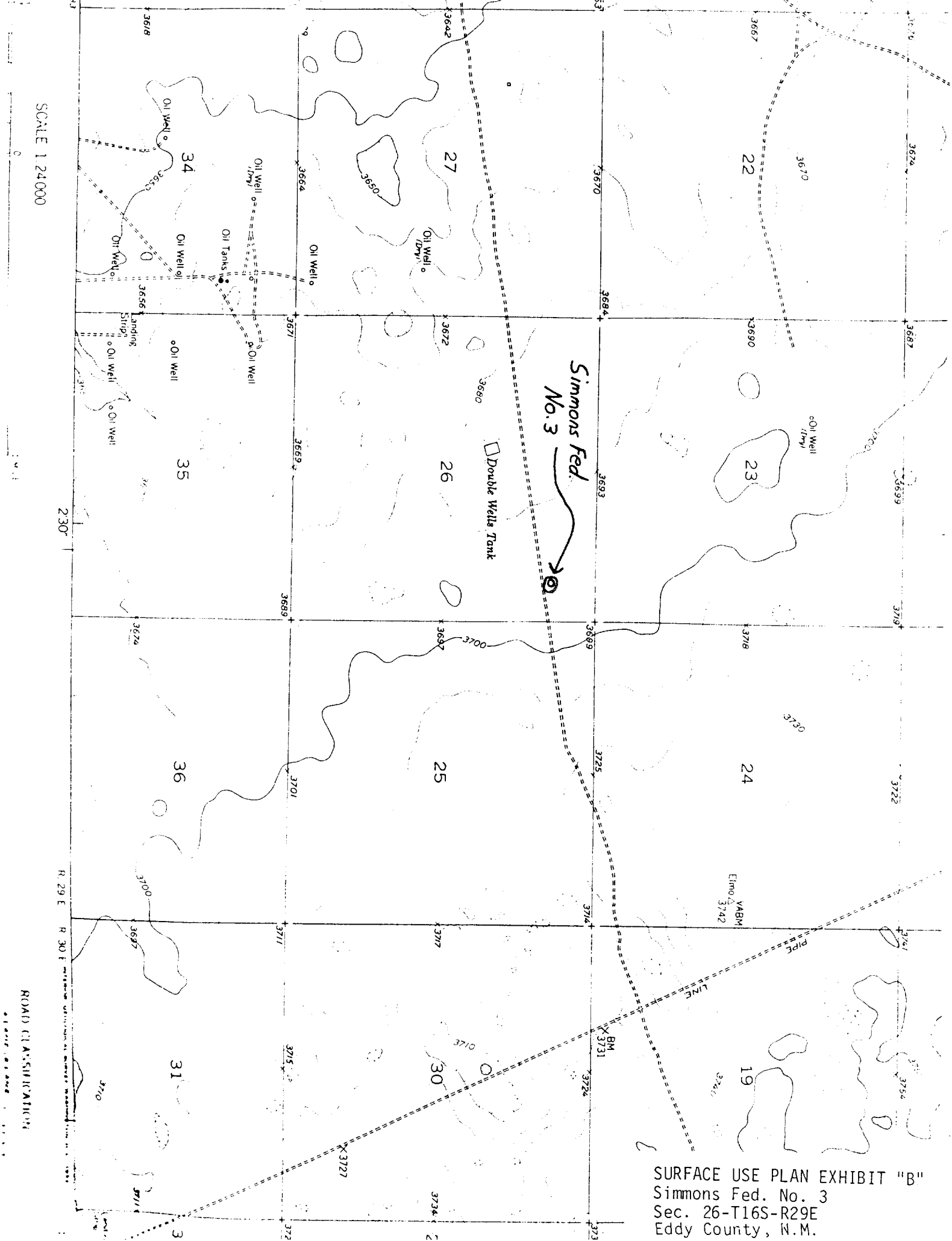
1. Location: 330' FNL & 330' FEL of Section 26-T16S-R29E
2. Elevation: 3698' G.L.
3. Geologic name of surface formation: Mescalero Pediment
4. Type of drilling rig and associated equipment: Pulling Unit
5. Proposed drilling depth and objective formation: 2300' - Penrose
6. Estimated tops of geologic markers:

|          |              |            |       |          |       |
|----------|--------------|------------|-------|----------|-------|
| Yates    | <u>1100'</u> | San Andres | _____ | Abo      | _____ |
| 7-Rivers | <u>1328'</u> | Glorieta   | _____ | Wolfcamp | _____ |
| Queen    | <u>1885'</u> | Tubb       | _____ |          |       |
7. Estimated depths of any oil, water, or gas: Water at 1885' in Queen Formation, possible oil at 2142' in Penrose
- 8-9. Proposed casing program:  
4-1/2" @ 2300' Grade J-55 Wt. 10.5 lb. Type Cement Class "C"
10. Specifications for pressure control equipment and testing procedures:  
\_\_\_\_\_
11. Type and characteristics of drilling fluids: Will re-enter hole using a 30 visc, 15 water loss mud.
12. Testing, logging, and coring programs: CNL-CDL Gamma Ray Log
13. Anticipated abnormal pressures or temperature: None
14. Anticipated commencement and completion date: 2/12/86 - 2/22/86



SURFACE USE PLAN EXHIBIT "A"  
Simmons Fed. No. 3  
Sec. 26-T16S-R29E  
Eddy County, N.M.





SCALE 1:24,000

SURFACE USE PLAN EXHIBIT "B"  
 Simmons Fed. No. 3  
 Sec. 26-T16S-R29E  
 Eddy County, N.M.

ROAD CLASSIFICATION

R. 29 E R. 30 E

230'



SURFACE USE PLAN EXHIBIT "C"  
 Simmons Fed. No. 3  
 Sec. 26-T16S-R29E  
 Eddy County, N.M.