

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY(Other instructions on
reverse side)Copy to St
30-015-22539

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 OR

Owen Haynes ✓

3. ADDRESS OF OPERATOR

805 Missouri Street, Artesia, New Mexico 88210

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

At surface 980' from the North Line and 990' from the West Line

At proposed prod. zone Sec. 35, T17S, R27E

Empire Yates Seven Rivers

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

8 miles SE of Artesia, New Mexico

15. DISTANCE FROM PROPOSED*

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

330 ft.

18. DISTANCE FROM PROPOSED LOCATION*

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

16. NO. OF ACRES IN LEASE

40 acres

19. PROPOSED DEPTH

500 ft.

17. NO. OF ACRES ASSIGNED
TO THIS WELL

10 acres

20. ROTARY OR CABLE TOOLS

Cable Tools

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

22. APPROX. DATE WORK WILL START*

March 25, 1979

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 inch	7 inch OD	17 lbs.	Approx 240'	Not cemented, will be pulled
7 inch	5½ inch OD	15½ lbs.	Approx 440'	Circulated 150 sacks

The Quaternary formation is on the surface.

It is estimated the well will take 30 - 45 days to drill and complete.

Note 8" casing to be used as a water string to shut off surface
water to 240 ft. The projected depth of 500 ft. penetrates the
Seven River formation which is the oil producing horizon.

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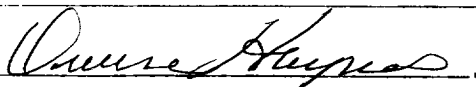
MAR 22 1979

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



TITLE

Operator

DATE

3-22-79

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

4-2-79

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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.

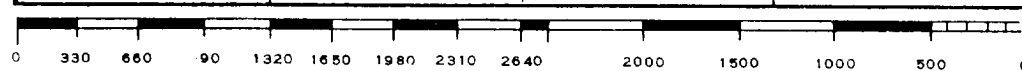
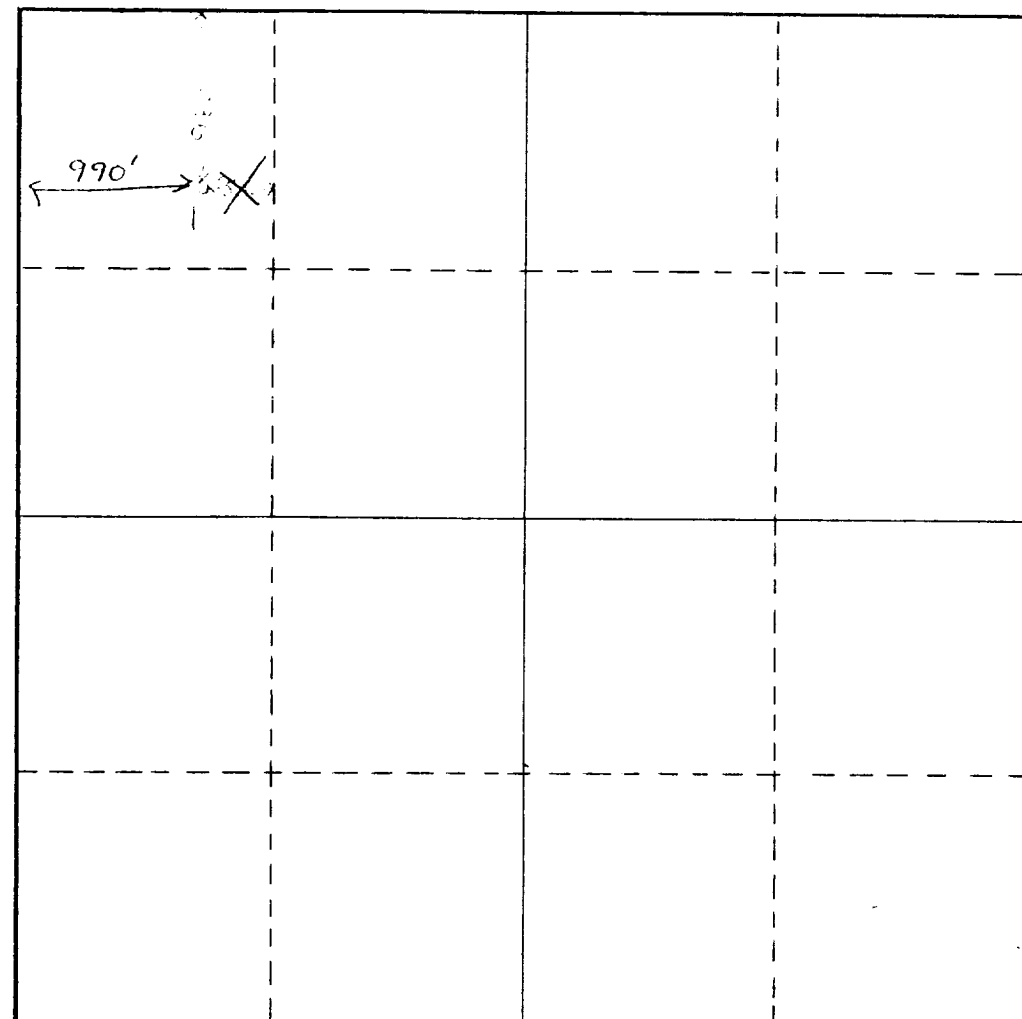
Operator Owen Haynes			Lease Malco		Well No. 1
Unit Letter D	Section 35	Township 17S	Range 27E	County Eddy	
Actual Footage Location of Well: 980 feet from the North line and 990 ^{West} _{East} feet from the East line					
Ground Level Elev.	Producing Formation Seven Rivers		Pool Empire Yates Seven Rivers		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.	
Name	<i>John L. ...</i>
Position	<i>Surveyor</i>
Company	<i>Owen Haynes</i>
Date	<i>4/22/79</i>
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	<i>4/22/79</i>
Registered Professional Engineer and/or Land Surveyor <i>John L. ...</i>	
Certificate No. <i>...</i>	



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United States Department of the Interior

GEOLOGICAL SURVEY
P. O. Drawer U
Artesia, New Mexico 88210

April 2, 1979

Owen Haynes
805 Missouri Street
Artesia, New Mexico 88210

OWEN HAYNES Malco Well No. 1 980 FNL 990 FWL Sec. 35, T17S, R27E Eddy County Lease No. LC-067849

Gentlemen:

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 500 feet to test the Seven Rivers 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 # 595A, color 20318 or 30318).
5. Cement behind the 5-1/2" casing must be circulated.

Sincerely yours,

(Orig. Sgd.) JOE G. LARA

Joe G. Lara
Acting District Engineer

Malco Well No. 1

980' N & 990' W Sec 35, 17S, 27E

Lease #LC-067849

To supplement USGS Form 9-33K, "Application to Drill", the following additional information is submitted.

1. See Form #9-331 C and Form C-102
2. See Form 9-331 C
3. The geologic name of the surface formation is Quaternary.
4. See Form #9-331 C
5. See Form #9-331 C
6. There are no tops of geologic markers at this shallow depth.
7. The estimated depths at which anticipated water and oil are expected to be encountered are:
 - Santa Rosa Water Formation + 240'
 - Empire Yates Seven Rivers + 450' T.D.
8. The proposed casing program including the size and weight per foot of each string has been indicated on Form 9-331 C. Grade - API used pipe.
9. See Form 9-331 C for amount of cement. Neit type cement to be used.
10. Pressure control to be used will be standard cable tool control head. Testing will be 1500# PSIG before drilling out of casing.
11. None required - Cable tool drilling.
12. No auxiliary equipment needed.
13. Logging & coring programs will be: Neutron and Gamma Ray logs to be run. There will be no coring.
14. No abnormal pressures or temperatures are expected.
15. Starting date will be approximately _____ and be completed by _____.

SURFACE USE PLAN

Owen Haynes

Well No. 1 Malco

980' N & 330' W Sec. 35-17S-27E

Eddy County, New Mexico

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MAR 22 1979
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO
Lease No. LC-067849

This plan is submitted with the application for permit to drill the above described 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 operation associated with the operations.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a highway map showing the location of proposed well as staked. Eight miles east of Artesia, NM on State Highway 83, then south on paved Phillips Gas Plant County Road one mile to the NE corner of Section 35. West on lease road that runs parallel to Section 35 North boundary about 3/4 mile, then South on same lease road that runs 200 feet East of the West boundary of lease.
- B. Exhibit "B" is a plat showing all existing roads within one mile or more from well site and the planned access road.

2. PLANNED ACCESS ROADS:

- A. None required. Ground is level and a jeep trail type road 700' long to wells 3 and 2 would be ample. Wells 1 & 4 are adjacent to existing lease road as shown on Exhibit C.

3. EXISTING WELLS:

- A. Existing wells within a one mile radius are shown on Exhibit B.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. The proposed wells, tank battery and flow lines are shown on Exhibit "C". If the wells are successful, the tank battery will be installed as per Exhibit "C" and the proposed flow lines are to be laid on the ground as indicated.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water will be purchased off the site. Fresh water to be purchased from Mr. B. B. Haines.

6. SOURCE OF CONSTRUCTION MATERIALS

- A. None required.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings disposed of in drilling pits.
- B. Drilling fluids will be allowed to evaporate in drilling pits until dry.
- C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. All trash, junk, and other waste material will be contained to prevent scattering and will be removed and deposited in an approved sanitary landfill.
- F. 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:

- A. None Required.

9. WELLSITE LAYOUT:

- A. Exhibit C shows the relative location and dimensions of the well pad and mud pits.
- B. Only minor levelling of the wellsite will be required. No significant cuts and fills will be necessary.
- C. The mud pit will be plastic lined.

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 location cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment of the well, surface restoration will be in accordance with the agreement with the surface owner. Pits will be filled and location will be cleaned. (Alternate - If on Federal surface - after abandonment - any special rehabilitation and/or revegetation requirements of the surface management agency will be complied with and accomplished as expeditiously as possible. All pits should be filled and leveled within 90 days after abandonment.)

11. OTHER INFORMATION:

- A. Topography: Land surface is undulating to gently rolling. From the wellsite, the land surface slopes gently toward the west at about 20 feet per mile.
- B. Soil: Soil is a deep fine sand underlain by caliche.

11. OTHER INFORMATION (Cont.):

- C. Flora and Fauna: The vegetative cover is generally sparse and consists of mesquite, yucca, shinnery oak, sandsage and perennial native range grasses. Wildlife in the area is that typical of semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, dove, quail, and occasional antelope.
- D. Ponds and Streams: There are no rivers, streams, lakes or ponds in the area.
- E. Residences and Other Structures: The nearest occupied dwelling is a lease house $1\frac{1}{2}$ miles southeast of site.
- F. Land Use: Grazing and hunting in season.
- G. Surface Ownership: Wellsite is on Federal surface. Surface rights are leased by Hal Bogle Estate.

12. OPERATOR'S REPRESENTATIVE:

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

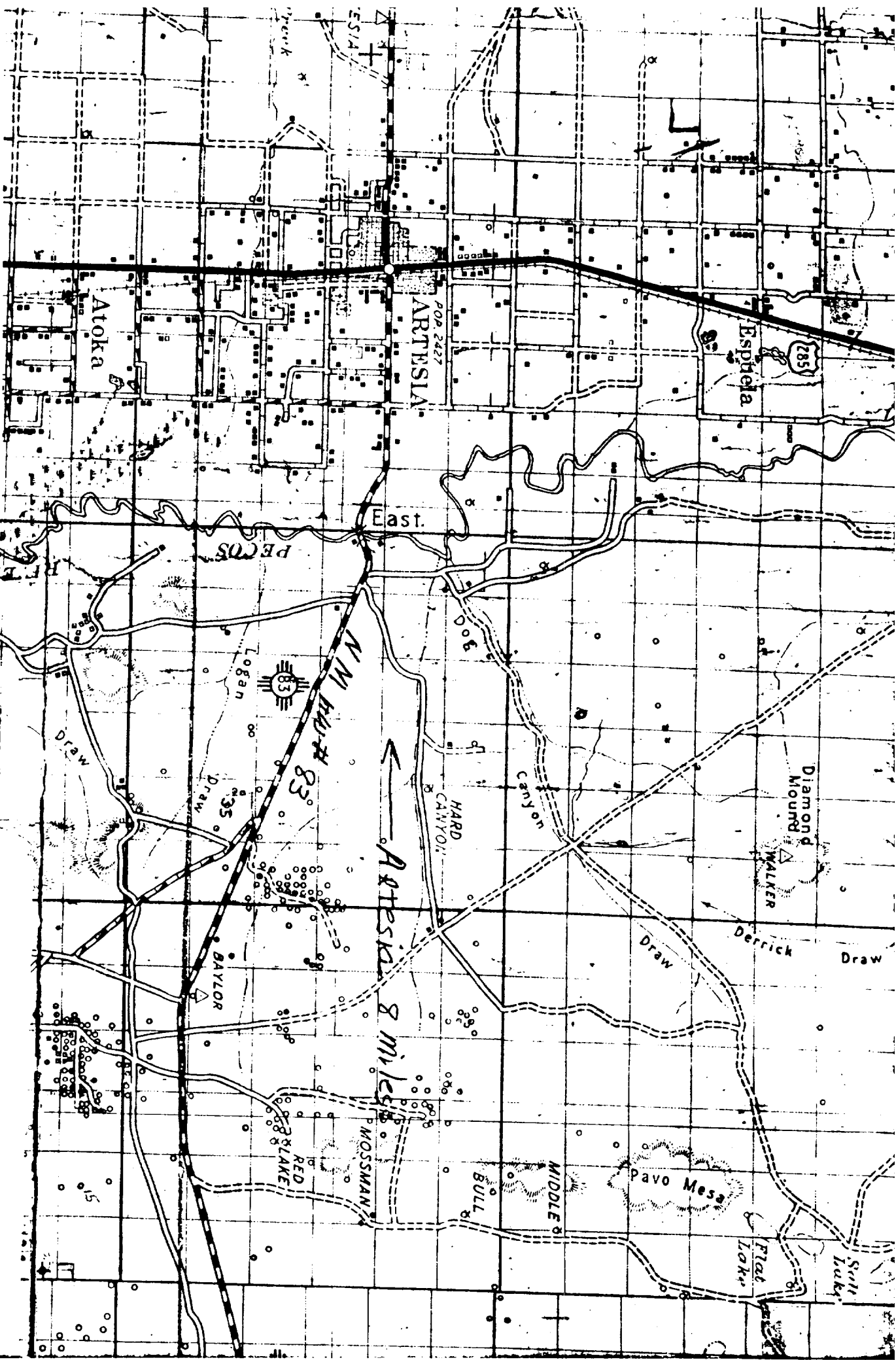
Owen Haynes
805 Missouri
Artesia, New Mexico 88210
Phone: Office 505 746-2396
Home 505 746-3011

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, that the work associated with the operations proposed herein will be performed by Owen Haynes and his contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

DATE March 22, 1979

Owen Haynes Operator
Name and Title



PAVED HIGHWAYS
EXISTING ACCESS ROADS
PROPOSED NEW ROAD (2540' LONG, 12' WIDE)

EXHIBIT "A"
OWEN HAYNES
WELL NO. 1 MALCO
980' FNL & 990' FNL Sec 35, TS 17 S, R 27 E
EDDY COUNTY, NM
SCALE: 1/2" = 1 mi.

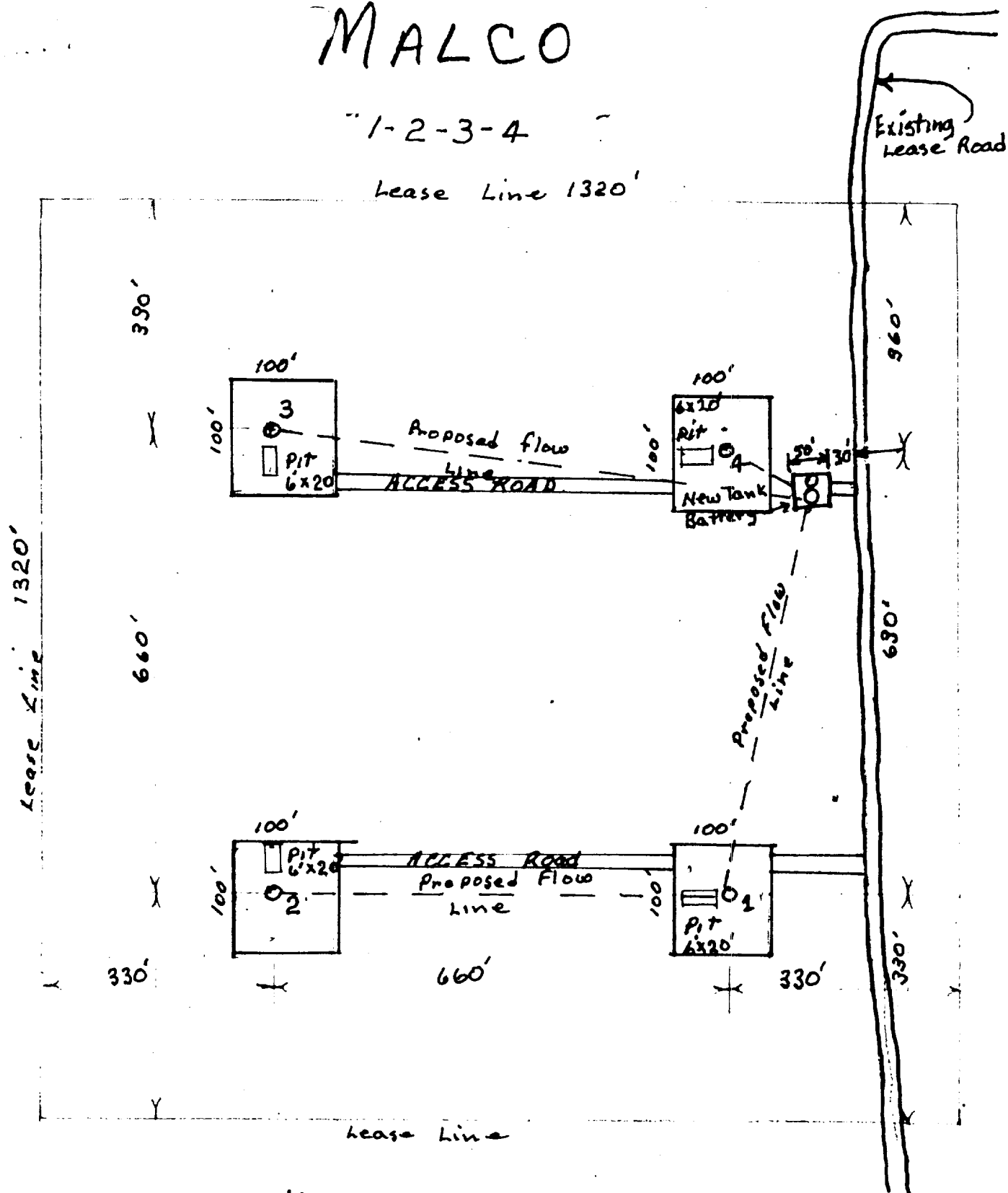
EXHIBIT "B"
OWEN HAYNES
WELL NO. 1 MALCO
980' FNL & 990' FWL Sec 35, TS 17 S, R 27 E
EDDY COUNTY, NM SCALE: $\frac{1}{2}$ " = 1 mi.

EXHIBIT "B"
OWEN HAYNES
WELL NO. 1 MALCO
980' FNL & 990' FWL Sec 35, TS 17 S, R 27 E
EDDY COUNTY, NM SCALE: $\frac{1}{2}$ " = 1 mi.

MALCO

"1-2-3-4"

Lease Line 1320'



NW 1/4 of Sec 35 17S 27E

SCALE 1" = 200'

SITE PLOT Showing 4 New Well Locations
& Associated Facilities

EXHIBIT "C"