

N. M. O. C. C. COPY
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
PERMIT IN TRIPLICATE*
(Other instruction on reverse side)Form approved
Budget Bureau No. 42 R142.

30-015-21943

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

Petroleum Corporation of Texas

3. ADDRESS OF OPERATOR

Box 911, Breckenridge, Texas 76024

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

At surface

330' FSL and 330' FWL

At proposed prod. zone

Same

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

Approximately 1.4 miles east of Loco Hills, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

330'

18. DISTANCE FROM PROPOSED LOCATION*

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

660'

16. NO. OF ACRES IN LEASE

40

19. PROPOSED DEPTH

3600'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3683' GR

22. APPROX. DATE WORK WILL START*

November 1976 (as soon as
possible after approval,

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11" or 12 1/4"	8-5/8"	22.3# New	500'	Sufficient to circulate
7-7/8"	4 1/2"	10.5# New	3600'	150 sx.

BOP Program: Schaeffer Type E 10" Series 900 Hydraulic.

Mud Program: See attached letter from Drilling Mud, Inc. (dated October 8, 1976).

RECEIVED

OCT 25 1976

O. C. C.
ARTESIA, OFFICE

RECEIVED

OCT 12 1976

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

Lonelle S. Moore

TITLE

Dist. Supt.

DATE

10-8-76

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED
OCT 22 1976
L. L. BECKMAN
ACTING DISTRICT ENGINEERTHIS APPROVAL IS
VALID FOR 12 MONTHS.
EXPIRES
JAN 22 1977

DATE

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-55

All distances must be from the outer boundaries of the Section

RECEIVED
OCT 12 1976
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

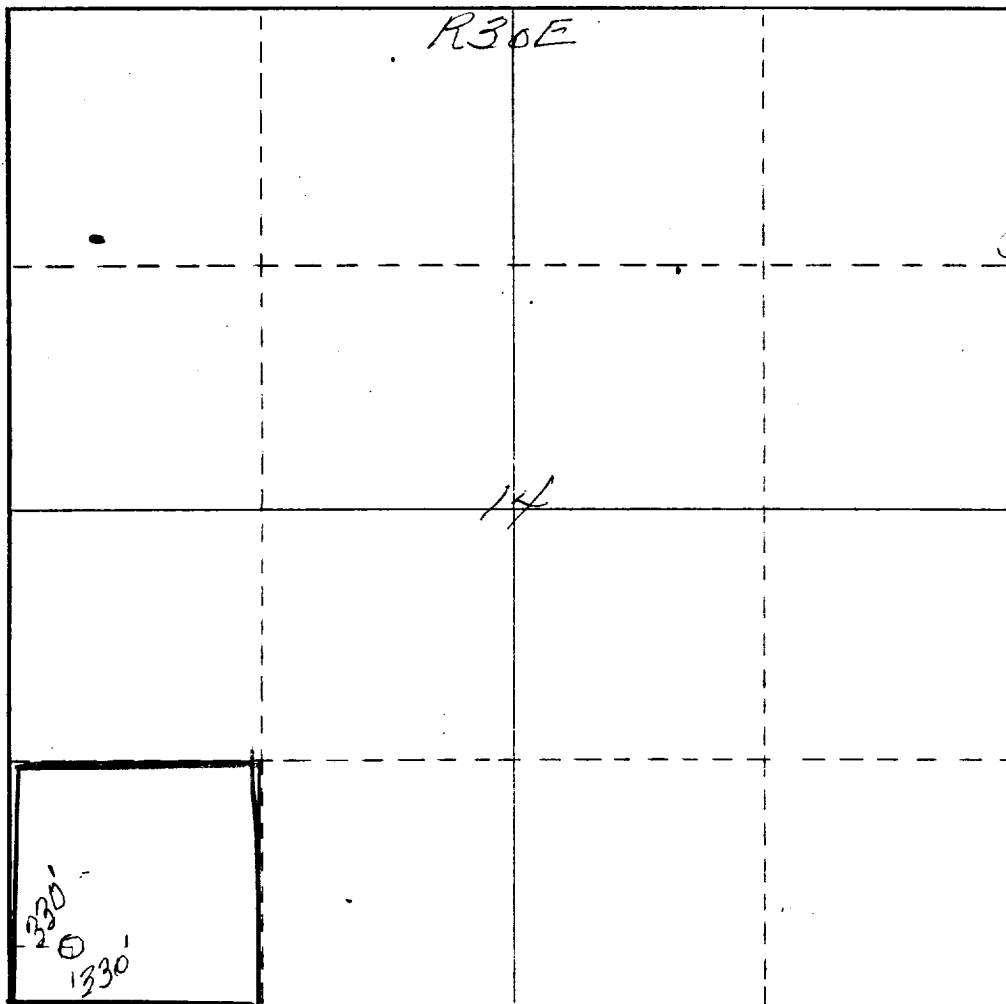
Operator <i>Petroleum Corporation of Texas</i>			Lease <i>Flint 6 " Federal</i>			Well No. <i>2</i>
Unit Letter <i>M</i>	Section <i>14</i>	Township <i>17 South</i>	Range <i>30 East</i>	County <i>Eddy</i>		
Actual Portage Location of Well: <i>330</i> feet from the <i>South</i> line and <i>330</i> feet from the <i>West</i> line						
Ground Level Elev. <i>3683</i>	Producing Formation <i>San Andres</i>		Pool <i>Grayburg Jackson</i>		Dedicated Acreage: <i>40</i> 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

Position

Company

Date

I hereby certify that the well location shown on this plat was plotted from field notes and 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.

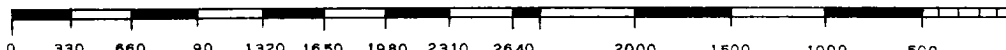
JAMES H. BROWN

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

542



APPLICATION FOR DRILLING
Petroleum Corporation of Texas
Well No. 2 Flint "B" Federal
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill, subject well in Section 14, Township 17 South, Range 30 East, Eddy County, New Mexico, Petroleum Corporation of Texas submits the following ten items of pertinent information in accordance with U.S.G.S. requirements:

1. The geologic surface formation is Quaternary Alluvium and bolson deposits and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

Anhydrite	233'
Top salt	475'
Base salt	1130'
Yates	1311
Seven Rivers	1590'
Queen	2203'
Grayburg	2604'
San Andres	2940'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered are:

Water:	At approximately 50' or at approximately 200' to 300'.
Oil:	Grayburg-San Andres at approximately 2640' to 3600'.
4. Proposed casing program: See Form 9-331C.
5. Pressure control equipment: See Form 9-331C.
6. Mud program: See Form 9-331C.
7. Auxiliary equipment: Kelly cocks, floats at the bit, sub on the floor.
8. Testing, logging and coring programs: No testing or coring.
Gamma Ray density logging.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: November 1976 (as soon as possible after approval).

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Petroleum Corporation of Texas (Petco)
Well No. 2 Flint "B" Federal
330' FSL and 330' FWL Sec. 14-17S-30E
Eddy County, New Mexico
Lease: LC-055259
(Development Well)

This plan is submitted with Form 9-331C, Application for Permit to Drill, covering the above described well. The purpose of this 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.

Exhibit A is a portion of a U.S.G.S. map (on a scale of one inch to a mile) and Exhibit B is a portion of BLM quad color map #SE-19, New Mexico, showing the proposed location and the surrounding area on a somewhat smaller scale (1/2 inch to a mile). The well location is a total distance of approximately 28.1 miles east of the intersection of U.S. highways 82 and 285 in Artesia, New Mexico.

- (1) Proceed east from this intersection on highway 82 for a distance of approximately 27.2 miles to reach the turn-off road leading to the proposed well. Watch for the village fire station on the left (north) side of the highway in the village of Loco Hills. The northbound entry road to the proposed wellsite is approximately 1.9 miles east of the fire station.
- (2) The turn-off road is a dirt road on the left (north) side of highway 82, indicated by a Shenandoah Oil Corporation sign. The entrance to the road passes over the second cattleguard on the north side of the highway east of Loco Hills.
- (3) After entering this road, you will travel a total distance of approximately 9/10 of a mile to the proposed wellsite. The first 3/10 of a mile is in a generally northbound direction, passing several side roads en route, and reaching a point at which there is on the left a former drilling pit, now covered, and on the right a road leading to General American Well #11. You will encounter a fork in the road at this point.
- (4) Follow the left fork passing en route a forked road leading off to the right (east) and Well #2 Parke "C" Federal on your right, after approximately 3/10 of a mile. Continue for another 2/10 of a mile to a narrow caliche road on the right (east) leading to Petco Well #1 and tank battery.

- (5) Turn onto this road for about 1/10 of a mile and stop.
The proposed wellsite is approximately 300 feet northwest of this point and the proposed new road will originate at this point.

B. A sketch of the existing roads en route to the wellsite, as outlined in paragraphs A(2) through A(5) above is attached as Exhibit C. Other roads in the vicinity of the wellsite are shown in Exhibit A.

C. Caliche fill will be applied to any areas of the existing roads where it is needed to repair washout damage or where levelling or reinforcement of the surface is necessary .

2. PLANNED ACCESS ROADS

A. The new road will be approximately 300 feet in length and 12 feet in width. This road is shown as a green line on Exhibit C and runs generally in a southeast-to-northwest direction, meeting the proposed drilling pad at the southeastern corner of the pad (see Exhibit D). It will be necessary to add about 3 feet of caliche fill over a large portion of this proposed road, which will slope gently to the south at a rate of about 3 to 5 feet per 100 lateral feet. The center line of this road has been staked, with the stakes visible from each stake to the next.

3. LOCATION OF EXISTING WELLS.

A. Existing wells within a mile of the proposed wellsite are shown on Exhibit C.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

A. At the present time, there is one other Petco well (no. 1) and a tank located on this lease. If the proposed well is completed for production additional tanks will be installed adjacent to Well No. 1 and flow line will be constructed from the proposed well to that tank battery, as shown in Exhibit C.

B. A Texas-New Mexico Pipeline Company gathering line crosses the wellsite in a generally southwest to northeast direction, and passes about 30 feet south of the proposed well. A portion of this pipeline is buried under the surface and a portion is exposed, some of this latter portion being as much as 1½-2 feet above the ground surface. Contact was made with Mr. Homer A. Davis of the Texas-New Mexico Company, who personally visited the location. He agreed to wrap and lower the elevation of the above-ground portion of the pipe described above, in order to permit the pipe to be buried safely beneath the drilling pad. Mr. Davis' address is 601 S. 15th Street in Artesia, New Mexico, and his telephone number is 505/748-2137.

5. LOCATION AND TYPE OF WATER SUPPLY.

- A. It is planned to drill the proposed well with a fresh water system. The water will be hauled to the wellsite by truck, from Loco Hills, New Mexico, via the existing and proposed roads shown in Exhibits A and B.

6. SOURCE OF CONSTRUCTION MATERIALS

- A. Caliche for the well pad and for the surface of the proposed road will, if approved, be obtained from a caliche pit to be dug directly adjacent to and north of the reserve pit (see Exhibit D). This proposed caliche pit would be approximately 80 feet by 120 feet and, following completion of operations, would be filled in and covered to restore the original contours and condition of the surface.
- B. If the proposed caliche pit outlined in paragraph 6 A above is not approved, an alternate source of caliche is proposed and is shown on Exhibit C. This pit would be located just south of the starting point of the proposed new road described in paragraph 2 A above, on the south side of the existing road leading to Petco Well No. 1. This alternate pit has been staked. Proposed dimensions are 60 feet by 100 feet.

7. METHODS OF HANDLING WASTE DISPOSAL.

- A. All cuttings will be disposed of in the drilling pits.
- B. Drilling Fluids will be allowed to evaporate in the reserve pit until the pit is 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. 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 wind.
- 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 D shows the relative location and dimensions of the well pad, mud pits and reserve pit, and the location of major rig components.
- B. The surface at the wellsite will require cuts and fills of approximately 4 feet. The site also slopes gently to the south at a rate of about 3 to 5 feet per 100 lateral feet, and fill will be required to level the surface of the drilling pad.
- C. There are no plans to line the earthen reserve pit, since it should seal quite rapidly with drill solids and bentonite. Water used for drilling is of discharge quality.
- D. The pad and pit area, as well as the proposed caliche pit adjacent to the reserve pit (see Exhibit D), have been flagged and staked.

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 in as aesthetically pleasing a condition as possible. The proposed caliche pit adjacent to the reserve pit, if approved, will be filled and the surface restored to its natural contours and condition.
- B. Any unguarded pits containing fluids will be fenced until they have been filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management and the United States Geological Survey will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and levelled within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The land surface slopes generally from north to south at an estimated rate of 3 to 5 feet per 100 lateral feet, and there are undulations of 3 to 5 feet over the entire surface.
- B. The soil at the wellsite is sand underlain by caliche.
- C. Flora and fauna: The vegetation cover is fairly heavy, consisting of mesquite, shinnery oak, burr grass, broom weed, prairie grass, etc. Wildlife in the area is typical of semi-arid desert land, including jackrabbits, kangaroo rats, reptiles, coyotes, doves, etc.
- D. There are no streams, rivers, ponds or lakes in the area.
- E. There are no occupied dwellings in the area of the wellsite.

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Petroleum Corporation of Texas (Petco)
Well No. 2 Flint "B" Federal

F. Surface ownership: The Wellsite is on federal surface.

12. OPERATOR'S REPRESENTATIVE.

The field representative responsible for assuring compliance with the approved surface use and operations plan is:

Mr. Lowell Moore
District Superintendent, Southeast New Mexico Area
Petroleum Corporation of Texas
P. O. Box 966
Seminole, Texas 79360
Home telephone: 915/758-2282
Mobile telephone: 915/758-5006 (YJ or JS Channel)

13. CERTIFICATION.

See attachment.

Petroleum Corporation of Texas
Well no. 2 Flint "B" Federal

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 Petroleum Corporation of Texas and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

10-8-76
Date

Lawrence E. Dorman
Name and Title



Drilling Mud, Inc.

2821 N. W. 50TH

OKLAHOMA CITY, OKLAHOMA 73112

AREA CODE 405 943-8326

October 8, 1976

MR. LOWELL MOORE
Hobbs Highway
SEMINOLE, TEXAS 79360

DEAR LOWELL,

The following is our suggested drilling fluid program for your Flint "B" FEDERAL #2 located in Section 14 of Eddy County New Mexico.

C- 500': No spud mud usually needed in this area. Possible loss circulation zones at 270' and again at 400'. If severe loss circulation occurs suggest "dry drilling" and setting surface casing.

500' - T.D.: Drill out from under surface casing using fresh water. Add Sodium Bichromate to drilling fluid to minimize corrosion of surface casing and drill pipe. Approximately 100' above total depth start mud cp. Use soda ash to treat hardness of water then raise viscosity to 35-36 cP/1000 cP with salt water GEL and lower fluid loss to 15-20 cc with starch to clean hole and open hole log.

Thank you for the opportunity to submit this program.

Sincerely yours,
Bill Thomas
Drilling Mud, Inc.
SEMINOLE, TEXAS.