

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK
DRILL ☒ MAR 10 1980 DEEPEN ☐ PLUG BACK ☐

2. NAME OF OPERATOR
Anadarko Production Company

3. ADDRESS OF OPERATOR
P. O. Box 67, Loco Hills, New Mexico 88255

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
660' FNL & 660' FNL Sec. 31, TARTESIA, NEW MEXICO
At proposed prod. zone Same Eddy County, New Mexico

5. LEASE DESIGNATION AND SERIAL NO.
LC 028936 (d)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Federal L

9. WELL NO.
7

10. FIELD AND POOL, OR WILDCAT
Loco Hills Queen Grayburg San Andres

11. SEC., T., R., M., OR B&K.
AND SURVEY OR AREA
31 - 17S - 30E

12. COUNTY OR PARISH
Eddy

13. STATE
New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
2 1/2 miles Southwest of Loco Hills Townsite

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

16. NO. OF ACRES IN LEASE
835.32

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.
2122'

19. PROPOSED DEPTH
3400'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5582' GL

22. APPROX. DATE WORK WILL START*
March 1, 1980

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 12-1/4" | 8-5/8" | 24.0# | 350' | 150 sx (Circ) |
| 7-7/8" | 4-1/2" | 10.5# | 3400' | 300 sx |

1. Rig up rotary tools.
2. Drill to approximately 350'; set & circulate or ready mix cement to surface on 8-5/8" casing. Install & test Series 900 Double Ram Hydraulic Blowout Preventor.
3. Drill to TD (approximately 3400'); set & cement 4 1/2" casing on bottom.
4. Run cased hole logs & perforate Grayburg.
5. Acidize & fracture treat.
6. Run 2-3/8" tubing, rods & bottom hole pump; install pumping equipment & place well on production.

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 Henry J. Pickles TITLE Area Supervisor DATE February 8, 1980

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE 3-7-80

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

| | | | | |
|--|--|---|-------------------------|--|
| Operator ANADARKO PRODUCTION COMPANY | | Lease Federal "L" | | Well No. 7 |
| Unit Letter "D" | Section 31 | Township 17 South | Range 30 East | County EDDY |
| Actual Footage Location of Well: 660 feet from the North line and 660 feet from the West line | | | | |
| Ground Level Elev. 3582 | Producing Formation Grayburg | Pool Name Hills Queen Grayburg San Andres | | Dedicated Acreage: 37.67 Acres |

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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?

RECEIVED

MAR 10 1980

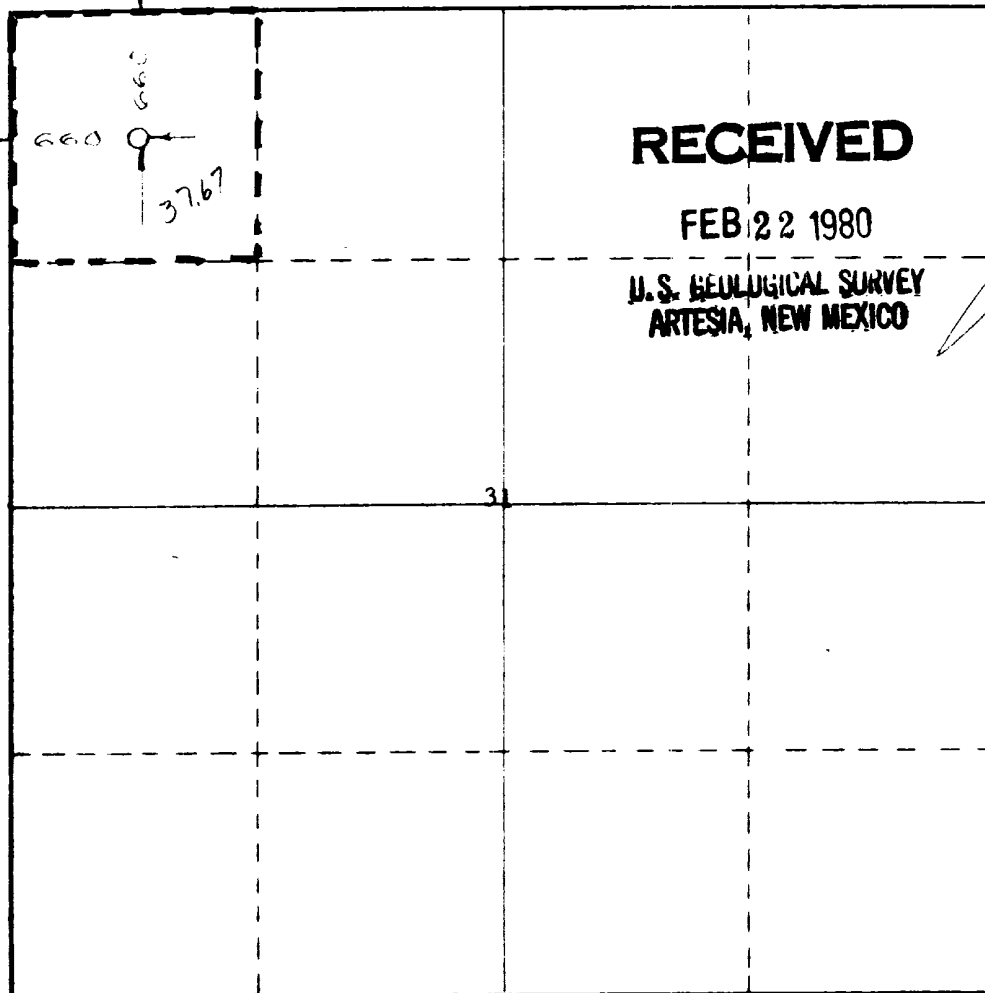
O. C. D.

ARTESIA, OFFICE

☐ 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

JERRY E. BUCKLES

Position

Area Supervisor

Company

Anadarko Production Company

Date

January 28, 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 to the best of my knowledge and belief.

HERSCHEL L. JONES

Date

3640

Registered Professional Engineer and/or Land Surveyor

Certificate No.

3640

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



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

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MAR 70 1980

O. C. D.
ARTESIA, OFFICE

March 7, 1980

Anadarko Production Company
P. O. Box 67
Loco Hills, New Mexico 88255

Gentlemen:

ANADARKO PRODUCTION COMPANY
Fed "L" No. 7
660 FNL 660 FWL sec. 31 T.17S R.30E
Eddy County Lease LC 028936-d

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 Grayburg 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.
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,

George H. Stewart
Acting District Engineer



NMAS

New Mexico Archaeological Services, Inc.

P. O. Box 1341
Carlsbad, New Mexico 88220
(505) 887-7646

19 February 1980

Reconnaissance
Excavation
Analysis
Explanation
Curation

Mr. Jerry E. Buckles
Area Supervisor
ANADARKO PRODUCTION COMPANY
P.O. Box 67
Loco Hills, New Mexico 88255

RECEIVED

FEB 22 1980

U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

Dear Mr. Buckles:

Enclosed please find NMAS' Archaeological Clearance Report for ANADARKO PRODUCTION COMPANY's proposed Federal "L" Well No. 7, its access road, and the quarry in Section 30, T17S, R30E, in Eddy County, New Mexico. One isolated manifestation was recorded during this reconnaissance. These remains are attributed to en passant activities and hence NMAS is suggesting clearance for this project.

If you have any questions pertaining to this report, please call my office. Thank you for asking NMAS to do this reconnaissance.

Yours sincerely,

Dr. J. Loring Haskell
Principal Investigator

Enclosure

cc: Mr. Thomas Zale, BLM, Carlsbad
Ms. Ann Ramage, BLM, Roswell
Mr. Ray Stall, USGS, Artesia
Mr. Curtis Schaafsma, Laboratory of Anthropology,
Santa Fe
Mr. Thomas W. Merlan, SHPO, Santa Fe

as

Anadarko
PRODUCTION COMPANY

P. O. Box 67 • Loco Hills, New Mexico 88255 • (505) 677-2411

A
Panhandle
Eastern
Company

February 12, 1980

RECEIVED

FEB 22 1980

United States Geological Survey
P. O. Drawer U
Artesia, New Mexico 88210

Gentlemen:

U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

Following is the "Surface Use and Operation Plan" for the drilling of Anadarko Production Company's Federal L Well No. 7 located 660' FNL & 660' FWL Section 31, T17S, R30E, Eddy County, New Mexico.

1. Existing Roads - A small scale map is attached (Exhibit #1); it shows the location of this well in relation to Loco Hills Townsite.

A larger scale map (Exhibit #2) shows County Road #139 in Purple. The existing caliche lease roads are shown in Red. The existing caliche county road is shown in Green.

2. Planned Access Roads - The short (660') dashed Blue line on Exhibit #2 is the proposed road which will be needed to drill Federal L Well No. 7.

There will be no fence to cut or cattleguard to set.

3. Location of Existing Wells - All existing wells on lease are indicated on enclosed map. There are no exploratory wells being drilled within a two mile radius.

4. Location of Tank Batteries, Production Facilities and Lines - Tank battery is indicated on Exhibit #2 in pencil. Eighteen hundred feet (1800') of 2" steel flowline will be installed as shown by a dashed pencil line on Exhibit #2. This new flowline will then tie into an existing flowline at Federal L #4. This line will be laid on top of the ground.

5. Location and Type of Water Supply - Fresh water to be used at drilling site will be trucked to our location by I & W Trucking Company of Loco Hills or Jim's Water Company of Riverside, New Mexico. In either case the water source will be the Ogallala formation of Lea County. Local water taps will be utilized to provide this water.

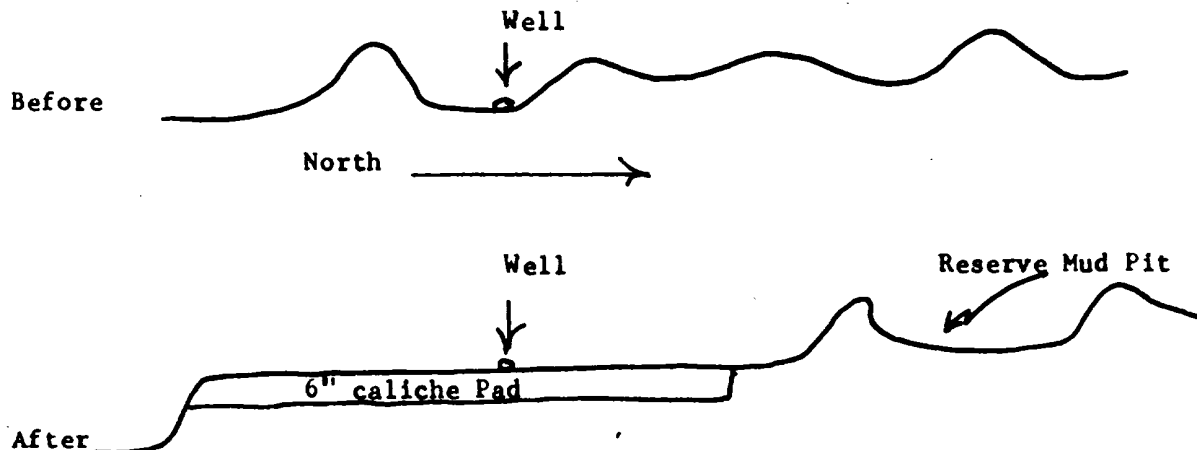
6. Source of Construction Material - The source of caliche will be an existing Federal Caliche pit in the SW/4 of Sec. 30, T17S, R30E as shown in Orange on Exhibit #2. This caliche will be utilized to construct the road and location.

7. Methods of Handling Waste Disposal - Enclosed drill site plat (Exhibit #3) indicates location of drilling pits, reserve pit and a rubbish pit. After sufficient time has passed to allow drilling fluids to dry, all pits will be closed and leveled. The rubbish pit adjacent to drilling site will be deep enough to contain all rubbish when covered and leveled.

8. Ancillary Facilities - There are no camps or airstrips planned.

9. Well Site Layout - Well site (Exhibit #3) has been staked and is indicated by Blue area on enclosed maps (Exhibits #1 & #2). Drilling site is in an area of low sand dunes covered by sparse native vegetation. Drilling pad will be 6" of caliche measuring 130' East, 100' West, 30' North & 100' South. Drilling pad is also located on the South side of a very gently sloping hill.

Cross Section - Before and After - is shown below.



10. Plans for Restoration of Surface - Commercial Well

Reshaped Topography - Rubbish will be buried upon completion of drilling operations. All future trash will be removed by the individual generating same.
Caliche Pad - Caliche drilling pad will remain intact until well is abandoned.
Road - This caliche road will remain intact as long as there are prospective wells to be drilled on this and other Anadarko leases in immediate vicinity.
Timetable - The well should produce for several years.

Plans for Restoration of Surface - Plugged and Abandoned Well

Surface will be restored in accordance with all regulations in effect at the time of abandonment.

11. Other Information - Topography is a generally sloping area of rather large low sand dunes.

Soil Characteristics - Unconsolidated sand.

Flora - Sparse grass and weeds.

Fauna - Rabbits, rats, mice, birds and snakes.

Other Surface Use Activities - Leased grazing land.

Surface Ownership - Federal Land.

Water Wells - None.

Lakes, Streams and Ponds - None located within 3 or 4 miles.

Dwellings - None.

Other Facilities - None.

Archaeological Sites - None.

Historical Sites - None.

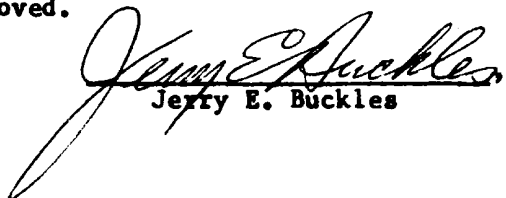
Cultural Sites - None.

12. Operator's Representative - Ozie W. Farris, Field Foreman for Anadarko.

- Office Phone - 677-2411
- Home Phone - 677-3230

13. Certification - I hereby certify that I, or persons under my direct supervision, have inspected the proposed drilling 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, that the work associated with the operations proposed herein will be performed by Sweatt Construction Company or Jabo Rowland Construction Company and their contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

February 12, 1980
Date


Jerry E. Buckles Area Supervisor
Title

DATA SHEET

This data sheet is provided in reference to the attached "Application for Permit to Drill" Anadarko's: Federal L - Well No. 7

1. Location: 660' FN&WLs Sec. 31, T17S, R30E, Eddy County, New Mexico.
2. Elevation: 3582' GL
3. Geological Name of Surface Formation: Triassic - Doakum (Santa Rosa)
4. Type of Drilling Tools to be Utilized: Rotary Tools
5. Proposed Drilling Depth: 3400'
6. Tops of Important Geological Markers:

| | | | |
|-----------|--------|--------------|--------|
| T. Salt - | 460' | 7-Rivers - | 1,710' |
| B. Salt - | 1,050' | Queen - | 2,240' |
| Tansill - | 1,095' | Grayburg - | 2,620' |
| Yates - | 1,215 | San Andres - | 3,015 |
7. Estimated Depth of Anticipated Water, Oil or Gas:

Oil - 2750', 3000', 3150'
8. Casing Program:

8-5/8" - 24.0#, K-55 - New
4-1/2" - 10.5#, K-55 - New
9. Setting Depth of Casing:

8-5/8" - 350' - 150 sx Class C 50/50 Posmix w/6# Salt/sx & 2% Gel (Circ)
4-1/2" - 3,400' - 300 sx Class H w/.2 of 1% CFR-2, 5# Salt/sx & 10# Sand/sx
10. Specifications for Pressure Control Equipment:

WEK Drig #1 is equipped with Shaffer Type E 10" Series 900 BOP with 4" Blind Rams, kill line and choke manifold, Koomey Hydraulic Controls and Accumulator with remote controls. When nipping up, test BOP and Choke to 1500 psi. Operate BOP equipment once a day, or as directed by Company Representative.
11. Mud Program:

Drill with Fresh Water Native Mud to within 200' of T. D. Gell will be added at this point to increase viscosity and clean hole prior to running casing.
12. Testing, Logging & Coring Program:
 - a. Testing: No drill stem tests will be made.
 - b. Coring: No coring is planned.
 - c. Logging: If Open Hole Logs are not run before the 4½" casing is set & cemented, cased hole logs -(probably Gamma Ray/Compensated Neutron Log)- will be run.
13. Potential Hazards:

None are expected. Above described BOP should take care of any blowout problems. Numerous wells have been drilled in this area without problems.
14. Anticipated Starting Date & Duration:

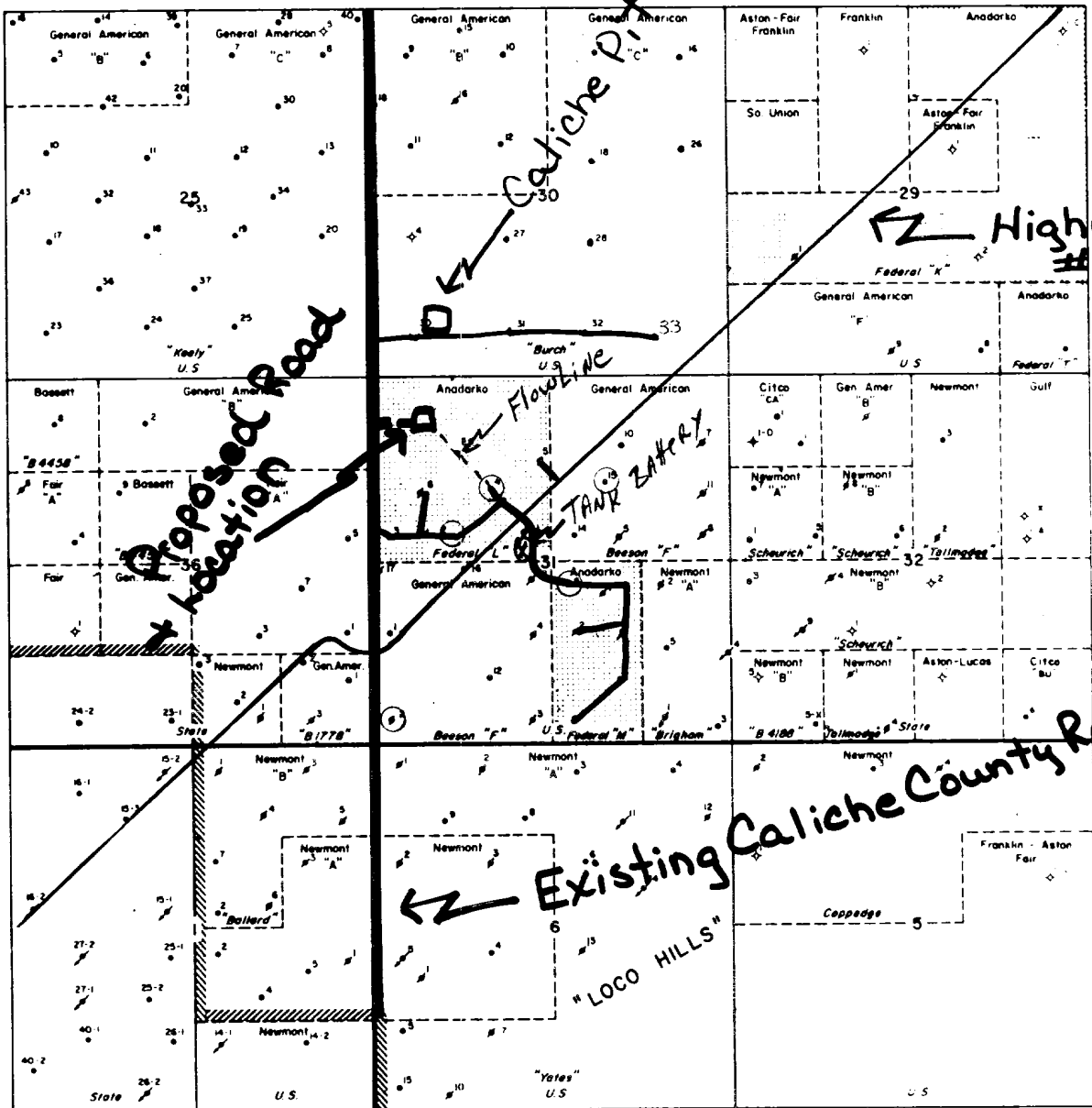
Plan to begin drilling operations March 1st to 15th. Approximately 10 days required to drill the well and 2 weeks for completion.
15. Other Facets:

There is a chance that WEK Rig #2 will drill this well; it is equipped with similar Pressure Control Equipment. The rig layout might be slightly different.

| | | | | | | | | | |
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| SQUARE LAKE 12 UNIT | | | | | | | | | |
| [GRAYBURG] | | | | | | | | | |
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| SQUARE LAKE 12 UNIT | | | | | | | | | |
| [GRAYBURG] | | | | | | | | | |
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| SQUARE LAKE 12 UNIT | | | | | | | | | |
| [GRAYBURG] | | | | | | | | | |
| 901 | 902 | 903 | 904 | 905 | 906 | 907 | 908 | 909 | 910 |
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| 991 | 992 | 993 | 994 | 995 | 996 | 997 | 998 | 999 | 1000 |

R-29-E

R-30-E

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17
ST
18
S

LEGEND

- Oil Well
- ◆ Plugged & Abandoned
- ◆ Temporarily Abandoned
- ◆ Dry & Abandoned
- ◆ Water Injection Well
- ▨ Anadarko Acreage
- ▨ Newmont Operated
- ▨ West Loca Hills Grayburg Unit
- Premier Completions



ANADARKO PRODUCTION COMPANY

LOCO HILLS

EDDY COUNTY, NEW MEXICO

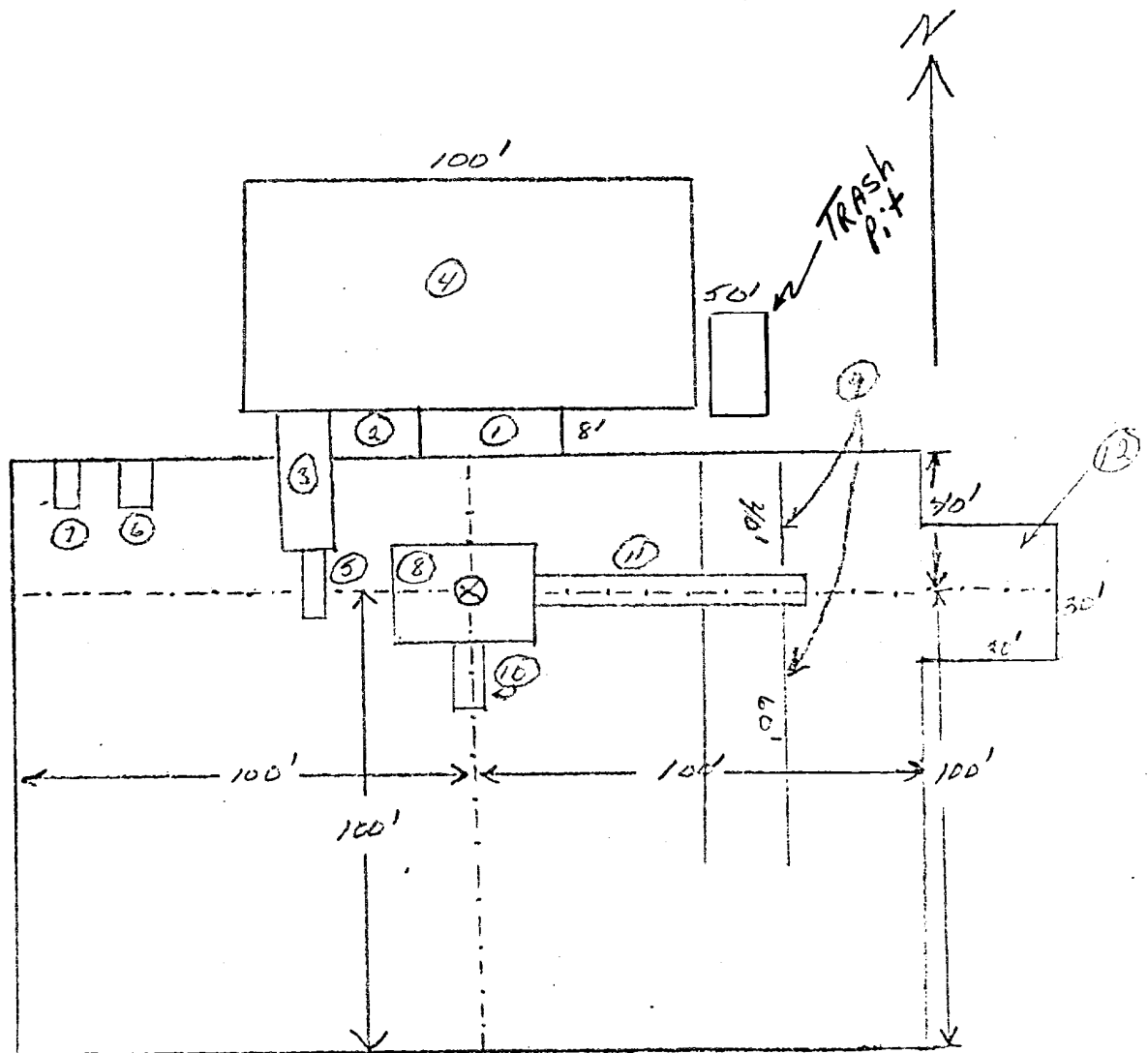
PROPOSED

LOCO HILLS Federal L #7

0 1200 2400 3600 4800
SCALE FEET

Exhibit #2

WEK DRILLING CO., INC.
RIG #1 LOCATION & MUD PIT SPECS.



- | | |
|--------------------------|----------------|
| ① Shale Pit 30' x 8' | ⑥ Water Tank |
| ② Mud Pit 20' x 8' | ⑦ Fuel Tank |
| ③ Suction Pit 30' x 8' | ⑧ Rig |
| ④ Reserve Pit 100' x 50' | ⑨ Pipe Racks |
| ⑤ Pump | ⑩ Dog House |
| | ⑪ Cat Walk 60' |
| | ⑫ Stinger |

Schaeffer Type E 10" Series 900 Hydraulic BOP. The waste and debris from this well will be disposed of in a reserve pit and covered up.

Exhibit #3