

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

Shelly Oil Company

3. ADDRESS OF OPERATOR

P. O. Box 730 - Hobbs, New Mexico

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

At surface 660' FWL and 1900' FWL Sec. 27-17S-31E

At proposed prod. zone Grayburg

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

Seven miles southwest of Hujamar, New Mexico

15. DISTANCE FROM PROPOSED*

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

16. NO. OF ACRES IN LEASE

640

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.

19. PROPOSED DEPTH

3900'

20. ROTARY OR CABLE TOOLS

Workover Rig

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

3010' DF

22. APPROX. DATE WORK WILL START*

Immediately

23. PRESENT ~~WORKING~~ CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10"	8-3/8"	22.74	743'	230
8-3/4"	7"	200	3612'	345

Well is presently producing from open hole section 3542-3998' in the Grayburg Formation.

We propose to deepen well 227', perforate 7" CD casing 3267-3547' in the Grayburg Formation as follows:

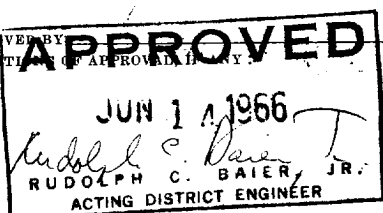
Move in and rig up workover unit. Pull rods and tubing. Deepen well 227' from 3673' to 3900'. Move out workover unit. Move in and rig up completion unit. Run Gamma Ray Neutron (Open Hole) Log. Acidize new open hole section of San Andres with 2000 gallons of acid, using 5" inflatable open hole packer to block old open hole section. Shut and test San Andres through 2-3/8" CD tubing. Perforate Grayburg selectively as stated above. Isolate perfor from open hole, breakdown with 1500 gallons acid sand-water foam with 25,000 gallons water and 25,000# sand. Run tubing and rods and return well to a producing status.

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. (ORIGINAL) SIGNED H. E. Aab
SIGNED _____ TITLE District Superintendent DATE June 8, 1966

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITION OF APPROVAL, IF ANY

*See Instructions On Reverse Side

RECEIVED

JUN 16 1966

O. C. C.
ARTESIA, NEW MEXICO

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.