

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-22773

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

Estate of T. B. Knox

3. ADDRESS OF OPERATOR

112 N. First Street, Artesia, New Mexico, 88210

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

At surface

1980' FSL - 1980' FWL, section 14-T18S-R30E, Eddy County; N.M.

At proposed prod. zone:

Same as at surface

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

5 Miles South of Loco Hills, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

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

1980'

16. NO. OF ACRES IN LEASE

320

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.

1320'

19. PROPOSED DEPTH

3700'

20. ROTARY OR CABLE TOOLS

Rotary

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

3510.2 GR

22. APPROX. DATE WORK WILL START*

December 27, 1978

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/4	13 3/8	48#	600	Circulate to surface
12 1/4	8 5/8	24#	1350	Circulate to surface
5 1/2	3700 4 1/2"	14#	3700	125 Sacks

Pipe and cementing program will be conducted as per NMOCC R-111-A in the Mining Area. The surface formation at the drill site is Quaternary Age (Recent Sand Hills and Dunes). Proper Blow Out Prevention will be used as per Schematic Diagram. Drilling Fluids used will be brackish water and natural red bed with light spudding material added to 2600'. Proper water loss chemical additives and weight material will be added at 2600' to maintain a mud viscosity of 34cc., water loss of 12 and weight of 9.2 lb. per gallon.

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ARTESIA, NEW MEXICO

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present well 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

Paul White

TITLE

Engineer

DATE

12-15-78

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

1-5-79

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:



United States Department of the Interior

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GEOLOGICAL SURVEY
P. O. Box 26124
Albuquerque, New Mexico 87125

JAN 9 1979

JAN 05 1979

D. C. C.
ARTESIA, OFFICE

Estate of T. B. Knox
112 N. First Street
Artesia, New Mexico 88210

ESTATE OF T. B. KNOX No. 2 Lucia Brooks 1980 FSL 1980 FWL Sec. 14, T18S, R30E Eddy County Lease No. LC-050664
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Above Data Required on Well Sign

Gentlemen:

Your APPLICATION FOR PERMIT TO DRILL the above-described well in the Secretary's Oil-Potash Area to a depth of 3,700 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. 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 Color #595A, color 20318 or 30318).
5. Cement behind the 13-3/8" and 8-5/8" casing must be circulated.

6. Notify Survey in sufficient time to witness the cementing of the 13-3/8" and 8-5/8" casing.

Sincerely yours,

(ORIG. SCD.) GENE F. DANIEL

ACTING Area Oil and Gas Supervisor

Enclosure

cc:

Regional Manager, Denver

Mining Branch (2)

BLM, Roswell (w/cy Notice)

✓NMOCD, Artesia (2 w/2 cys Notice)

Artesia

Roswell (w/cy Notice)

Area Potash

Area Chrono.

NEW MEXICO OIL CONSERVATION COMMISSION
WE LOCATION AND ACREAGE DEDICATION PLAT

Form 10-1
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Owner T. B. Knox Estate			Lease Lucia Brooks			Well No. 2
Section K	Section 14	Township 10 South	Range 30 East	County 1007		
Location of Well: 1200 feet from the South line and 1200 feet from the West line						
Well Depth, Feet 3010.2	Producing Formation Lovington		Pool Leo Queen Grayburg		Dedicated Acreage 40	

- 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?

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☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated (on the reverse side of this form if necessary) T. B. Knox Estate, Lucia Brooks Lease, 320 Acres.

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ARTESIA, NEW MEXICO**

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-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.

Paul G. White

Name

Paul G. White

Position

Engineer

Company

T. B. Knox Estate

Date

12-14-78

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

December 10, 1978

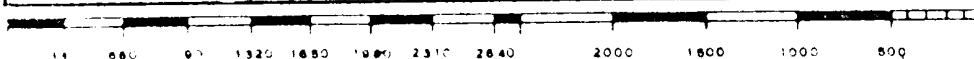
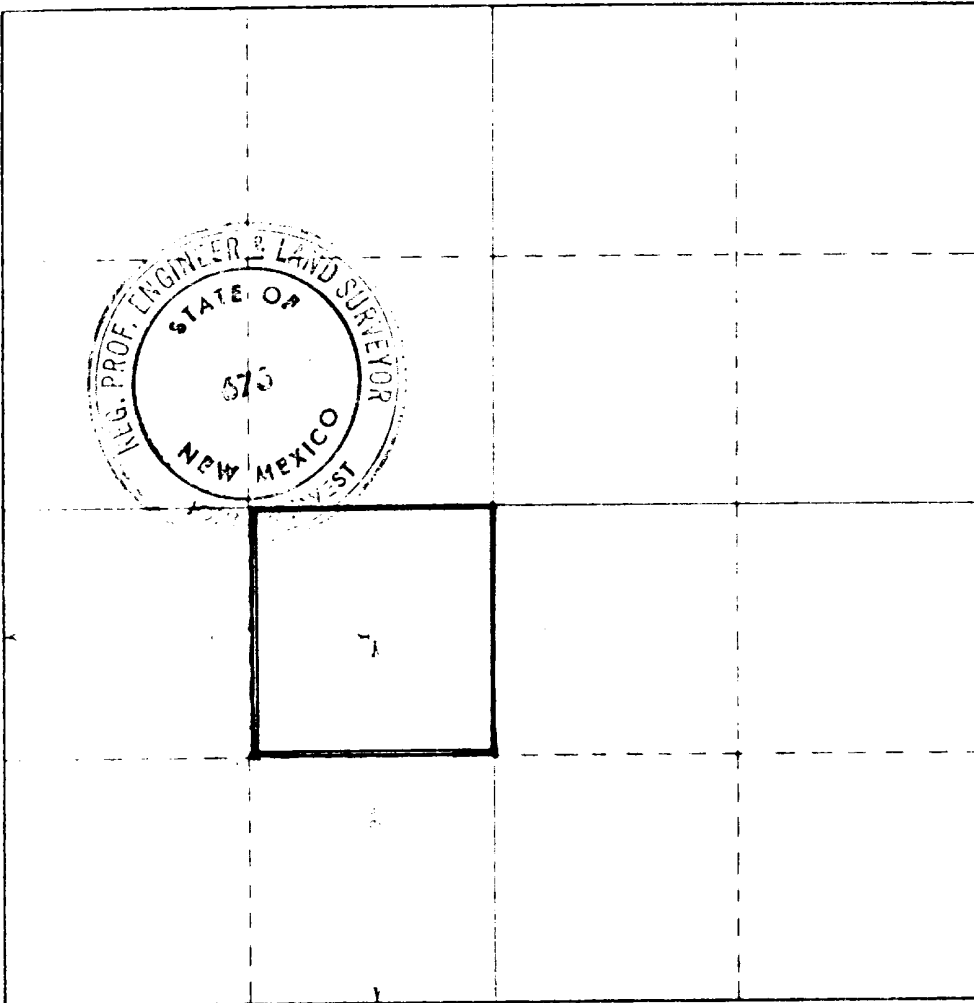
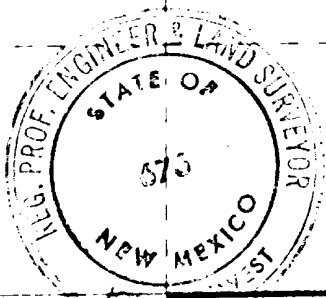
Registered Professional Engineer
and/or Land Surveyor

John W. West

Certificate No. **John W. West**

676

Ronald J. Eidsen 3239



MULTI-POINT SURFACE USE AND OPERATIONS PLAN

T. B. KNOX ESTATE
Lucia Brooks No. 2, 1980' FSL, 1980' FWL
Section 14-T18S-R30E, Eddy County, N.M.
Lease No. L.C. 060664
Development Well

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ARTESIA, NEW MEXICO**

1. EXISTING ROADS: The T. B. Knox Estate, Lucia Brookes No. 2 well located in the center of the NE/4 of the SW/4, Section 14-T18S-R30E, Eddy County, New Mexico, is reached from Loco Hills, N.M. as follows:
 - (a). Go 5½ miles East of Loco Hills on Highway 82. Turn South on State Road 31. Go South 5 miles on State Road 31. Turn right on dirt road at sign marked Mewborne Oil Company. Go West 3¼ miles, then turn right (or North) into location of well. This existing road is marked on Exhibit B-1(New Mexico Road Map) color coded red.
 - (b). Existing roads are also color coded in red on the topographical map Exhibit B-2.
2. PLANNED ACCESS ROAD:
 - (a). New Road required will be approximately 1000' long and 12' wide as color coded in blue on Exhibit B-2(Topographical Map). Road will be caliche. There will be no culverts or other special drainage features necessary.
3. LOCATION OF EXISTING WELLS:
 - (a). All existing wells within one mile radius to our knowledge are shown on Exhibit C (Ownership Map).
4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:
 - (a). No presently existing surface facilities except for 1-210 barrel metal tank located 1320' South of proposed drill site. This tank presently services the Lucia Brooks No. 1 well.
 - (b). If the well (Lucia Brookes No. 2) is a producer, a flow line will be laid from this well to the tank which serves the Lucia Brooks No. 1 well.
5. LOCATION OF TYPE OF WATER SUPPLY:
 - (a). Water used for drilling the well will be hauled by transport tank trucks. No water lines will need to be laid off the location.
6. SOURCE CONSTRUCTION MATERIALS: Caliche for road and pad will be obtained from existing caliche pit located to the northwest approximately 300 yards of drillsite. There is a good possibility of obtaining some caliche at the wellsite under the sand.
7. METHOD OF HANDLING WASTE:
 - (a). Drill cuttings will be disposed of in reserve pit.
 - (b). Drilling fluids will be allowed to evaporate in reserve pit until pit is dried up.
 - (c). Water produced during testing will be disposed of by allowing to evaporate in pit. Oil produced during testing will be stored in test tank until sold.
 - (d). Disposal of human wastes will be complied with as to current laws and regulations.
 - (e). Trash, garbage and junk will be kept and later buried in a pit with

a minimum of 24 inches of dirt. All waste materials will be contained to prevent scattering by the wind.

- (f). All trash and debris will be buried or removed from the wellsite within 30 days after finishing operations and/or well completion.

8. ANCILLARY FACILITIES: None required.

9. WELLSITE LAYOUT:

- (a). Exhibit A shows location of well pad including rigs and component equipment, reserve pit, mud pits, and waste pit.
- (b). Caliche will be hauled in and leveled with a 2 degree slope toward west for drainage.
- (c). Pits will have plastic linings.

10. PLAN FOR RESTORATION OF THE SURFACE:

- (a). After completion of drilling and/or completion operations, all equipment and materials not needed will be removed and water line taken up. Pits will be filled and levelled, location cleaned of all trash and junk.
- (b). All unguarded pits containing fluid will be fenced until they are filled.
- (c). After abandonment, surface restoration will be in accordance with the methods set out above under a & b and the BLM requirements. All pits should be filled, if they are dried out, within 90 days after abandonment.

11. OTHER INFORMATION:

- (a). Topography - Land surface consists of numerous sand dunes (see Exhibit A). There should be a minimum amount of disturbance to the topography.
- (b). Soil - Sand dunes
- (c). Flora & Fauna - Flora includes broom snakeweed, creosotebush, and mesquite. Fauna includes rabbits, quail and coyotes.
- (d). Ponds and Streams - There are no rivers, streams, lakes or ponds in the immediate area.
- (e). Residences and Other Structures: None in area.
- (f). Land Use - Acreage involved is under grazing lease to Schneider Ranch.

12. OPERATORS REPRESENTATIVE: The representatives responsible for assuring compliance with surface and operation plan are:

Paul G. White
112 N. First Street
Artesia, New Mexico 88210
Ph: Office: A/C 505 746-9507
Home: A/C 505 848-1067

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 T. B. Knox Estate and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

T. B. KNOX ESTATE

Date: December 18, 1978


Paul G. White
Engineer

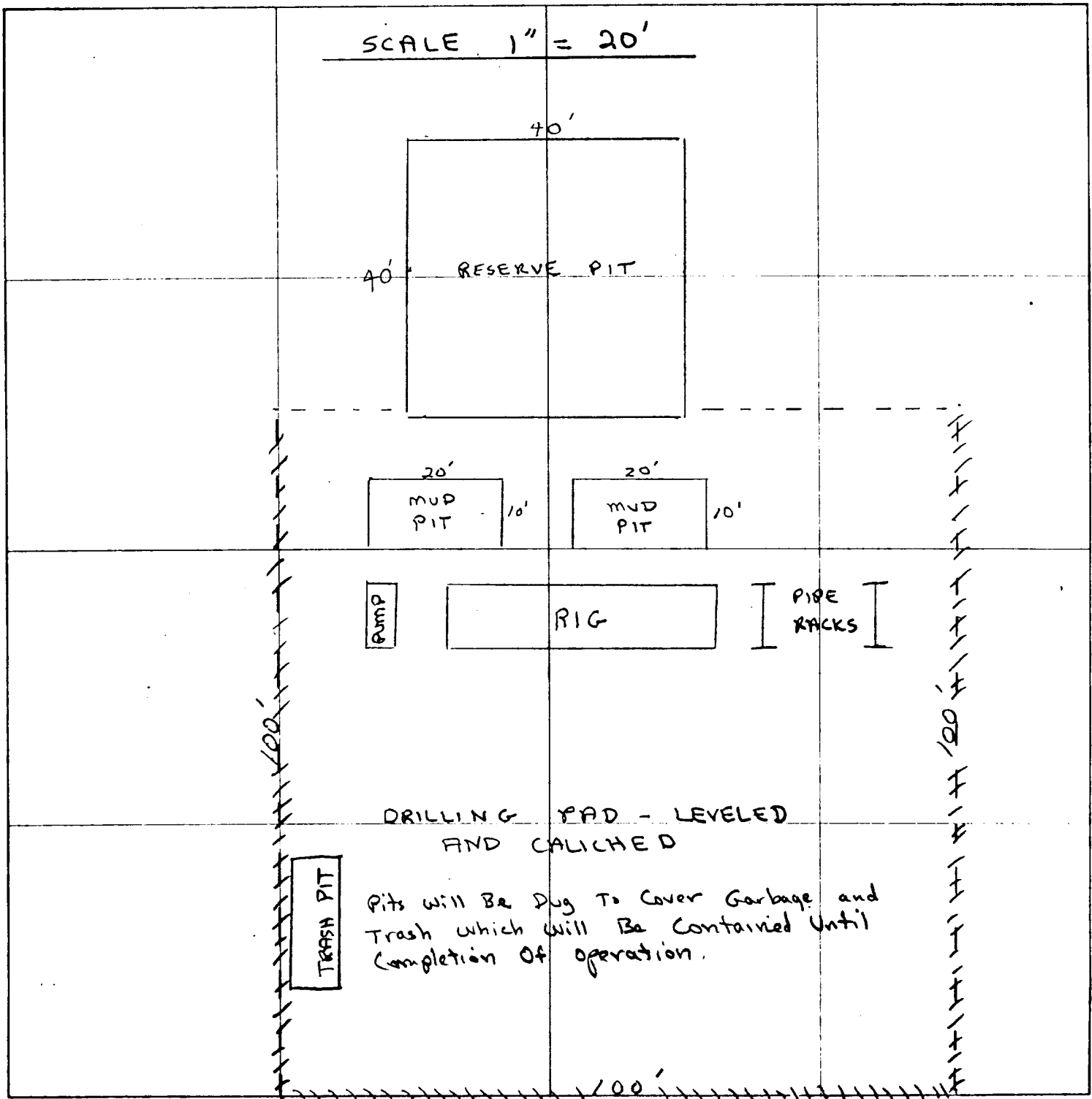


EXHIBIT A

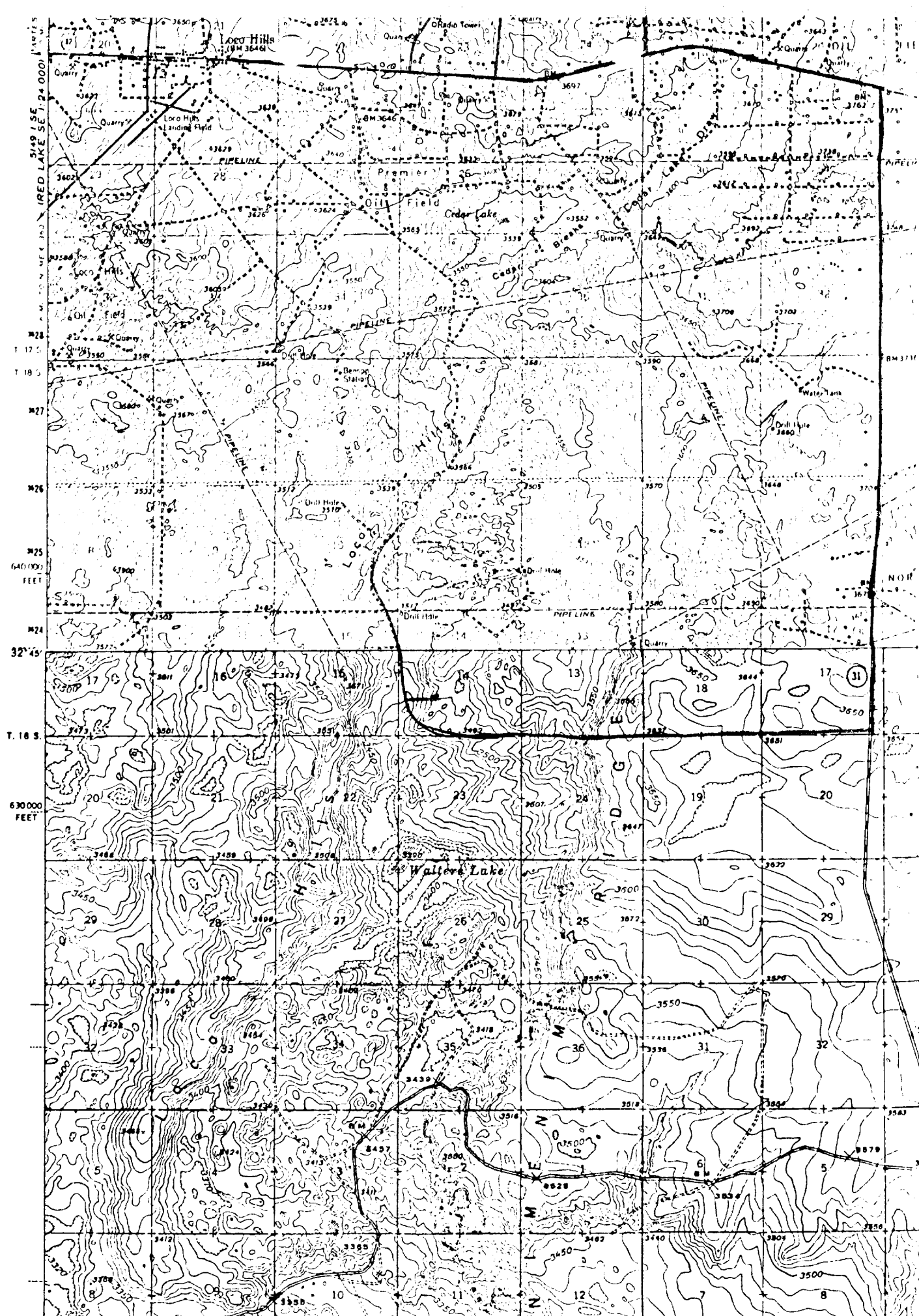
T. B. KNOX ESTATE
 LUCIA BROOKS NO2
 NE/4 SW/4
 SECTION 14 - T18S-R30E
 EDDY COUNTY, NEW MEXIC

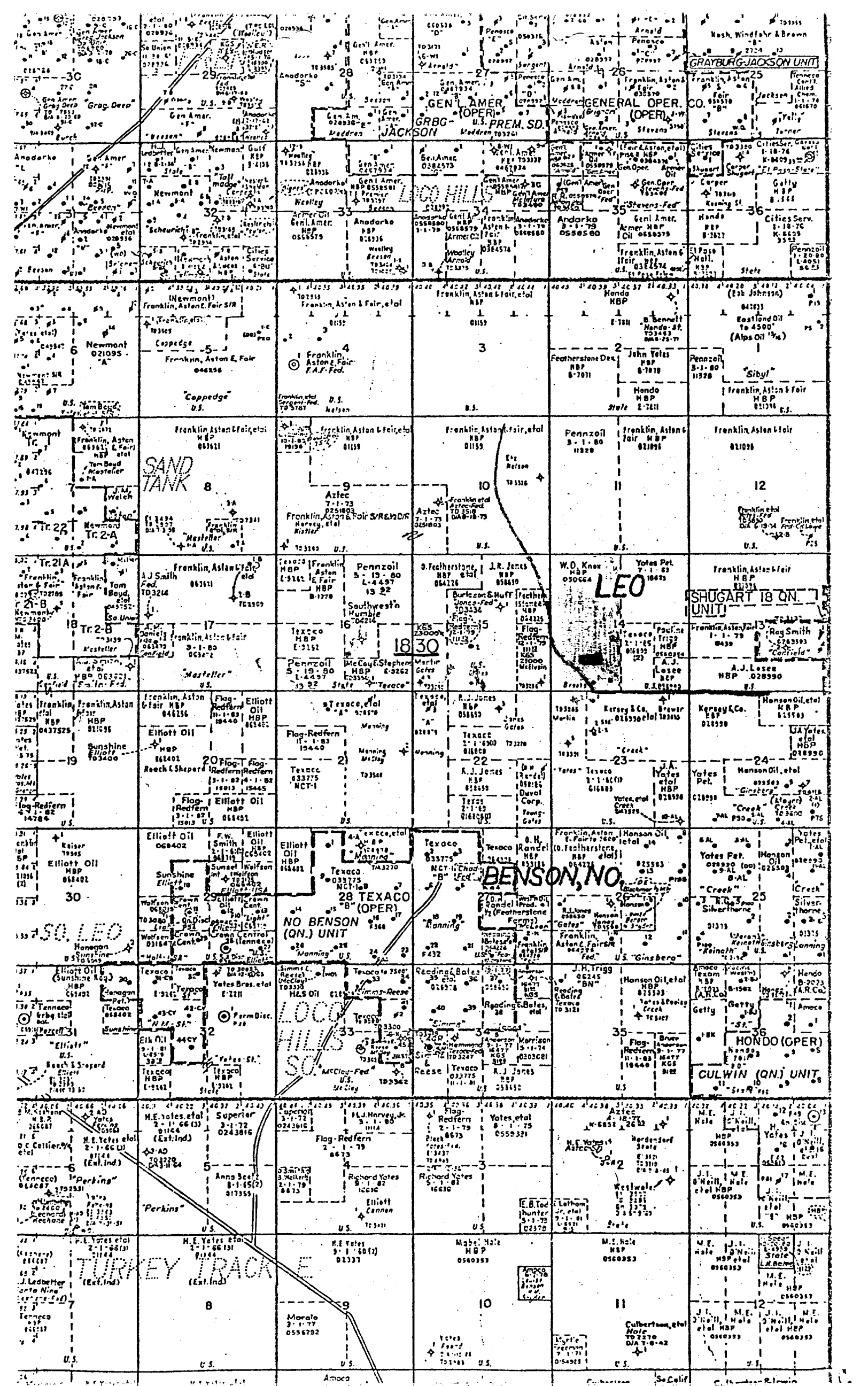
Estate of T. B. Knox
Lucia Brookes #2

1980' FSL - 1980' FWL
Section 14-T18S-30E
Eddy County, New Mexico

EXPECTED GEOLOGICAL TOPS

Top of Salt	550'
Seven Rivers	1780'
Queen	2850'
Grayburg	3350'
Top of San Andres	3560'

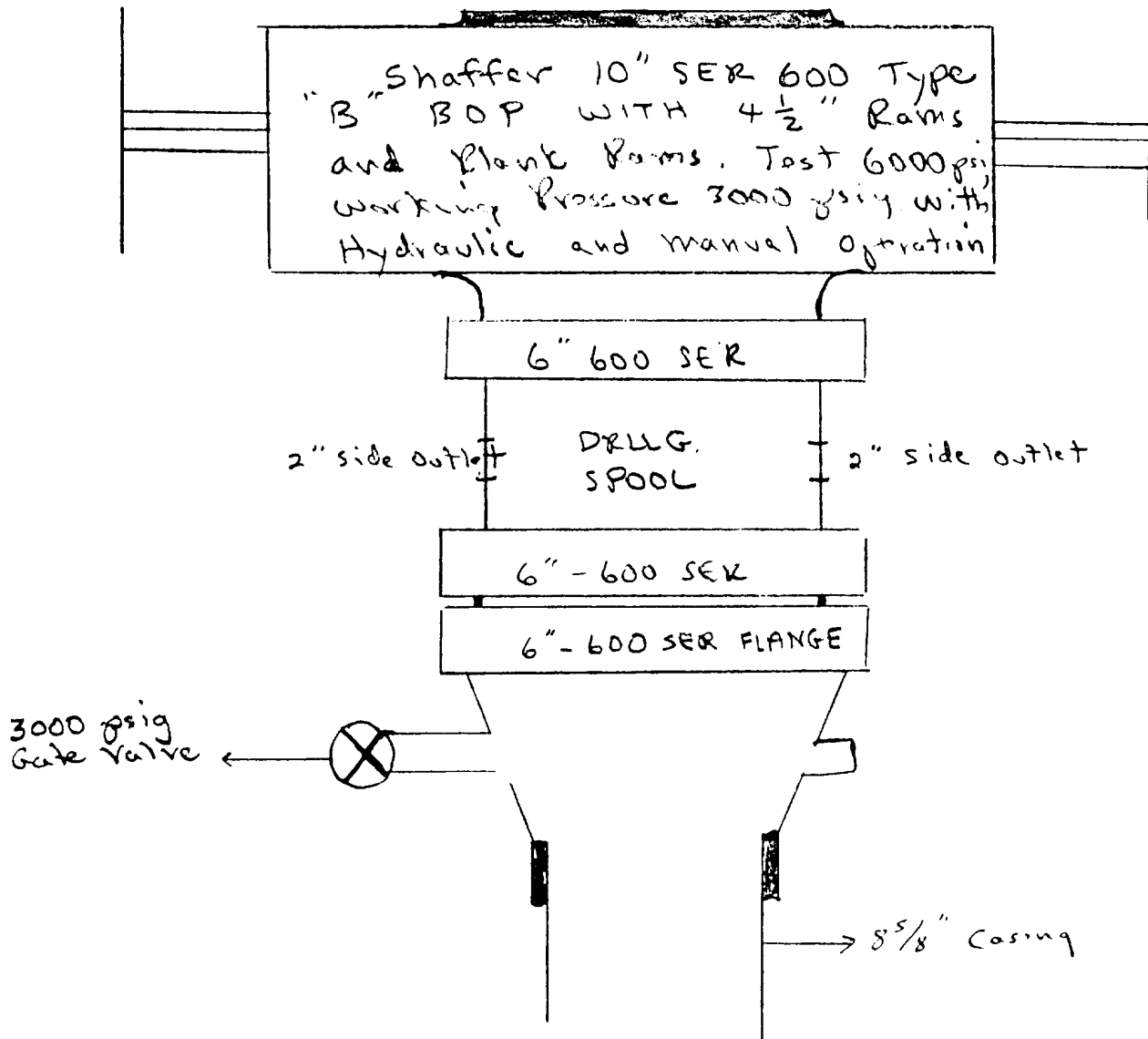


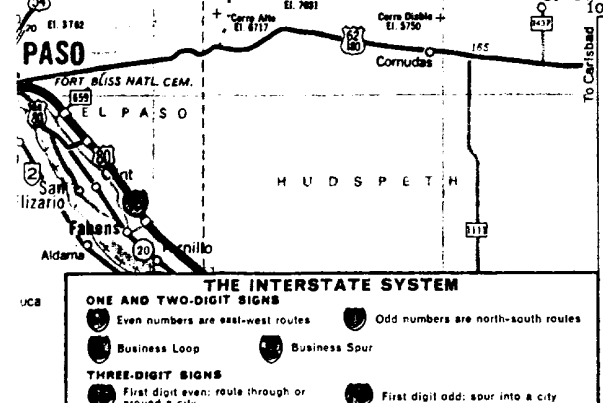
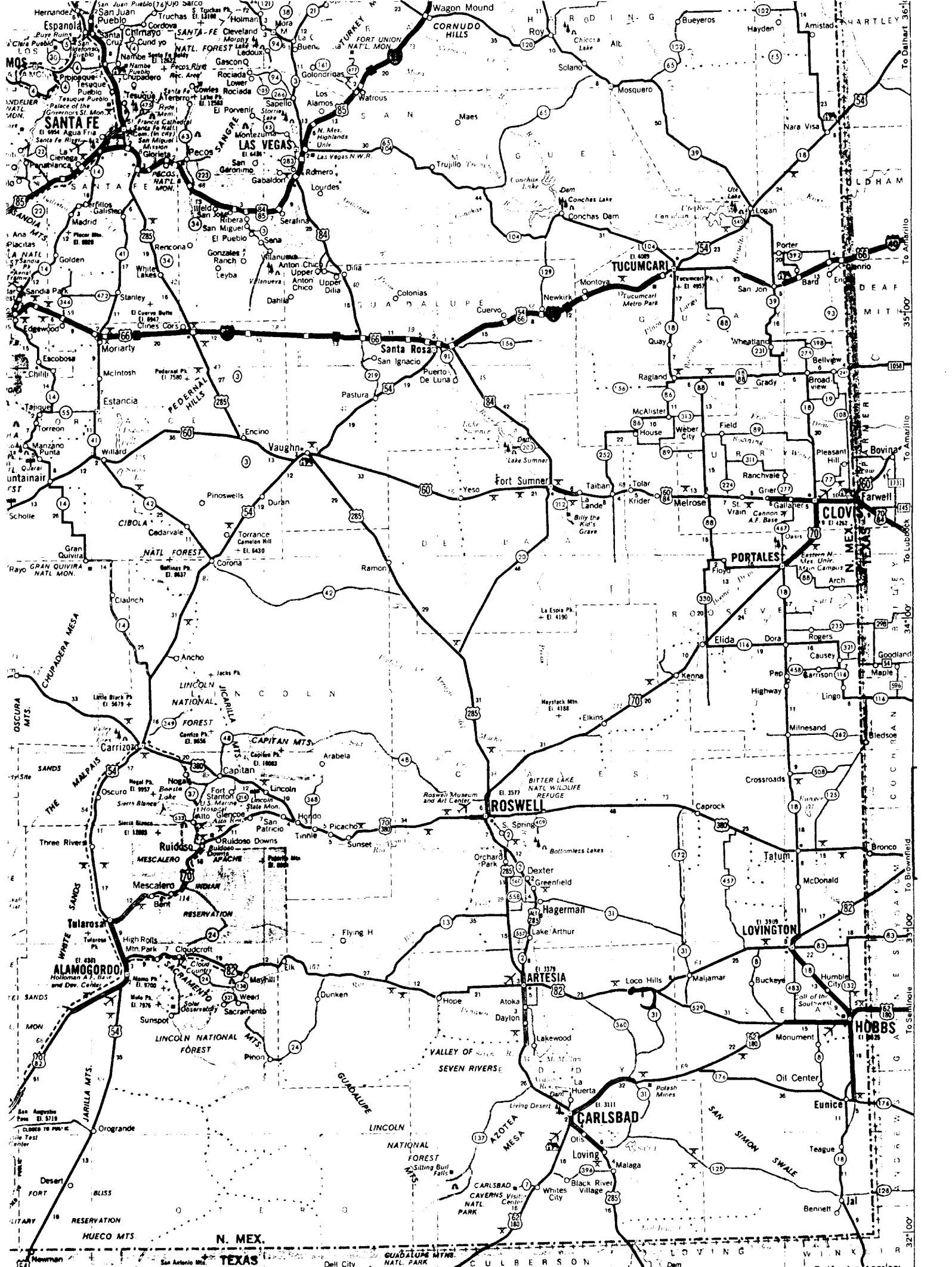


ESTATE of T. B. KNOX
Lucia Brookes #2

1980' FSL - 1980' FWL
Section 14-T18S-R30E
Eddy County, New Mexico

BLOW OUT PREVENTOR





000

To El Paso

104

000

To Roscos

786728.11

To Midhans

103

000

MILEAGE LOG: Distances shown are computed over Controlled Access Highways wherever feasible. To find the mileage between two points, refer to the numbers assigned to these points. In the listing under the lower number of the two, the mileage is given opposite the number assigned to the other. For example—Carlsbad (4) to Santa Fe (7) is 263 miles (under grouping 4 mileage is opposite 17).

1. Alamogordo	2. Albuquerque	3. Artesia	4. Carlsbad	5. Clayton	6. Clovis	7. El Paso, Tex.	8. Farmington	9. Gallup	10. Grants	11. Hobbs	12. Las Cruces	13. Las Vegas	14. Lordsburg	15. Raton	16. Roswell	17. Santa Fe	18. Santa Rosa	19. Socorro	20. Taos	21. Truth or Consequences	22. Tucumcari
1	2-200	3-110	4-144	5-248	6-228	7-86	8-383	9-322	10-261	11-187	12-48	13-241	14-188	15-348	16-117	17-221	18-177	19-129	20-148	21-201	22-136
22-236	22-177	3-238	4-272	5-278	6-220	7-263	8-183	9-140	10-187	11-315	12-219	13-128	14-278	15-228	16-109	17-63	18-118	19-171	20-291	21-136	
21-148	22-200	3-4	4-34	5-310	6-150	7-106	8-421	9-378	10-317	11-69	12-209	13-266	14-83	15-271	16-271	17-215	18-202	19-234	20-333	21-412	
22-246	22-200	4-6	5-344	6-184	7-165	8-485	9-412	10-351	11-150	12-150	13-532	14-105	15-271	16-271	17-215	18-202	19-234	20-163	21-412	22-110	
6-10-324	11-234	12-202	13-327	14-162	15-234	16-203	17-169	18-414	19-192	20-377	21-118	22-322	23-268	24-303	25-122	26-133	27-803	28-258	29-193	30-385	
15-320	16-382	17-301	18-301	19-254	20-224	21-328	22-360	23-308	24-182	25-377	26-118	27-322	28-215	29-369	30-192	31-103	32-803	33-255	34-193	35-445	
21-267	22-317	23-101	24-304	25-244	26-207	27-323	28-300	29-308	30-182	31-142	32-455	33-192	34-215	35-258	36-122	37-146	38-203	39-352	40-287	41-445	
15-361	16-106	17-106	18-106	19-277	20-368	21-323	22-300	23-308	24-182	25-377	26-118	27-322	28-215	29-369	30-192	31-103	32-803	33-255	34-193	35-445	
13-13	14-14	15-15	16-16	17-17	18-18	19-19	20-20	21-21	22-22	23-23	24-24	25-25	26-26	27-27	28-28	29-29	30-30	31-31	32-32	33-33	
21-208	22-172	23-172	24-172	25-172	26-172	27-172	28-172	29-172	30-172	31-172	32-172	33-172	34-172	35-172	36-172	37-172	38-172	39-172	40-172	41-172	

December 19, 1978

Duval Corporation
P.O. Box 115
Carlsbad, N.M. 88240

Attn: Mr. John Mc Graw

Dear Mr. Mc Graw:

T. B. Knox Estate plans to drill the Lucia Brooks #2 well, located 1980' FSL and 1980' FWL, Section 14, T18S-R30E, Eddy County, New Mexico.

Duval Corporation still has active mining leases in this area. We have discussed this location with Mr. John Burleson, the Federal Mining Supervisor, and he has no objection to the drilling of the well.

Would you please check this location and if in agreement, we respectfully request that you sign this letter as a waiver to any objections to the drilling of this prospect.

Sincerely,

Paul G. White

Paul G. White
Engineer

PGW/gb

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U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

Signed: *JWS Magraw*

Date: *12-20-78*