

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-23126

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒RECEIVED
DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

JAN 15 1980 SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

H & S Oil Company

O. C. D.

3. ADDRESS OF OPERATOR

216 American Home Bldg. - Artesia, New Mexico 88210

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

At surface

660' FSL & 2310' FWL of Sec. 33-T18S-R30E

At proposed prod. zone

same

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

8 1/4 miles south 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)

660'

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

3460'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

GR 3383.5

22. APPROX. DATE WORK WILL START*

Dec. 30, 1979

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11 1/4"	8 5/8"	24#	660'	150 sacks circulated
7 7/8"	5 1/2"	14#	3460'	200 sacks

Estimated fromation tops: Queen 2800', Penrose 3020', Grayburg 3280'.
Drilling fluid will be water with small amounts of mud additive from
1700' to assist in sample clarity. Well will be logged open hole with
Gamma Ray Neutron. No abnormal pressures or hazard have been encountered
in this field.

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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 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

P. L. Heusch

TITLE

Partner

DATE

12/4/79

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

1-7-80

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

N MEXICO OIL CONSERVATION COMMISS
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-132
 Supersedes C-128
 Effective 1-1-85

All distances must be from the outer boundaries of the Section

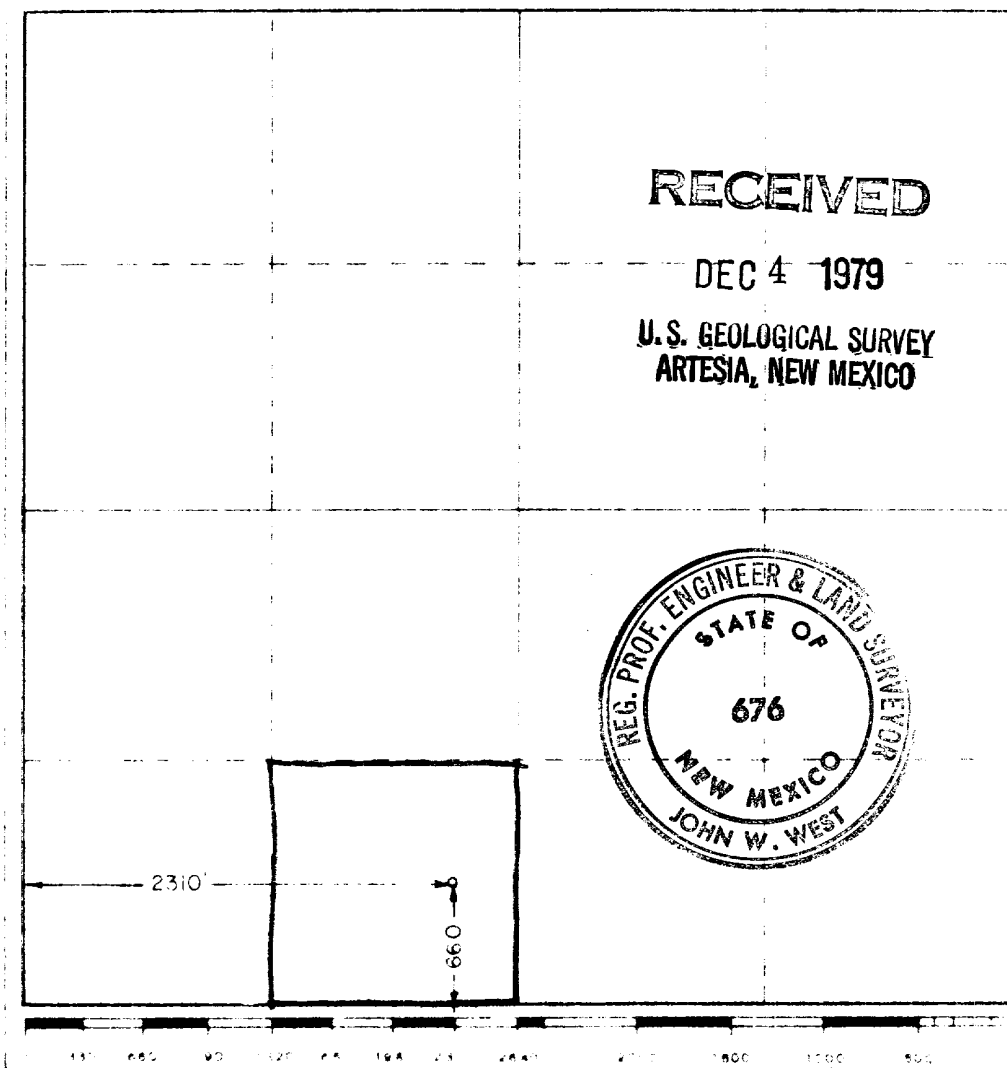
Owner H & S OIL CO.			Lease McCay Federal			Well No. 13		
Section N 33	Township 18 South	Range 30 East	County Eddy					
Acreage (Total Dedication of Well): 660 feet from the South line and 2310 feet from the West line. Elevation: 3383.5 feet. Existing Farmstead: Green Crayburg and North Benson Queen North - 40 .								

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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: **O. C. D.**

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ARTESIA, OFFICE

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, 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.

R. L. Heinsoh

Partner

H & S OIL COMPANY

December 4, 1979

I hereby certify that the well location shown on this plat was obtained 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.

November 12, 1979

John W. West

Certified by: **JOHN W. WEST 676**
PATRICK A. ROMERO 6668
Ronald V. Eldson 1239

H & S OIL COMPANY

ARTESIA, NEW MEXICO 88210

SUPPLEMENT TO SURFACE USE & OPERATIONS PLAN

McClay No. 13

660' FSL & 2310' FWL, Sec. 33-T18S-R30E

Lease No. NM 27276, Eddy County, New Mexico

6. SOURCE CONSTRUCTION MATERIAL: Caliche for road and pad will be obtained from existing caliche pit located in the SW/4 NE/4 of Section 33-T18S-R30E. There is a good possibility some caliche being at wellsite under the sand.



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Box 26124
Albuquerque, New Mexico 87125

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JAN 15 1980

O. C. D.
ARTESIA, OFFICE

January 9, 1980

H & S Oil Company
216 American Home Bldg.
Artesia, New Mexico 88210

Gentlemen:

H & S OIL COMPANY
McClay No. 13
660 FSL 2310 FWL Sec. 33 T.18S R.30E
Eddy County Lease No. NM 27276

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well in the Secretary's Oil-Potash Area to a depth of 3,460 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 No. 595A, color 20318 or 30318).
5. Cement behind the 8-5/8" and 5-1/2" casing must be circulated.
6. Notify Survey in sufficient time to witness the cementing of the 8-5/8" and 5-1/2" casing.



7. Special Stipulations: Caliche for road and pad to be obtained from pit located in the SW/4NE/4 of section 33, T. 18S., R. 30E., (BLM).
8. It is required that a Gamma-Ray-Neutron Log be run in open hole from the base of Salado to the surface at a speed not to exceed 30 feet per minute.
9. 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,

(ORIG. SCD.) GENE E. 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)

District (potash)

District (chrono)

H & S OIL COMPANY

ARTESIA. NEW MEXICO . 88210

SUPPLEMENT TO APPLICATION FOR PERMIT TO DRILL

McClay No. 13
660' FSL & 2310' FWL
Section 33-T18S-R30E
Eddy County, New Mex.

BOP will be Shaffer 10" 900 Double.

If any water is encountered it should be around 150'.

Oil expected in stringers between 2800' & 3400'.

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U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

MULTI-POINT SURFACE USE & OPERATIONS PLAN

H & S OIL COMPANY

McClay No. 13 - 660' FSL & 2310' FWL, Sec. 33-T18S-R3OE,
Lease No. NM 27276, Eddy County, New Mexico

1. EXISTING ROADS: Attached are three maps of the subject area, i.e.: Exhibit A (USGS Topographic map), Exhibit B (land ownership map) & Exhibit C (New Mex. road map). The proposed wellsite is located approximately $8\frac{1}{4}$ miles south of Loco Hills, New Mexico. The route to the well from Artesia is color coded on Exhibit A, B, & C. From Artesia (Exh. C) go east on Hwy. 82 approx. 12 miles (orange), turn southeast on Hwy. 360 for approx. 13 miles (green), turn north at Duval sign onto paved road for approx. 1 mile then continue on same road bearing northeast for another $1\frac{1}{2}$ miles (blue), turn east onto existing caliche road for approx. $\frac{1}{2}$ mile, turn south for approx. $\frac{1}{2}$ mile then turn back west for approx. $\frac{1}{4}$ mile, turn south for another $\frac{1}{4}$ mile then due west for approx. $\frac{1}{2}$ mile (yellow), drillsite approx. 330 feet north of existing lease road (red).
2. PLANNED ACCESS ROAD: New road required will be approximately 330 feet long and 12 feet wide, location shown on Exhibit C. Road will be Caliche. There will be no culverts or other drainage features necessary. Center line of proposed new access road has been staked so that flagging will be visible from one stake to the other. Present road is color coded in yellow and to be constructed road is color coded in red.
3. LOCATION OF EXISTING WELLS: All existing wells within one mile radius to our knowledge are shown on Exhibit B.
4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:
 - (a). No presently existing surface facilities.
 - (b). If the well is a producer, all surface facilities will be located on the wellsite. Tank Battery, gas separator, meter equipment will be on or near the edge of the drilling pad and flowlines will not be buried.
5. LOCATION OF TYPE OF WATER SUPPLY: Water for drilling will be trucked in by low bid trucking contractor.
6. SOURCE CONSTRUCTION MATERIAL: Caliche for road and pad will be obtained from existing caliche pit located to the northwest 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). Figure 1 shows location of well pad including rig 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: To our knowledge, the nearest ranch house is the Schneider Ranch house approx. $2\frac{1}{2}$ miles NE of wellsite and approx. $1\frac{1}{2}$ miles south is the Amax potash mining operation, both circled blue on Exh. A.
- (f). Land Use - Acreage involved is under grazing lease to Schneider Ranch.

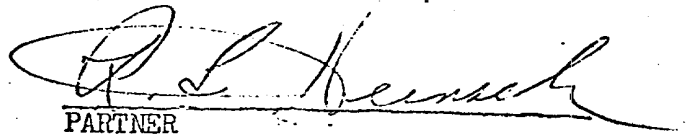
12. OPERATORS REPRESENTATIVE: The representatives responsible for assuring compliance with surface and operation plan are:

Mr. H. R. Spencer
216 American Home Building
Artesia, New Mexico 88210
Ph. 505 746-6658 Mobil Ph. 365-2504

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 H & S Oil Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

H & S OIL COMPANY

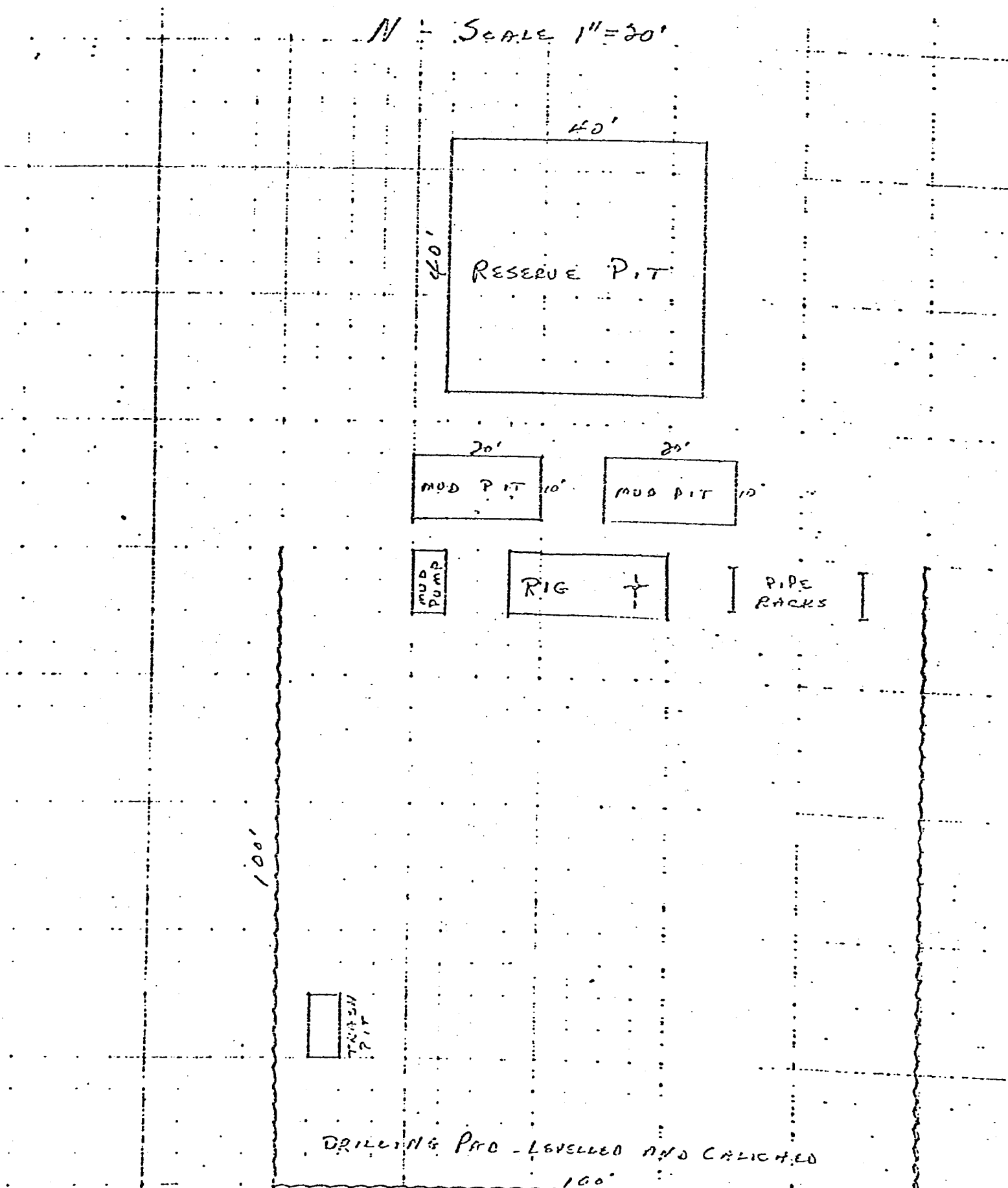
Date: 12/4/79


PARTNER

H & S OIL COMPANY
216 American Home Bldg.
Artesia, N. M. 88210

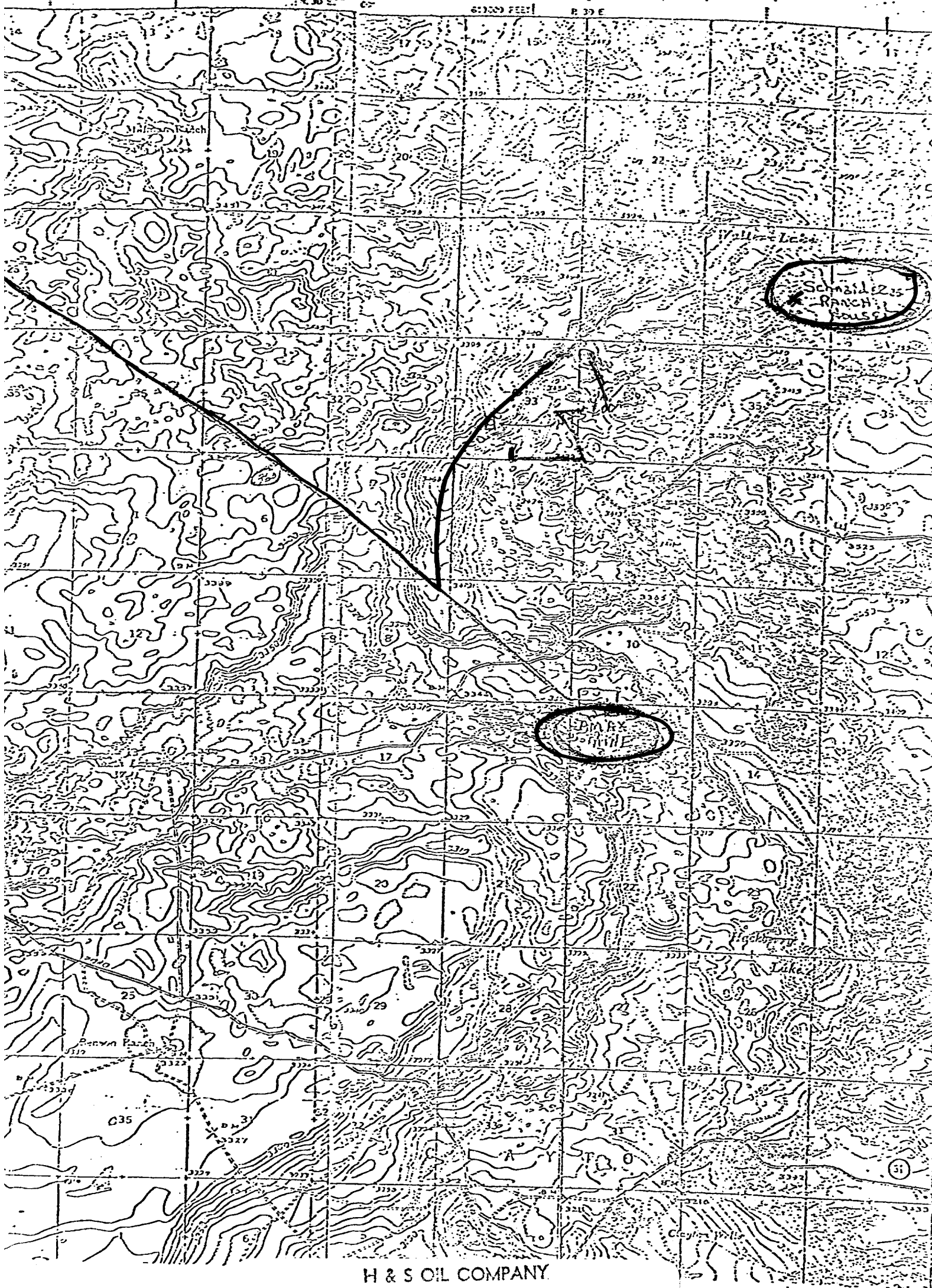
McClay # 13
660' FSL & 2310' FWL
Section 33-T18S-R30E
Eddy County, N.M.

N - SCALE 1" = 30'



DRILLING PAD - LEVELLED AND CALICATED

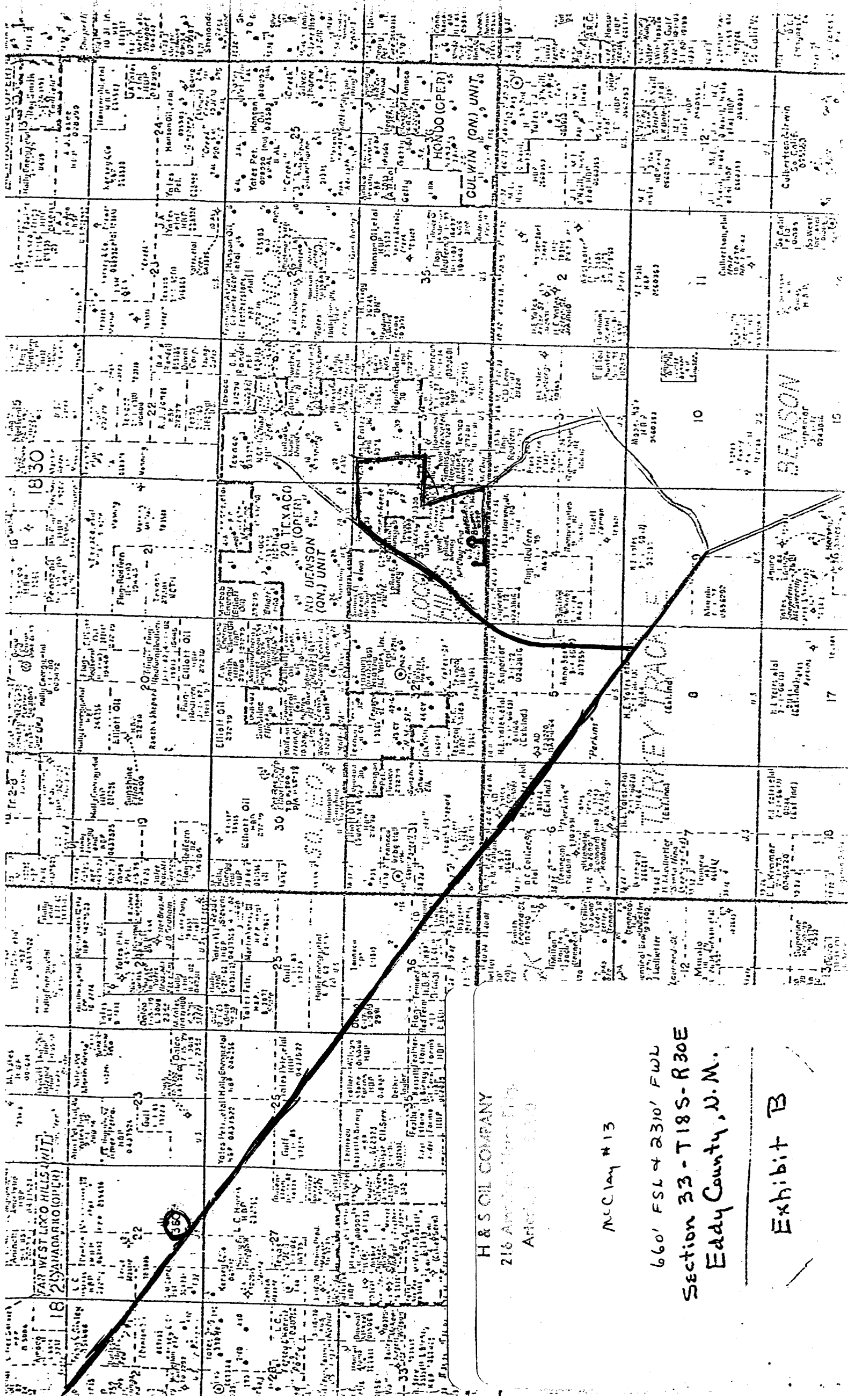
PITS WILL BE DOG TO COVER GARBAGE AND TRASH, WHICH WILL BE KEPT IN CONTAINERS UNTIL WELL IS COMPLETED.



H & S OIL COMPANY
216 American Home Bldg.
Artesia, N. M. 88210

M. Clay #13
660' FSL + 2310' FWL
Section 33-T18S-R30E
Eddy County, N.M.

Exhibit A

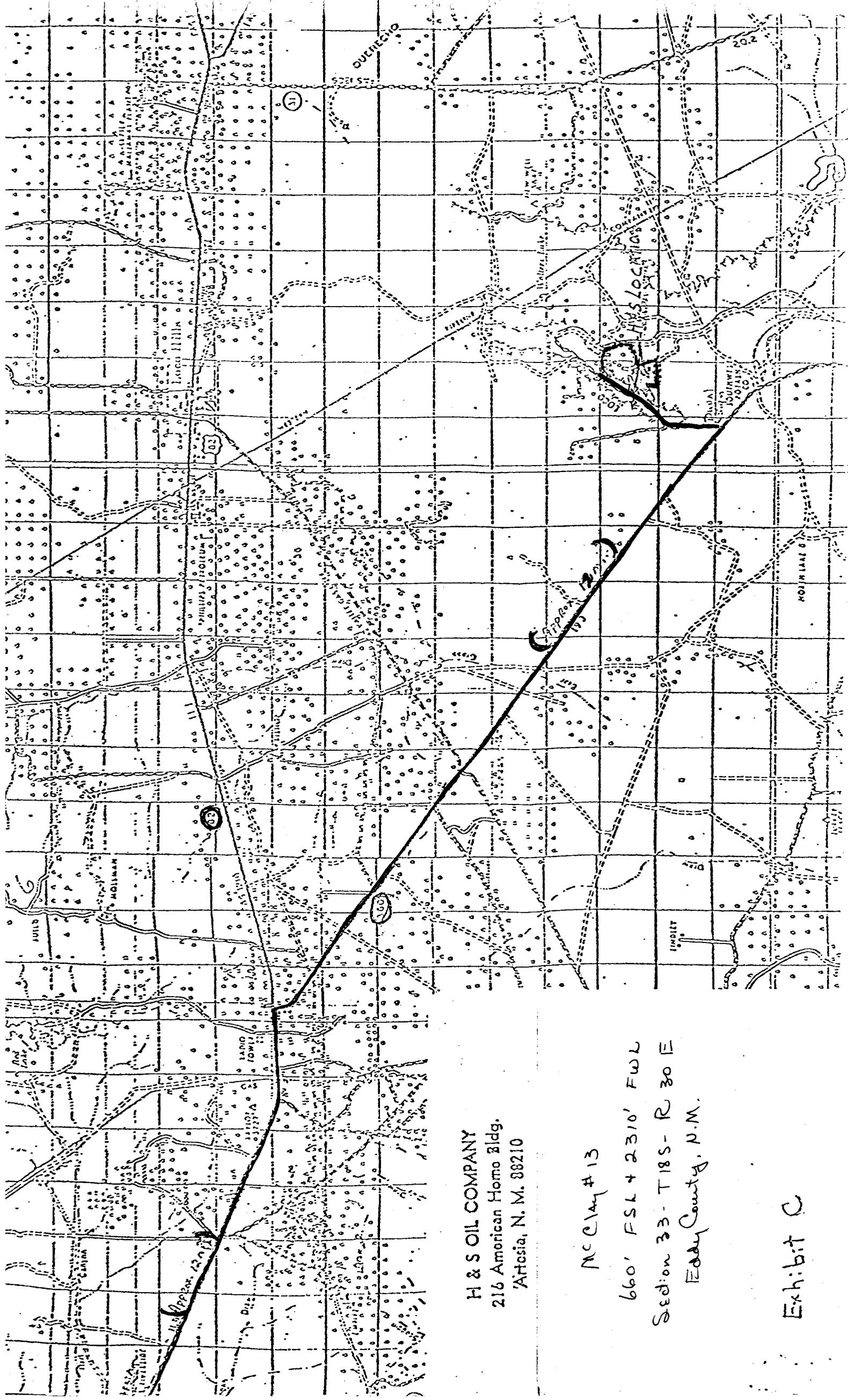


H & S OIL COMPANY
216 Avenue of the Stars, N.Y.C.
ARTIST: [illegible]

MCCRAY #13

660' FSL + 2310' FWL
Section 33-T18S-R30E
Eddy County, N.M.

Exhibit B



H & S OIL COMPANY
216 American Homo Bldg.
Artesia, N. M. 88210

McClay #13
660' FSL + 2310' FWL
Section 33 - T18S - R 30 E
Eddy County, N.M.

Exhibit C