

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

Penroc Oil Corporation

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3. ADDRESS OF OPERATOR

P. O. Drawer 831, Midland, Texas 79701

FEB 6 1976

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

At surface

1980' FSL & 1980' FEL

O. C. C.
ARTESIA, OFFICE

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

Approx. 13.5 miles northeast of Carlsbad, N. M.

10. DISTANCE FROM PROPOSED*

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

660'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED

TO THIS WELL 320

18. DISTANCE FROM PROPOSED LOCATION*

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

none

19. PROPOSED DEPTH

11,300'

20. ROTARY OR CABLE TOOLS

Rotary

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

3320 GR

22. APPROX. DATE WORK WILL START*

February 10, 1976

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17"	13 3/8"	48#	350'	Circulate
11"	8 5/8"	24# & 32#	2600'	Circulate
7 7/8"	4 1/2"	11.60 & 13.50#	11,300'	500 sxs.

Double hydraulic 1500 Series Shaffer Blow-out Preventer &
1500 Series Choke Manifold.

Will adhere to Drilling Well Control Requirements for Deep Wells.

Mud Program on Exhibit "C"

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JAN - 8 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

TITLE President

DATE 1/6/76

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

COMMISSIONER OF APPROVAL

FEB 3 1976

H. L. BECKMAN

ACTING DISTRICT ENGINEER

THIS APPROVAL IS RESCINDED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS.
EXPIRES MAY 5 1976

DATE

SUBJECT TO ATTACHED DEEP WELL CONTROL
REQUIREMENTS DATED JUN 22 1973

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-12
Supersedes O-128
Effective 1-1-61

All distances must be from the outer boundaries of the Section.

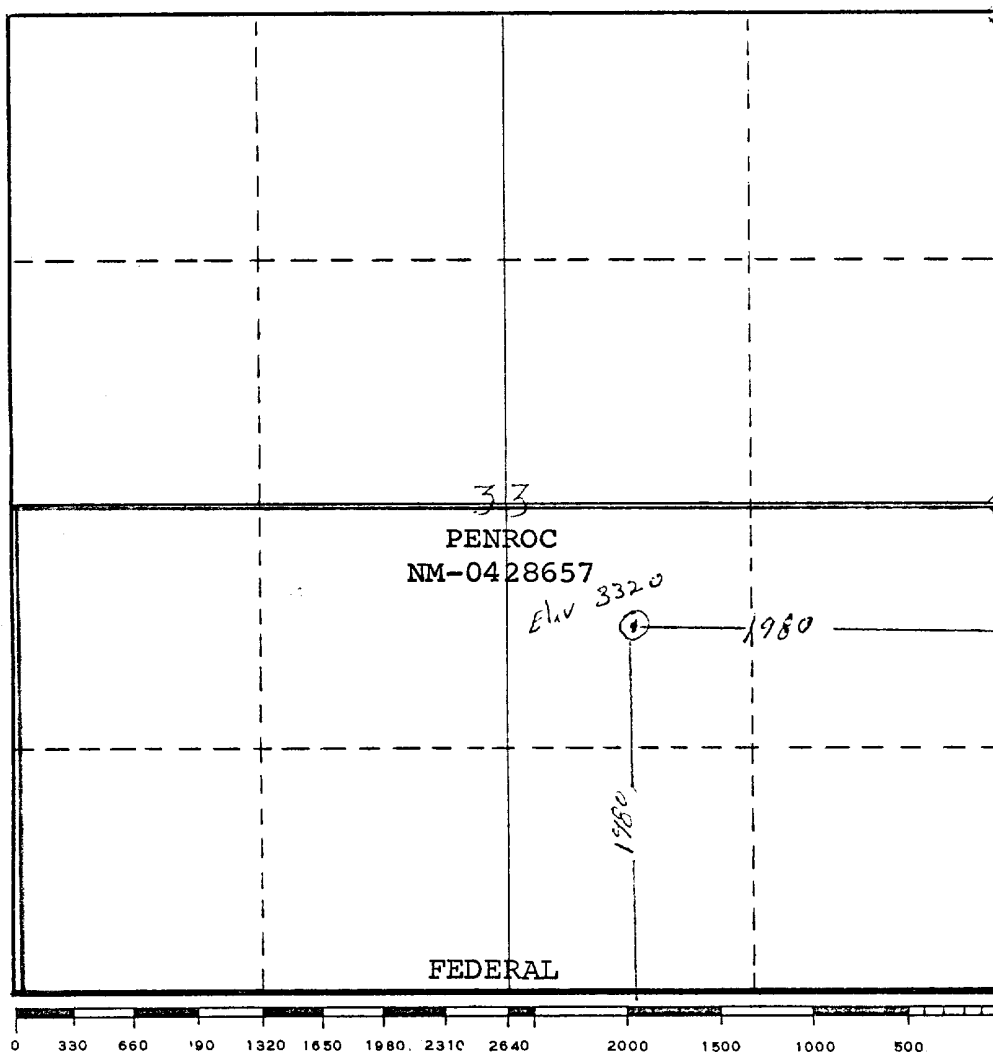
Operator Penroc Oil Corporation			Lease Arco-Federal		Well No. 1
Unit Letter J	Section 33	Township 19 S	Range 28 E	County Eddy	
Actual Footage Location of Well: 1980 feet from the east line and 1980 feet from the South line					
Ground Level Elev. 3320	Producing Formation Morrow		Pool Undesignated-Morrow		Dedicated Acreage: 320 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 *D. J. Dally*
Position
President
Company
Penroc Oil Corporation
Date
January 6, 1976

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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 are correct to the best of my knowledge and belief.
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

Date *Dec. 28, 1975*
Date Surveyed
[Signature]
Registered Professional Engineer and/or Land Surveyor

N. M. 226
Certificate No.

DEVELOPMENT PLAN FOR SURFACE USE
TO ACCOMPANY "APPLICATIONS TO DRILL
ON SHORE OIL, GAS, OR GEOTHERMAL
STEAM WELLS ON PUBLIC DOMAIN AND
ACQUIRED FEDERAL LANDS"

PENROC OIL CORPORATION

ARCO-Federal No. 1
1980' FSL & 1980' FEL,
Section 33, T19S, R28E
Eddy County, New Mexico

1. Existing Roads:

Proposed location is approximately 13.5 miles northeast of Carlsbad, New Mexico and can be reached by traveling east from Carlsbad on Highway 62-180 approximately 9 miles and turning north on caliche county road known as the Russell Field road. Proceed 5-1/2 miles north, 1-3/4 to the northwest, 2-1/2 miles back to the northeast, thence 2-1/4 miles in a westerly direction. This last 2-1/4 miles is along an access road that dead-ends at the Dorchester No. 1 ARCO-Federal well located in the W/2 Section 34, T19S, R28E.

See attached reproduction from U. S. G. S. Oil City Quadrangle, marked Exhibit "A", for older existing and some non-existent roads. More recent roads and access roads to other well locations are shown on map marked Exhibit "B" with an orange color.

2. Planned Access Roads:

The proposed location is slightly over 3000 feet southwest of the above mentioned Dorchester No. 1 ARCO-Federal well. In order to create minimum surface damage it is planned to commence at a point just southeast of the well and construct slightly over one-half mile of new road as indicated by the blue line on Exhibit "B". It will be constructed according to normal oil field practice and surfaced with compacted caliche.

3. Location of Existing Wells:

Refer to Exhibit "B".

4. Lateral Roads to Well Location:

See Exhibits "A" and "B".

5. Location of Tank Batteries and Flow Lines:

Tank battery on southeast edge of well site pad, separator due east of well, adhering to regulatory distances, flow lines from wellhead to separator and tanks and pipeline, if productive.

6. Location and Type of Water Supply:

All water used in drilling operations will have to be hauled by truck tanker from the nearest commercial source.

7. Methods for Handling Waste Disposal:

Solid debris will be placed in a separate dug trash pit and then covered upon completion of drilling operations with a minimum of 24 inches of soil.

8. Location of Camps:

None

9. Location of Airstrips:

None

10. Location Layout (Rigs, Pits, Pipe Racks, etc.):

See Exhibit "C".

11. Plans for Restoration of Surface:

In accordance with regulations. All pits to be filled and levelled.

12. Any Other Information:

Terrain is composed of rolling sand dunes with adapted arid vegetation. Sparse amount of grass.

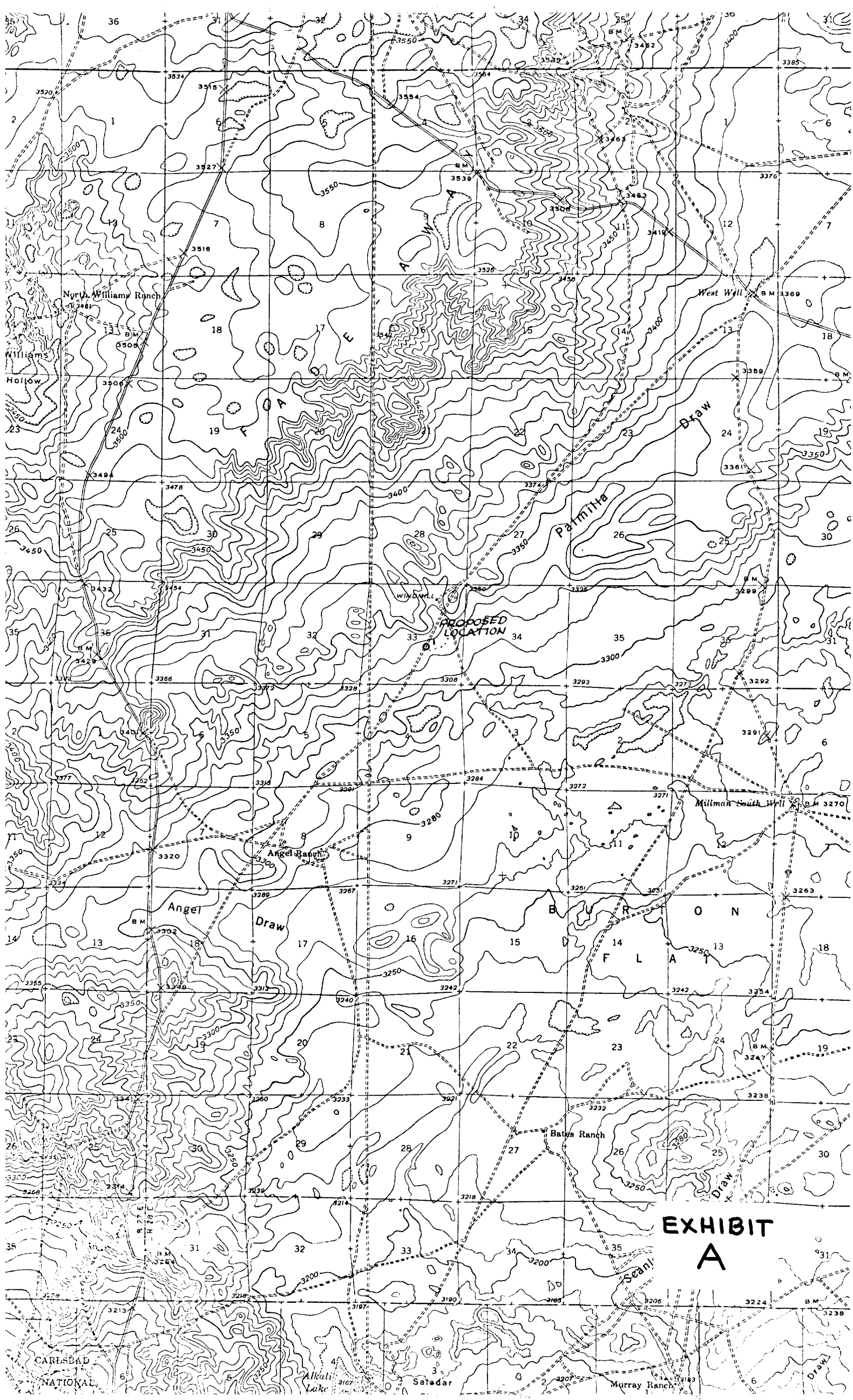
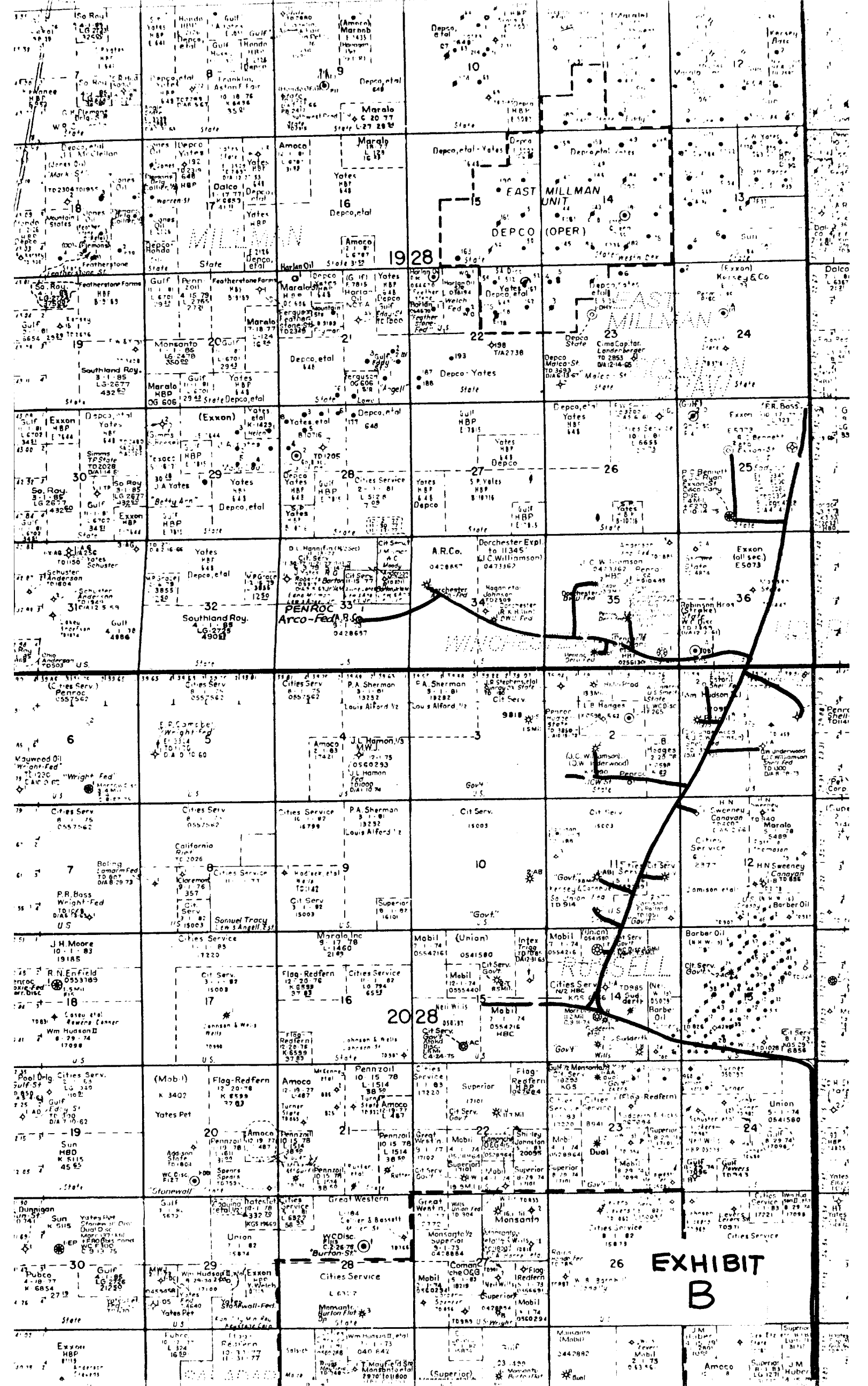
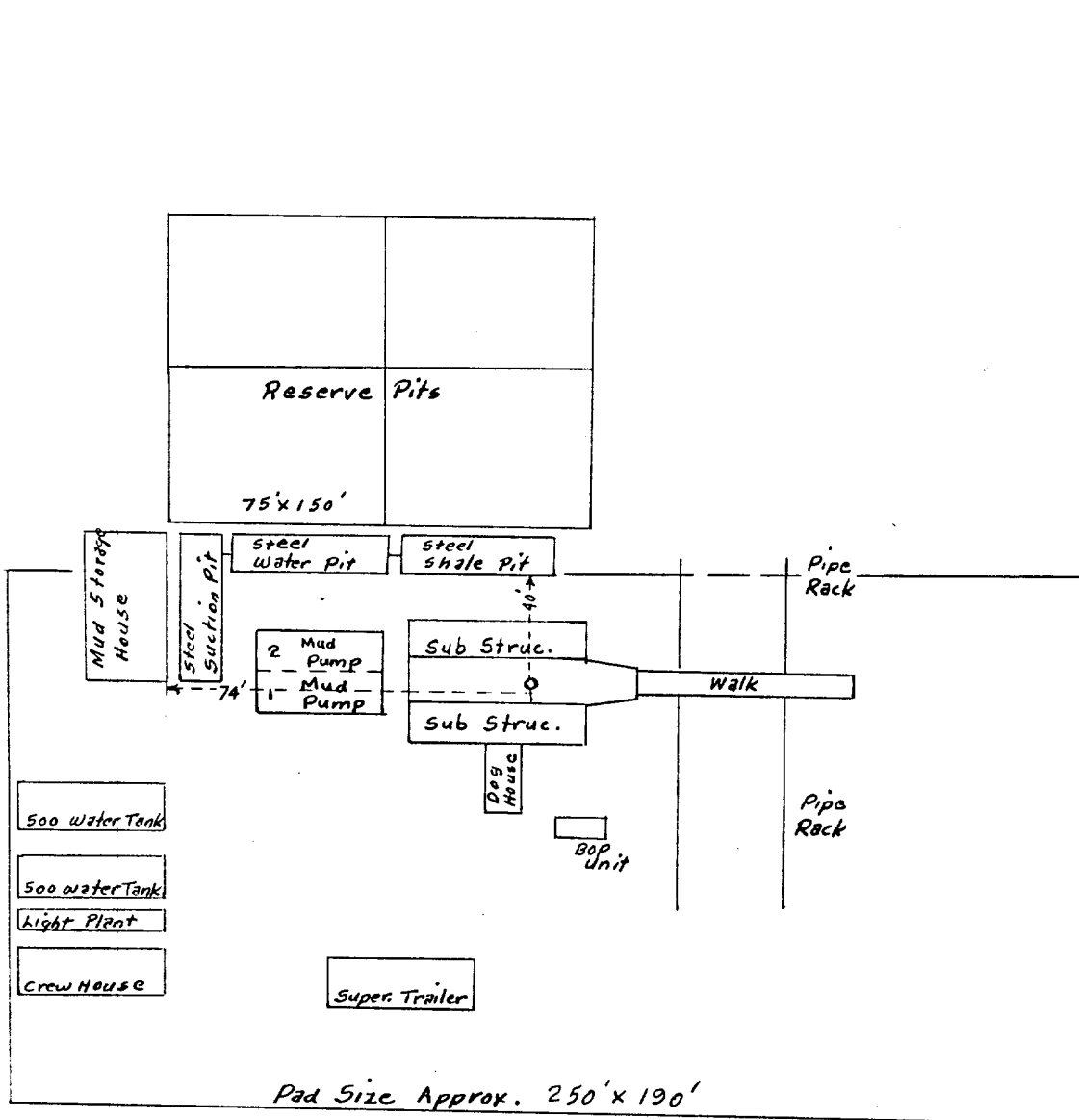


EXHIBIT
A



Drilling Rig Layout



Pad to be caliche & compacted.

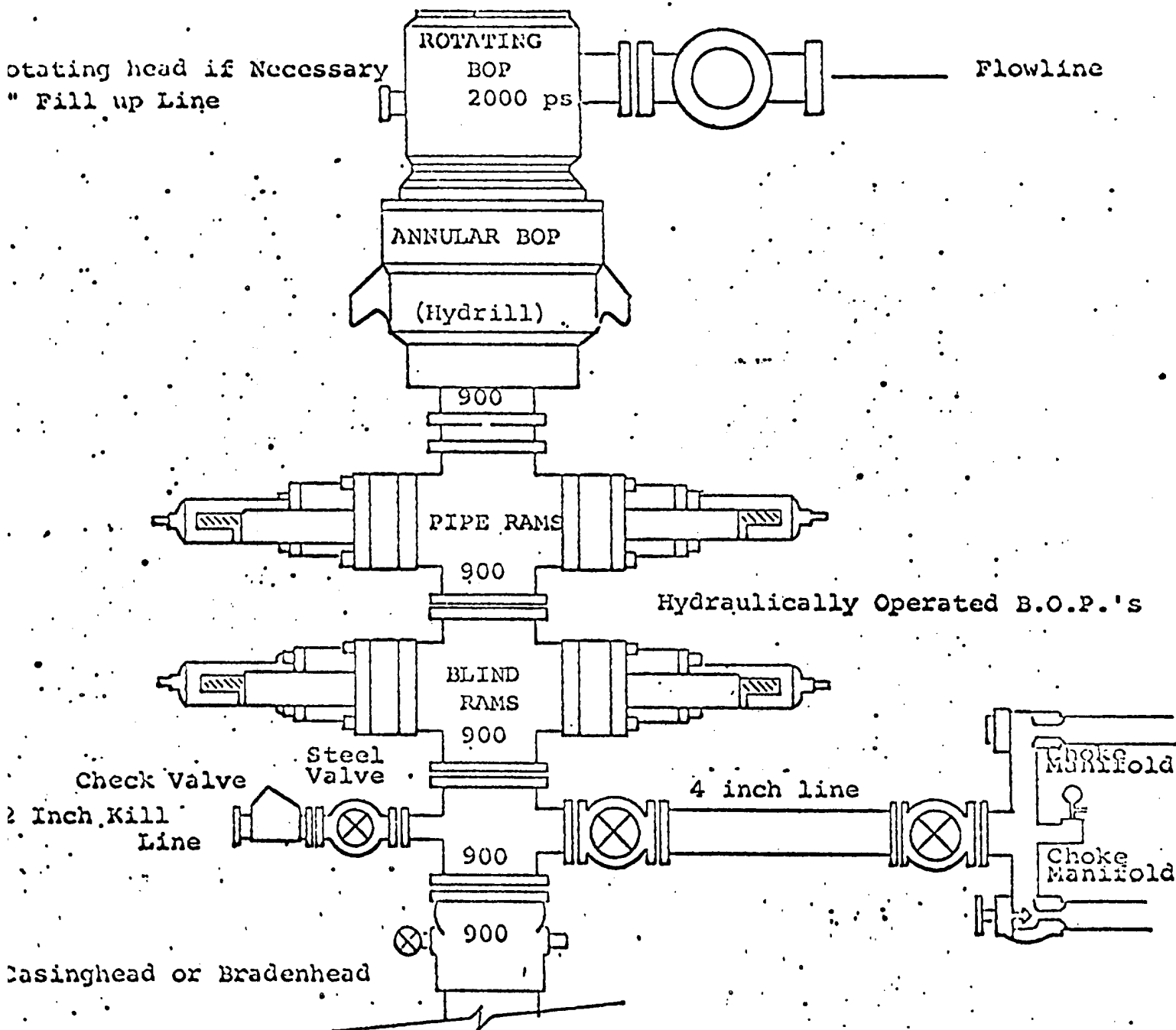
Double hydraulic 1500 Series Shaffer blow-out preventer and
1500 Series Choke Manifold

Mud Program:

Surface to 350' - Magcogel and lime
 350' - 2600' - Native mud and lime
 2600' - 8750' - Fresh water
 8750' - 10,700' - Fresh water & brine, wt. 9.8 #
 10,700' - TD - Salt gel mud, wtr. loss 8 cc., vis. 34-37

EXHIBIT - C

DIAGRAMMATIC SKETCH OF 3000 PSI BOP ASSEMBLY



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All Connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. Drill pipe must be installed and used below zone of first gas intrusion.
11. Anticipated Bottom Hole Pressure is less than 400 psi.
12. No Kelly Cock or manual valves necessary.
13. BOP's Tested prior to drilling casing shoe, TD reached estimated 24 hrs.