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INSTRUCTIONS

from, the local Federal and/or State office. cedures and practices, either are shown below or will be issued by, or may be obtained mumber of copies to be submitted, particularly with regard to local, area, or regional pro-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 uons, as indicated, on all types of lands and leases for appropriate action by either a GENERAL: This form is designed for submitting proposals to perform certain well opera-

land should be described in accordance with Federal requirements. Consult local State ITEM 4: If there are no applicable State requirements, locations on Federal or Indian state or Hederal regulations concerning subsequent work proposals or reports on the well. tion or to a new reservoir, use this form with appropriate notations. Consult applicable ITEM 1. If the proposal is to redrill to the same reservoir at a different subsurface loca-

land or lease description. A plat, or plats, separate or on this reverse side, showing the total or lease to surveyed location of, the well, and any other required information, should itEM 14: Needed only when location of well cannot readily be found by road from the or Federal office for specific instructions.

subsurface location of hole in any present or objective production zone. ITEMS IS AND 18: If well is to be, or has been directionally drilled, give distances for be furnished when required by Federal or State agency offices.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, con-

cerming approval of the proposal before operations are started.

NOTICE

'uon nised ine following information in connection with information required by this applica-The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be fur-

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160-

PRINCIPAL PURPOSE The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

investigations of prosecutions, as well as fouring regulatory responsibility. Federal, State, local of foreign agencies, when relevant to civil, criminal of regulatory (4)(5) Information from the record and or the record will be transferred to appropriate (4)proposed operation on surface and subsurface water and other environmental impacts. the Pederal of Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3). The evaluation of the effects of mean and the projected impact on the land involved. FOUTINE USES: (1) The analysis of the applicant's proposal t_0 discover and extract

closure of the information is mandatory only if the lessee elects to initiate drilling opera-EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and dis-

tion on an oil and gas lease.

ាទជា The Paperwork Reduction Act of 1960 (44 U.S.C. 3501 et seq) requires us to inform you

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.sessesi seg bras tio neutral factors involved with drilling for cil and/or gas on Pederal and indian di This intormation is being collected to allow evaluation of the technical, safety, and en-

tions on an oil and gas lease. Response to this request is mandatory only if the lessee elects to initiate diilling opera-Receive application will be used to analyze and approve applications.

Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

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DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

P.O. Box 2088

All Distances must be from the outer boundaries of the sec

State of New Mexico Energy, Minerals and Natural Resources Department

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Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION Santa Fe, New Mexico 87504-2088



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ANTICIPATED WATER, OIL, GAS, AND MINERAL BEARING FORMATIONS

Well:	Kincaid-Watson Federal Well No. 1							
Location:	330'	FNL,	1980'	FEL,	Sec.	18, T-18	3 - S,	R-31-E
County:	Eddy					State:	New	Mexico
Elevation	8	3632'	GR			Proposed	TD:	9500 '

Formation Tops

<u>Depth</u>	Formation	<u>0i1</u>	Gas	Water	<u>Mineral</u>
2000' 3000' 3800' 5430' 7900' 9200'	Yates Queen San Andres Bone Spring 2nd Bone Spring Wolfcamp	х			

No drill stem tests will be conducted. No cores will be taken.

H2S in Q/GB/SANo abnormal pressures, temperatures, or <u>hazardous qases</u> are anticipated to be encountered in this well. <u>GR-CAL-CNL-FDC</u>, <u>GR-CAL-BHC-SONIC</u>, <u>GR-CAL-DIL-SFL</u> surveys will be run.

Mud Program

<u>Depth</u>	Type	Weight	Viscosity
0-500'	Fresh - Spud Mud	8.4	28
500'-2520'	Brine	10.0	29
2520'-9500'	Fresh	8.4	28

Blowout preventer will be installed after surface casing is set. BOP will be tested each time it is installed on a casing string and operated at least once each 24-hour period during drilling.

SURFACE USE AND OPERATIONS PLAN

FOR

TEXACO INC. <u>KINCAID-WATSON FEDERAL NO. 1</u> 330' FNL & 1980' FEL, SEC. 18. T-18-S, R-31-E EDDY COUNTY, NEW MEXICO

LOCATED: 7.5 miles SSE of Loco Hils, New Mexico

FEDERAL LEASE NUMBER: LC029393-B

LEASE ISSUED: JULY 17, 1961

ACRES IN LEASE: 440 ACRES

RECORD LESSEE: TEXACO INC.

SURFACE OWNERSHIP: USA

<u>GRAZING PERMITTEE</u>: SNYDER RANCHES C/O LARRY SQUIRES P.O.BOX 2158 HOBBS, NEW MEXICO 88241

POOL: 2nd Bone Spring Sand Pay

POOL RULES: Statewide, 40 acre spacing for oil.

EXHIBITS: A. Road Map B. Drilling Rig Layout

1. EXISTING ROADS:

A. Exhibit "A" is a portion of a 7-1/2 minute topographic map showing the proposed well site and existing roads in the area. Point "A" is the junction of State Highway 82 and County Road 222. Said Point "A" is 5.6 miles east along State Highway 82 from Loco Hills, New Mexico. Exhibit "A" is color coded to show the local roads to be used for access to Texaco Inc. Kincaid-Watson Federal lease in Section 18, T-18-S, R-31-E. Point "B" shows the junction of said County Road 222 with an existing resource road which will be used for 2.8 miles to Point "C". To reach the well site from Point" A" proceed south on County Road 222 2.8 miles to Point" B", being an existing resource road on the west side of the road with a "Union Texas Pet. North Shugart Field Office" sign at the intersection of the resource road. From Point "B" turn west and proceed .4 miles and turn south, at .6 miles turn west, at 1.4 miles turn south, at 1.6 miles turn west, at 1.7 miles turn south, at 2.3 miles turn west, at 2.5 miles turn south, at 2.8 miles to Point "C" being an intersection of said existing resource road with proposed new resource road. From Point "C" 1160 feet of new resource road will be built southeast to the southwest corner of the caliche pad around the new well site.

2. PLANNED ACCESS ROAD:

A. <u>Length and Width</u>: The new road will be 14 feet wide and 1,160 feet long, and is set out on Exhibit "A" by color coding.

B. <u>Surfacing Material</u>: Caliche. Watered, compacted, and graded.

C. <u>Maximum Grade</u>: Less than one percent.

D. <u>Turnouts</u>: None required.

E. <u>Drainage Design</u>: The new road will be crowned with drainage to both sides.

F. <u>Culverts</u>: None required.

G. Cuts and Fills: None necessary.

H. Gates and Cattle Guards: None will be needed.

3. LOCATION OF EXISTING WELLS:

A. Existing wells in the immediate area are shown on Exhibit "A".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. This well will produce into a tank battery which will be located on the same location.

B. No electric power line will be built to service this well.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is not contemplated that a water well will be drilled. Water necessary for drilling operations will be purchaced and trucked to the well site, or will be moved to the well site by temporary pipeline laid on the ground alongside existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche needed for the road and well pad will be taken from an existing pit in the SE/4 NE/4 of Section 13, T-18-S, R-30-E, Eddy County, New Mexico, and will be moved to the well site using existing local road. Location of this caliche pit and road is shown on Exhibit "A".

7. METHODS OF HANDLING WATER DISPOSAL:

A. Drill cuttings will be disposed of in the drilling pits.

B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.

C. Water produced during tests will be disposed of in the drilling pits.

D. Oil produced during tests will be stored in test tanks until sold.

E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "B".

F. All trash and debris will be buried or removed from the well site within 30 days after completion of drilling and/or completion operations.

8. ANCILLARY FACILITIES:

A. None required.

9. WELL SITE LAYOUT:

A. Exhibit "B" shows the relative location and dimensions of the well pad, mud pits, reserve pit, and trash pit, and the location of major rig components.

B. Cut and fill will be minor, but clearing and levelling of the well site will be necessary.

10. PLANS FOR RESTORATION OF THE SURFACE:

A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location will be cleaned of all trash and junk to leave the well site in an as aesthetically pleasing condition as possible.

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B. Any unguarded pits containing fluids will be fenced

until the pits are dry.

C. After abandonment, all equipment, trash and junk will be removed and the well site will be cleaned. Any special rehabilitation and/or special revegetation requirements of the surface management agency will be complied with and will be accomplished as rapidly as possible.

11. OTHER INFORMATION:

A. <u>Topography</u>: The land surface in the area of the well is relatively level. Regionally, land slope is to the southwest.

B. <u>Soil</u>: Top soil at the well site is sand.

C. <u>Flora and Fauna</u>: The vegetative cover is moderate which includes weeds, range grasses and mesquite. Wildlife in the area is that typical of semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, dove and quail.

D. <u>Ponds and Streams</u>: There are no rivers, lakes, ponds or streams in the area.

E. <u>Residences and Other Structures</u>: There are no occupied dwellings or other structures within 3/4 mile of the well site.

F. <u>Archaeological, Historical, or other Cultural Sites</u>: None observed in the area.

H. Surface Ownership: Federal.

12. OPERATOR'S REPRESENTATIVE:

C. P. Basham Drilling Superintendent Texaco Producing Inc. P. O. Box 3109 Midland, Texas 79702 Office Phone: (915) 688-4620

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently 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 Texaco Producing Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U. S. C. 1001 for the filing of a false statement.

10/13/89

Date:

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C. P. Basham Drilling Superintendent Midland Division

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Archeological Clearance Report for Texaco USA's Kincaid-Watson Federal No. 1 Situated on Public Lands in Eddy County, N.M. Report No. 89058

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prepared by James E. Hunt

submitted by Pecos Archeological Consultants P.O. Box 1771, Carlsbad, N.M., 88221 May 19, 1989 BLM Cultural Use Permit No. 6-2920-88-H State Blanket Survey Permit No. 89-024

PECOS ARCHEOLOGICAL CONSULTANTS P.O. BOX 1771 CARLSBAD, NM 88221



Archeological Clearance Report for Texaco USA's Kincaid-Watson Federal No. 1 Situated on Public Lands in Eddy County, N.M. Report No. 89058

ABSTRACT

On May 11, 1989, Pecos Archeological Consultants (BLM Cultural Use Permit No. 6-2920-88-H, State Blanket Survey Permit No. 89-024) undertook an archeological inventory for a proposed drill location and access road easement scheduled to be impacted by Texaco USA. This project will be situated on public lands in Eddy County, New These lands occur in section 18, T18S, R31E, Mexico. NMPM, Eddy County, N.M. A total of 5.43 acres of federal surface ownership were investigated during this project, which was conducted in 3 man-hours by James E. Hunt. No cultural remains were recorded as occurring within the impact zone that will result from the planned activity. Due to the limited nature of the cultural remains within the impact zone, Pecos Archeological Consultants is recommending clearance for this project, as planned.

INTRODUCTION

On May 10, 1989, Pecos Archeological Consultants was requested by Mr. Bethal Eiland, Texaco USA, to perform the archeological survey for a drill location, access road and flowline scheduled to be constructed on public land in Lea County, New Mexico. This land is administered by the Bureau of Land Management and federal law stipulates that an intensive archeological inventory be performed to identify what cultural resources might be affected by such activity prior to granting clearance to the project. Therefore, Pecos Archeological Consultants undertook this survey on May 11, 1989. Fieldwork for this project was performed by James E. Hunt. The following is a report of the field activities and findings resulting from the survey.

SURVEY METHODOLGY

Pecos Archeological Consultants conducted this survey by physically examining the entire 400 X 400 ft impact zone which will result from the planned construction. Pedestrian inspection along parallel transects was accomplished across the staked drill location. These transects were spaced 15 meters apart; however, established transects were departed from to examine nearby areas of high site probability. All prominent deflations and denuded areas were given special attention. Additionally, all attendant easements (if any) were surveyed in two parallel transects spaced 15 meters apart. This project was conducted on one cloudy day. Surface visiblity in the region, which, due to floral cover, ranged between 25-40% of the ground under dry soil conditions, made this the most practical methodology for effectively sampling the impact zone which will result from this project as planned.

ENVIRONMENT

The project area will be located in a region known as the Querecho Plains. This is an undulating landform which is characterized by stabilized and unstablilized sand dunes which range from a few meters to 10-15 meters in height. These dunes are interspersed with deflation basins which have been formed by aeolian action. Local soils in the region consist of loamy sands which belong to the Kermit-Berino association. These soils are drained internally, and they possess inclusions of chert and quartzite gravels, some of which are suitable for chipped stone tool manufacture. Elevation in the project area is between 3640 ft and 3650 ft above sea level.

The Querecho Plains is part of an environmental zone called the Lower Sonoran Life Zone. The most common plant variety in the region is shin oak (*Quercus havardii*), but other species, such as mesquite (*Prosopis juliflora*) plains yucca (*Yucca glauca*), broom snakeweed (*Gutierrezia sarothrae*) and various grasses. Some of the common faunal types in area are mule deer (*Odocoileus heminonus*), pronghorn antelope (*Antilocapra americana*), jackrabbit (*Lepus sp.*), cottontail rabbit (*Silvilagus sp.*), coyote (*Canis latrans*), as well as other small mammals, birds and reptiles. Bison (*Bison bison*) also ranged in the region prior to their nearextinction in the nineteenth century.

LOCATIONAL DATA

Texaco USA's drill location, designated the Federal "L" No., will measure 400 ft X 400 ft, or 3.6 acres. It will be situated 330 ft from the north line and 1980 ft from the east line, in the:

 $\rm NW1/4~NE1/4,~section~18,~T18S,~R31E,~NMPM,~Eddy County, N.M.$

The access road which will be constructed to the wellpad will measure 100 ft X 800 ft, or 1.8 acres. It will be situated in the:

NW1/4 NE1/4, section 18, T18S, R31E, NMPM, Eddy Co., N.M. NE1/4 NW1/4, section 18, T18S, R31E, NMPM, Eddy Co., N.M. Map Reference: USGS Loco Hills Quadrangle, 7.5 Minute Series, 1985.



ARCHEOLOGICAL RESOURCES

On May 11, 1989, Pecos Archeological Consultants performed a literature search to determine if any archeological sites had already been recorded in the vicinity of the project area. Current BLM files and the National Register of Historic Places were consulted in this endeavor. One previously-recorded site was found to occur in the project area. This was LA Site No. LA 26495, an Jornada Mogollon Period habitation site located 400 m from the project area.

Observed Archeological Resources:

No cultural remains were found to occur in the impact zone.

RECOMMENDATIONS

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Due to the limited nature of the cultural resources in the project area, Pecos Archeological Consultants is recommending clearance for Texaco USA's project, as planned. This recommendation is made on the basis of an intensive surface inspection of the project area. Should additional, purely subsurface remains occur in the impact zone, they would not be detected without extensive subsurface test excavation. Of course, approval for our recommendations and final clearance for the project must be granted by the appropriate government agency.