

United States Department of the Interior
Geological Survey
August 8, 1973

Page 2

The No. 1 Government "S" is a wildcat approximately 14 miles NNE of Carlsbad, New Mexico. The projected TD is 11,275'. The primary objective is the Morrow Sands and the secondary objective is the Wolfcamp Limestone.

The location falls in rolling pasture land. The nearest inhabited dwelling is 2.5 miles southwest, as shown on the attached plat.

As shown on the attached diagram, it is planned to rig up with the V-door to the east and reserve pit to the north.

Mr. J. D. Spears, P. O. Box 1017, Carlsbad, New Mexico, holds a grazing lease on the land involving our access road and location. Mr. Spears has been notified by letter dated 8-9-73 of our intent to drill and a damage settlement offer made. We are currently awaiting his reply to our offer.

The reserve pit will be lined when it is built. Upon completion, the pits will be backfilled and levelled, and debris removed.

If the well is completed as a producer, production equipment will be set no closer than 150' from the well, with tanks set to collect both oil and water which will be trucked to sale or disposal. The gas purchaser will install necessary gas measuring equipment and pipeline.

If it is a dry hole, the well will be plugged as per USGS requirements.

The proposed casing program consists of:

13-3/8" set at 350' with cement circulated to surface to protect fresh water zones that may be in the area.

9-5/8" set at 3290' in top of the Delaware formation with possible use of a DV tool if hole conditions warrant its use. Cement will be circulated to surface.

5-1/2" set at TD 11,275' if the well is productive, and cemented with sufficient volume to cover all productive zones.

In addition to the blow out prevention equipment shown on the attached plats, the following control equipment will be in use before drilling out under the 9-5/8" casing:

RECEIVED

AUG101973

**U. S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO**