

Application for Permit to Drill Tracy "C" No. 1
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October 11, 1974

- f. Schematic diagram of casing program and estimated formation tops.
- g. Summary of proposed mud program.

The Tracy "C" No. 1 location is 1/4 mile south and 1/2 mile west of Cities Service Oil Company's recently completed No. 1 Tracy "A", a dual Morrow-Strawn producer. Projected TD is 11,650'. The primary objective is the Morrow Sand. Secondary objectives are Wolfcamp, Canyon and Strawn.

Mr. Francis Tracy, Jr., 1601 N. Guadalupe Street, Carlsbad, New Mexico, telephone No. 505/885-4857 owns the land under our location and access road. Mr. Tracy has been notified of our intent to drill.

The nearest inhabited dwelling is a farm house belonging to Mr. Tracy and occupied by his tenant. It is 1/2 mile west southwest of our location.

The Atchison, Topeka and Santa Fe Railroad tracks run east and west 900' north of our location. We plan to gain access to the well by turning off Muscatel Street onto the railroad right-of-way on the south side of the tracks, thence east on the right-of-way until due north of the well, then construct a new caliche road south to the location.

The reserve pit will be lined when it is built. Upon completion of the well, 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 in accordance with New Mexico Oil Conservation Commission requirements.

The proposed casing program consists of:

13-3/8" set at 400' with cement circulated to surface.

9-5/8" set at 3000' with cement circulated to surface.

5-1/2" set at 11,650' with sufficient cement to fill the annulus from TD to 8500' (above the Wolfcamp).