

N. M. O. C. C. COPY
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-R1425.

30-015-21424

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

INEXCO OIL COMPANY

3. ADDRESS OF OPERATOR

1100 Milam Bldg, Suite 1900, Houston, Texas 77002

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

1980' FSL & 1980' FWL, Section 25-21S-22E

At proposed prod. zone

Same

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

16 Miles South West of Seven Rivers, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. line, if any)

1130'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

No Wells

16. NO. OF ACRES IN LEASE

ARTESIA, OFFICE

1120

19. PROPOSED DEPTH

9700'

20. NO. OF ACRES ASSIGNED

THIS WELL

320

20. ROTARY OR CABLE TOOLS

Rotary Tools

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

Estimated Ground Level 4100'

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	20"	Conductor	50'	3 - 5 Yards ready mix
17-1/2"	13-3/8"	48#	350'	300 - 400 sacks
12-1/4"	8-5/8"	24#	2000'	700 - 800 sacks
7-7/8"	5-1/2"	15.5, 17#	9700'	300 sacks

It is proposed to drill the Majoros Federal #1 to a total depth of 9700' w/rotary tools. Strings of 13-3/8" surface & 8-5/8" intermediate casing will be set @ approximately 350' and 2000' respectively and cemented to surface. New casing will be used. A minimum of 1 Hydril will be used on the 13-3/8" csg. A Hydril and dual ram BOP will be used on the 8-5/8" csg. Preventors will be tested to rated working pressure by an independent service company after NU on the 8-5/8" csg. and before drilling the Wolfcamp. All required mud system monitoring equipment will be used. In the event economically producible formations are encountered, 5-1/2" csg. will be set and perforating, treating, and testing operations conducted. Prudent drilling, completion and safety procedures will be followed during all operations.

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 vertical depths. Give blowout preventer program, if any.

24.

SIGNED

J. W. Elstrom

TITLE

Drilling Engineer

DATE

10-28-74

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

NOV 18 1974

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DISTRICT ENGINEER

DATE

SUBJECT TO ATTACHED DEEP WELL CONTROL

REQUIREMENTS DATED JUN 22 1973

*See Instructions On Reverse Side

DECLARED WATER BASIN

NOTIFY USGS IN SUFFICIENT TIME TO:

CEMENT BEHIND 130+88

WITNESS CEMENTING THE 130+88 CASING.

CASING MUST BE CIRCULATED.

THIS APPROVAL IS RESCINDED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS.

Instructions

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

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ARTESIA AND ACCESSION CERTIFICATE
"AMENDED"

Section must be from the outer boundaries of the Section

Inexco Oil Company

[Redacted]

Majoros Federal

1

K

25

21 South

22 East

Eddy

1980

South

1980

West

Morrow

Wildcat

320

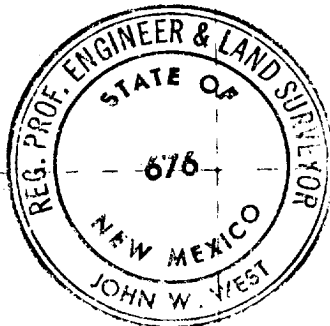
- Outline the acreage dedicated to the subject well by colored pencil or ballpoint marks on the plat below.
 - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
 - If more than one lease of different ownership is 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.

Inexco Oil Company:
Full Working Interest

US: Full Royalty Interest



CERTIFICATION

I hereby certify that the information contained hereon is true and complete to the best of my knowledge and belief.

Joel A. Guichard

Drilling Superintendent

Inexco Oil Company
1100 MITam Bldg., Suite 1900
Houston, Texas 77002
DATE: November 5, 1974

I hereby certify that the well location shown on this plat was plotted from field notes of _____ or under my supervision, and that the same is true and correct to the best of my knowledge.

RECEIVED

NOV 15 1974

U. S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

October 22, 1974

John W. West

676

MAJOROS FEDERAL NO. 1

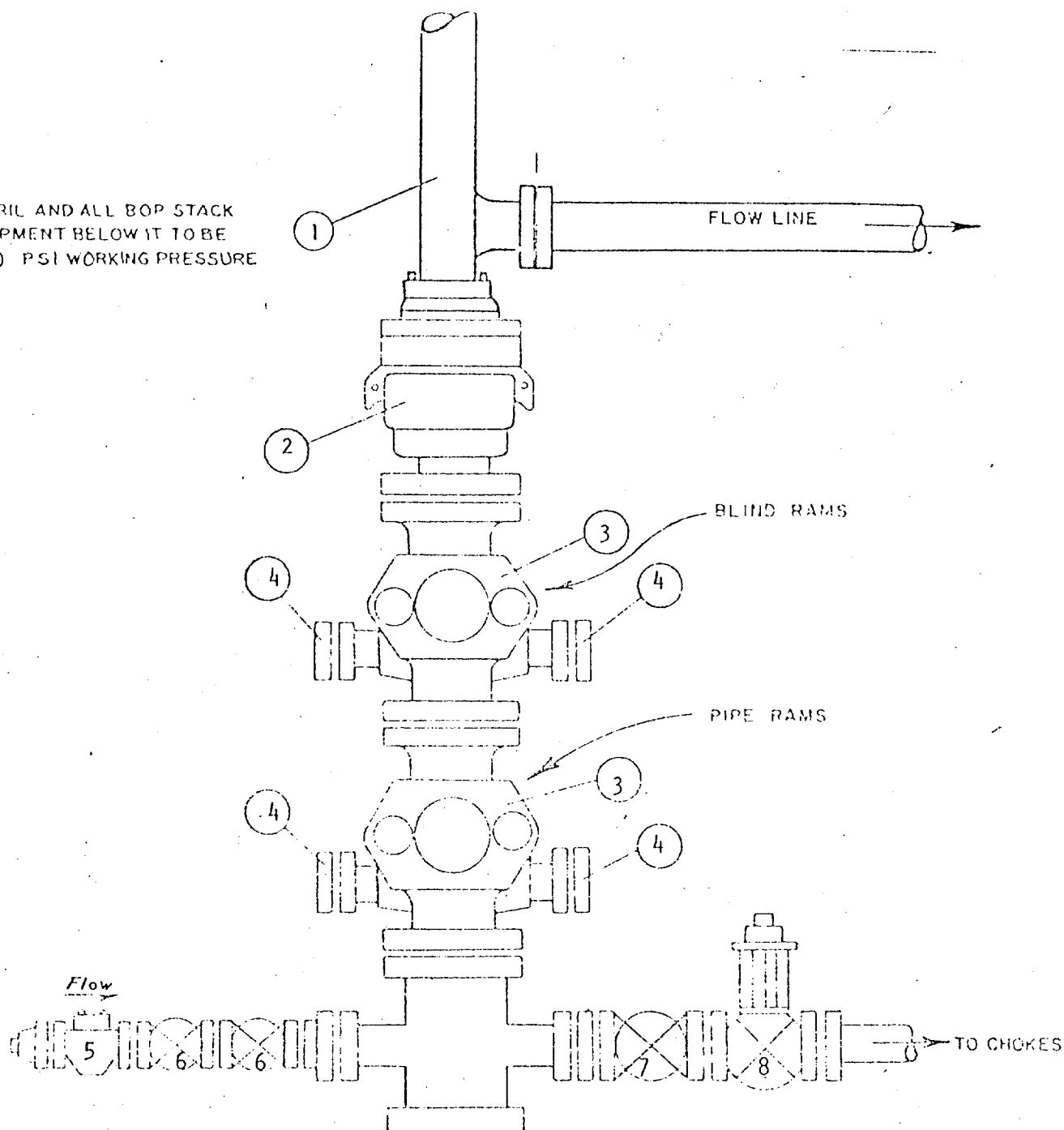
Eddy County, New Mexico

MUD PROGRAM

Surface to 350':	Native mud with gel and lime. Lost circulation material as needed. Mud Weight: 8.4 - 9.5 ppg. Viscosity: 28 - 40 Sec./1000 cc.
350' - 2,000':	Native mud as above. Use lime to control pH at 10 - 11. LCM as needed for small losses. Dry drill to 8-5/8" casing point if necessary. Mud Weight: 8.4 - 9.5 ppg. Viscosity: 28 - 40 Sec./1000 cc.
2,000' - 4,600'	Fresh water native mud. Use lime to maintain pH at 10 - 11. Batch treat with LCM for seepage. Mud Weight: 8.4 - 9.2 ppg. Viscosity: 28 - 36 Sec./1000 cc.
4,600' - 8,300':	Displace fresh water system with controlled potassium chloride brine system. Mud Weight: 9.0 - 9.2 ppg. Viscosity: 30 - 36 Sec./1000 cc.
8,300' - 9,700':	Mud up with Brine polymer. There is possible high pressure - low volume gas in Wolfcamp, Strawn, and/or Atoka Sections. Control weight: as needed. Mud Weight: 9.0 - 9.4 ppg. Viscosity: 36 - 40 Sec./1000 cc. Water Loss: 6 - 10 cc.

NOTE: In the event adequate air compression equipment is available, air will be used to drill from the surface to approximately 4,000'.

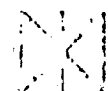
HYDRIL AND ALL BOP STACK
EQUIPMENT BELOW IT TO BE
3000 PSI WORKING PRESSURE



1. Drilling Nipple
2. Hydril 3000# WP
3. BOP 3000# WP
4. Blind Flange
5. 2" - 3000# WP Check Valve
6. 2" - 3000# WP Gate Valve
7. 4" - 3000# WP Gate Valve
8. 4" - 3000# WP Hydraulic Valve

ALL EQUIPMENT IN CHOKE LINE, RELIEF
LINE, AND KILL LINES TO BE 3000 PSI
WORKING PRESSURE.

DRILLING CONTROL HOOK-UP
3000 PSI WORKING PRESSURE

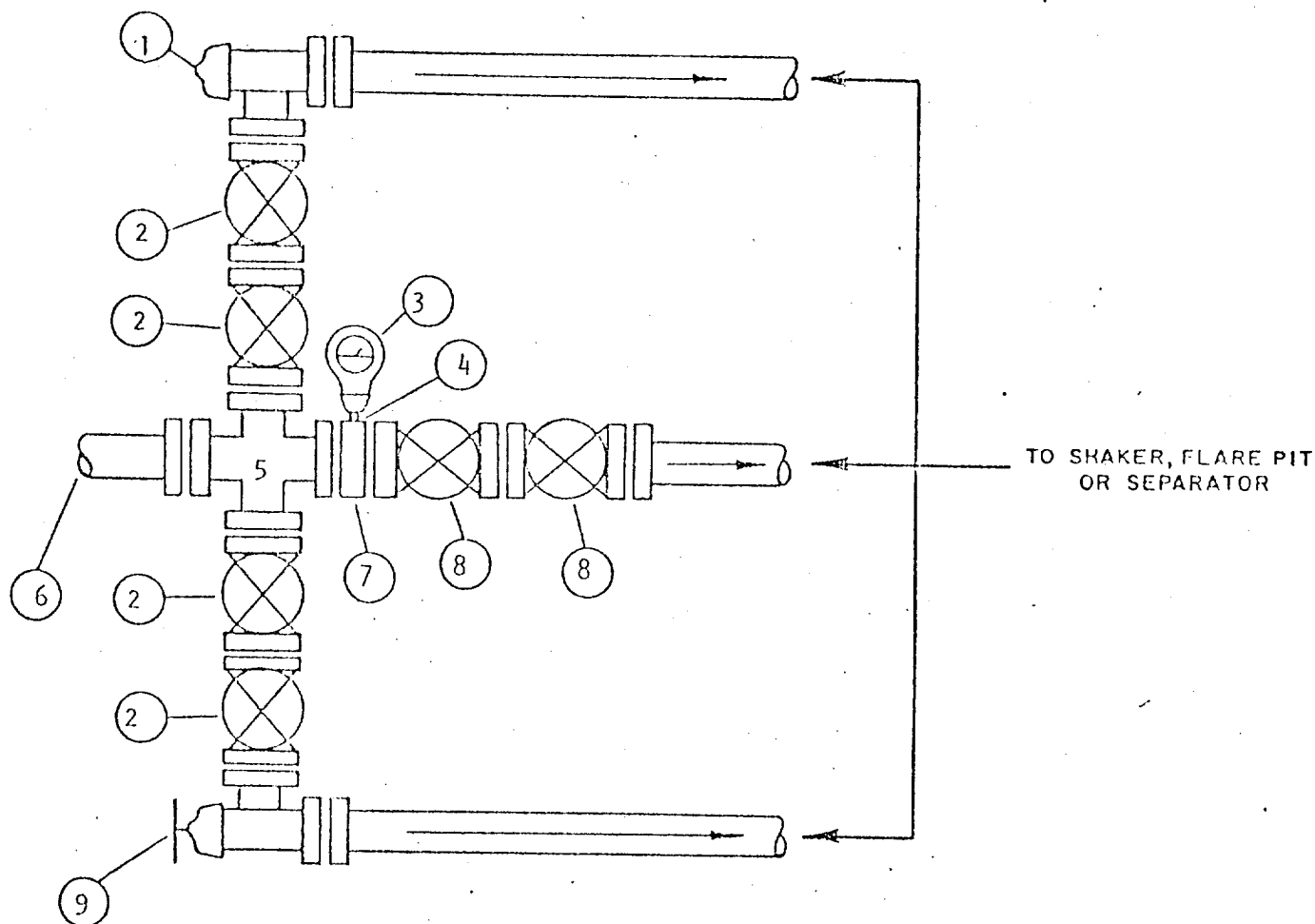


MEXICO OIL COMPANY

106 Mid America Bldg - Midland, Texas 79701

915-684-5745

Midland Division



1. 2" - 3000# WP Positive Choke
2. 2" - 3000# WP Gate Valve
3. Pressure Gauge 5000#
4. 1" - Hydraulic Nipple w/3000# Valve
5. Cross 4" x 4" x 2" x 2" 3000# WP
6. 4" - 3000# WP Ext. Spool
7. 4" DBL Studded Adapter Flange w/Tap 1" NPT
8. 4" - 3000# WP Gate Valve
9. 2" - 3000# WP Adjustable Choke

(SCHEMATIC
CHOKE MANIFOLD HOOK-UP

ALL EQUIPMENT IN CHOKE LINE, RELIEF
LINE, AND KILL LINES TO BE 3,000 PSI
WORKING PRESSURE



TEXACO OIL COMPANY

106 Mid America Bldg. - Midland, Texas 79701

915-684-5745

Midland Division

DEVELOPMENT PLAN FOR SURFACE USE

Majoros Federal No. 1
Section 25-21S-22E
Eddy County, New Mexico

TWELVE POINT DEVELOPMENT PLAN

- 1). Existing roads including the location of the exit from the main highway:
Shown on attached "Highway Plat".
- 2). Planned access roads:
The drill site is located just off the paved road. A minimum of access will be required consisting of a turn-in.
- 3). Location of existing wells:
All wells within a two mile radius of this proposed exploratory well are show on the attached "Adjacent Wells Plat".
- 4). Lateral roads to well locations:
No wells are present within a one mile radius of the proposed well.
- 5). Location of tank batteries and flowlines:
The proposed locaton of the tank battery for this well is shown on the attached "Tank Battery Location Plat". No other tank batteries are present within one half mile of this location.
- 6). Location and type of water supply:
Water for drilling operations will be trucked to location from commercial water sources. No water wells or lines will be used in this operation.
- 7). Methods for handling waste disposal:
All wastes associated with drilling and completion operations will either be burned or buried in the burn and reserve pits or hauled from location to proper disposal.
- 8). Location of Camps:
No camps or permanent structures are proposed. During drilling operations a trailer house will be temporarily placed on location as shown on the "Drill Site Location Plat".
- 9). Location of airstrips:
No airstrips are proposed in conjunction with any operations on this well.
- 10). Location of layout to include position of the rig, mud tanks, reserve pits, burn pits, pipe racks, etc:
Layout of the drilling rig and associated equipment is shown on the attached "Drill Site Location Plat". The general topography is hilly pasture land cut by deep draws and arroyos. The location selected is in a fairly flat area and will require only nominal dirt work. The drilling pad will be compacted with possible addition of some caliche if needed.

DEVELOPMENT PLAN FOR SURFACE USE

Majoros Federal No. 1
Section 25-21S-22E
Eddy County, New Mexico

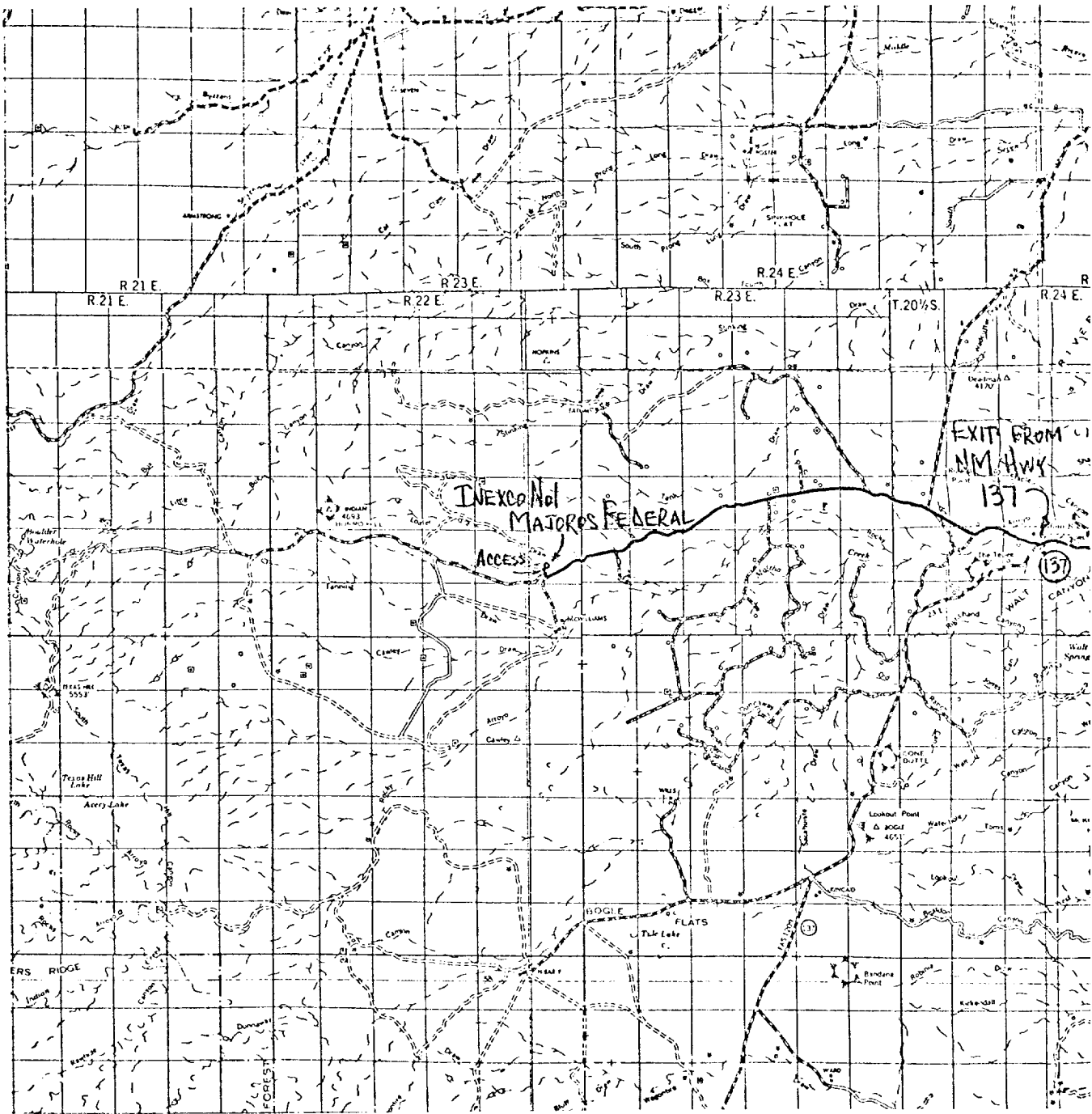
TWELVE POINT DEVELOPMENT PLAN - Continued

- 11). Plans for restoration of the surface:
After drilling operations have been completed and the reserve pit has dried sufficiently to be filled, the pit area will be leveled and returned as nearly as possible to its original state. In the event that no production operations result from the drilling effort, all special material that may have been used to build the location will be removed and the location returned as nearly as possible to its original state.
- 12). Any other information that may be used in evaluating the impact on environment:
The immediate area of the drill site is rough, hilly pasture type terrain cut with deep gullies and arroyos. The general surface is rocky with vegetation consisting of pasture grass, cactus, and grease wood bushes.

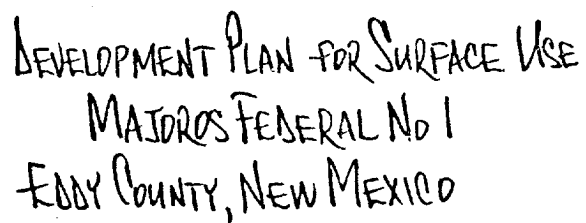
AREA FIELD REPRESENTATIVE

Mr. Bill W. Smith
Ft. Stockton, Texas
(915) 336-8242

Highway Plat



DEVELOPMENT PLAN FOR SURFACE USE
MAJORS FEDERAL No 1
ESSE COUNTY, NEW MEXICO

[illegible]



INEXCO OIL COMPAN

ENGINEERING PAPER

FILE MAJOROS FEDERAL No1

APPN PERMIT TO DRILL

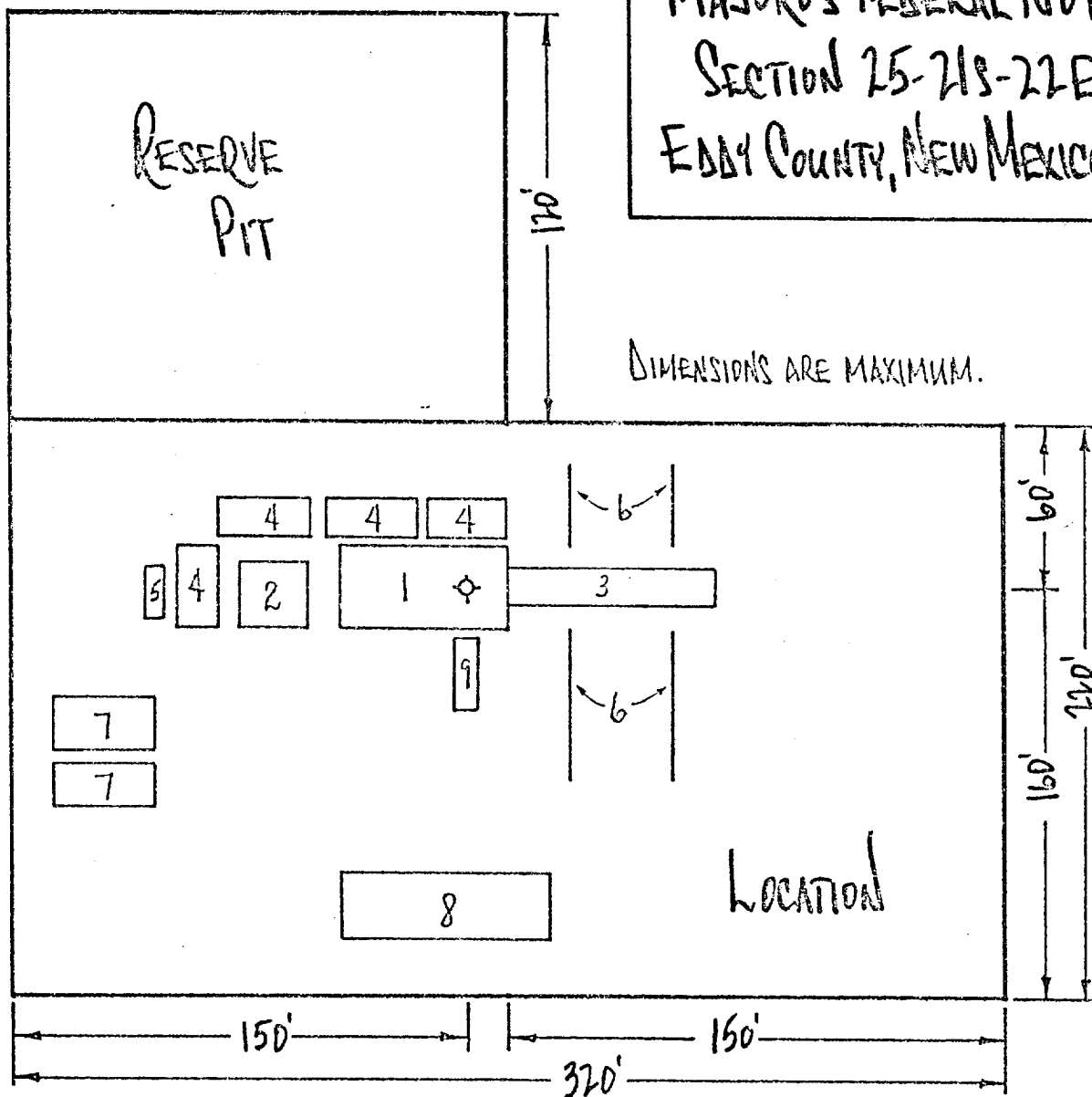
DATE OCTOBER 23, 1974

BY T. WELLSSTROM

SUBJECT

DRILL SITE LOCATION PLAT
DEVELOPMENT PLAN FOR SURFACE USE

MAJOROS FEDERAL No1
SECTION 25-218-22E
EDDY COUNTY, NEW MEXICO



DIMENSIONS ARE MAXIMUM.

LEGEND

- ◇ WELL SPOT:
- 1 - DRILLING RIG: DERRICK, FLOOR, ENGINES
- 2 - MUD PUMPS
- 3 - V-DOOR WALK
- 4 - STEEL MUD PITS

- 5 - MUD HOUSE
- 6 - PIPE RACKS
- 7 - WATER TANKS
- 8 - TRAILER HOUSE
- 9 - DOG HOUSE

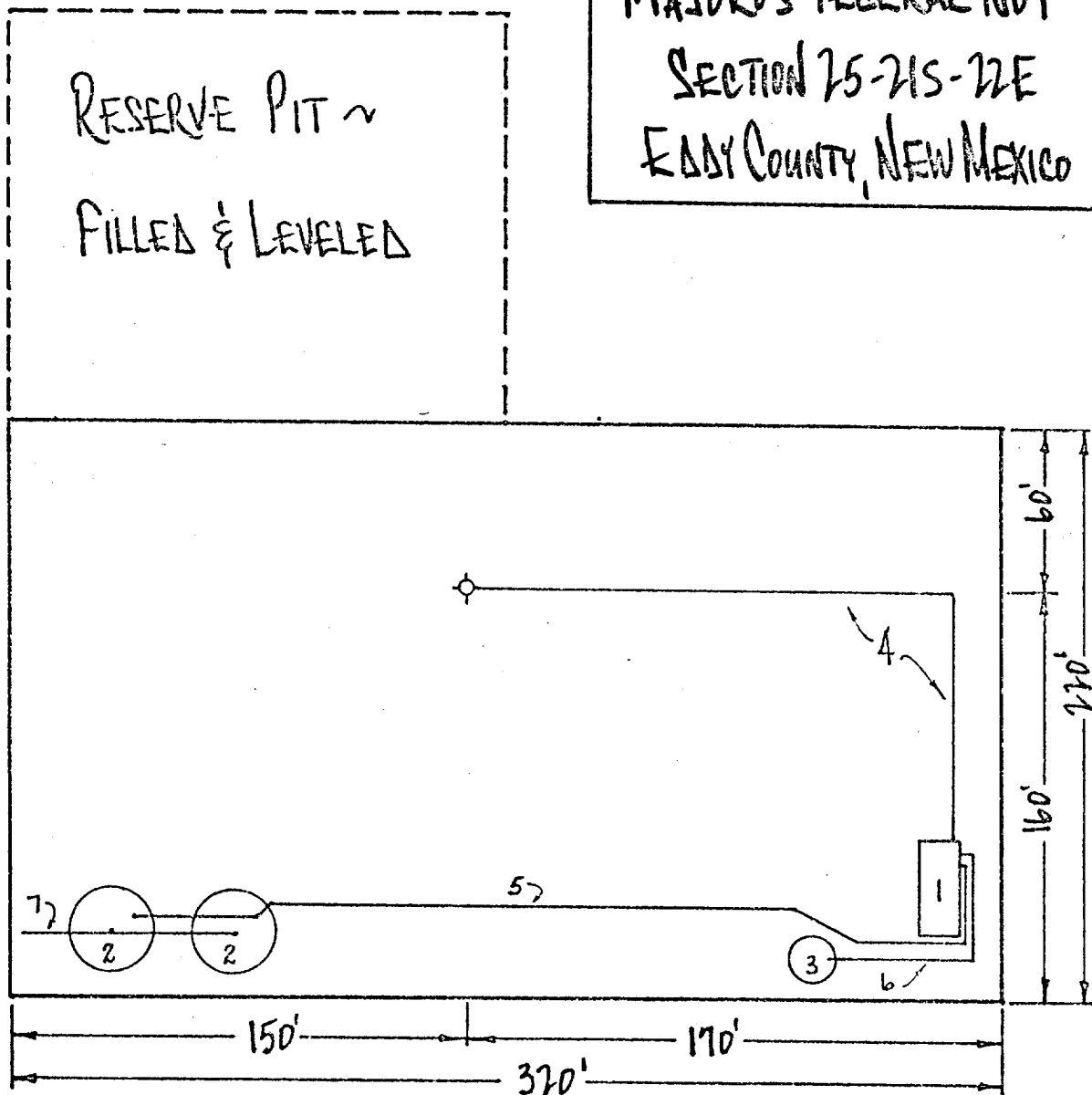


INEXCO OIL COMPANY
ENGINEERING PAPER

FILE MAJORS FEDERAL No1
APPN PERMIT TO DRILL
DATE 10-23-74
BY T. ELLSTROM

SUBJECT TANK BATTERY LOCATION PLAT
DEVELOPMENT PLAN FOR SURFACE USE

MAJORS FEDERAL No1
SECTION 25-215-22E
EADY COUNTY, NEW MEXICO



LEGEND

DIMENSIONS ARE MAXIMUM

- ◇ WELL SPOT
- 1- GAS PRODUCTION UNIT: 3 PHASE SEPARATOR
- 2- CONDENSATE STOCK TANKS: BBLs CAPACITY
- 3- WATER STOCK TANK: BBLs CAPACITY

- 4- PRODUCED WELL FLUID FLOW LINE
- 5- CONDENSATE FLOW LINE
- 6- WATER FLOW LINE
- 7- TANK VENT LINE