

Application for Permit to Drill C.D.M. "A" No. 1

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November 20, 1975

Projected T.D. is 11,750'. Primary objective is the Morrow Sand, secondary objectives are Wolfcamp, Canyon, Strawn and Atoka.

The location is on State Land with a grazing lease to Mr. W. W. Simpson, Jr. Mr. Simpson is deceased and his sister Mrs. Frankie V. Layman, 1438 Tokay, Carlsbad, New Mexico 88220, telephone No. 505/885-4548 is handling the business of the Simpson Ranch. She has been notified of our intent to drill and a damage settlement is pending.

The C.D.M. "A" No. 1 location is obviously unorthodox. It was necessary to move it to get away from dwellings in the La Huerta sub-division. A hearing requesting approval of this unorthodox location was held in Santa Fe November 19, 1975. The west half of the section will be dedicated if the location is approved.

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" casing set at 400' with cement circulated to surface.

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

5-1/2" casing set at T.D. 11,750' and cemented with sufficient volume to fill the annular space from T.D. to 8000'.

In addition to the blowout preventer equipment shown on the attached plat, the following equipment will be in use before drilling out from under the 9-5/8" intermediate casing:

1. Swaco adjustable choke.
2. Pit volume totalizer.
3. Flow line sensor.
4. Degasser.

Also, prior to drilling out under the 9-5/8", the BOP's and related control equipment will be pressure tested to rated working pressure by Yellow Jacket Tools and Services, Inc.