Form 3160-3
(July 1992)

SUBMIT IN TRIPLI... (Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

263

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]	5. LEASE DESIGNATION AND SERIAL NO.: NM 07106
b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-McGEE OIL & GAS ONSHORE LLC 12558	7. UNIT AGREEMENT NAME: WEST INDIAN BASIN UNIT 25284
3. ADDRESS AND TELEPHONE NO.: P.O. Box 809004, Dallas, TX 75380-9004 (972) 715-4520	8. FARM OR LEASE NAME, WELL NO.: WEST INDAIN BASIN UNIT #1 Y
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface: 660' FSL & 2180' FWL; At proposed prod. zone: 660' FSL & 2180' FWL Unit N	9. API WELL NO.: 30-015-30945
	10. FIELD AND POOL, OR WILDCAT: INDIAN BASIN UPPER PENN 79040
	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SEC. 17, T 21S, R 23E
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 35 MILES NW OF CARLSBAD	12. COUNTY OR PARISH: EDDY; 13. STATE: TX

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
660'	640	640'
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
E	7800'	ROTARY

21. ELEVATIONS (Show whether DF,RT, GR, etc.)	22. APPROX. DATE WORK WILL START*
4032'GR	01/31/00

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
18 1/2"	16"	84 #	+/- 40'	GROUTED TO SURFACE
14 3/4"	9 5/8"	36#	1300'	1500 SXS TO SURF
8 3/4"	7 "	23 & 26#	7800'	360 SXS TO 4600'(WILL RUN TEMP SUR)

SEE ATTACHED.

Notify OCD at SPUD & TIME to witness cementing the 9 5/8" casing.

660/S 1980/W
Replaces W Indian Basin Gas Unit #1 30-015-11209

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED [signature] TITLE TECHNICAL ANALYST DATE 01-11-00

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

...D. BRAY ... Field Office Manager
Lands and Minerals

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false,

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name

Property Code	Property Name	Well Number
	WEST INDIAN BASIN UNIT	1Y

OGRID No.	Operator Name	Elevation
	KERR-McGEE CORPORATION	4032

Surface Location

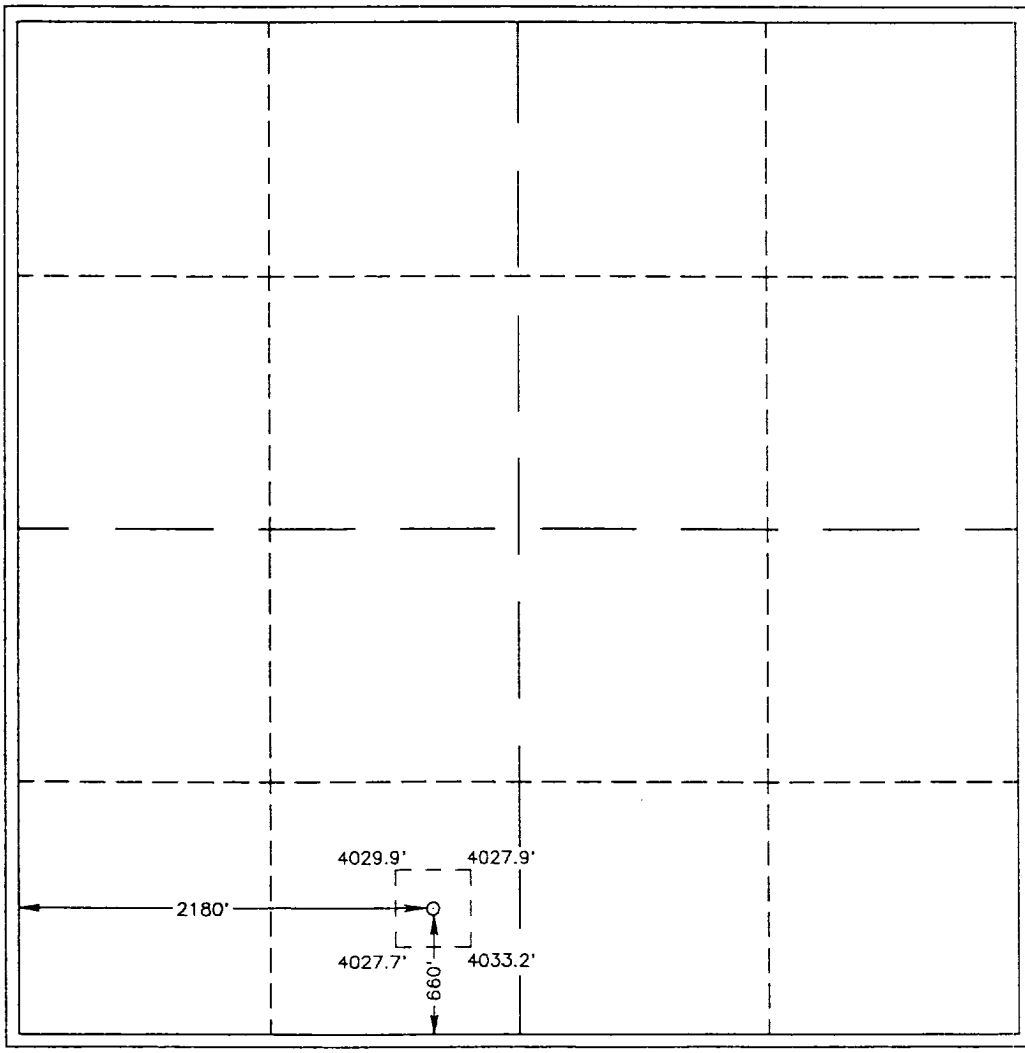
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	17	21 S	23 E		660	SOUTH	2180	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640			

OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature: Stephen Fore

Printed Name: Stephen Fore

Title: Technical Analyst

Date: 01-04-00

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.

APRIL 1, 1999

Date Surveyed: JLP

Signature & Seal of Professional Surveyor: RONALD J. EIDSON, NEW MEXICO, 3239, REGISTERED PROFESSIONAL SURVEYOR

Ronald J. Eidson 4-02-99

W.O. Num. 99-11-0271

Certificate No. RONALD J. EIDSON, 3239
GARY G. EIDSON, 12641
MACON McDONALD, 12185

DRILLING PROGRAM

In compliance with OOGO NO. 1

Kerr-McGee Oil & Gas Onshore LLC.
West Indian Basin Unit #1Y
Sec. 17, T21S, R23E
660' fsl & 2180' fwl
Eddy County, New Mexico

1) **Estimated Tops of Important Geologic Markers:**

Quaternary	surface
Base Bone Springs	5,340'
Wolfcamp	5,620'
Upper Penn (Cisco)*	7,098'

2) **Estimated Depth of Anticipated Water, Oil, Gas, or Minerals:**
Formations possibly productive with oil or gas are indicated with an asterisk(*) in above section.

3) **Minimum Specifications for Pressure Control Equipment:**
All equipment will be consistent with OOGO No.2 and API RP 53.

BOP and Auxiliary Equipment:

BOP & choke manifold will be 3M systems and will be setup as indicated on attached exhibits.

Accumulator volume will be sufficient to provide an open and closing of preventers with 50% reserve.

A drill pipe full opening safety valve will be kept on the rig floor in the open position at all times during drilling operations.

An upper and lower kelly cock will be used.

Test Procedure and Drills:

Ram type preventers will be tested to 70 % of casing burst pressure.

Annular preventer will be tested to 1500 psi

Approved close-in procedure to be posted on the rig floor.

Each rig crew will hold a weekly bop drill.

4) Casing and Cementing Program:

Casing size	interval	weight	grade	connection	Design Factors Coll.,Burst,Ten.
9-5/8"	0-1,300'	36 #	K-55	ST&C	3.32,13.7,9.04
7"	0-5,500'	23#	J-55	LT&C	1.24,2.82,1.68
	5,500'-7,800'	26#	J-55	LT&C	1.22,3.22,5.70

Collapse design considers maximum anticipated mud weight at string T.D. with casing fully evacuated. Burst design uses 0.44 psi/ft for bottom hole pressure and assumes maximum surface pressure as .45 times this number. Tension design considers weight of string in air.

Cementing

9-5/8" Attempt to cement to surface in one stage using:

1st Lead:	200 sx Class H + 5 pps gilsonite + 12% CalSeal + 1% CC
2nd Lead:	1090 sx Light C + 5 pps gilsonite + 2% CC
Tail:	205 sx class C + 2% CC

Hole size	14-3/4"		
cmt yield/wt:	1st lead	1.56 cu.ft./sk	14.5 ppg
cmt yield/wt:	2nd lead	1.92 cu.ft./sk	12.6 ppg
cmt yield/wt:	tail	1.34 cu. Ft./sx.	14.8 ppg
excess:	100%		

7" Cement in one stage with 160 sx 65:35:6 Poz:H:Gel + 10% gilsonite, tailed with 200 sx class H w/ 0.6% fla

hole size		8-3/4"	
cmt yield:	lead	2.23 cu.ft./sk	12.1 ppg
cmt yield:	tail	1.18 cu. Ft./sx.	15.6 ppg
top of lead	5000' (excess: 50%)		
top of tail	6500' (excess: 50%)		

note: cement volumes will be adjusted by fluid caliper on the 9-5/8" and electric caliper on the 7" string. Cement types and additives may change based on actual downhole conditions.

5) Type and Characteristics Proposed Circulating Medium:

from	to	type	wt.	Vis	wl
0	6,000'	fw/gel/lime	8.4-8.6	28-30	nc
6,000'	7,800'	fw/gel/poylmer	8.5-8.7	32-34	<15

No abnormal pressures are anticipated, however, sufficient quantities of mud materials shall be maintained for the purpose of assuring well control. Loss of circulation will be the primary concern, thus an adequate store of lost circulation material shall be maintained. Visual monitoring equipment shall be in place in the pits to detect volume changes.

6) Anticipated Testing, Logging and Coring

No drill stem tests are planned but tests could be run if determined necessary to evaluate the well.

Open Hole Logging Program:

DLL/MSFL/GR	T.D.-BSC
Den-Neu/Cal/PE/GR	T.D.-4,500'
Imaging Tool	T.D.-7,000'

Mud logging unit to be in service from 5,000' to T.D.

7) Expected Bottom Hole Pressure and Potential Hazards

Expected BHP = 1100 psi (per offset well information)

No abnormal temperatures or pressures are anticipated.
Potential H2S in Upper Penn. An H2S Drilling Operations Plan has been attached.

8) Additional Information

Anticipate starting operations on or before February 7, 2000

KERR McGEE CORPORATION

BOP STACK FOR A 3,000 PSI WORKING PRESSURE FOR SURFACE USE