



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer 1857
Roswell, New Mexico 88201

March 12, 1974

RECEIVED

Phillips Petroleum Company
Room 711, Phillips Building
Odessa, Texas 79761

MAR 13 1974

Gentlemen:

O. C. C.
ARTESIA, OFFICE

Your Application for Permit to Drill well No. 1 Sandy Unit in the SW¹/₄ NW¹/₄ sec. 24, T. 23 S., R. 30 E., N.M.P.M., Eddy County, New Mexico, lease New Mexico 0532516, to a depth of 14,300 feet to test the Morrow formation in the Potash Area, is hereby approved.

Drilling of the well must be in compliance with the enclosed "Drilling Well Control Requirements for Deep Wells Drilled on Federal Oil and Gas Leases in the Artesia District" dated June 22, 1973.

One copy of the Application is returned herewith. Please notify the District Engineer, Geological Survey, Post Office Drawer U, Artesia, New Mexico, 88210, in sufficient time for a representative to witness all cementing operations. The office phone number is Area Code 505-746-4841.

Sincerely yours,

CARL C. TRAYWICK
Acting Area Oil & Gas Supervisor

Attachment

cc:
Regional Manager, Denver
Mining Branch (2)
✓ NMOCC-Artesia (2) (w/2 cys Notice)
Artesia (w/cy Notice)
Roswell (2) (w/cy Notice)
Roswell (chrono.)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

Phillips Petroleum Company

3. ADDRESS OF OPERATOR

Room 711, Phillips Bldg., Odessa, Texas 79761

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

At surface

660' FW & 1980' FN lines, Section 24 (Unit E)

At proposed prod. zone

same

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

17 miles east of Loving, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. line, if any)

660' FW line Sec. 24

16. NO. OF ACRES IN LEASE

1000+

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

14,300'

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

Advise later

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	500'	600 sx, circ at surface
12 1/4"	10 3/4"	51#	4000'	Sufficient to circ at surface
6 5/8"	7 5/8"	26 1/4#	12100'	Sufficient to circ at surface
6 3/4"	5 1/2" liner	23#	Total depth	Sufficient to cover productive intervals.

Note: Drilling operations, casing program, and completion practices will be conducted in accordance with MOC Rule R-111-A.

Blowout Preventors: See attached - Ser. 900 to 4000' (Fig 7), Ser 1500 to TD (Fig 5)

Mud Program: See attached.

This well site is located in a defined potash mining area. Potash lease owners are:

1. International Minerals and Chemical Corp., Attn: Mr. C. E. Childers, Box 71, Carlsbad, New Mexico 88220 (COPY of drill site waiver attached)
2. Teledyne Potash Company, Box 101, Carlsbad, New Mexico 88220;
Day Mines, Inc., Attn: Mr. Gene Pearson, Box 1010, Wallace, Idaho 83873
3. Leland Hodges, Trustee, Box 1718, Fort Worth, Texas 76101

Copies of this filing have been mailed to these operators by certified mail, return receipt requested (see attached photo copy of mail receipts).

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 and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

W. J. Mueller, TITLE Senior Reservoir Engineer

DATE 2-22 -74

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

U. S. GEOLOGICAL SURVEY
ROSWell, NEW MEXICO

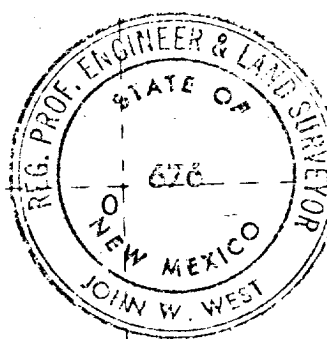
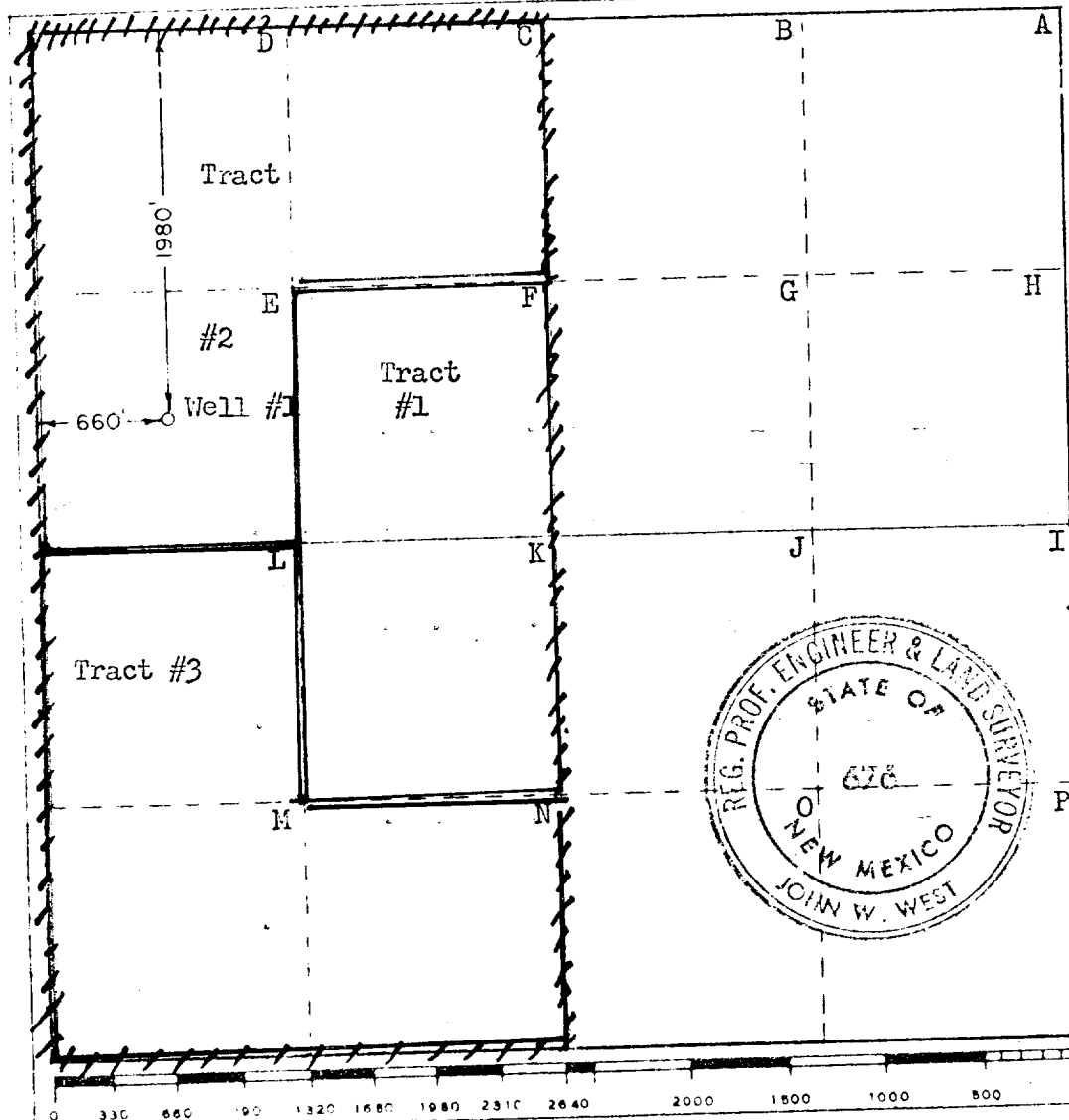
NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-11
Supersedes O-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator PHILLIPS PETROLEUM COMPANY		Lease SANDY "A"		Well No. 1
Section E	Section 24	Township 23 SOUTH	Range 30 EAST	County EDDY
Acreage Location of Well				
660	feet from the	WEST	line and	1980
				feet from the
				NORTH
Initial Level Elev. Later	Producing Formation Morrow		Pool Undesignated - Morrow	
				Estimated Acreage 320

- Outline the acreage dedicated to the subject well by colored pencil or hatchure 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). **See reverse side**
- 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? **Unitized**
☐ Yes ☒ No If answer is "yes," type of consolidation **To be communitized upon successful completion of well.** See reverse side for tract description and ownership.
 If answer is "no," list the owners and tract descriptions which have actually been consolidated (on 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.



CERTIFICATION

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

W. J. Mueller
W. J. Mueller
 Senior Reservoir Engineer
 Phillips Petroleum Company

2-22-74

RECEIVED
 FEB 25 1974
 U.S. GEOLOGICAL SURVEY
 ARTESIA, NEW MEXICO

Date received
FEBRUARY 20, 1974
 Registered Professional Engineer
 and Land Surveyor
John W. West
John W. West
 676

Tract No. 1: SE/4 NW/4 and NE/4 SW/4 Section 24, T-23-S, R-30-E, Eddy County

Phillips Petroleum Company - 100% WI

U. S. Dept. Of Interior - 100% RI - Lse #NM0532341 (which includes other lands)

Tract No. 2: N/2 & SW/4 NW/4 Section 24, T-23-S, R-30-E, Eddy County

Phillips Petroleum Company - 100% WI

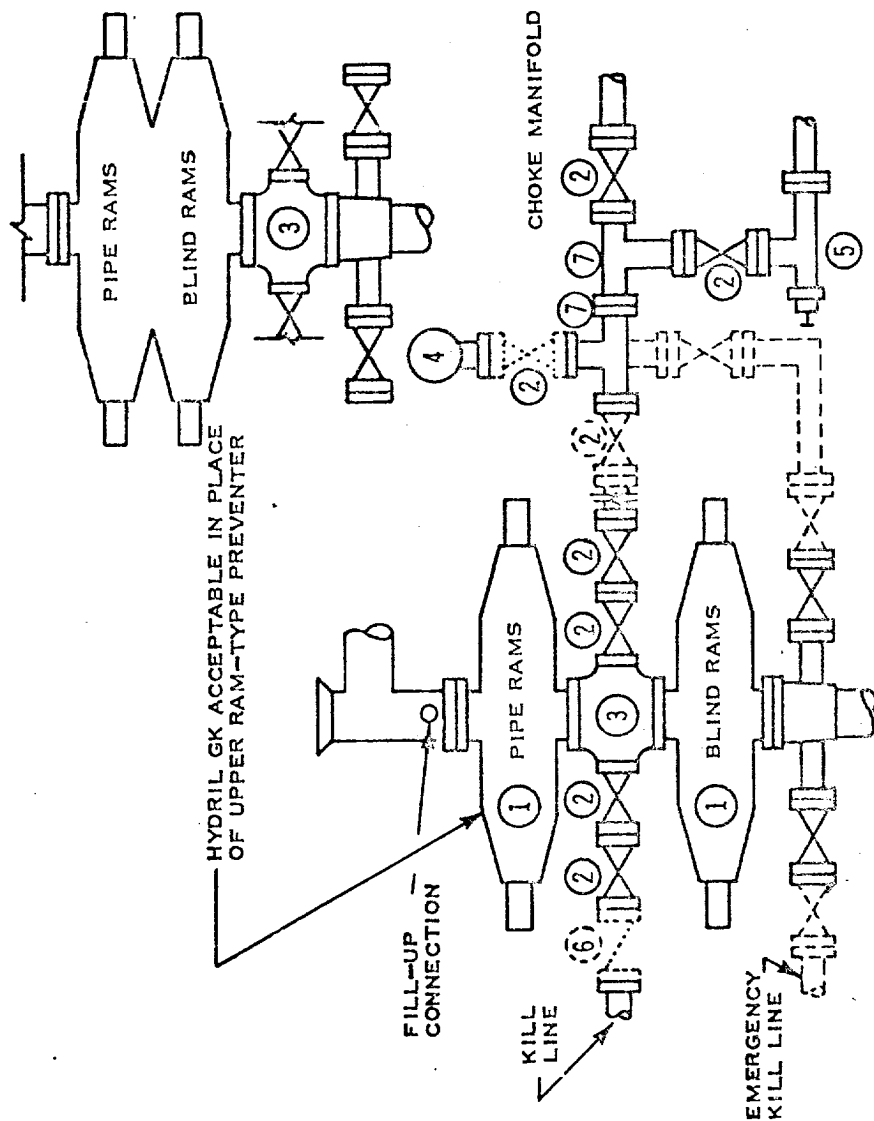
U. S. Dept. Of Interior - 100% RI - Lse #NM0532516 (which includes other lands)

Tract No. 3: S/2 & NW/4 SW/4, Section 24, T-23-S, R-30-E, Eddy County

Phillips Petroleum Company - 100% WI

U. S. Dept. Of Interior - 100% RI - Lse #NM0546732 (which includes other lands)

DOUBLE PREVENTER OPTION



- ① SERIES 900 RAM-TYPE BOP
- ② 2" SERIES 900 VALVE
- ③ SERIES 900 DRILLING SPOOL
- ④ 2" MUD PRESSURE GAUGE
- ⑤ 2" SERIES 900 CHOKE
- ⑥ 2" SERIES 900 CHECK VALVE
- ⑦ 2" SERIES 900 STEEL TEE

NOTES:

1. 3000 PSI WP CLAMP HUBS MAY BE SUBSTITUTED FOR FLANGES
2. VALVES MAY BE EITHER HAND OR POWER OPERATED BUT, IF POWER OPERATED, THE VALVES FLANGED TO THE BOP RUN MUST BE CAPABLE OF BEING OPENED AND CLOSED MANUALLY OR CLOSE ON POWER FAILURE AND BE CAPABLE OF BEING OPENED MANUALLY

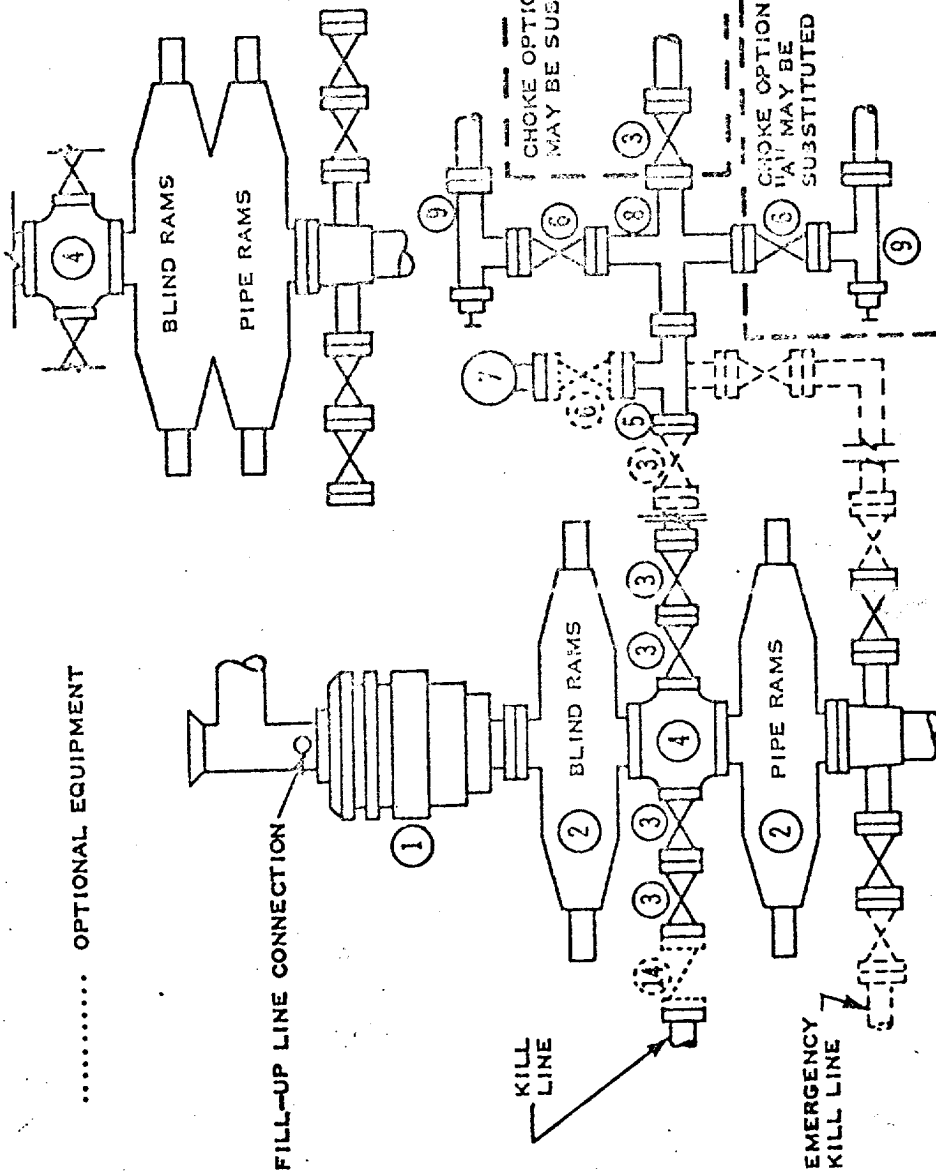
..... OPTIONAL EQUIPMENT

PHILLIPS PETROLEUM COMPANY

3000 PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP
(SERIES 900 FLANGES OR BETTER)

DOUBLE PREVENTER OPTION

..... OPTIONAL EQUIPMENT



- 1 SER. 1500 HYDRIL CK
- 2 SER. 1500 RAM-TYPE SOP
- 3 3" SER. 1500 VALVE
- 4 SER. 1500 DRILLING SPOOL
- 5 3" SER. 1500 X 2" SER. 1500 STEEL TEE
- 6 2" SER. 1500 VALVE
- 7 2" MUD PRESSURE GAUGE
- 8 3" SER. 1500 X 2" SER. 1500 STEEL CROSS
- 9 2" SER. 1500 ADJ. CHOKES
- 10 2" SER. 1500 ADJ. CHOKES ON 2" SER. 1500 RISER VALVE ON SIDE OUTLET OF 2" SER. 1500 STEEL TEE
- 11 ADAPTER, 2" SER. 1500 X 3 1/2" 10,000 LB WP OR OTHER FLANGE MATING INLET
- 12 10,000 LB WP REMOTE CHOKES
- 13 HYDRAULIC CHOKES, 2500 LB WP OR BETTER
- 14 3" SER. 1500 CHECK VALVE

NOTES:

1. 5000 PSI WP OR BETTER CLAMP HOES MAY BE SUBSTITUTED FOR FLANGES
2. ONE ADJUSTABLE CHOKES MAY BE REPLACED WITH A POSITIVE CHOKES
3. VALVES MAY BE EITHER HAND OR POWER OPERATED BUT, IF POWER OPERATED, THE VALVES FLANGED TO THE SOP RUN MUST BE CAPABLE OF BEING OPENED AND CLOSED MANUALLY OR CLOSE ON POWER FAILURE AND BE CAPABLE OF BEING OPENED MANUALLY

PHILLIPS PETROLEUM COMPANY

5000 PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP
(SERIES 1500 FLANGES OR BETTER)

PHILLIPS PETROLEUM COMPANY

Proposed Mud Program - Sandy-A No. 1, 14,300' Morrow "Wildcat".
Section 24, T-23-S, R-30-E, Eddy County, New Mexico.

0 - 500':

Drill out with Flosal[®] bentonite and lime mixed to a high viscosity. Maintain sufficient viscosity to assure running of casing.

500' - 4000':

Stay in steel pits and saturate system with potash salt. Keep system super saturated. Prior to reaching casing point mix Flosal as needed to assure a clean hole for running of casing.

4000' - 12,100':

Drill out with fresh water and circulate through the reserve pit. Maintain weight at 9.2 lbs. per gal. or less, Viscosity 34 to 36 sec. per full quart out, and Fluid loss 20 to 30 cc. with Drispac[®]. Mix LCM as needed. If hole conditions dictate prior to reaching casing point, raise viscosity as needed to assure running of logs and casing.

12,100' - T.D.:

Have steel pits clean and drill out with a "low solids Drispac[®] Mud". Weight 9 lbs. per gal. or less, Viscosity 36 to 38 sec. per full quart out and Fluid loss 20 cc or less. As hole depth increases or hole conditions dictate, adjust mud properties as necessary. Should loss occur, mix LCM as needed.

Special Production Practices.

Good samples surface to TD. Possible DST's in Strawn - 1, Atoka - 1, and Morrow - 2. Mud logging unit from approximately 12,000' to total depth.

Any deviations from this program must be approved by Phillips Area Superintendent and Drilling Specialties Company with a note advising the District Manager of any changes.

* A Trademark

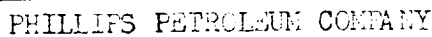
Phillips Petroleum Company - Sandy Unit, Well No. 1 = 660' FW and 1980' FN Lines,
Section 24, T-23-S, R-30-E, Eddy County

DEVELOPMENT PLAN FOR SURFACE USE

Attachment to
Form 9-331-C

1. Existing Roads on Lease: One east/west lease road approximately 500 feet south of well site; one north/south lease road approximately 660 feet west of proposed well site. (These roads begin at eastern terminus of the existing caliched roadway in Section 23.) (See attached sketch.)
2. Planned Access Roads: Commence at existing/lease road south of well site, construct 500 feet of roadway north to Well No. 1 (20 feet wide x 500 feet long). (See attached sketch.)
3. Location of Wells: Well No. 1--660 feet FW and 1980 feet FN lines, Section 24, T-23-S, R-30-E, Eddy County, New Mexico.
4. Lateral Roads to Well Locations: The Jal/Loving Highway No. 128 is approximately two miles north of well site. There is no access road from well site to that highway. There is a caliched roadway running east/west through approximate center of Section 23 which connects with a N-NW/SE paved county road approximately 1-1/4 miles west of well site.
5. Tank battery and production facilities as required will be contained within drill site pad upon well completion.
6. Water supply undetermined at this time. Water storage tanks will be set on perimeter of pad.
7. All waste disposal will be put in pits and covered.
8. Separate trash pit to be constructed with provisions for a minimum two feet of backfill coverage upon burial. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures.
9. No camps will be located on the lease.
10. No airstrips will be located on the lease.
11. Drill site location will be an area 300 feet E/W x 400 feet N/S, cleared and leveled with reserve pits dug in the northern 200 feet portion. Rig, racks, pumps, steel pits, water tanks and portable office to be located on the southern 200 feet of the pad. The drill site proper (contained within the pad) will be permanently caliched in an approximate area of 265 feet E/W x 200 feet N/S.
12. Restoration of Surface: Dug pits within the cleared area will be backfilled and leveled. The caliched pad of the cleared area is a permanent type emplacement.
13. This land use plan is essentially the same as that used on other wells of like depth in Eddy County.

T-23-S



DEVELOPMENT PLAN FOR SURFACE USE

DRAWNrev hm 3-8-74

AFE. NO.

DWG. NO.

CHECKED

SCALE 1" to 2640'

SHEET NO.

REVISION

BY

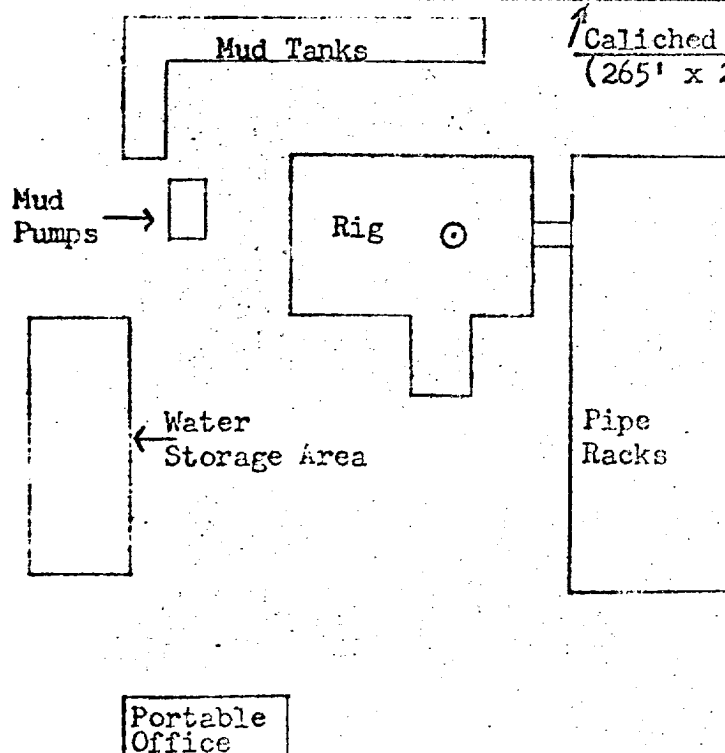
DATE _____

APPROVED

Cleared Area Boundary
(300' x 400')

Reserve Pit

Cleared Area Boundary
(265' x 200')



Cleared Area Boundary (300' x 400')

PHILLIPS PETROLEUM COMPANY

BARTLESVILLE, OKLAHOMA

DEVELOPMENT PLAN FOR SURFACE USE

SANDY-A Well No. 1 - 1980' FM and 660' FW Lines, Section 24,
T-23-S, R-30-E, Eddy County, New Mexico

DRAWN

LLF

APP. NO.

DWG. NO. 2

CHECKED

APPROVED

SCALE : 1" = 50'

SHEET NO. 1

REVISION

BY

DATE

[illegible]



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79760
PHILLIPS BUILDING, FOURTH & WASHINGTON

EXPLORATION & PRODUCTION DEPARTMENT

February 7, 1974

International Minerals & Chemical Corporation
P. O. Box 71
Carlsbad, New Mexico 88220

Attention: Mr. C. E. Childers
Manager, Surface Operations

Gentlemen:

In confirmation of our meeting of this date, this is to advise that Phillips Petroleum Company proposes the drilling of a wildcat well 1980' from the north line and 660' from the west line of Section 24, -23S, -30E, Eddy County, New Mexico, to an approximate depth of 14,300'.

You have advised that your company will not object to the above described well location. We, therefore, request that you confirm such waiver. Upon receipt of such confirmation, we will prepare the formal application to drill for filing with the United States Geological Survey and furnish you with copy of same.

Your cooperation in this matter is much appreciated.

Yours very truly,

E. M. Gorence
District Landman

EMG:jhd

RECORDED
FEB 13 1974

LAND SECTION
PHILLIPS PETROLEUM CO.



INTERNATIONAL MINERALS & CHEMICAL CORPORATION

February 12, 1974

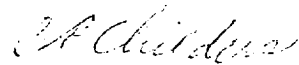
Mr. E. M. Gorence
Phillips Petroleum Company
Exploration and Production Department
Phillips Building, Fourth & Washington
Odessa, Texas 79760

Dear Mr. Gorence:

In response to your correspondence of February 7, 1974, IMC will not object to Phillips' proposed wildcat well 1980 FN and 660 FW, 24-23S-30E.

We give our agreement to this location in the spirit of cooperation between IMC and Phillips Petroleum, as well as the potash industry and the oil-gas industry, as a result of our meeting on February 7, 1974, when you agreed that future proposals by Phillips would be made on locations acceptable to both Phillips and IMC.

Sincerely,



C. E. Childers
Manager, Surface Operations

CEC:jw

cc: R. W. Hougland
R. S. Fulton

RECEIVED

MAR 8 1974

M. ROSENBERG
ATTORNEY AT LAW
SUITE 212-218
U. S. POTASH BUILDING
POST OFFICE BOX 1597
CARLSBAD, NEW MEXICO 88220

LAND SECTION
PHILLIPS PETROLEUM CO.

TELEPHONE
[505] 885-4163

6 March 1974

Phillips Petroleum Company
Exploration and Production Department
Phillips Building, Fourth & Washington
Odessa, Texas 79760

Attention: Mr. E. M. Gorence

Re: WILDCAT WELL
660' FW and 1980' FW Lines,
Sec. 24 (Unit F),
Sec. 24, T 23S, R 30E
Eddy County

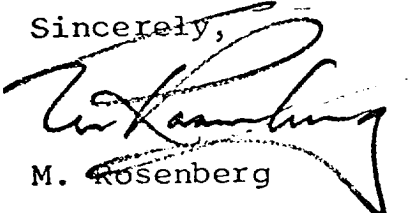
Dear Mr. Gorence:

Your application submitted to Teledyne Potash Company on cited matter has been referred to this office for response as attorney for Day Mines, Inc., the present equitable owner of the potash leases involved.

Day Mines, Inc. will not object to this proposed wildcat well by Phillips.

We wish, however, to specifically limit this consent to the above specified wildcat well and reserve all our rights under R-111, as amended. Further, we are hereby giving notice that as the assignees of all the potash leases originally held by Permian Potash (the assignments are in process of transfer), it is our intention to proceed diligently with extensive mining in that area.

Sincerely,


M. Rosenberg

MR:mw

cc: Day Mines, Inc.
P.O. Box 1010
Wallace, Idaho 83873

cc: Jim Cookston, Controller
Teledyne Potash, Inc.
Box 101
Carlsbad, N. Mex. 88220

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)

(Additional charges required for these services)

☐ Show to whom, date and address where delivered ☐ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below

REGISTERED NO. SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)

CERTIFIED NO.

285826

INSURED NO.

DATE DELIVERED

FEB 25 1974

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)

(Additional charges required for these services)

☐ Show to whom, date and address where delivered

☐ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below

REGISTERED NO.

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)

CERTIFIED NO.

285825

INSURED NO.

DATE DELIVERED

FEB 20 1974

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)

(Additional charges required for these services)

☐ Show to whom, date and address where delivered

☐ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below

REGISTERED NO.

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)

CERTIFIED NO.

285827

INSURED NO.

DATE DELIVERED

2-25

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)

(Additional charges required for these services)

☐ Show to whom, date and address where delivered

☐ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below

REGISTERED NO.

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)

CERTIFIED NO.

285840

INSURED NO.

DATE DELIVERED

2/27/74

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

Form 3A 12-68



NAME:

Air Mail	1st Class	3rd Class	4th Class	Insured Mail	Certified Mail	Registered Mail	Special Delivery	Special Handling	Air Express
-	-								

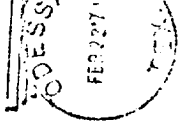
To
International Minerals and Chemical Corporation
Box 71
Carlsbad, New Mexico 88220

Attn: Mr. C. E. Childers

No. 285840
 M/AMT
 C.E. F. T. H. E. L. E.



Phillips 66



FROM

PHILLIPS PETROLEUM COMPANY

Form 3A 12-68

NAME: _____ DEPT. _____

Air Mail	1st Class	3rd Class	4th Class	Insured Mail	Certified Mail	Registered Mail	Special Delivery	Special Handling	Express	Air Express
	X									

To
 Celodyne Potash Company
 Box 101
 Carlsbad, New Mexico 88220

NO. 285825
CERTIFIED MAIL

RECEIVED
FEB 27 1968
U.S. MAIL
PHILLIPS 66

Form 3A 12-68



FROM
PHILLIPS PETROLEUM COMPANY

NAME _____ DEPT _____

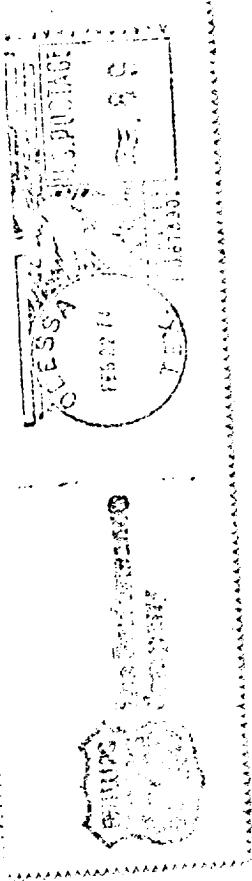
Air Mail	1st Class	3rd Class	4th Class	Insured Mail	Certified Mail	Registered Mail	Special Delivery	Special Handling	Express	Air Express
	☒									

To

Day Mines, Inc.
Box 1010,
Wallace, Idaho 83873

Attn: Mr. Gene Pearson

CERTIFIED MAIL
No. 285826
MAIL



Form 3A 12-68

FROM
PHILLIPS PETROLEUM COMPANY
 Phillips Petroleum Company
 114 ME DEPT.

1st Class	3rd Class	4th Class	Insured Mail	Certified Mail	Registered Mail	Special Delivery	Special Handling	Express	Air Express
☒									

Mr. Leland Hodges, Trustee
 Box 1718
 Fort Worth, Texas 76101