

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Copy to 51
30-015-21782

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
C & K Petroleum, Inc.

3. ADDRESS OF OPERATOR
600 C & K Petroleum Bldg., Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1980' FN & 660' FW Lines, Sec. 3, T-24-S, R-26-E;
At proposed well zone Eddy Co., N.M.

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Morrow
3 miles West Northwest Blackriver, N.M.

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. Initial Well

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3355.5 GR

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17"	13-3/8"	48#	450'	450 sx. circ.
12"	8-5/8"	32# & 24#	5400'	2000 sx.
7-7/8"	5 1/2"	17# & 20#	12000'	450 sx.

NOTE: Mud program, Blowout Preventer Sketch and Location Plats are attached. The Blowout Preventer will be yellow jacketed and tested each week.

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O. C. C.

ARTESIA, OFFICE

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 [Signature] TITLE Administrative Supervisor DATE 3-30-76

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

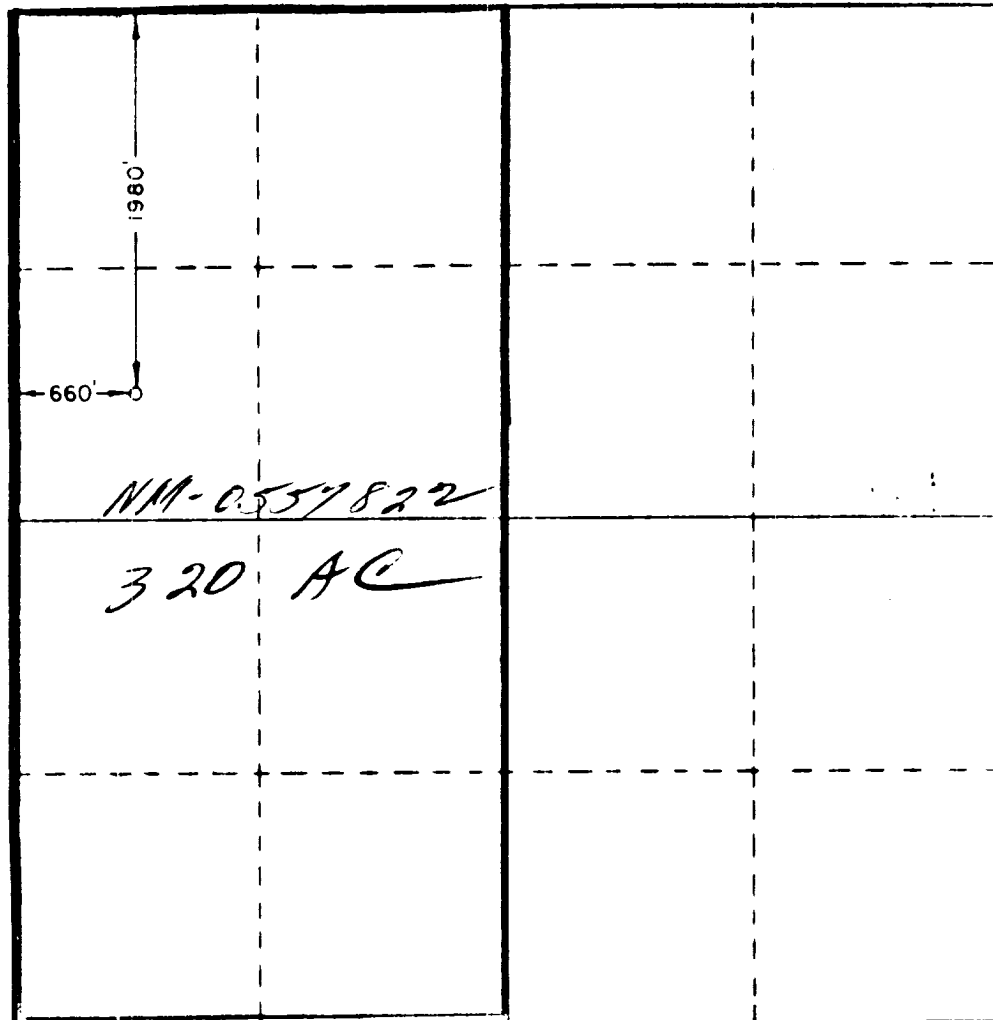
Operator C & K PETROLEUM, INCORPORATED			Lease Alfred Chemical Fed A.C. 3 FEDERAL		Well No. 2
Grid Letter E	Section 3	Township 24 SOUTH	Range 26 EAST	County EDDY	
Actual Footage Location of Well:					
1980	feet from the	NORTH	line and	660	feet from the
					WEST
Ground Level Elev. 3355.5	Producing Formation Morrow		Pool Wildcat	Section 1/4 corner 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).
- 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.



CERTIFICATION

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

[Signature]
Name _____

Administrative Supervisor

C & K Petroleum, Inc.

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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 supervision, and that the same is true and correct to the best of my knowledge and belief.

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Date Surveyed

MARCH 23, 1976

Registered Professional Engineer and Land Surveyor

[Signature]
Certificate No. 676



DEVELOPMENT PLAN FOR SURFACE USE

A.C. "B" Federal
Well #1
Eddy Co., N.M.

1. Existing Roads: New Mexico State Highway 180 & 62.
2. Planned Access Road: N.M. Highway 180 & 62 8-1/2 miles Southwest of Carlsbad, N.M.
3. Location of Well: 1980' FM and 660' FM Lines, Section 3, T-24-S, R-26-E, Eddy County, New Mexico.
4. Lateral Road to Well Location: Will exit N.M. Highway 180 & 62 onto a proposed 12' X 4000' caliche road to well location.
5. Tank batteries and flowlines will be located at well site.
6. Water needed for drilling operations will be trucked in and stored in water supply tanks.
7. Waste disposal will be handled through maintaining a day-to-day housekeeping program with a detailed clean up immediately after the well is completed.
8. Produced brine water will be trucked to salt water disposal wells.
9. Inasmuch as our objective is gas, we do not anticipate casinghead gas production. However, in the event casinghead gas is found in commercial quantity, we will then make arrangements for a pipe line and marketing facilities.
10. Location layout plats attached.
11. Upon completion of well, location will be cleaned and leveled with bulldozer and grading equipment and restored to original state as near as feasible.

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ARTESIA, NEW MEXICO



600 C & K PETROLEUM BUILDING

MIDLAND, TEXAS 79701

(915) 683-3311

April 1, 1976

United States Geological Survey
Drawer U
Artesia, New Mexico 88210

Re: A.C. 3 Federal
Well #1
Eddy County, New Mexico


Gentlemen:

Pursuant to our Application for a Permit to Drill captioned well, which we understand is located on a Federal Reserve Lease, this is to advise we have contacted Mr. Elmer Skinner, surface owner, and have come to an agreement with him to build approximately 660' of road on the West half of Sec. 3, T-24-S, R-26-E and build a drill site. The above mentioned agreement includes all surface damage claims. In the event this is a dry hole, Mr. Skinner has requested that we leave the location pads and lease roads in place. We will, of course, maintain a day-to-day housekeeping program with a detailed clean up after the well is completed.

In addition we are attaching the amended Lease Location & Proposed Lease Road Plat and Development Plan for Surface Use. These amendments were discussed with Mr. Beekman in your office on March 27, 1976. This is to request that the instruments originally submitted with our application be replaced with these amendments.

Yours very truly,

C & K PETROLEUM, INC.


D. E. Cooper
Administrative Supervisor

DEC:tlm

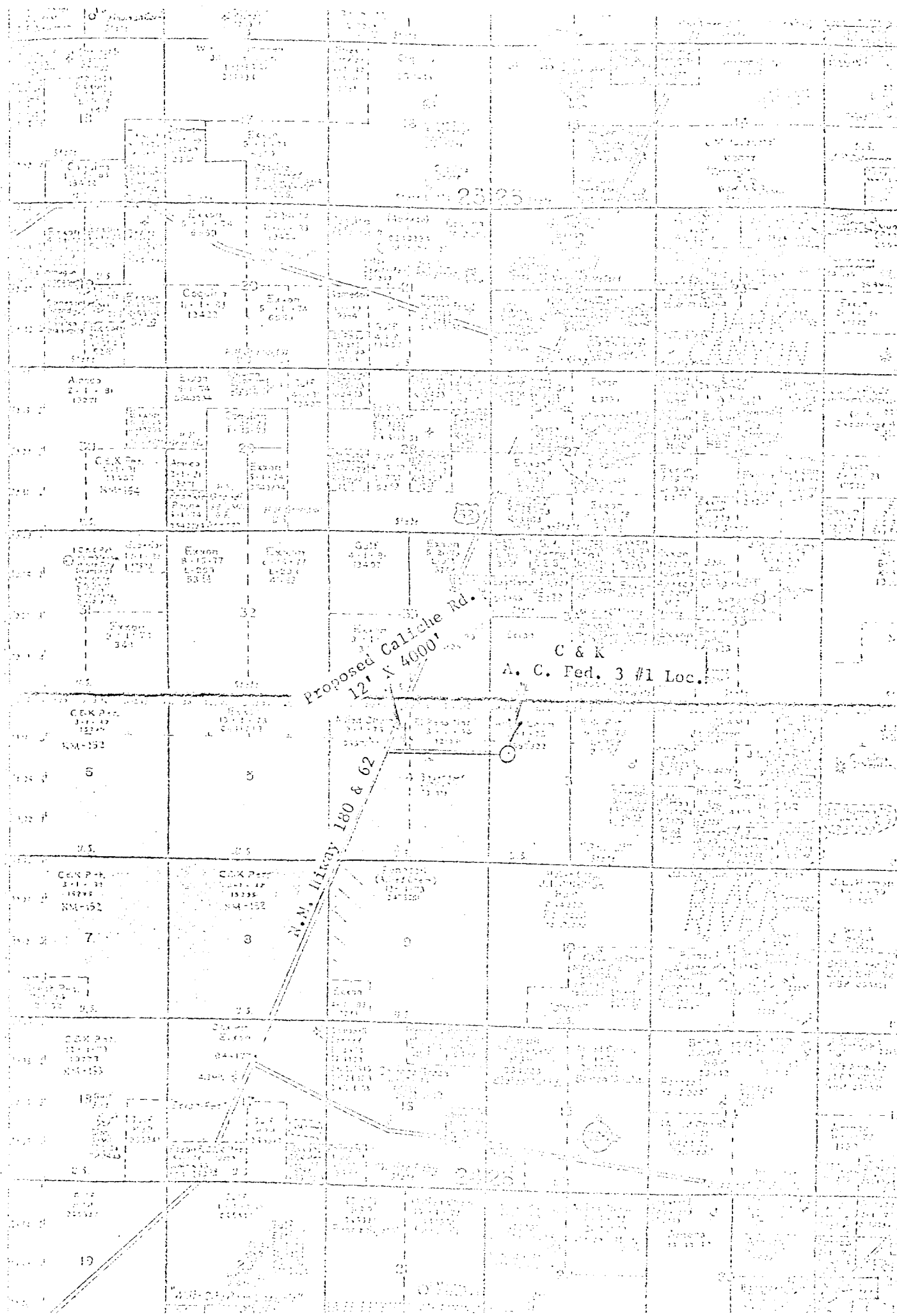
Attachments

cc: Bureau of Land Management

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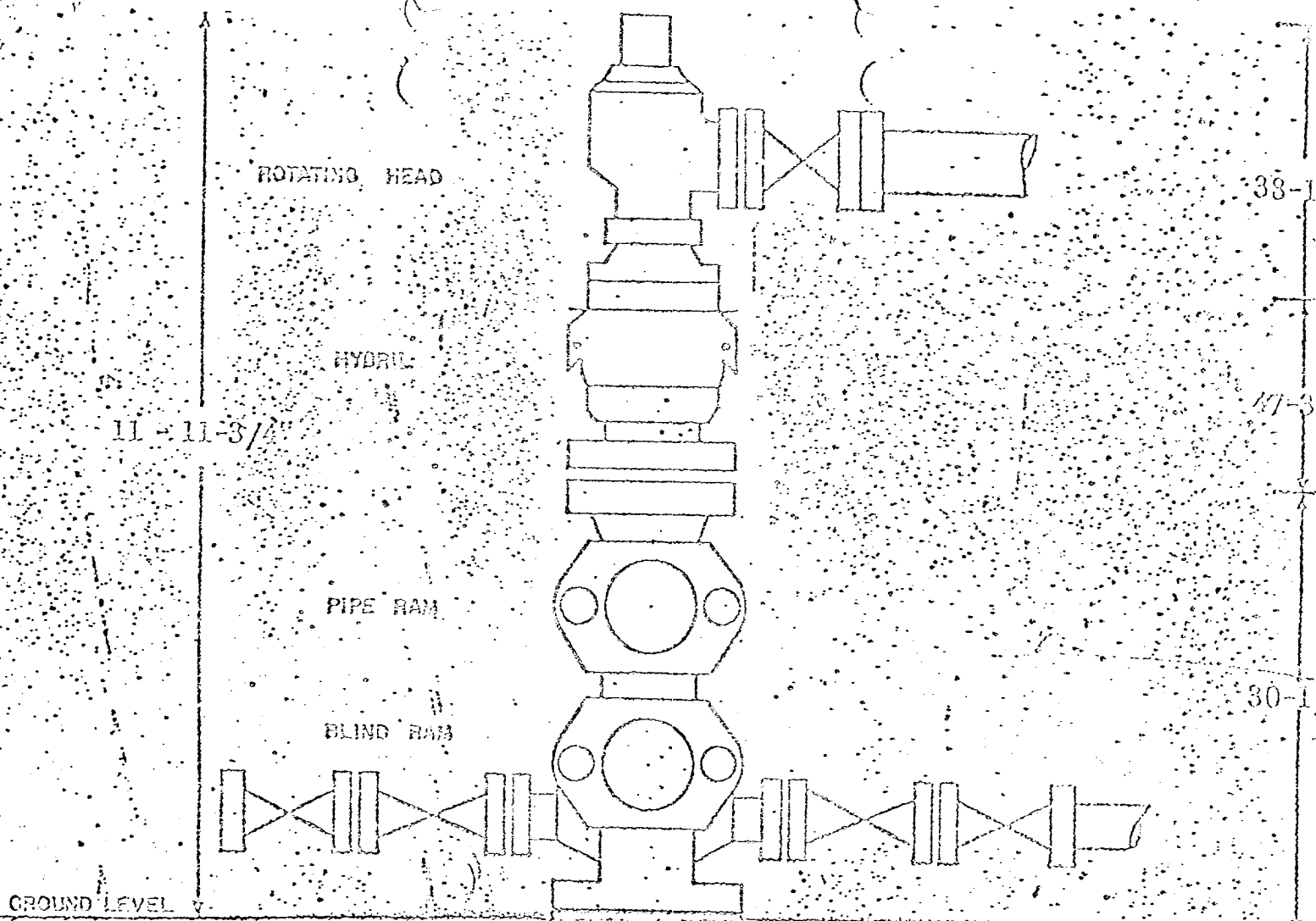
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Proposed Caliche Rd.
12' x 400'

R.M. Hwy 180 & 62

C & K
A. C. Fed. 3 #1 Loc.



Contractor furnish:

- 1 - Mud Cross 27" high, 10" x 5000#^{WP} w/2" and 4" x 5000#^{WP} side outlets
- 1 - Double Ram Type Space Saver - 10" x 5000#
- 1 - Hydril - 10" x 5000#^{WP}

Operator furnish:

Rotating Head

**IMCO SERVICES**A Division of HALLIBURTON Company
2400 West Loop South, P. O. Box 22404
Houston, Texas 77027 A/C 713 922-5555COMPANY C & K PETROLEUMWELL EDDY COUNTY PROS.

FIELD _____

LOCATION SEC. 22, 24S, 26ECOUNTY EDDYSTATE NEW MEXICO

PAGE 2:

<u>DEPTH (FEET)</u>	<u>MUD WEIGHT (PPG)</u>	<u>VISCOSITY (SEC)</u>	<u>FLUID LOSS (ML)</u>
11,400	10.0	32 - 34	6
12,000	10.0	32 - 34	6

PROPOSED MUD PROGRAM BY CASING INTERVALSurface 0' - 350'

Spud with IMCO-Gel/lime slurry having a viscosity of 34-36 sec. This fluid should provide safe drilling to casing point.

Intermediate 350' - 5,400'

Drill from under surface with brine water circulating the reserve to minimize solids build-up. A flocculant is also recommended if necessary. If seepage is encountered, small additions of paper should rectify the loss.

Open Hole 5,400' - Total Depth

We suggest drilling from under intermediate with fresh water employing the use of a flocculant (Gelex) to minimize the build-up of solids. IMCO-MD (drilling detergent) has been effective in the area in controlling solids and in torque reduction. For corrosion protection, we recommend the pH of the system be maintained in the range of 9.5 - 10.5.

Use this type fluid to 9,000' and displace hole with 10.0 ppg brine water.

Some wells in this area have encountered abnormal pressures in the Wolfcamp and Strawn requiring mud weights from 10.5 - 11.5 ppg. In this event, we suggest mudding up with IMCO-Best, Drispac and Permaloid with the following properties:

Weight	10.5 - 11.5 ppg
Viscosity	36 - 38 sec
Fluid Loss	8 - 10 ml

If additional weight is not required in the Wolfcamp and Strawn, drill with 10.0 brine to 11,000' or prior to drilling the Morrow, we recommend lowering the fluid loss to 6 - 8 ml with Drispac and Permaloid and maintain to total depth.

DISTRICT MANAGER: John Dean, Hobbs, New Mexico, 505 - 397-1582.