

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

Orla Petco, Inc. ✓

## 3. ADDRESS OF OPERATOR

P.O. Box 953, Midland, Texas 79702

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

At surface

990' FNL &amp; 330' FEL of Section 31

At proposed prod. zone

Same

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

3 miles East of Otis, New Mexico

## 15. DISTANCE FROM PROPOSED\*

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

330'

## 18. DISTANCE FROM PROPOSED LOCATION\*

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

1320'

## 16. NO. OF ACRES IN LEASE

160 478.08

## 19. PROPOSED DEPTH

2600'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

## 20. ROTARY OR CABLE TOOLS

Cable Tools

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

3065'

## 22. APPROX. DATE WORK WILL START\*

July 30, 1978

## 23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10"	8 5/8"	24#	365' +	250 sx Class "C" 2% CaCl
8"	4 1/2"	9.5#	2600' +	125 sx Class "C" 2% CaCl

Surface Formation: Quaternary terrace deposits.

Cable Tool Drilling Rig: Blind Ram Cable Tool Control Head Blowout Preventer.

Estimated Geological Tops: Base of Salt-2180', Delaware Sand-2435', Top Delaware  
Lime--2350'Pressure Control equipment specifications: Cable Tool Drilling Rig utilizes Blind  
Ram Cable Tool Control Head

Estimate will encounter water between 70-85'-Estimate will encounter gas at 2450'

Logging: Gamma-Ray Log, no coring and no drillstem tests.

Anticipate no abnormal pressures and no anticipation of Hydrogen Sulfide Gas.

Anticipated starting date: July 30, 1978. Duration--- 30 days.

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

James H. C. Ritchie, Jr.

TITLE Field Manager

DATE

July 24, 1978

(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  
NEW MEXICO OIL CONSERVATION COMMISSION  
All distances must be from the outer boundaries of the Section.

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

Operator ORLA PETCO, INC.		Lease GOURLEY-GENERAL		Well No. 3
Unit Letter A	Section 31	Township 22 S	Range 28 E	County Eddy
Actual Footage Location of Well: 990 feet from the North line and 330 feet from the East line				
Ground Level Elev. 3065	Producing Formation Delaware Sand	Pool Herradura Bend (Delaware)	Dedicated Acreage 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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 is dedicated to the well, outline each and identify the ownership thereof.
- 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?
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated? ☐ 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. A well will be assigned to the well until all interests have been consolidated.

Section	Range	Township
31	28 E	22 S
<p>990</p> <p>330</p> <p>31</p> <p>RECEIVED JUL 28 1978 U.S. GEOLOGICAL SURVEY ARTESIA, NEW MEXICO</p>		

CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	James M.C. Ritchie, Jr.
Position	Field Manager
Company	Orla Petco, Inc.
Date	March 28, 1978
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.	
Date Surveyed	March 23, 1978
Registered Professional Engineer and/or Land Surveyor	
N.M. 220	
Certificate No.	



# United States Department of the Interior

GEOLOGICAL SURVEY  
P. O. Drawer U  
Artesia, New Mexico 88210

NIMOC COPY

August 10, 1978

Orla Petco, Inc.  
P. O. Box 953  
Midland, Texas 79702

Orla Petco, Inc. Gourley Federal No. 3 990 FNL 330 FEL Sec.31, T22S, R28E Eddy County Lease No. NM-26684 Above Date Required on Well Sign
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Gentlemen:

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 2,600 feet to test the Delaware Formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and his approval including the GENERAL REQUIREMENTS.
3. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
4. All above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate sandstone brown (Federal Standard Color #595A, color 20318 or 30318).

Sincerely yours,

(Orig. Sgd.) ALBERT R. STALL

Albert R. Stall  
Acting District Engineer

## S U R F A C E   U S E   P L A N

ORLA PETCO, INC.

Gourley-Federal No. 3, Lease No. ~~90-026684~~  
990' FNL and 330' FEL of Sec. 31, Twp. 22-S,  
Rge. 28-E, N.M.P.M., Eddy County, New Mexico

NM-26684

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS: See Exhibit 1 for the location of the existing roads in the vicinity of the proposed drilling location.

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U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

2. PLANNED ACCESS ROADS:

- A. Length and Width:

The length of the new access road to the location will be approximately 3½ mi. long and 24' wide. See Exhibit 3 for plat showing the location of the proposed access road to the location of the Well #3. The access road marked on exhibit 1 (yellow) is existing, the proposed, will head due south from the road to the well #3.

- B. Turnouts:

There will be no turnouts on the new proposed access road to the location of the well.

- C. Culverts:

There will be a culvert approximately 200' north of our Well No. 1, Gourley-Federal Lease.

- D. Cuts and Fills:

No cuts or fills will be necessary when the access road is built.

- E. Gates, Cattleguards:

No gates or cattleguards will be needed for the Well #3.

3. LOCATION OF EXISTING WELLS:

See Exhibit No. 2 for the location of the existing wells in a one mile radius of the proposed drilling location.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

See Exhibit 3 for a plat showing the proposed location of the tank battery and flowlines associated with the proposed well in the event of production.

See Exhibit 5 for the plat showing the proposed location of power line poles needed to electrify the wells.

5. LOCATION AND TYPE OF WATER SUPPLY:

Type of Water Supply: City of Carlsbad water.

Location of Supply: B & E Truck Lines yard, water will be stored at water tank (Exhibit 4) at wellsite. Very little water needed (Approximately 140 bbls total) for a Cable Tool Rig.

Transport Method: Truck

Transport Route: Access road to drillsite - Exhibit 3, for access road and proposed road. Proposed road marked in red.

6. SOURCE OF CONSTRUCTION MATERIALS:

Caliche for surfacing the road and well pad will be obtained from an existing pit in the SW/4 NW/4, Sec 5, T-23S, R-28E. The pit is owned by Julius Roberson. Location of the pit is shown on Exhibit 1.

7. METHODS OF HANDLING WASTE DISPOSAL:

Cuttings: Cuttings will be covered when the plastic lined slush pit is leveled. Pit will be covered a minimum of 24" of topsoil.

Garbage and Trash: To be buried in slush pit, small paper waste will be placed in barrel containers and hauled off of location.

Additional Requirements for Waste Disposal:

The small amount of drilling fluids needed will be allowed to evaporate in the slush pit.

8. ANCILLARY FACILITIES:

None required.

9. WELLSITE LAYOUT:

Exhibit 4 shows the relative location and dimensions of the well pad, mud pits, reserve pits, and location of major rig components. The drilling pad will be constructed using compacted crushed caliche rock, if needed.

10. PLANS FOR RESTORATION OF THE SURFACE:

Stockpiling Topsoil: The topsoil covering the drillsite will be stockpiled when the drilling pad and slush pit are constructed and will be replaced upon completion of operations.

Leveling: Upon completion of drilling operations, the slush pit will be leveled and covered with the original topsoil at least 24" deep. All trash will be cleaned off location.

Reseeding: Because vegetation consists of random clumps of grass and mesquite bushes, reseeding of the drillsite will not be attempted.

Seed Mixture: Not applicable.

11. OTHER INFORMATION:

A. Topography: Land surface is undulating to gently rolling and dunny. From an elevation of 3065 feet at wellsite, the land surface slopes gently toward the south at about 25 ft/mile.

B. Soil: Terrace Gravel

C. Flora and Fauna: Creosote bushes, Sage, Broom snakeweed, Crown of thorns.

D. Ponds and Streams: There are no streams or ponds in the area.

E. Residences and Other Structures:

The nearest occupied dwelling is a ranch house located 3/4 of a mile S W of the proposed location.

F. Land Use: Grazing.

G. Surface Ownership:

Wellsite is on Federal Surface.

12. OPERATOR'S REPRESENTATIVE:

The field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

Harry R. Sindorf  
1002 N. Mesa St.  
Vista del Sol Apartments, #16  
Carlsbad, New Mexico 88220  
Home Phone: 505 885-9978

Bucky Ritchie  
403 Oil & Gas Bldg.  
Midland, Texas 79701  
Office Phone: 915 684-4762  
Home Phone: 915 684-8797

13. CERTIFICATION:

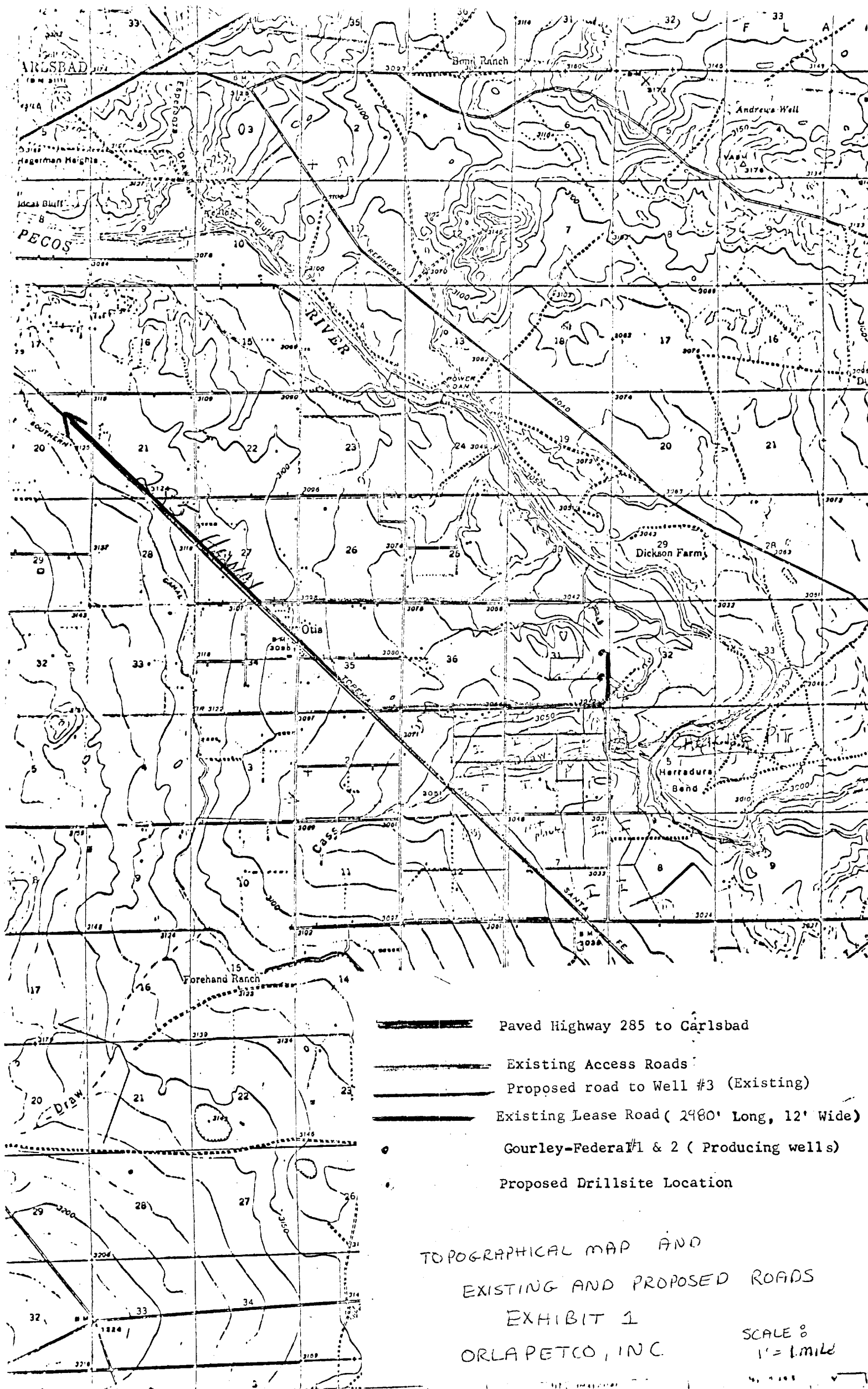
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that i am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by Orla Petco, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


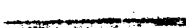




Date July 24, 1978

James M. C. Ritchie, Jr.  
Name

Field Manager

Title



-  Paved Highway 285 to Carlsbad
-  Existing Access Roads
-  Proposed road to Well #3 (Existing)
-  Existing Lease Road ( 2480' Long, 12' Wide)
-  Gourley-Federal #1 & 2 ( Producing wells)
-  Proposed Drillsite Location

TOPOGRAPHICAL MAP AND  
EXISTING AND PROPOSED ROADS  
EXHIBIT 1  
ORLA PETCO, INC.

SCALE 8  
1" = 1 mile



EXHIBIT NO. 2

LAND MAP

Existing Wells - 1 mile  
radius

GOURLEY FEDERAL LEASE

E/2 NE/4 N/2 SE/4

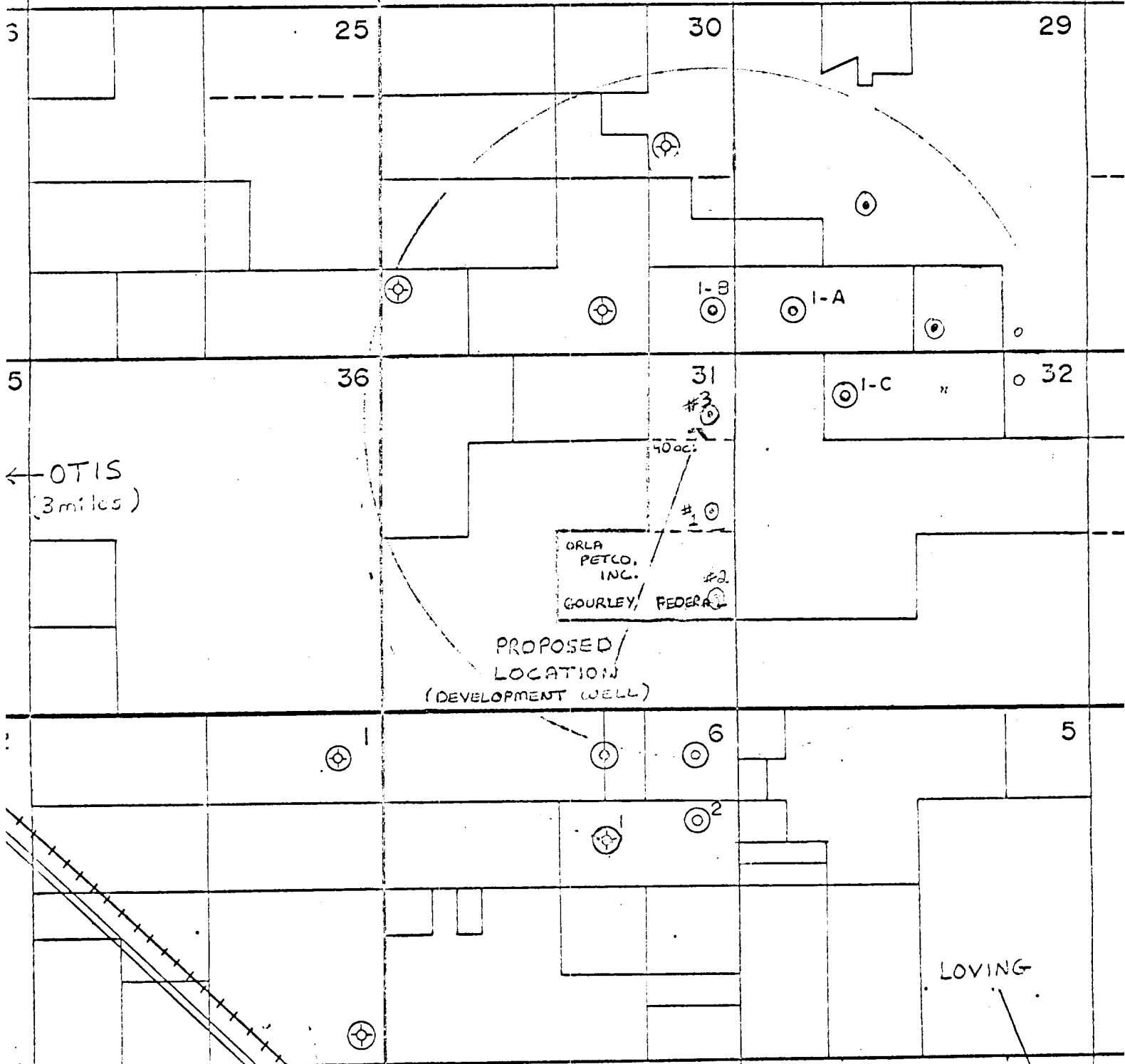
T-22-S, R-28-E, Sec 31

EDDY COUNTY, N.M.

160 acres

1" = 2000'

22 28



← OTIS  
(3 miles)

ORLA  
PETCO.  
INC.  
GOURLEY, FEDERAL

PROPOSED  
LOCATION  
(DEVELOPMENT WELL)

LOVING

ROAD LOCATION &  
TANK BATTERY LOCATION

EXHIBIT "3"

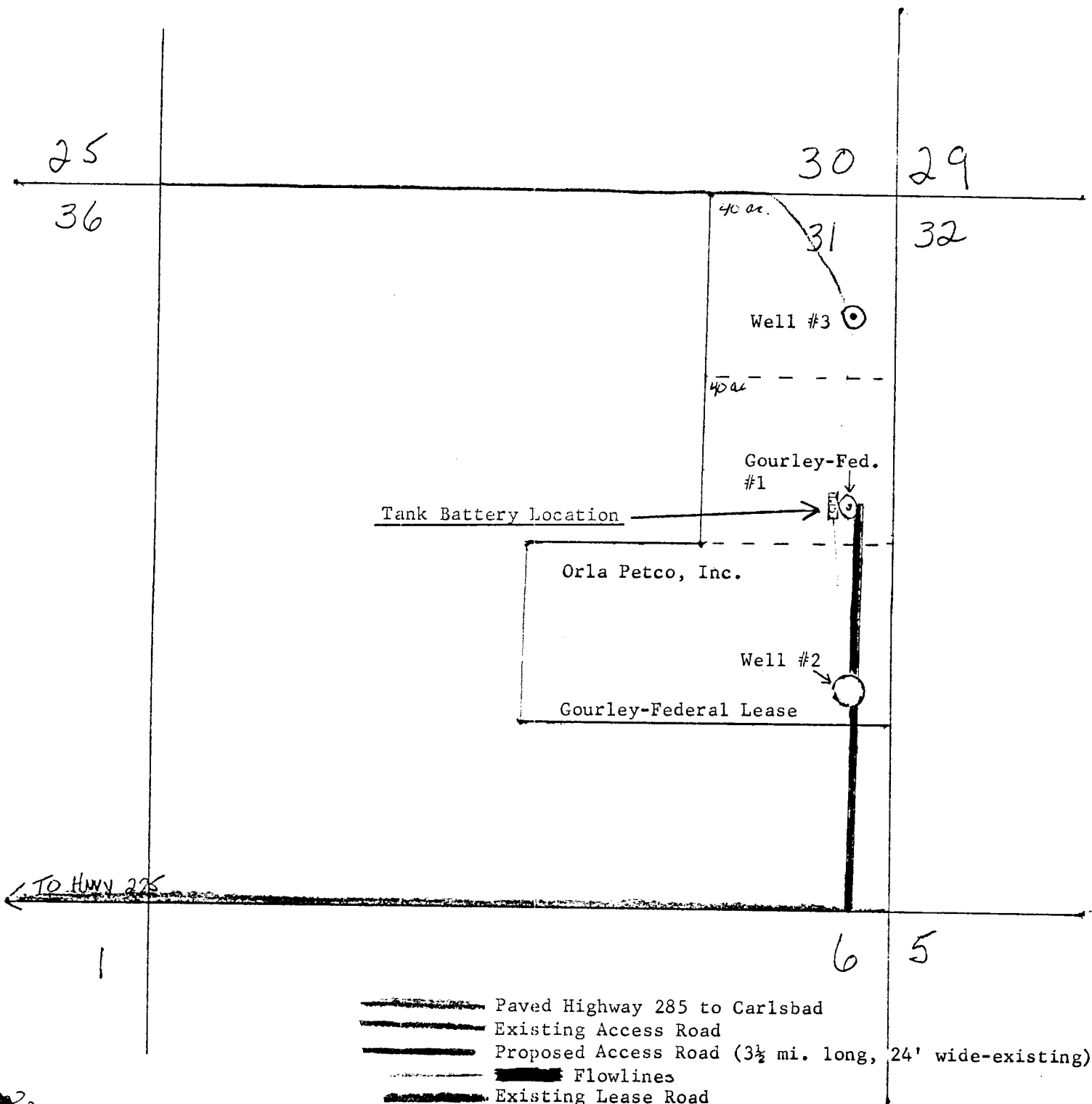
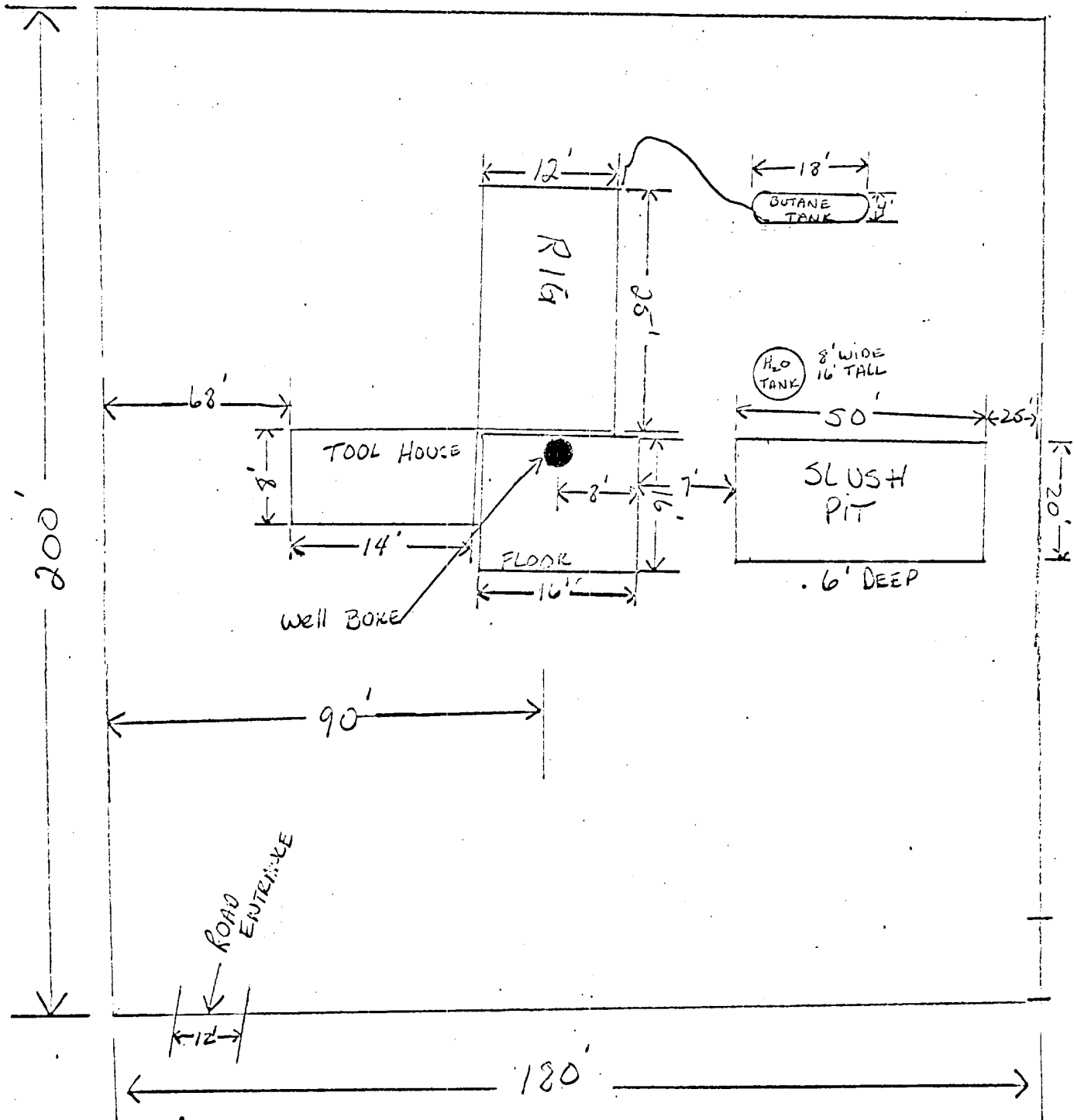


EXHIBIT NO. 4

RIG LAYOUT

GOURLEY-FEDERAL No. 3

ORLA PETCO, INC.



FOOTAGE IS APPROXIMATE

- PAVED Highway 285 to CHILSONO  
 EXISTING ACCESS ROAD  
 PROPOSED NEW ROAD (2980' Long, 12' wide)  
 PRESENT C.I.D ROAD BEING USED  
 POLES - FOR POWER LINES

EXHIBIT 5



25  
36

30  
31

Gourley  
Federal

No. 3

GOURLEY FEDERAL  
LEASE NO. 1

ORLA PETCO, INC.  
GOURLEY - FEDERAL LEASE

Gourley-  
Federal No. 2

CATTLEGUARD

Scale = 1" = 660ft.