

NMOCC COPY

SUBMIT IN TRIPLICATE\*  
(Other instructions  
reverse side)Form approved  
Budget Bureau No. 42-R1425.UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-005-60508

## 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

Penroc Oil Corporation ✓

## 3. ADDRESS OF OPERATOR

P. O. Drawer 831, Midland, Texas, 79702

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

At surface

(1) 660' fNL, 1980' fEL

At proposed prod. zone

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

Approximately 8.5 miles Northeast of Hagerman, N. Mex. Chaves N. Mex.

## 15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

660'

## 16. NO. OF ACRES IN LEASE

480

## 17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

2640' to proposed #1 location (5) 2200'

## 19. PROPOSED DEPTH

## 20. ROTARY OR CABLE TOOLS

(4) Cable Tools

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

(2) 3592.5' GR

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

May 10, 1978

## 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#	45'	Circulate
11"	8 5/8"	24#	925'	Circulate
7 7/8"	4 1/2"	10.50#	2200'	175 SXS.

(All casing new)

(See attachment item  
9 for types of cement)(3) Geologic Name of surface formation -  
Permian Guadalupian

Blowout prevention - Use Control Head for cable tool drilling

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MAR 2 - 1978

U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on 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 prevention program, if any.

24.

SIGNED

TITLE President

DATE 3/1/78

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

JUN 05 1978

APPROVED BY

TITLE

ACTING DISTRICT ENGINEER

DATE

JUN 05 1978

CONDITIONS OF APPROVAL, IF ANY:

THIS APPROVAL IS RESCINDED IF OPERATIONS  
ARE NOT COMMENCED WITHIN 3 MONTHS.

\*See Instructions On Reverse Side

EXPIRES SEP 5 - 1978

**N MEXICO OIL CONSERVATION COMMISS**  
**WELL LOCATION AND ACREAGE DEDICATION PLAT**

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

All distances must be from the outer boundaries of the Section

Operator <b>Penroc Oil Corporation</b>			Lease <b>Bar "C" Federal</b>		Area <b>2</b>
Tract Letter <b>B</b>	Section <b>14</b>	Township <b>13 South</b>	Range <b>27 East</b>	County <b>Chaves</b>	
Actual Well Location of Well:					
<b>660</b>	feet from the	<b>North</b>	line and	<b>1980</b>	feet from the
Ground Level Elev. <b>3592.5</b>		Producing Formations <b>San Andres</b>	Flow <b>Wildcat</b>	Estimated Acreage <b>40</b>	

- 1 Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below
- 2 If more than one lease is dedicated to the well, outline each and identify the same (as to working interest and royalty).
- 3 If more than one lease of different ownership is dedicated to the well, have the interests 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.

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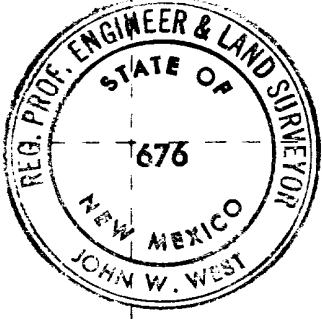
**MAR-2-1978**

**U.S. GEOLOGICAL SURVEY  
 ARTESIA, NEW MEXICO**

**PENROC**  
**NM-28869**

1980'

**FED.**



**CERTIFICATION**

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

*[Signature]*

**President**

**Penroc Oil Corporation**

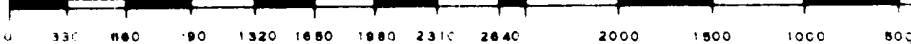
**March 1, 1978**

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

**Feb. 16, 1978**

Registered Professional Surveyor  
 in the State of New Mexico

*[Signature: John W. West]*  
 Certificate No. **John W. West 676**  
**Ronald J. Eidson 3239**



(6) Estimated Tops of Geologic Markers:

Yates	130'
Queen	750'
San Andres	1350'

(7) Estimated Depths of Anticipated Water, Oil, Gas or Minerals:

750' - 770'	Queen	(Water)
850' - 880'	Queen	(Water)
1300' - 1330'	Grayburg	(Possible Oil)
2050' - 2100'	San Andres	(Oil and Water)

(9) Amounts and Types of Cement:

13 3/8"	-	20 sxs. Class C
8 5/8"	-	150 sxs. Haliburton Lite + 1/4# Floseal/sk. + 100 sxs. Class "C" w/2% CaCl.
4 1/2"	-	175 sxs. 50-50 Posmix "C" w/8# salt/sk. w/.3 of 1% CFR2.

(11) Mud Program:

Cable tool hole.

(12) Proposed Drillstem Tests:

None anticipated.

Cores: None anticipated.

Logging Program:

Compensated Gamma-Neutron  
(Total Depth to surface)

(13) Pressures:

No abnormal pressures anticipated.

(14) Anticipated Commencement Date is April 10, 1978, for the Bar "C" No. 1 and May 10, 1978, for the Bar "C" No. 2.

Duration of operation per well estimated at 30 days.

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SURFACE USE AND OPERATIONS PLAN

MAR 2 - 1978

U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

1. Existing Roads:

The two proposed locations are approximately 8.5 miles northeast of Hagerman, New Mexico, and can be reached by proceeding east from Hagerman on New Mexico State Highway 31. Go east for approximately 13.25 miles and then turn north through a cattle guard on a caliche type road that is commonly known as "Pipeline Road." Proceed north-westward through the Sams Ranch Pool for a distance of approximately 9 miles. Turn left and go west slightly over one-half mile on a ranch road which will go through a gate in a north-south trending barbed wire fence. Location for the Bar C - Federal No. 1 well is just south of the ranch road approximately 2800' southwest of the gate.

The attached Exhibit "A" is a portion of the Bar C Bar U.S.G.S. Quadrangle. That portion of the northwest-southeast trending "Pipeline Road" on the plat is indicated by red color and its proximity to the proposed locations.

Note that many two-rut ranch roads traverse the area. More recent and improved roads are shown by an orange color.

2. Planned Access Roads:

The access roads to the two proposed locations are shown by a blue color on Exhibit "A". It is planned to grade and improve the existing ranch road westward from the gate approximately 2000 feet and then go southwest to the No. 1 location 800-900 feet by grading new road. To reach the No. 2 location it is planned to grade and improve an existing ranch road just inside the west side of the fence. This road is in poor condition. Distance is about 3800 feet. Then proceed due west to the No. 2 location by grading a new road approximately 2600 feet.

3. Location of Existing Wells:

Refer to Exhibits "A" and "B".

4. Location of Tank Batteries, Production Facilities and Production, Gathering and Service Lines:

None of the above facilities exist in the immediate area. Therefore this operator does not own or control any facilities at the proposed locations.

If a dry hole is encountered, the pad and road will be restored according to prescribed regulations.

If productive, tank battery to be located on the southeast corner of the pad, separator due east of well and connecting flow lines installed.

5. Location and Type of Water Supply:

All water for drill purposes will be hauled by tank truck from the nearest commercial source.

6. Source of Construction Materials:

By the nature of the resistant type of surface at the proposed locations and because cable tools will be used, it will be unnecessary to use any surfacing material.

7. Methods of Handling Waste Disposal:

A disposal pit will be dug adequately deep in order that all waste and garbage can be covered by not less than 24 inches of overburden after well drilled.

Test tank facilities will be utilized to capture any produced oil or water recovered during any testing or completion operations.

## Surface Use and Operations Plan Continued

### 8. Ancillary Facilities:

No camps or landing strips are planned.

### 9. Well Site Layout:

Refer to Exhibit "C".

### 10. Plans for Restoration of Surface:

In the event of a producing well proper procedure will be followed to cut, cover and level all pits and remove litter.

In the event of a dry-hole, the same procedure will be followed as well as doing work required to fulfill established regulations.

### 11. Other Information:

Referring to Exhibit "A" which shows the topography of the area, it will be noted that east of the proposed locations, the land is relatively flat with numerous depressions or "sink-holes". Immediately west there exists a sharp ridge dropping to the west. Several drainage gullies and shallow draws exist with the entire area sloping westward towards the Pecos River.

Primary land use is for ranching.

Vegetation is of low-level growing sage type bushes, mesquite and grasses in the depressions.

The proposed locations are on Federal lands and any new roads to be constructed will be on Federal lands.

No serious construction problems should be encountered.

### 12. Lessee's or Operator's Representative:

Sterling J. Talley - Penroc Oil Corporation  
P. O. Drawer 831  
Midland, Texas 79702

Phone: (915) 683-1861 - Office

### 13. Certification:

See attached statement.

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 \_\_\_\_\_

\_\_\_\_\_  
PENROC OIL CORPORATION  
\_\_\_\_\_

and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

PENROC OIL CORPORATION

By \_\_\_\_\_  
Sterling J. Talley, President

Date March 1, 1978

# PENROC Oil Corporation

P. O. DRAWER 831 • MIDLAND, TEXAS • 79701

Telephone (915) 683-1861

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June 12, 1978

JUN 13 1978

**O. C. C.**  
**ARTESIA, OFFICE**

Re: Application to Drill  
Bar C - Federal No. 2  
Chaves County, New Mexico


New Mexico Oil Conservation Commission  
P. O. Drawer DD  
Artesia, New Mexico 88210

Gentlemen:

Enclosed please find two copies of USGS approved application to drill on the captioned well. These are marked NMOCC copy but were returned to Penroc with Penroc's Operator copy.

Yours very truly

PENROC OIL CORPORATION

  
Betty Eyer

be