

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

2. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

3. NAME OF OPERATOR
McKay Oil Corporation

4. ADDRESS OF OPERATOR
P.O. Box 2014, Roswell, New Mexico 88202

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1980' FSL & 1980' FWL, NE/4 SW/4, UNIT 1980' RECEIVED BY JUN 12 1987 O.C.D. ARTESIA, OFFICE

6. At proposed prod. zone Same

7. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
33 air miles north of Roswell, N.M.

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any.) 1980'

9. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1/4 mile

10. PROPOSED DEPTH 3,400'

11. ELEVATIONS (Show whether DF, RT, GR, etc.) 4357' GR

12. NO. OF ACRES IN LEASE 160

13. NO. OF ACRES ASSIGNED TO THIS WELL 160

14. ROTARY OR CABLE TOOLS Rotary

15. APPROX. DATE WORK WILL START ASAP

5. LEASE DESIGNATION AND SERIAL NO.
NM-32312

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
West Fork Federal

9. WELL NO.
10

10. FIELD AND POOL, OR WILDCAT
W. Pecos Slope Abo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 6, T5S, R22E

12. COUNTY OR PARISH
Chaves

13. STATE
NM

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0 J-55	900'	850 cf cement circulated
7 7/8"	4 1/2"	10.5 J-55	TD	1200 cf cement including 480 cf to tie in 4 1/2" to 8 5/8" from 1500' to 900'.

We propose to drill and test the Abo formation. Approximately 900' of surface casing will be set and cemented to surface. If commercial, 4 1/2" production casing will be run and cemented with adequate cover, perforated and tested as needed for production.

MUD PROGRAM: See Supplemental Drilling Data Which is Attached.

BOP PROGRAM: BOP will be installed on 8 5/8" casing and tested daily.

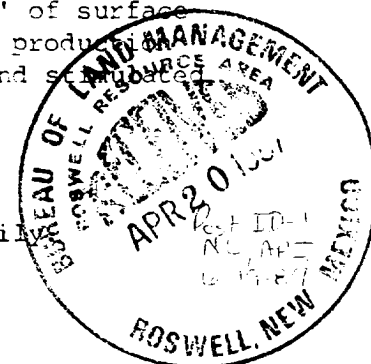
Gas is not dedicated.

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 Terry W. Frankle TITLE Landman DATE 4/16/87
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY S/Phil Kirk TITLE Area Manager DATE JUN 10 1987
CONDITIONS OF APPROVAL, IF ANY:

APPROVAL OF THIS APPLICATION 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.



All distances must be from the outer boundaries of the Section.

Operator McKay Oil Corp. ✓		Lease West Fork Federal		Well No. #10
Unit Letter K	Section 6	Township 5 South	Range 22 East	County Chaves
Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the West line				
Ground Level Elev. 4357	Producing Formation Abo	Pool W. Pecos Slope-Abo	Dedicated Acreage: 160 Acres	

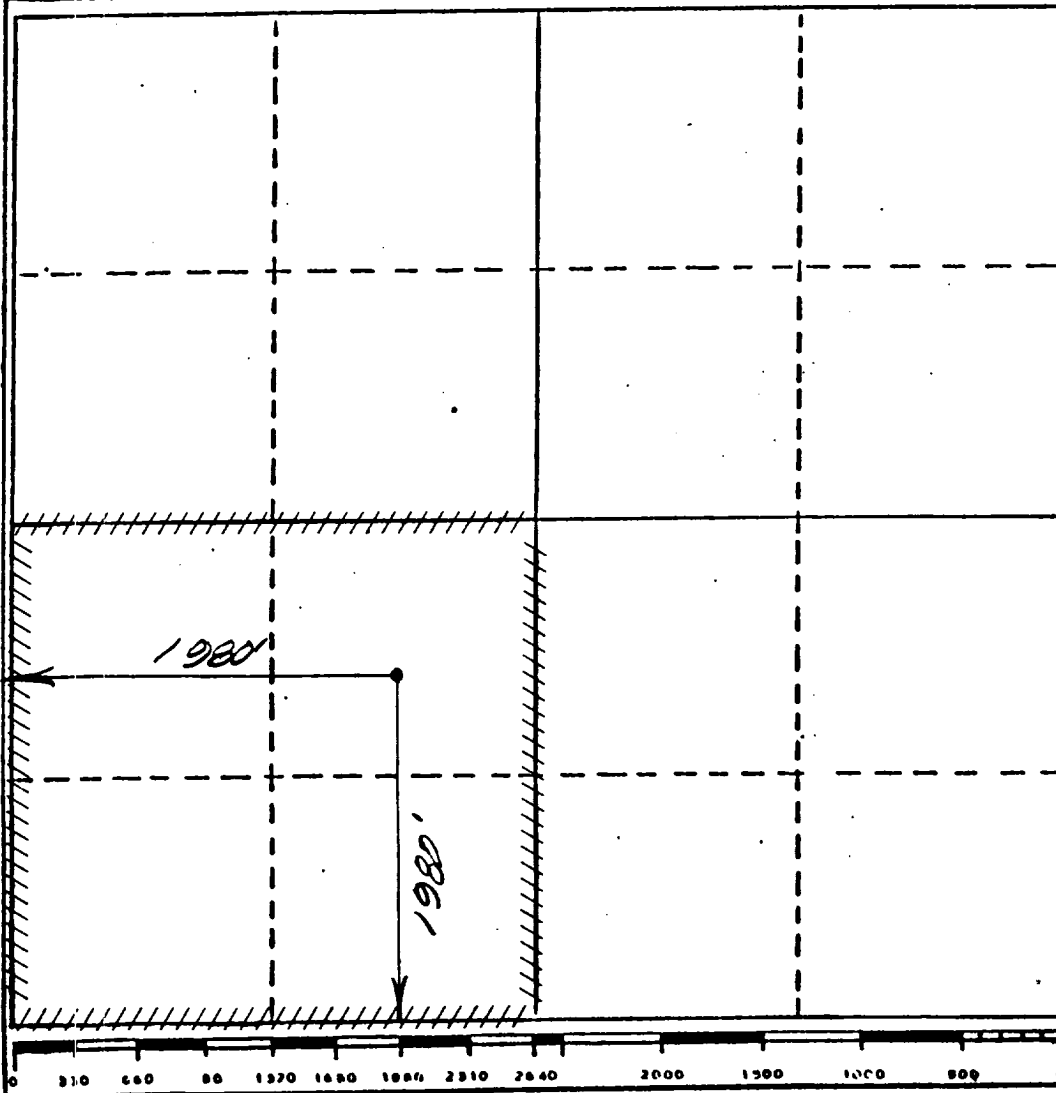
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

RECEIVED BY
JUN 12 1987
O. C. D.
ARTESIA, OFFICE

☐ 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 Division



CERTIFICATION

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

Terry W. Franklin
Name

Terry W. Franklin

Position

Agent

Company

McKay Oil Corporation

Date

4/16/87

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.

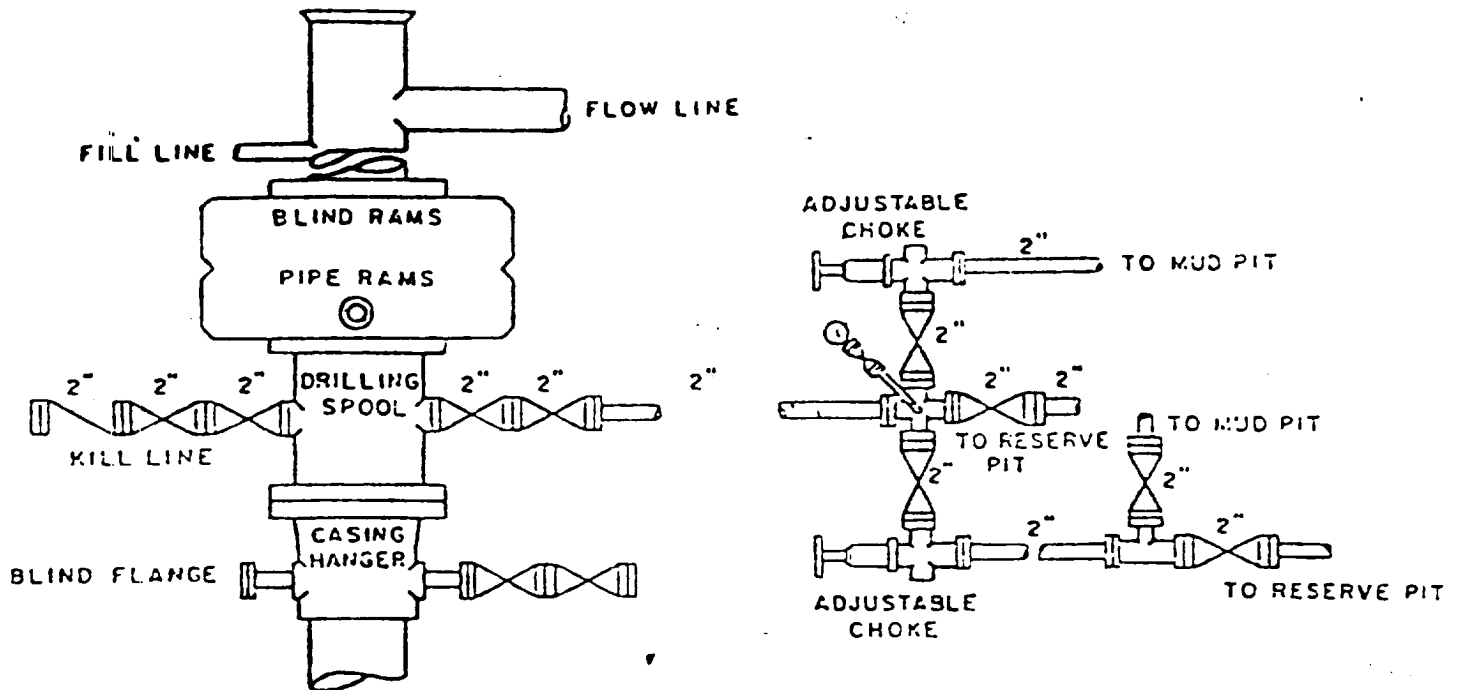
Date Surveyed
March 2, 1987

Registered Professional Engineer and/or Land Surveyor

John D. Jaques P.E. & L.S.

Certificate No. 6290

MCKAY OIL CORPORATION
West Fork Federal #10
NE/4 SW/4, Sec. 6-5S-22E
Chaves County, N.M.



BOP DIAGRAM

**3000# Working Pressure
Rams Operated Daily**

EXHIBIT D

SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION
Westfork Federal #10
NE/4SW/4 Sec. 6-5S-22E
Chaves County, N.M.

NM 32312

The following items supplement Form 9-331C in accordance with instructions contained in NTL-6.

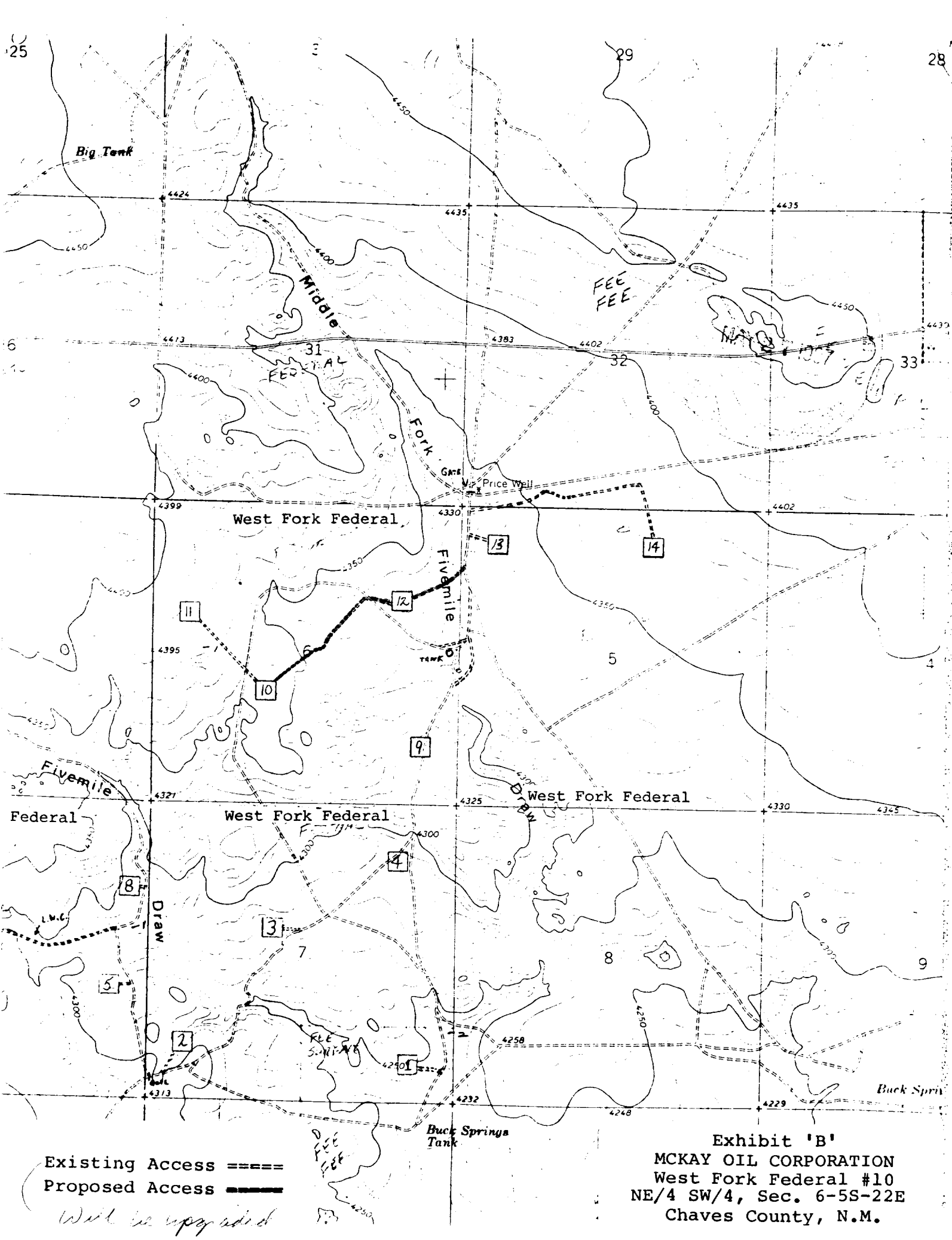
1. SURFACE FORMATION: San Andres
2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Yeso	- 948'
Tubb	- 2466'
Abo	- 3156'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:

Fresh water	- In surface formations above 600'
Gas	- In Abo formation below 3156'
4. PROPOSED CASING PROGRAM: See Form 9-331C
5. PRESSURE CONTROL EQUIPMENT: Blowout preventer stack will consist of at least a double-ram blowout preventer rated to 3000#WP. A sketch of the BOP is attached.
6. CIRCULATING MEDIUM:

0'- 600'	Lime and gel, spud mud, viscosity 32 to 34 seconds.
600'- 3056'	Fresh water
3056'- TD	Start mudding up at 3056'; viscosity 36 to 38 seconds; water loss 10 cc or less; 3-5% Diesel; 2 KCL

Mud additives will be used to control water loss.
7. AUXILIARY EQUIPMENT: full-opening drill string safety valve fit the drill string in use, will be kept on the rig floor at all times.



Existing Access - - - - -
Proposed Access - - - - -

Will be upgraded

Exhibit 'B'
MCKAY OIL CORPORATION
West Fork Federal #10
NE/4 SW/4, Sec. 6-5S-22E
Chaves County, N.M.

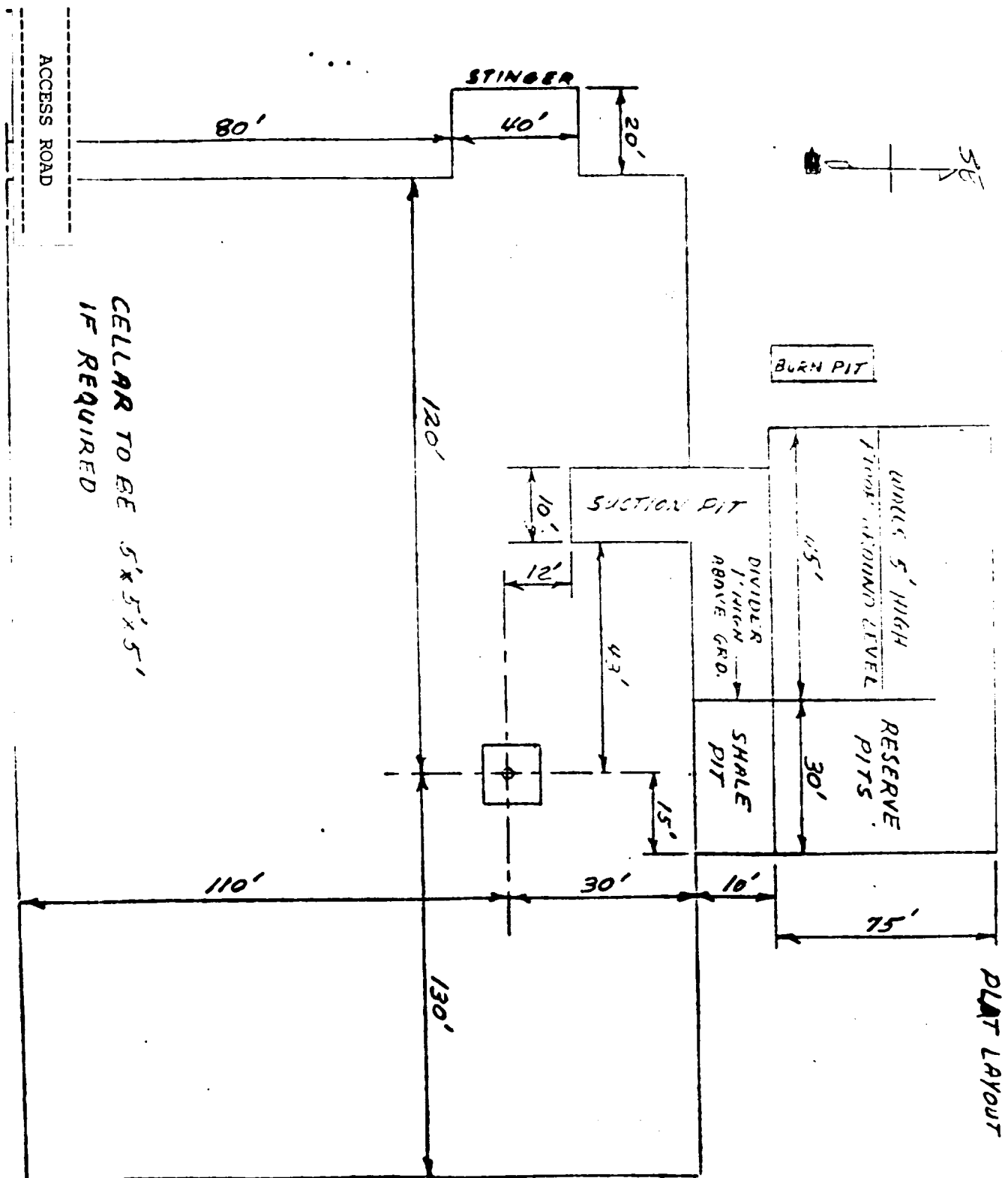


EXHIBIT 'C'

MCKAY OIL CORPORATION
 West Fork Federal #10
 NE/4 SW/4, Sec. 6-5S-22E
 Chaves County, N.M.