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SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-R1425.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

MorOilCo, Inc.

3. ADDRESS OF OPERATOR

Drawer I, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any special instructions)

At surface 1980' FNL and 660' FEL

At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 20 miles driving distance east and north of Artesia (approximately 6 miles southeast of Lake Arthur, New Mexico).

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

660'

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

None

16. NO. OF ACRES IN LEASE

640

19. PROPOSED DEPTH

8800'

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3565.3 GR

22. APPROX. DATE WORK WILL START*

October 21 or 22, 1977

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE

17 1/2"

11 "

7 7/8"

SIZE OF CASING

12 3/4"

8 5/8"

4 1/2"

WEIGHT PER FOOT

34#

24#

10.5#

SETTING DEPTH

300'

1850'

8800'

QUANTITY OF CEMENT

250 sx Class C, 2% Ca Cl, Circ.

500 sx HOWCO Lite, 200 sx

Neat, 2% Ca Cl, circ.

300 sx Class H, 5/10 of 1%

Halad 22, 3/10 of 1%

CFR2 and 5# KCL/sx.

BOP Program: Shaffer LWS Series 900 double BOP, hydraulically operated.
With blanks, 4", 4 1/4" and side connections.

Mud Program: (SEE REVERSE)

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

(This space for Federal or State office use)

Vice-President, Oil and Gas

Administrative Services Co.

Agent for MorOilCo, Inc.

DATE 10/17/77

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

THIS APPROVAL IS RESCINDED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS.
EXPIRES JAN 21 1978
*See Instructions On Reverse SideOCT 2 1977
R. L. [Signature]
ACTING DISTRICT ENGINEERU.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

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OCT 17 1977

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

★ U.S. GOVERNMENT PRINTING OFFICE: 1974-781-095/VIII-2-9

Mud Program:

12 3/4" surface casing to 300' -

Spud mud consisting of gel and lime.
If circulation is lost, suggest dry drilling to TD.

8 5/8" casing to 1850' -

Drill out with water, adding paper as needed for seepage. If circulation is lost, suggest dry drilling to TD. At TD, if circulation is lost, suggest mixing approximately 250 barrels of 38-40 viscosity mud with 5# to 10# per barrel loss circulation material to sweep hole. Then run 8 5/8".

4 1/2" casing to TD

From 1850' or bottom of intermediate casing, drill to 4700' with fresh water. At 4700' suggest raising viscosity to 33-35 sec-1000cc. Carry this system to 7800'. At 7800', suggest taking a 10cc water loss and raising viscosity to 42-45, and carrying this to TD. Suggest for all DST's and logging, raise viscosity to 50 sec-1000cc.

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 MorOil Co.			Lease Del-Lea Federal		Well No. 1
Unit Letter H	Section 9	Township 16 South	Range 27 East	County Eddy	
Actual Portage Location of Well: 1980 feet from the North line and 660 feet from the East line					
Ground Level Elev. 3565.3	Producing Formation Mississippian		Pool Wildcat		Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or had to be marked on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership of each (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?

☐ 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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OCT 17 1977

U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

CERTIFICATION

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

Edward N. Lucking

Edward N. Lucking

Vice-President, Oil & Gas Administrative Services Co.

Agent for MorOilCo, Inc.

October 17, 1977

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

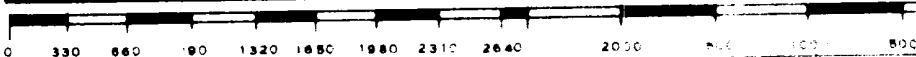
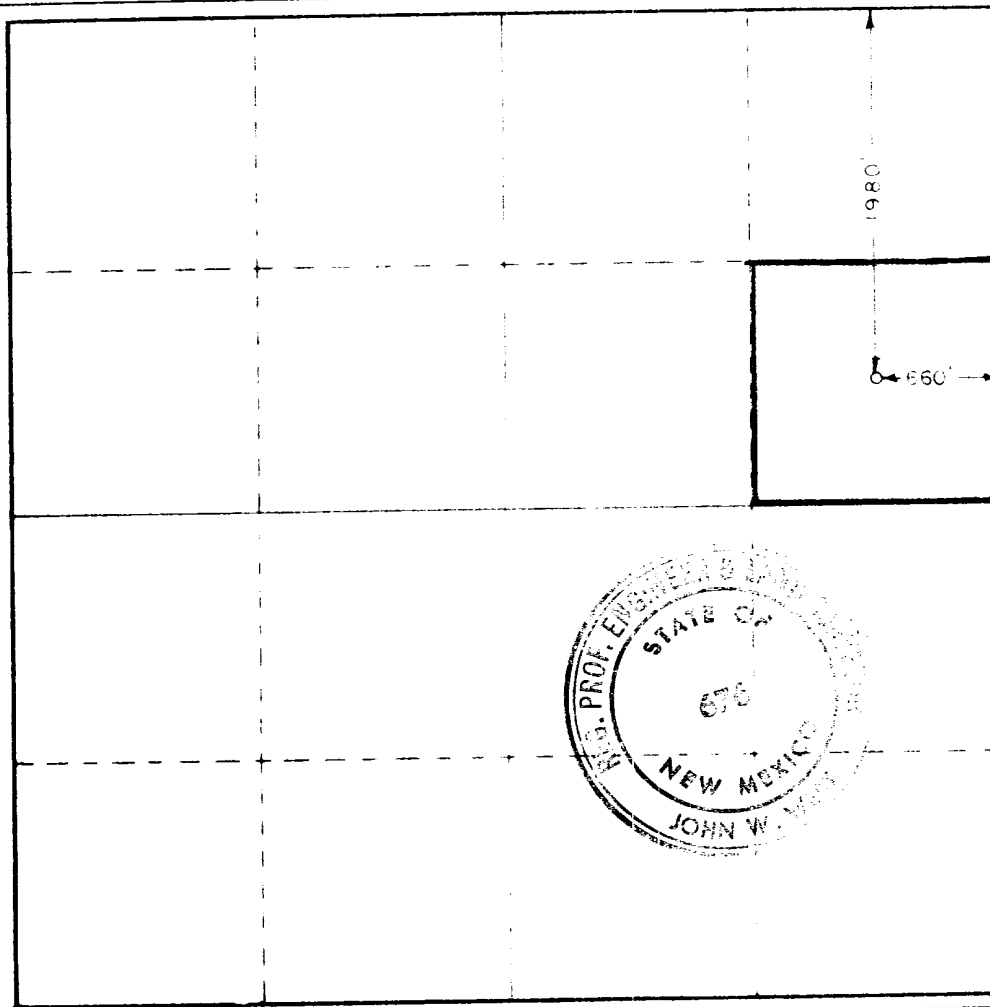
Oct. 17, 1977

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No.

676



APPLICATION FOR DRILLING

MorOilCo, Inc.
Del-Lea Federal No. 1
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well in Section 9, Township 16 South, Range 27 East, Eddy County, New Mexico, MorOilCo, Inc. submits the following ten items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is quaternary alluvium.
2. The estimated tops of geologic markers are as follows:

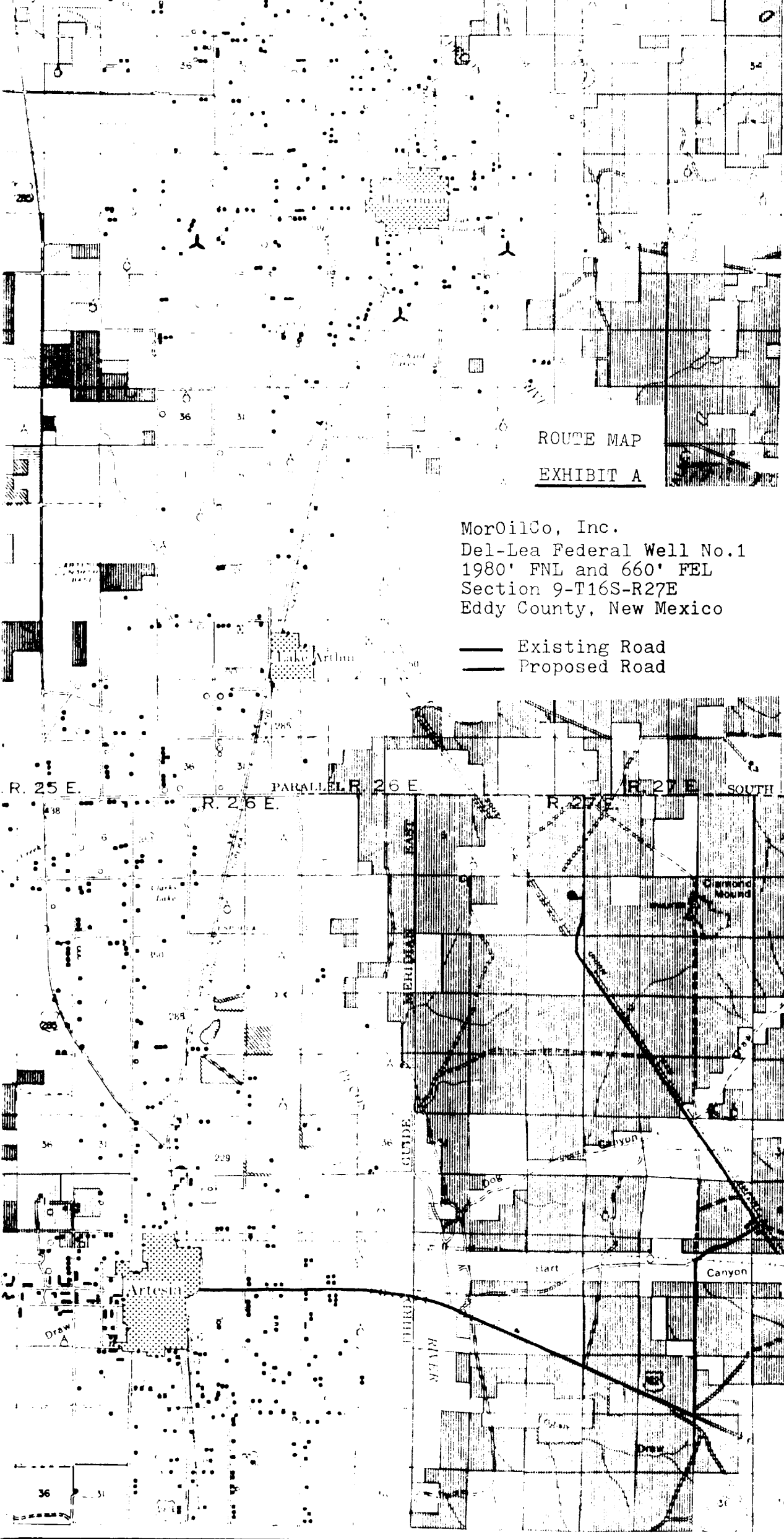
Grayburg	920'
San Andres	1350'
Glorieta	2725'
Abo	4830'
Wolfcamp	6050'
Cisco	6850'
Mississippian	8650'

3. The estimated depths at which anticipated water, oil, or gas formations are expected to be encountered:

Water: Possibly at 200' or above, to depth of approximately 1300' - 1400'.

Oil or Gas: Abo at approximately 4830' to 6050'
Wolfcamp at approximately 6050' to 6850'
Cisco at approximately 6850' to 8650'
Mississippian at approximately 8650' to 8800'

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit F.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: See Exhibit E.
8. Testing, logging, and coring programs: Will run DST's as necessary, and log on completion, to evaluate zones.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: October 21 or 22, 1977.



ROUTE MAP

EXHIBIT A

MorOilCo, Inc.
Del-Lea Federal Well No.1
1980' FNL and 660' FEL
Section 9-T16S-R27E
Eddy County, New Mexico

— Existing Road
— Proposed Road

T. 14 S

T. 15 S

T. 16 S

T. 17 S

WEK DRILLING CO., INC. - Rig 2
BLOWOUT PREVENTER SPECIFICATION

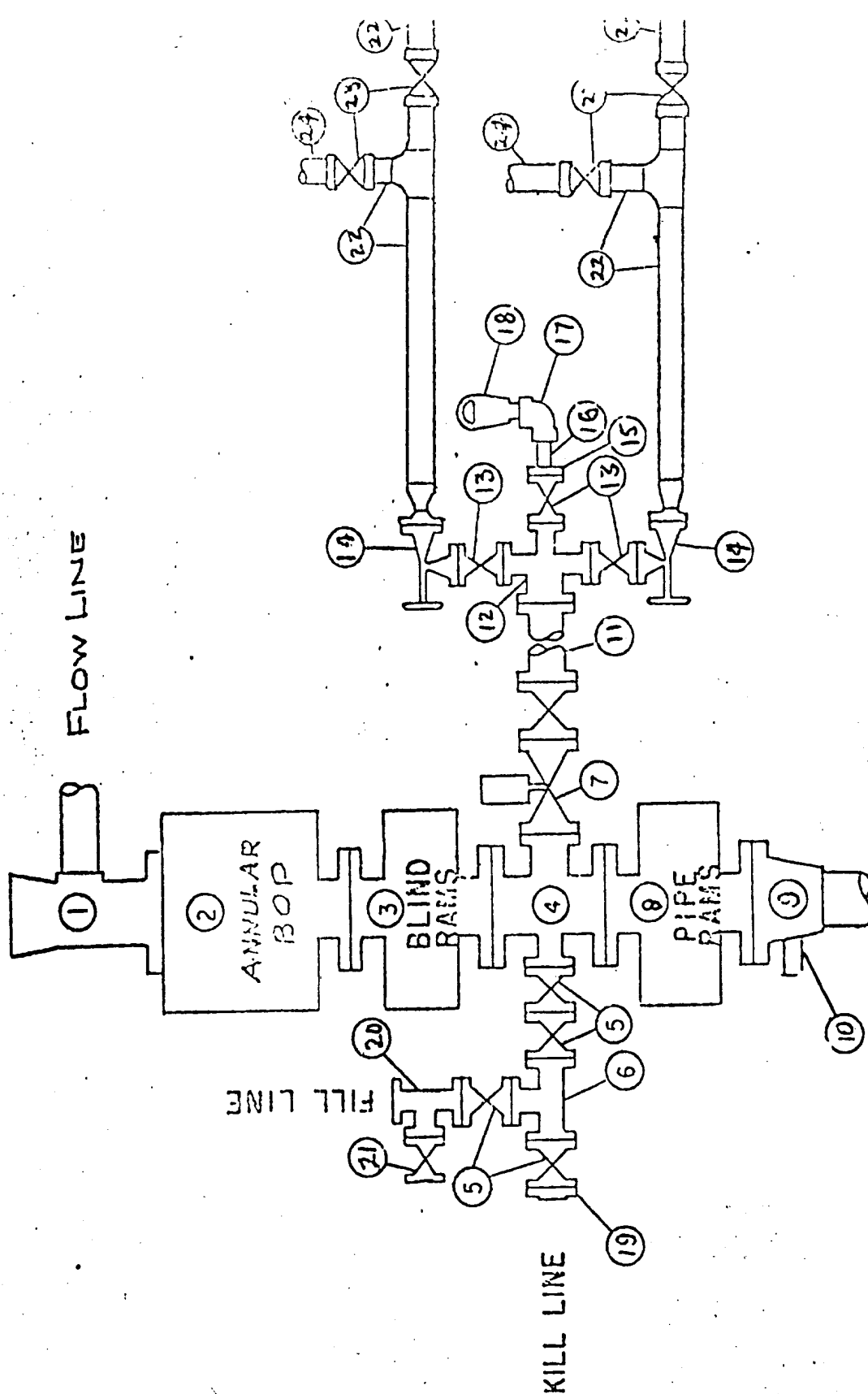


EXHIBIT F

MorOilCo, Inc.
 Del-Lea Federal Well No. 1
 1980' FNL and 660' FEL
 Section 9-T16S-R27E
 Eddy County, New Mexico

10/15/74