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SUBMIT IN 7 - LICATE*
(Other instructions on
reverse side)Copy to 07
Form approved.
Budget Bureau No. 42-R1425.UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

RECEIVED

30-015-72665

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 ☐U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICOMULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Anadarko Production Company

3. ADDRESS OF OPERATOR

P. O. Box 67, Loco Hills, New Mexico 58255

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

At surface

660' FSL & 660' FWL Sec. 28, T-17S, R-30E

At proposed prod. zone Same

Eddy County, New Mexico

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

Approximately 1 1/2 miles South of Loco Hills Townsite

15. DISTANCE FROM PROPOSED*

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

660'

16. NO. OF ACRES IN LEASE

240

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.

1044'

19. PROPOSED DEPTH

3400

20. ROTARY OR CABLE TOOLS

Rotary

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

3619.2 CL

22. APPROX. DATE WORK WILL START*

Oct. - Nov. 1978

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11 "	7-5/8"	26.40#	350	150 sz.
6 1/2"	4-1/2"	10.50#	3400	250 sz.

1. Rig up rotary tools.

2. Drill to approximately 350'; set & circulate or ready-mix cement to surface on 7-5/8" casing. Install & test Series 900 Double Ram Hydraulic Blowout Preventor.

3. Drill to T. D., approximately 3400'; set & cement 4 1/2" casing on T. D.

4. "Run cased hole logs.

5. Perforate, acidize and fracture treat.

6. Run 2-3/8" tubing, rods & bottom hole pump; install pumping equipment & place well on production.

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.

Original Signed by

SIGNED

Jerry T. Buckles

TITLE

Area Supervisor

DATE

June 2, 1978

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

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.



MMOCC CCFY

United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

August 21, 1978

Anadarko Production Company
P. O. Box 67
Loco Hills, New Mexico 88255

ANADARKO PRODUCTION COMPANY Federal S No. 7 660 FSL 660 FWL Sec. 28, T17S, R30E Eddy County Lease No. LC-028936C Above Data Required on Well Sign

Gentlemen:

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 3,400 feet to test the Grayburg 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 LEASE, 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).
5. Notify Survey if water flow is encountered while drilling.

Sincerely yours,

(Orig. Sgd.) ALBERT R. STALL

Albert R. Stall
Acting District Engineer

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-55

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

Operator Anadarko Production Co.			Lease Federal "S"		Well No. 7
Unit Letter "M"	Section 28	Township 17	Range 30	County Eddy	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the West line					
Ground Level Elev. 3619.2	Producing Formation From Union Grayburg		Pool Grayburg - Jackson		Dedicated Acreage: 40 Acres

RECEIVED

JUN 8 1978

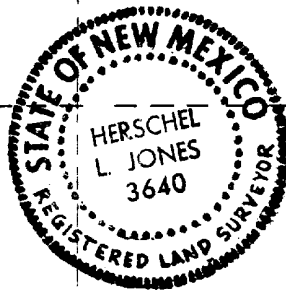
**U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO**

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 (interests to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all leases consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation **See backside for all ownership**

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.

Jerry E. Buckles
Name

Jerry E. Buckles

Position

Area Supervisor

Company

Anadarko Production

Date

April 23, 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

April 25, 1978

Registered Professional Engineer and/or Land Surveyor

[Signature]

Anadarko Production Company .803125 WI

F. J. Weller .009375 WI

Weller Newmex .187500 WI

Anadarko
PRODUCTION COMPANY

A
Panhandle
Eastern
Company

P. O. Box 67 • Loco Hills, New Mexico 88255 • (505) 677 2411

June 3, 1978

United States Geological Survey
P. O. Drawer U
Artesia, New Mexico 88210

Gentlemen:

Following is the "Surface Use and Operation Plan" for the drilling of Anadarko Production Company's Federal S Well No. 7 located 660' FS & WLs Section 28, T-17S, R-30E, Eddy County, New Mexico.

1. Existing Roads - A small scale map is attached (Exhibit #1). It shows the location of this well in relation to Loco Hills, New Mexico, Townsite.

A larger scale map (Exhibit #2) shows County Road #139 in blue. The existing caliche roads are shown in orange.

2. Planned Access Roads - The black dashed lines on (Exhibit #2) are proposed roads which will be needed to drill Federal S Well No. 7 and Federal N Well No. 2. Separate "Surface Use and Operation Plans" are being filed in regard to these wells.

The purple dashed line (Exhibit #2) shows the portion of planned access road that needs to be credited to this particular well.

There will be no fence to cut or cattleguard to set.

3. Location of Existing Wells - All existing wells on lease are indicated on enclosed map (Exhibit #2).

There are no exploratory wells being drilled within a two mile radius.

4. Location of Tank Batteries, Production Facilities and Lines - Tank battery is indicated on Exhibit #2. It is an existing tank battery that will be utilized. The existing flowlines are shown as solid blue lines. The proposed lines are shown as a dashed blue line and a dashed green line. The dashed blue line is the portion that will service this well. The dashed green line will service Fed. S #8 which is being applied for under another drilling application.

5. Location and Type of Water Supply - Fresh water to be used at drilling site will be furnished by two sources: (1) A fresh water tap will be installed near the center of Sec. 29 ($\frac{1}{2}$ mile West of drill site) and a temporary plastic water line will be used and (2) the remainder will be supplied by I & W Trucking Company of Loco Hills and will be hauled from Double Eagle Water Company taps in the Loco Hills Area.

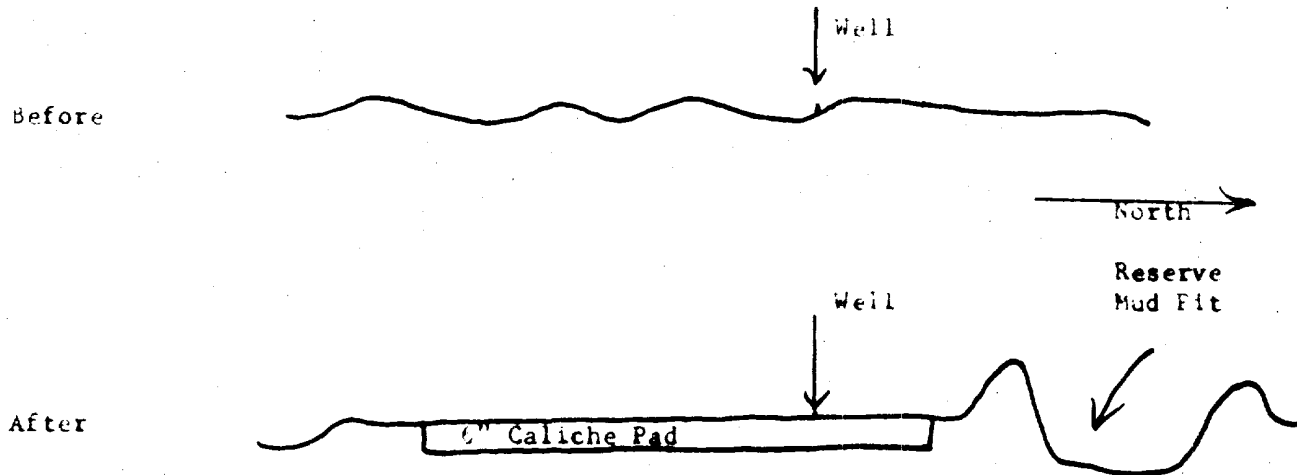
6. Source of Construction Material - Primary source of caliche will be the reserve pit area of the new drilling location. Alternate source will be an existing caliche pit located approximately one mile North of the drilling location and shown on Exhibit #2 in green. Location of this pit is SE/4 of SW/4 Sec. 21, T-17S, R-30E.

7. Methods for handling Waste Disposal - Enclosed drill site plat (Exhibit #4) indicates location of drilling pits, reserve pit and a rubbish pit. After sufficient time has passed to allow drilling fluids to dry, all pits will be closed and leveled. The rubbish pit adjacent to drilling site will be deep enough to contain all rubbish when covered and leveled.

8. Ancillary Facilities - There are no camps or airstrips planned.

9. Well Site Layout - Well site (Exhibit #4) has been staked and is indicated by red area on enclosed maps (Exhibits #1 & #2). Drilling site is a sandy area covered by sparse native vegetation. Drilling pad will be 6" of caliche measuring 130' East, 120' West, 30' North & 110' South. Drilling pad will blend with terrain since the topography is relatively flat.

Cross Section - Before & After - is shown below:



10. Plans for Restoration of Surface - Commercial Well

Reshaped Topography - Rubbish will be buried upon completion of drilling operations. All future trash will be removed by the individual generating same.
Caliche Pad - Caliche drilling pad will remain intact until well is abandoned.
Road - The road specifically built for this well will remain intact as long as this well or Federal N #2 are producing.
Timetable - The well should produce for several years.

Plans for Restoration of Surface - Plugged and Abandoned Well

Surface will be restored in accordance with all regulations in effect at the time of abandonment.

11. Other Information - Topography is generally flat, surrounded by small sand dunes.

Soil Characteristics - Unconsolidated sand.

Flora - Sparse grass and weeds.

Fauna - Rabbits, rats, mice, birds and snakes.

Other Surface Use Activities - Leased grazing land.

Surface Ownership - Federal Land.

Water Wells - None.

Lakes, Streams and Ponds - None located within 3 or 4 miles.

Dwellings - None

Other Facilities - None.

Archaeological Sites - None.

Historical Sites - None.

Cultural Sites - None.

12. Operator's Representative - Gale Fairis, Field Foreman for Anadarko Production Company.

- Office Phone - 677-2411
- Home Phone - 677-3230

13. Certification - I hereby certify that I, or persons under my direct supervision, have inspected the proposed drilling site 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 Sweatt Construction Company or Jabo Rowland Construction Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

June 3, 1978
Date


Jerry E. Buckles

Area Supervisor
Title

R-29E R-30E

R-30E

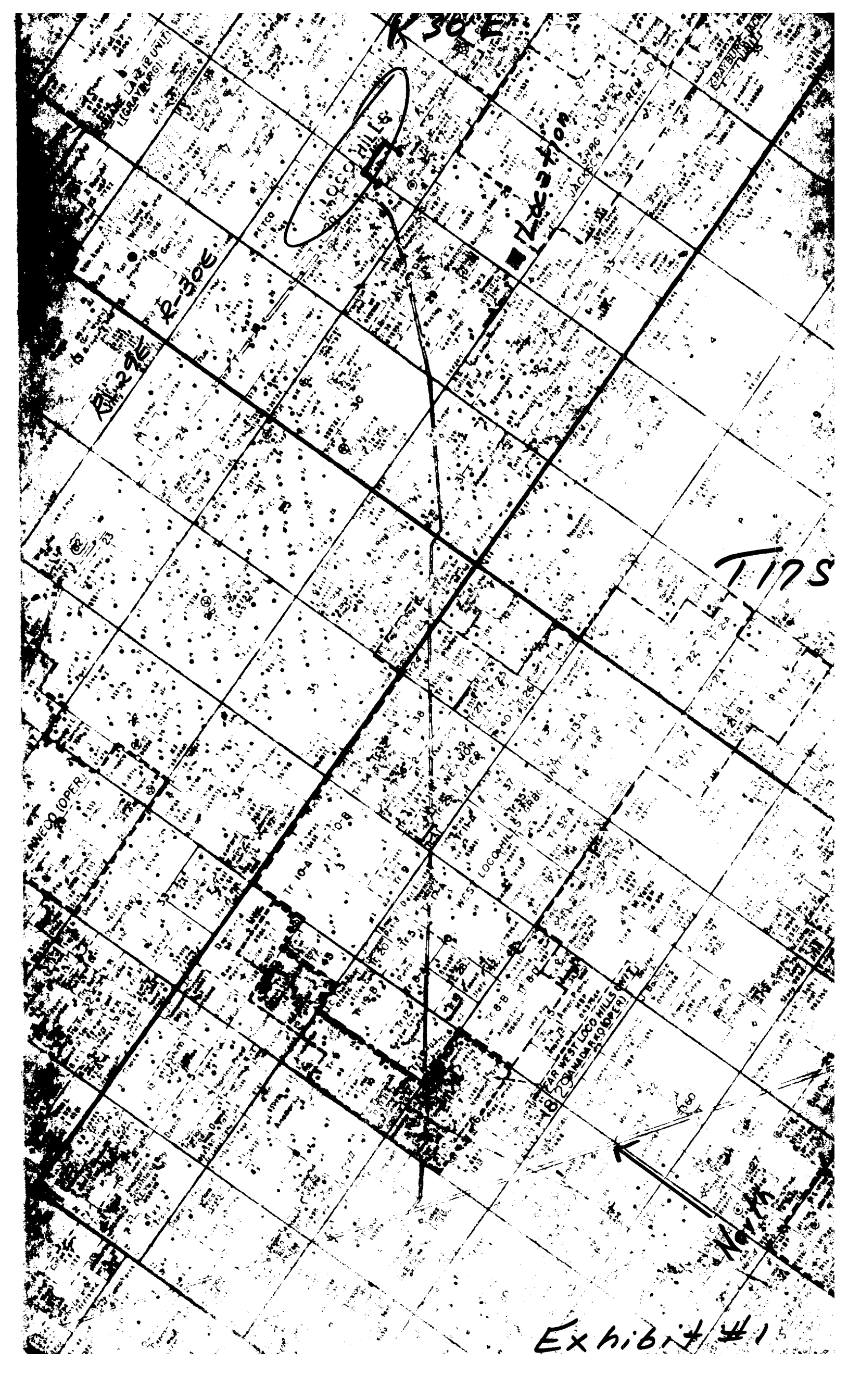
LOCO MILLS

Location

T17S

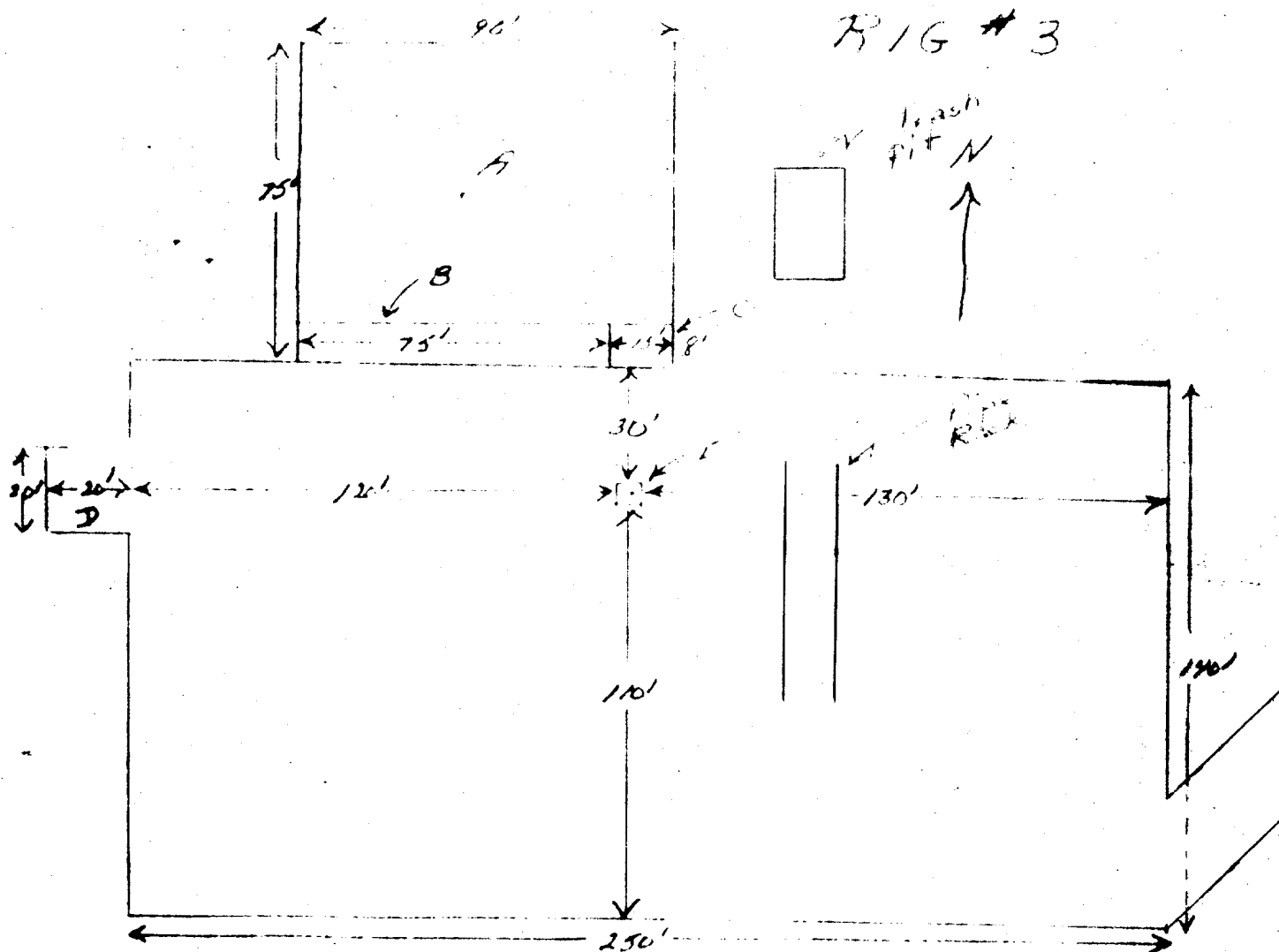
Exhibit #1

North



HARD SURFACE ROAD
 CALICHE LEASE ROADS
 Exhibit # 2
 TANK BATTERY
 LOCOS HILLS
 FED. S
 Anadarko
 Beeson
 General American
 Maddren
 Federal "S"
 Federal "T"
 Federal "N"
 Federal "K"
 Federal "EX"
 Sinclair
 Beeson "A"
 Gen. Amer. "A"
 Beeson "A"
 Gen. Amer.
 Maddren "E"
 General American
 Beeson "B"
 General American
 Beeson "C"
 Anadarko
 Gull
 Newmont
 Tollmadge
 Taylor
 Cuccia

Exhibit # 2



- A - RESERVE PIT D - STINGER
 B - MUD PIT E - CELLAR 5'x5'x5'
 C - SHAFT PIT

This rig equipped with Shaffer Type E 10" Series 900 BOP with 4" Blind Rams, kill line and choke manifold. Koomey Hydraulic Controls and Accumulator with remote controls.

ANADARKO PRODUCTION COMPANY
 Federal S Well. No. 7

Exhibit #4

DATA SHEET

This data sheet is provided in reference to the attached "Application for Permit to Drill" Anadarko's:

Federal S. Well #7

1. Location: 650' FSL & 650' FWL Sec. 25, T-17S, R-30E, Eddy County, New Mexico
2. Elevation: 3619.2 C. L.
3. Geological Name of Surface Formation: Triassic - Doakum (Santa Rosa)
4. Type of Drilling Tools to be Utilized: Rotary Tools
5. Proposed Drilling Depth: 3400'
6. Tops of Important Geological Markers:

T. Salt	590'	7-Rivers	1810'
B. Salt	1140'	Queen	2345'
Tansill	1215'	Grayburg	2730'
Yates	1325'	San Andres	3140'

7. Estimated Depth of Anticipated Water, Oil or Gas:

Oil - 1920-30, 2820-3140

8. Casing Program:

7-5/8" - 26.40#, N-80, Cond. B
4-1/2" - 10.50#, K-55, New

9. Setting Depth of Casing:

7-5/8" - 350' - 150 sx Class H w/2% CaCL
4-1/2" - 3400' - 250 sx Class H w/.2 of 1% CFR-2, 5# Salt, 10# Sand/sx

10. Specifications for Pressure Control Equipment (See Attached Schematic):

WEK Drilling Rig #3 is equipped with Shaffer Type E 10" Series 900 BOP with 4" Blind Rams, kill line and choke manifold. Koomey Hydraulic Controls and Accumulator with remote controls. When nipping up, test BOP and Choke to 1500 psi. Operate BOP equipment once a day, or as directed by Company Representative.

11. Mud Program:

Drill with Fresh Water Native Mud to within 200' of T. D. Jell will be added at this point to increase viscosity and clean hole prior to running casing.

12. Testing, Logging & Coring Program:

- a. Testing: No drill stem tests will be made.
- b. Coring: No coring planned.
- c. Logging: Run Gamma Ray/Compensated Neutron Log after 4 1/2" pipe is set.

13. Potential Hazards:

None are expected. Above described BOP should take care of any blowout problems. Numerous wells have been drilled in this area without problems.

14. Anticipated Starting Date & Duration:

Plan to begin drilling operations approximately Oct. or Nov. 1978 (possibly earlier if permits are approved promptly).
Approximately 10 days required to drill well and 2 weeks for completion.

Other Notes:

There is a chance that W E K Rig #2 will drill this well; it is equipped with pressure Control Equipment. The rig layout might be slightly different.