30-015-24286

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE	1	
FILE	1	1
U.S.G.S.	2	
LAND OFFICE	1	
OPERATOR	1	

RECEIVED
OCT 1 1982
O. C. D.
ARTESIA, OFFICE

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease: STATE [X] FEE [ ]

5. State Oil & Gas Lease No.: E-741

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. Type of Well
OIL WELL [ ] GAS WELL [X] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. Unit Agreement Name:

8. Farm or Lease Name: State 741 Comm.

2. Name of Operator: General American Oil Company of Texas

9. Well No.: #1

3. Address of Operator: P.O. Box 128 Loco Hills, New Mexico 88255

10. Field and Pool, or Wildcat: South Empire Morrow

4. Location of Well: UNIT LETTER B LOCATED 990 FEET FROM THE North LINE AND 1980' FEET FROM THE East LINE OF SEC. 7 TWP. 17-S RGE. 29-E NMPM

12. County: Eddy

19. Proposed Depth	19A. Formation	20. Rotary or C.T.
10,650'	Morrow	Rotary

21. Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond	21B. Drilling Contractor	22. Approx. Date Work will start
3687.8 GL	Blanket	Possible - W.E.K.	October 15, 1982

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/4" OD	H-40 48#	375'	Circulated	
11"	8-5/8" OD	K-55 32#	2,675'	700 sacks	
7-7/8"	5-1/2" OD	K-55 15.5# / N-80 17#	10,650'	350 sacks	

We propose to drill this well to 10,650' and complete in the Morrow formation.

All zones indicating porosity will be acidized or sand fraced. GAS NOT DEDICATED.

MUD PROGRAM

Interval	Type Mud	Weight	Viscosity	Water Loss
0' - 375'	Fresh Water	8.4 - 8.6	30 - 32	NC
375' - 2,675'	Salt Water	8.8 - 9.0	28 - 30	NC
2,675' - 7,000'	Fresh Water	8.4 - 8.6	28 - 30	NC
7,000' - 9,600'	KCL Fluid	8.6 - 9.3	30 - 36	10 - 15 cc
9,600' - T.D.	KCL & Drispac	9.4 - 9.9	33 - 36	4 - 6 cc

EXXON PORTION - 120.00 A. 41%
GAOC PORTION - 172.32 A. 59%
TOTAL 292.32 A.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 4-5-83
UNLESS DRILLING UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Rondell N. Hawkins Title Field Superintendent Date September 30, 1982

(This space for State Use)

APPROVED BY Mike Williams TITLE OIL AND GAS INSPECTOR DATE OCT 5 1982

CONDITIONS OF APPROVAL, IF ANY:

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	Lease	Well No.
General American Oil Co. of Texas	State 741 Comm.	1

Unit Letter	Section	Township	Range	County
B	7	17S	29E	Eddy County

Actual Footage Location of Well			
990 feet from the North line and	1980 feet from the East		

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage
3687.8	Morrow	South Empire Morrow	292.32 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

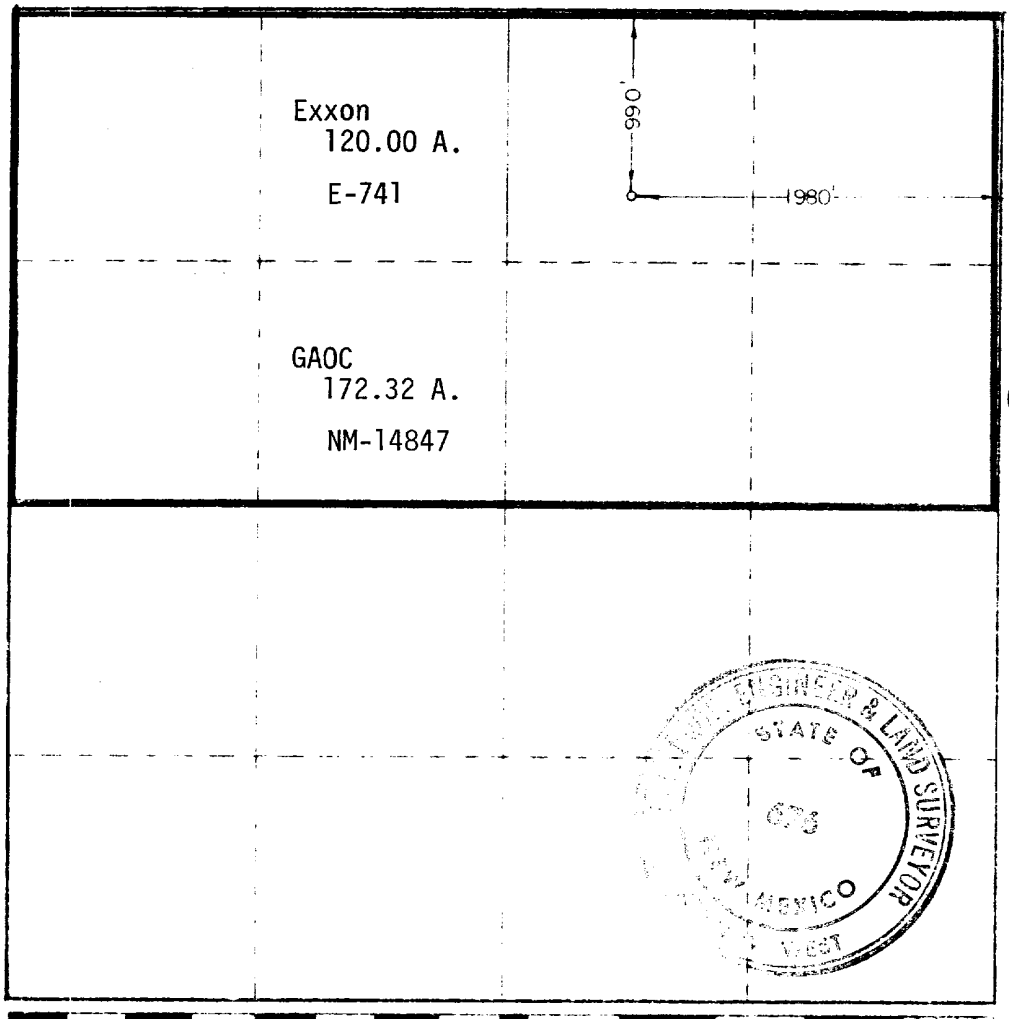
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty) Exxon 41% GAOC 59%

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.



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500

CERTIFICATION

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

Name: Lendell N. Hawkins

Position: Field Superintendent

Company: General American Oil Co. of Texas

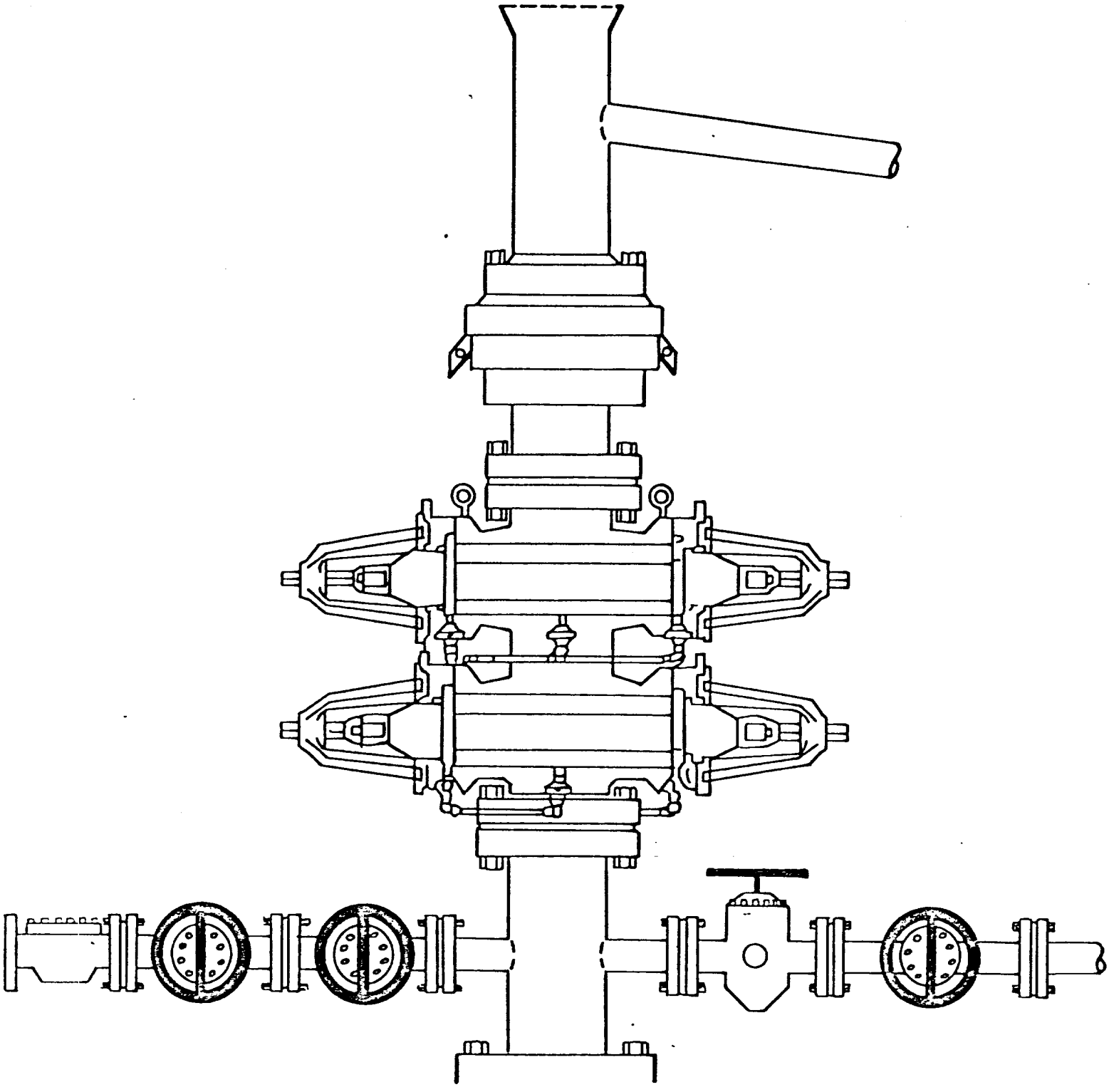
Date: September 30, 1982

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: 06/03/82

Registered Professional Engineer and/or Land Surveyor

Certificate No. JOHN W. WEST 676
PATRICK A. ROMERO 6668
Ronald J. Eidson 3239



BLOWOUT PREVENTION EQUIPMENT

ONE SHAFFER LWS HYDRAULIC DOUBLE 10" x 1500 SERIES. ONE SHAFFER SPHERICAL 10" x 1500 SERIES, CHOKE MANIFOLD 4" x 1500 SERIES FLANGED CONNECTIONS. PAYNE 4 VALVE ACCUMULATOR CLOSING UNIT.

DRILLING PROGNOSIS

~~GREEN "B" #14~~
SOUTH EMPIRE MORROW
EDDY COUNTY, NEW MEXICO

I. OBJECTIVE: Drill a 10,650' offset North of General American Oil Company of Texas ~~Green "B"~~ #11 completed in the Morrow Sand.

II. LOCATION:

A. 990' FNL and 1980' FEL of Section 7, Township 17-South, Range 29-East, Eddy County, New Mexico.

B. Elevations: Ground Level: 3687.8'.

III. BUDGET CLASSIFICATION: Developmental.

IV. PROJECTED TOTAL DEPTH, HOLE SIZE, SLOPE TEST, AND DRILL PIPE MEASUREMENTS:

A. 17-1/2" hole to 375' (To accomodate 13-3/8" OD Surface Casing).
B. 11" hole to 2675' (To accomodate 8-5/8" OD Intermediate Casing).
C. 7-7/8" hole to 10,650' into the top of the Mississippian Formation.
D. Estimated drilling time: 60 days.
E. Run Slope Test at each bit trip or 500' drilling interval or as directed by Company Representative.
F. Drill pipe should be strapped out of hole before all cores, drill stem tests or logging.

V. DRILLING CONTRACT:

A. Contractor: W.E.K. Drilling or Landis
B. Type Contract: Footage.
C. Contract Depth: 11,000'.

VI. MUD PROGRAM:

Interval	Type Mud	Weight	Viscosity	Water Loss
0' - 375'	Fresh Water	8.4 - 8.6	30 - 32	NC
375' - 2,675'	Salt Water	8.8 - 9.0	28 - 30	NC
2,675' - 7,000'	Fresh Water	8.4 - 8.6	28 - 30	NC
7,000' - 9,600'	KCL Fluid	8.6 - 9.3	30 - 36	10 - 15 cc
9,600' - T.D.	KCL & Drispac	9.4 - 9.9	33 - 36	4 - 6 cc

Mud characteristics will be measured at the beginning of each tour or as directed by Company Representative and recorded on the Driller's Log. Contractor will record all mud additives on Driller's Log for each tour. Hole will be kept full on all trips, making certain hole takes proper amount of fluid.

VII. ESTIMATED GEOLOGICAL TOPS:

Tops	Vertical Depth	Subsea Depth
A. Seven Rivers	1,025'	+ 2,681'
B. San Andres	2,400'	+ 1,306'
C. Abo	5,880'	- 2,174'
D. Wolfcamp	7,100'	- 3,394'
E. Cisco	8,760'	- 5,054'
F. Canyon	9,400'	- 5,694'
G. Strawn	9,790'	- 6,084'
H. Atoka	9,950'	- 6,244'
I. Morrow	10,126'	- 6,420'
J. Morrow Pay	10,400'	- 6,694'
K. Chester (Unconformity)	10,561'	- 6,855'
L. T. D.	10,650'	- 6,944'

VIII. SAMPLES:

A. Samples from 6,000' to T.D. or as directed by Company Representative.

IX. CORES AND DRILL STEM TEST:

A. Cores — None proposed.

B. Possible six drill stem tests to be run in Lower Abo, Wolfcamp, Cisco, Strawn, Atoka and Morrow. All tests are to be run with tandem packers, safety joint, hydraulic jars and bumper sub. One quart samples of fluid recovered are to be taken: one at top, middle and bottom of fluid column. A portion of the bottom sample is to be submitted to Logging Company for determination of R_w prior to logging. One probable run of an R.F.T. tool through Morrow.

X. LOGS:

A. Mud logging unit from 6,000' to T.D.

B. Wireline

First Run:	Interval
GR-SNP	375' - 2,675'
Second Run:	
GR-DIL and GR-CNL-FDC	2,675' - T.D.

Scales

Gamma ray	0 to 100
SNP/CDL/CNL	30% to -10%
DLL/MSFL	.02 to 2000

Presentation

First Run:	
- SNP/GR/Caliper	5" per 100'
- LL3/GR/Caliper	5" per 100'
Second Run:	
- DLL/MSFL/GR	2" and 5" per 100'
- CDL/CNL/Gr/Caliper	2" and 5" per 100'

XI. CASING PROGRAM:

A. Surface: 13-3/8" OD, H-40, 48#, Range 3 ST&C new casing to be set 350'-375' when top of salt is encountered and cemented with 325 sacks of Class "C" cement with 1/4# Flocel and 2% CaCl. If necessary fill from top with redi mix to meet State requirements if cement does not circulate. Casing attachments: Guide shoe and one centralizer on shoe joint. Howco weld shoe and first collar, and tack weld top of shoe and bottom of first collar. WOC time: 18 hours. Install casing flange and pressure test casing and BOP's to 600#. Note: On all cementing jobs (surface, intermediate and long string) catch 1 sample of each type cement used and water used for mixing. Save samples for analysis in case cement does not set properly. Watch for salt while drilling surface hole.

B. Intermediate: 8-5/8" OD, K-55, 32#, Range 3 ST&C new casing to set at 2675' with a tail slurry of Class "H" cement with 5# salt, 10# sand, 1/2 of 1% CFR-2 and 1/4# Flocel per sack sufficient to cover the Red Sand, preceded by filler type cement. Casing attachments: Float shoe with insert float in first collar from bottom, 5 centralizers approximately 160' apart from 2675' to 2075' across Grayburg and San Andres zones. Howco weld and tack weld shoe and first collar. Hang weight of casing, as indicated on rig weight indicator at end of cement job on slips prior to cutting off casing. Reciprocate casing while cementing. Install casing spool. Nipple up BOP and test to 1000#. BOP's to be tested by independent testing company (Yellow Jacket) to the BOP's rated working pressure of 5000 psig prior to drilling into Wolfcamp formation. Be sure casing valve below BOP is open so casing is not pressured above its burst pressure during yellow jacket test.

C. Production String:

0' - 1,500'	17.0#	N-80	LT&C
1,500' - 2,500'	17.0#	K-55	LT&C
2,500' - 6,000'	15.5#	K-55	LT&C
6,000' - 7,900'	17.0#	K-55	LT&C
7,900' -10,650'	17.0#	N-80	LT&C

If casing is run shallower, casing design will be changed to effect savings accordingly.

Production string will be cemented with sufficient Class "H" cement to cover all zones of interest. Casing attachments: float shoe, float collar between first and second joint, centralizers in sufficient qunatity to assure a good cement job over zones of interest. Tack weld top of shoe and bottom of first collar. Howco weld first collar. Reciprocate casing while cementing. Note — cement smapling requirements in (A) above. Bump plug. Pressure test to 2500 psi using fresh water to displace plug and check float. If float holds, release pressure and shut in casing. If float continues to hold but pressure increases because of expansion from heat, maintain maximum surface pressure of 100 psi for eight hours. If float does not hold, maintain final circulating pressure for eight hours, bleeding off to this pressure if necessary. After checking float, drain BOP and fill with fresh water. Close pipe rams on casing. Do not move casing during required WOC time. Hang weight of casing on slips prior to cutting off casing.

XII. SAFETY PROGRAM:

The safety program will conform to the attached notice from the United State Geological Survey. In addition, the accumulator pressure is to be noted to the driller on the tour sheet at some time during each tour. B.O.P.E. will be tested at least once a week to insure proper working condition.

XIII. THIRD PARTY SERVICES:

A. Drilling Contractor: W.E.K. Drilling or Landis
B. Mud Company: Marrs, DMI or IMCO
C. Cementing Company: Halliburton or Western
D. Logging Company: Dresser-Atlas or Schlumberger
E. Stimulation Service: Halliburton or Western

mjc

SUBMITTED BY: Randall N. Hawkins

DATE: June 24, 1982

APPROVED BY: _____

DATE: _____