

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address McKay Oil and Gas LLC P. O. Box 14738, Albuquerque, NM 87191		² OGRID Number 010715
³ Property Code 35678	⁵ Property Name Kelly	⁴ API Number 30-045-35729
⁹ Proposed Pool 1 71629 - Basin Fruitland Coal		⁶ Well No. 1
¹⁰ Proposed Pool 2		

⁷ Surface Location

UL or lot no. F	Section 1	Township 30N	Range 12W	Lot Idn	Feet from the 1925	North/South line North	Feet from the 1675	East/West line West	County San Juan
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⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 5824'
¹⁶ Multiple No	¹⁷ Proposed Depth 2380'	¹⁸ Formation Fruitland Coal	¹⁹ Contractor Unknown	²⁰ Spud Date As soon as permitted
Depth to Groundwater > 100'		Distance from nearest fresh water well > 1000'		Distance from nearest surface water 7200' < 1000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 2700 bbls Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				
Closed-Loop System <input type="checkbox"/>				

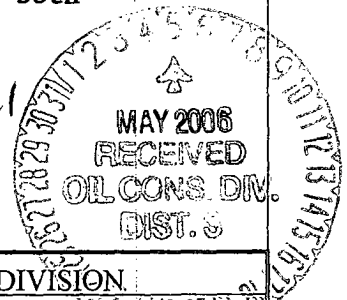
²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
8 3/4"	7"	20#	120'	50sx (59cf) B	Surface
6 1/4"	4 1/2"	10.5#	2380'	300sx(530cf) B	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

A 2000 psi blowout prevention system will be used, consisting of both blind and pipe rams.

HOLD C104 FOR Change in status to the Manna #1
for the Fruitland coal pool approval



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: Dana L. Delventhal		Approved by:	
Title: Agent		Title: DEPUTY OIL & GAS INSPECTOR, DIST. 3	
E-mail Address: ddelventhal@qwest.net		Approval Date: MAY 05 2006 Expiration Date: MAY 05 2007	
Date: 05/03/06	Phone: (505) 326-4125	Conditions of Approval Attached <input type="checkbox"/>	

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-33729	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 35678	⁵ Property Name KELLY	⁶ Well Number 1
⁷ OGRID No. 010715	⁸ Operator Name MCKAY OIL AND GAS LLC	⁹ Elevation 5824

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	1	30-N	12-W		1925	NORTH	1675	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 317.84 320	¹³ Joint or Infill J		¹⁴ Consolidation Code C		¹⁵ Order No.				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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FD 3 1/4" BC S 89°24'55" E 1951 BLM 2646.50' (M)	LOT 4	LOT 3	LOT 2	LOT 1
S 01°58'04" E 2621.50' (M)	Fee	1925'	NMSF 077482	
1675'			LOT 5 38.64	
			LAT: 36.84313° N. (NAD 83) LONG: 108.05306° W. (NAD 83)	
FD 3 1/4" BC 1999 BLM			LOT 6 39.03	
			LOT 7 38.43	LOT 8 37.89

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Dana J. Delventhal

05/03/06

Signature

Date

Dana L. Delventhal
Printed Name

18 SURVEYOR CERTIFICATION

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 belief.

MARCH 2006
Date of Survey
Signature and Seal of Professional Surveyor:

Certificate Number

108.06667° W

108.05000° W

WGS84 108.03333° W

36.86667° N

36.86667° N

36.85000° N

36.85000° N

36.83333° N

36.83333° N

McKAY OIL AND GAS LLC

KELLY No. 1

1925 FNL 1675 FWL

SEC. 1, T-30-N, R-12-W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

KELLY No. 1

LAT: 36.84313 N (NAD 83)

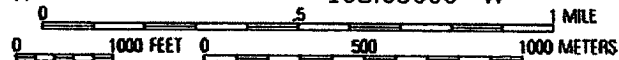
LONG: 108.05306 W (NAD 83)

NO NEW ACCESS

108.06667° W

108.05000° W

WGS84 108.03333° W



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