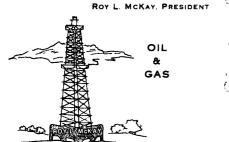
McKay Oil Corporation



HOME OFFICE, P.O. BOX 2014 ROSWELL, N.M. 88202 • TELEPHONE 505/623-4735 (DFW) OFFICE FIRST CITY TOWER, SUITE 590 (JAN 201 É. ABRAM ARLINGTON, TX 76010 817-265-5515

December 31, 1986

Oil Conservation Division New Mexico State Land Office P.O. Box 2088 Santa Fe, New Mexico 87501

Attention: Dave Catanach

RE: Pierce Federal #4 W/2 Sec. 3-6S-22E Chaves County, New Mexico

Gentlemen:

McKay Oil Corporation desires to drill a Federal lease in the W/2 of Section 3, Township 6 South, Range 22 East, NMPM. (See Attachment "A) Due to variation in legal subdivision of the U.S. Public Land Surveys, McKay Oil is requesting a Non-Standard Gas Unit of 135.93 acres.

The well has been staked at 660' feet from the West line and 660' feet from the South line, which has been approved by the BLM and the Eastern New Mexico Archological Service. (See Attachment " B")

Therefore, pursuant to Rule 104 D (II) of the State of New Mexico Oil Conservation Division Rules and Regulations, McKay Oil Corporation request that this Non-Standared Gas Unit be approved.

Thank you for your cooperation and assistance in this matter.

Very truly yours,

MCKAY OIL CORPORATION

James L. Schultz Contracts & Land

enclosures

LEASES

PRODUCTION

INVESTMENTS

	S Prantom effet	28	State	Interco 1	0 53 07	"Inexco State"		50 m ~ m	8	5.0	wa weknight	o for the state	Seerch Off Long	45) I	50
20 Street	U.3. U.3. U.5.	29	u.S.	Intecco 1 1 68 1 2 3555 505 11 BKCO Statell	- 32 -	0 5'o't		Memorial Exp		MICRUE - FG	22 ≎ Trij	"Snakewoed Federal"	McKay Qi Horay Qi Horay Ci Horay Ci Hor	Attachment A	$ \begin{array}{c c} \mathcal{M} \mathbf{E} (\mathbf{u}_{\alpha_{1}} \widehat{\mathbf{O}}) & \mathbf{M} \mathbf{e} (\mathbf{u}_{1}) \\ \mathcal{M} \mathbf{e} (\mathbf{u}_{1}) & \mathbf{e} (\mathbf{u}_{1}) \\ \mathcal{M} \mathbf{e} (\mathbf{u}_{1}) \\ $
edera1" 9	U 5 U 5 00 - 5 / 5 / 5 / 5 / 5 / 5 / 5 / 5 / 5 / 5	- 92 	L S. L.Marse	Tote Per 1.1.91 2.1 2.1 2.1 2.1 2.1 2.1 2.1 2.	31	tre Tre	A Contraction of the sector of	"reveo 8.1.66 32366 0 "L L & E Federal"		N. Koa D. N. Koa D. N. Sarta		"Hosmer Federal"	McKay Ol KcKay 30 5 1 51 00	Att	S FourMile Drow Fed 20
8	2 2 0 7 10 2 2 0 7 13 1 600	25 °F	In excore	r b	3%.	State	L L L L L L L L L L L L L L L L L L L	Makey Oll - Makey - Makey - Makey		t sort i su la contra de la con	<u>4</u>	A Rumie Day R.	Verbay Gil	55 55 56 56 56 56 56 56 56 56 56 56 56 5	Ter Sever Mie Dran Sev
		5.0	13	C.T	1-						8	dim		25.	a second
23 ederal"	U.S. Markou Oit	3.73	S n S n	A Lyay OIL	35	"Eppers Federal" v S.	Federal Trobad Oil		01470.14	McKaq (1) McKaq (1) McKaq (1)		5. Fourmer District E	1	(3) (2)	Se fournite Runs Runskersen - Danisten Runskersen - Bag Runsker - Just Runskersen - Bag Runskersen - Bag Runskersen - Bag Runskersen -
22 23 23 Rudoed Federal"	U.S. U.S. U.S. U.S. U.S. U.S. U.S. U.S.	27 26 3. 7	s	McKay 01	34 (@ \temeratication	Leopers Free Free Free Free Free Free Free F	Stelling Oil		01470.14	to	0- 19-19-19-19-19-19-19-19-19-19-19-19-19-1	Mess Pri Mess Pri Tabach St Tabach St Tabach St Fourmie Ditavine E	Nickay 0: 0 bi	21 . 22 "South Four ₇ 7	Sector Feature
"Rucood Faderal"	U.S. NIGOU FOR A	27 26 3- 24	s.u gaa			Leopers Free Free Free Free Free Free Free F	ay or 1 + + + + + + + + + + + + + + + + + +	On *McHau Critic McHau Orl	01470.14	"Lookout Federal" "Lookout Mrss Mckau (1) Mckau (1) Mckau (1)	15 15 15	Jun Archinght Meso Pet Archine Converse C	A Line Contraction of	- 22 - 22 - 9	Free Participation Provided Pr

.

ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Form C-102 Revised 10-1-78

All distances must	he	liom	the	04107	heunderles	rf	the	Section.

4323 ABO W. Pecos Slope AbO 135. 1. Outline the acrenge dedicated to the subject well by colored pencil or hachure marks on the plat bel 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (boi interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owner dated by communitization, force-pooling, etc?	•11 No. #4		deral	Pierce F	Lease			oration	Corpo	McKay Oi	
Actual Fostops Lecture at Veilt Evel from the South ins and 660 tree from the West ince 660 tree from the South ABO 4323 ABO 4323 ABO 4323 ABO 1. Outline the acreage dedicated to the subject well by colored pencil or hackure marks on the plat bel interest and royalty). 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (bot interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owner dated by communitization, force-pooling, etc? Yes No If answer is "no." list the owners and tract descriptions which have actually been consolidated. (Use this form if necessary.) No allowable will be assigned to the well until all interests have been consolidated (by communitizati forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved Name Sam L. Shackelf Sam L. Shackelf Position Agent Coopsany McKay 011 Corp. Date It hereby certify that it is true at our other programments It hereby certify that it is true at our our our our or opervision, is true at our our our owned and corect in the platents			County	19 0	Ra)	Township	00	Secti	Unit Letter	
Secture 7 costope Location at Veilt Ever tree into South Into and 660 tree trees the Veilt 660 tree trees the Veilt Present Low Present Low Dedicated , 135, 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat bel interest and royalty). 10 If more than one lease is dedicated to the well, outline each and identify the ownership thereof (bot interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owner dated by communitization, unitization, force-pooling, etc? If answer is "no." list the owners and tract descriptions which have actually been consolidated. (Use this form if necessary). No allowable will be assigned to the well until all interests have been consolidated (by communitizati forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved Name Sam L. Shackelf Paction Agent Coopsary McKay 011 Corp. Date It hereby certify that it show a corect is not have for a fine poweries or other hard or it is proveries on consolidated to the poweries or other hard or other ha			res	Chav	2 East	2	outh	6 So		.3	
Second Level Live: Producing Fermation ABO Peel W. Pecos Slope Abo Dedicates [135] 1. Outline the accreage dedicated to the subject well by colored pencil or hachure marks on the plat bel interest and royalty). 11 more than one lease is dedicated to the well, outline each and identify the ownership thereof (bointerest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owner dated by communitization, unitization, force-pooling, etc?					•				of Wells	ocation d	Clud Foologe
4323 ABO W. Pecos Slope Abo 135. 1. Outline the acrenge dedicated to the subject well by colored pencil or hachure marks on the plat bel 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (boi interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owner dated by communitization, force-pooling.etc?			West	feet from the		····	line and		the second s		
1. Outline the acrenge dedicated to the subject well by colored pencil or hachure marks on the plat bel 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (boi interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owner dated by communitization, unitization, force-pooling.ete? Yes No If answer is "yes," type of consolidation If answer is "ao," list the owners and tract descriptions which have actually been consolidated. (Use this form if necessary.) No allowable will be assigned to the well until all interests have been consolidated (by communitizati forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved Nome Sam L. Shackel f Position Agentt Compony McKay Oil Corp. Date 12-18-86 I hereby certify that the plates is dedicated successed	- • -	Dedicated Acr		ana Aha	Deege					۷.	
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (bot interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owner dated by communitization, unitization, force-pooling.etc? Yes No If answer is "yes," type of consolidation	الديبية بإنداعيتيه بإنبوتيني ويتقاد والمتعاد	135.93							and the second se		
If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use this form if necessary.)	oth as to workin	p thereof (both	r ownership	identify the ell, have the	e each an d to the v	l, outlin dedicate ng. etc?	d to the wel wnership is n, force-pooli	dedicate different o unitization	ne lease is valty). e lease of d nitization, t	than or and roy han one commu	 If more interest If more dated by
I hereby certify that it tained herein is true o best of my knowledge Name Sam L. Shackelf Position Agent Company McKay Oil Corp. Date 12-18-86 I hereby certify that shown on this plat was notes of actual survey under my supervision, is true and correct my knowledge gad within.	ion, unitization	ommunitization	nted (by co	e actually be	which ha is have be	riptions interes	nd tract desc well until all	owners ar ed to the v	o;' list the ssary.) ll be assignd	r is "n il nece able wi	lf answe this form No allow
 toined herein is true of best of my knowledge Name Sam L. Shackelf Position Agent Company McKay Oil Corp. Date 12-18-86 I hereby certify that shown on this plat was notes of actual survey under my supervision, is true and correct my knowledge gad bittation. 	CATION	CERTIFICAT	T								
Sam L. Shackelf Position Agent Company McKay Oil Corp. Date 12-18-86	and complete to the	herein is true and	tained h			•					
I hereby certify that shown on this plat was notes of actual survey under my supervision, is true and correct to knowledge and batter		Oil Corp.	Sam L. Position Agent Company McKay Date		 			•	 		.'
	os plotted from field eys made by me of , and that the some to the best of my	on this plat was plu of actual surveys i ny supervision, and and correct to t	shown ai notes of under my is true		; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ;					 	
Beconverters December 15 M-19 Doio Surveyers John D. Jennes Heyltieged Professional and a surveyers Heyltieged Professional BRY SURV Heyltieged Professional Heyltieged Profesional Heyltieged Professional Heylti	PU. 9860 C. P.E. & L. Encineer	HIN D. JAQU DEL 5 M. 1986 PARTY CONTRACTOR I. HINGER, JI'MER SALONALLING	Decemb Doio Surve John D Heylhierd on to the			 -		191	NM-361	+ 	io
Certificatio No.		• No.						in the second			
330 660 80 1370 1680 2810 2840 2000 1500 1000 800 0				- I 800 0	1000	1300	10 2000	2910 264	I + 70 1680 1980	•0 •3	330 660