

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-005-61042

C/SF
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐b. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐
SINGLE ZONE ☒ MULTIPLE ZONE ☐2. NAME OF OPERATOR
McClellan Oil Corporation3. ADDRESS OF OPERATOR
Post Office Drawer 730, Roswell, New Mexico 882014. LOCATION OF WELL (Report location clearly and in accordance with any State regulations)
At surface1980' FNL & 660' FEL
O. C. D.
ARTESIA, OFFICE14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
16 miles N.E. of Roswell, New Mexico15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

660

16. NO. OF ACRES IN LEASE
24017. NO. OF ACRES ASSIGNED
TO THIS WELL 16018. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

NA

19. PROPOSED DEPTH
4700'20. ROTARY OR CABLE TOOLS
Rotary21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3630' G.L.22. APPROX. DATE WORK WILL START*
July 25, 1981

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10-3/4"	8-5/8"	28 lb.	700'	400 sx (Circ.)
7-7/8"	4-1/2"	10 1/2 lb.	4700'	300 sx
17 1/2" "	13-3/8"	43 1/2 lb.	300'	200 sx (Circ.)

Propose to drill to approximately 4700' to test the Abo formation. If production is indicated, will set casing and attempt completion.

Estimated Geologic Tops: San Andres 500'
Glorieta 1600'
Tubb 3100'
Abo 3800'

Mud Program: Will drill with fresh water to top of Abo. Will mud-up at that point with 10 cc water loss, 50 viscosity salt base mud.

Gas on this well is not dedicated.

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.

SIGNED James A. McClanahan TITLE Operator OIL & GAS
(This space for Federal or State office use) U.S. GEOLOGICAL SURVEY
DATE 7/07/81
PERMIT NO. 005-281 GEORGE H. STEWART APPROVAL DATE

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

JUL 21 1981
JAMES A. GILHAM
DISTRICT SUPERVISOR

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

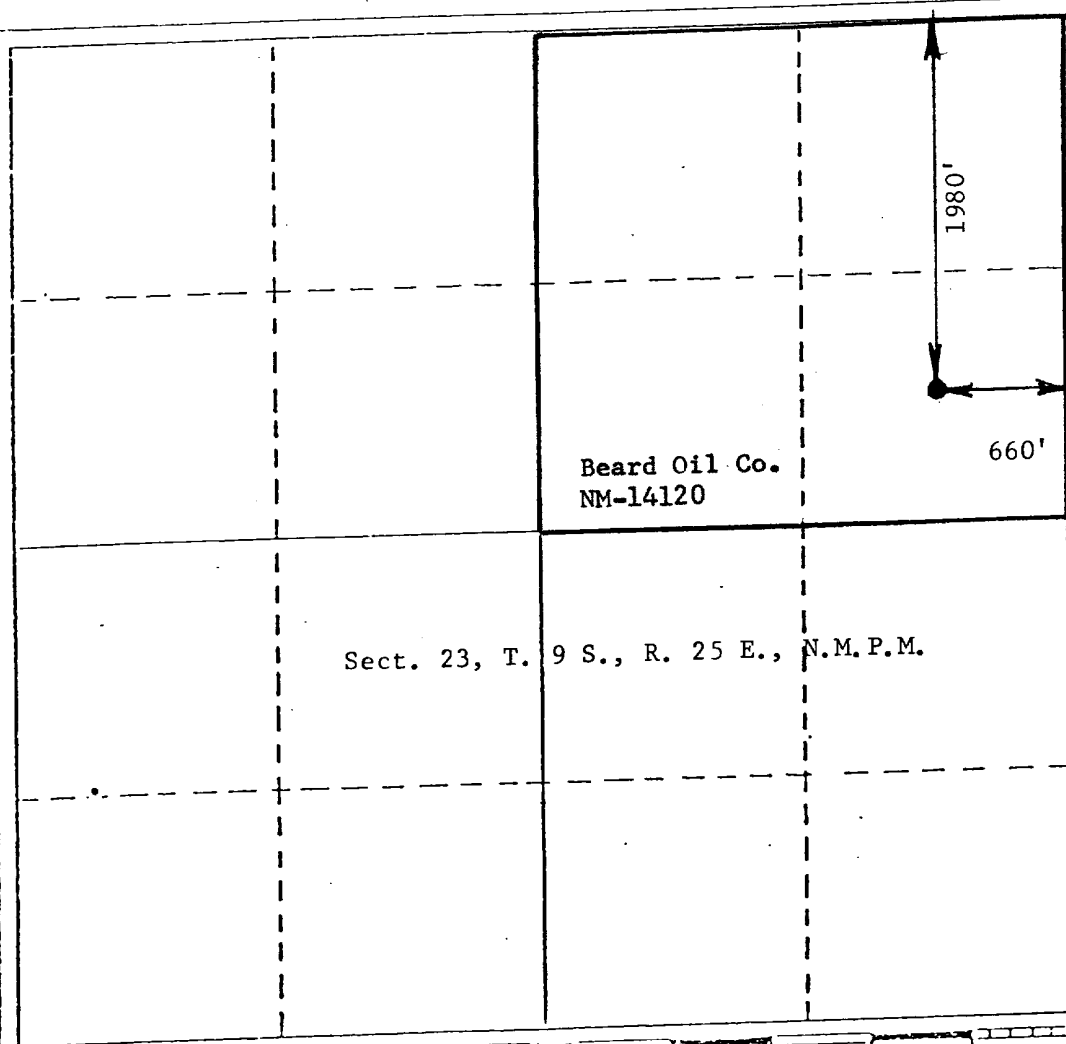
Operator McClellan Oil Co.		Lease "B0" Federal		Well No. 1
Unit Letter H	Section 23	Township 9 South	Range 25 East	County Chaves
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the East line				
Ground Level Elev. 3630	Producing Formation Abo		Pool <i>Beard Oil Co. NM-14120</i>	Dedicated Acreage: 160 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).
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 Division.



CERTIFICATION

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

George R. Smith

Name

George R. Smith

Position

Agent for:

Company

McClellan Oil Corp.

Date

July 10, 1981

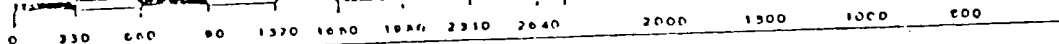
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
June 30, 1981

Registered Professional Engineer
and/or Land Surveyor

John D. Jaquess, P.E. & L.S.

Certificate No. **6290**



APPLICATION FOR DRILLING

MCCLELLAN OIL CORPORATION

"BO" Federal Well No. 1
1980' FNL & 660' FEL, Sec. 23-T9S-R25E
Chaves County, New Mexico
Lease No.: NM-14120
(Exploratory Well)

In conjunction with Form 9-331C, Application for Permit to Drill subject well, McClellan Oil Corporation submits the following items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

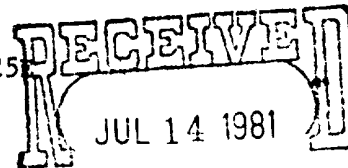
San Andres	500'
Glorieta	1600'
Tubb	3100'
Abo	3800'
3. The estimated depth at which anticipated water, oil, or gas formations are expected to be encountered:

Water:	Possible surface water 100 - 200'.
Oil:	None expected.
Gas:	Abo between 3800' and 4400'.
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: BOP's are 10" Series 900 Type "E" Shaffer Double Hydraulic 6000 psi test, 3000 psi working pressure. See Exhibit "E".
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Blowout preventer, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging and Coring Program:

Drill Stem Tests: None planned.	
Logging:	FDC/CNL Surface Csg. to T. D.
	Dual Ind. Laterolog Surface Csg. to T. D.
	MSFL Surface Csg. to T. D.
Coring: None planned.	
9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight.
10. Anticipated starting date: July 16, 1981.
Anticipated completion of drilling operations: Two weeks.

MULTI-POINT SURFACE USE AND OPERATION PLAN

McCLELLAN OIL CORPORATION
"BO" Federal Well No. 1
1980' FNL & 660' FEL, Sec. 23-T9S-R25E
Chaves County, New Mexico
Lease No.: NM-14120
(Exploratory Well)



This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operations.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a BLM Color Quad map showing the well as staked. Exhibit "B" is a USGS topo map also showing the well as staked. The well is approximately 22 miles northeast of the U.S. 285/70 "Y" north of Roswell. Approximately 14 miles is U. S. highway 70 and 6 miles of existing ranch/oil field road. There will be approximately 2.5 miles of new access road.
- B. Directions: Travel approximately 14 miles northeast of the U. S. 285/70 "Y" on U.S. highway 70. Just past the old rock Frazier school house on the left, turn right onto dirt road and cross railroad tracks .4 mile from highway. 1.8 mile in you will pass the Kitchen's old ranch house and cross a cattleguard with a gate. The road will fork 3 miles in. Take the east (left) fork. Continue traveling south crossing a cattleguard on the north side of Lloyd's Canyon and one on the south side. A Transwestern Pipeline crosses the road 1.2 mile south of the last cattleguard. This line runs west from Blakemore well in Sec. 20-T9S-R26E to the main line in Sec. 24-T9S-R25E. The new access road will start west at this point and continue to parallel the pipeline on the north side for approximately 6000 feet, then continue west for approximately another 6,300 feet to the location.

2. PLANNED ACCESS ROAD:

- A. Length and Width: The new access road will be 12 feet wide (20' ROW) and approximately 12,300 feet long, from the point of origin where the pipeline crosses the existing access road to the southwest corner of the proposed drilling pad. The new access road is labeled and color coded in red on Exhibit "A" and "B" and has been flagged on the 6300 feet where the road will continue west of the Transwestern Pipeline main line hookup. Since the east 6000 feet will be using the pipeline ROW, it has not been flagged.
- B. Construction: The new road will be constructed by grading and topping with compacted caliche, where needed. The surface will be properly drained.
- C. Turnouts: There will be approximately six to ten turnouts, which will increase the road width to 20 feet for passing.

2. PLANNED ACCESS ROAD: cont.....

D. Culverts: None Required.

E. Cuts and Fills: There will be some cutting of 4-5 foot sand dunes as the new road turns southwest to the drillsite.

F. Gates, Cattleguards: One cattleguard will be required at the fence approximately 400 feet west of the point of origin on the existing access road.

3. LOCATION OF EXISTING WELLS:

A. Existing wells within a two mile radius are shown on Exhibit "C".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. There are no production facilities on this lease at the present time.

B. If the well proves to be commercial, the necessary production facilities, gas separation-process equipment and tank battery will be installed on the drilling pad.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is planned to drill the proposed well with fresh and brine water. The water will be obtained from private or commercial sources and will be transported over the existing and proposed access roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche for the surfacing the road and the well site pad will be obtained from an existing pit located on private surface and minerals in the NE $\frac{1}{4}$, NE $\frac{1}{4}$ Sec. 29-T9S-R26E. The top soil from the location will be stockpiled near the location for future rehabilitation use. No surface materials will be disturbed except for those necessary for actual grading and leveling of the drill site and access road.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. Drill cuttings will be disposed of in the reserve pits.

B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.

C. All pits will be fenced with normal fencing materials to prevent livestock from entering the area.

D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal. application will be submitted to the USGS for approval.

E. Oil produced during operations will be stored in tanks until sold.

7. METHODS OF HANDLING WASTE DISPOSAL: cont.....

- F. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- G. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind.
- H. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

- A. None required.

9. WELLSITE LAYOUT:

- A. Exhibit "D" shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The pad and pit area has been staked and flagged.
- B. Mat Size: 250' X 185'.
- C. Cut and Fill: The location will require cutting on the north and northeast and filling to the south and southwest. The surface slopes to the south/southwest approximately 10' in 300 feet.
- D. The surface will be topped with compacted caliche and the reserve pit will be plastic lined.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations all equipment and other material not used for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in an aesthetically pleasing a condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management and the United States Geological Survey will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.

11. OTHER INFORMATION:

- A. Topography: The land surface in the vicinity of the wellsite is that of rolling sand dunes with flat areas between. The drillsite is on a relatively flat area with a 10' in 300' slope to the southwest.
- B. Soil: The topsoil at the wellsite is mostly sand with some clay underlain with gypsum that will outcrop in some places.

11. OTHER INFORMATION: cont.....

- C. Flora and Fauna: The vegetative cover consists of very sparse miscellaneous grasses, including Threeawn, Grama, Saltgrass, also mesquite, yucca, cacti, sagebrush and other miscellaneous desert flowers and weeds. The only wildlife observed were an occasional jackrabbit and cottontail rabbits, and it is likely that other typical semi-arid desert wildlife inhabit the area, which is used for cattle grazing.
- D. Ponds and Streams: The Pecos River runs within a mile to the northwest of this location, and a small spring to the southwest. No other lakes or natural ponds are in the area.
- E. Residences and other Structures: There are no residences or other structures within a mile of the well site.
- F. Land Use: Cattle grazing.
- G. Surface Ownership: The proposed location is on Federal surface and minerals. 5,000 feet of the new access road following the pipeline ROW will be on private surface of the McCrea Ranch.
- H. There is no significant evidence of any archaeological, historical or cultural sites in the area. An archaeological survey has been conducted by ACA of Eastern New Mexico University, Station # 9, Portales, New Mexico 88130, and their report has been submitted to the appropriate government agencies.

12. OPERATOR'S REPRESENTATIVE:

- A. The field representative responsible for assuring compliance with the approved surface use and operations plan is as follows:

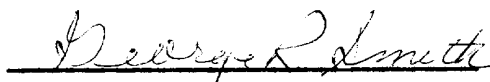
Paul Ragsdale
601 Moore
Roswell, New Mexico 88201
Office Phone: (505) 622-3200
Mobile Phone: 623-0989 Unit # 4128
Home Phone: (505) 623-3940

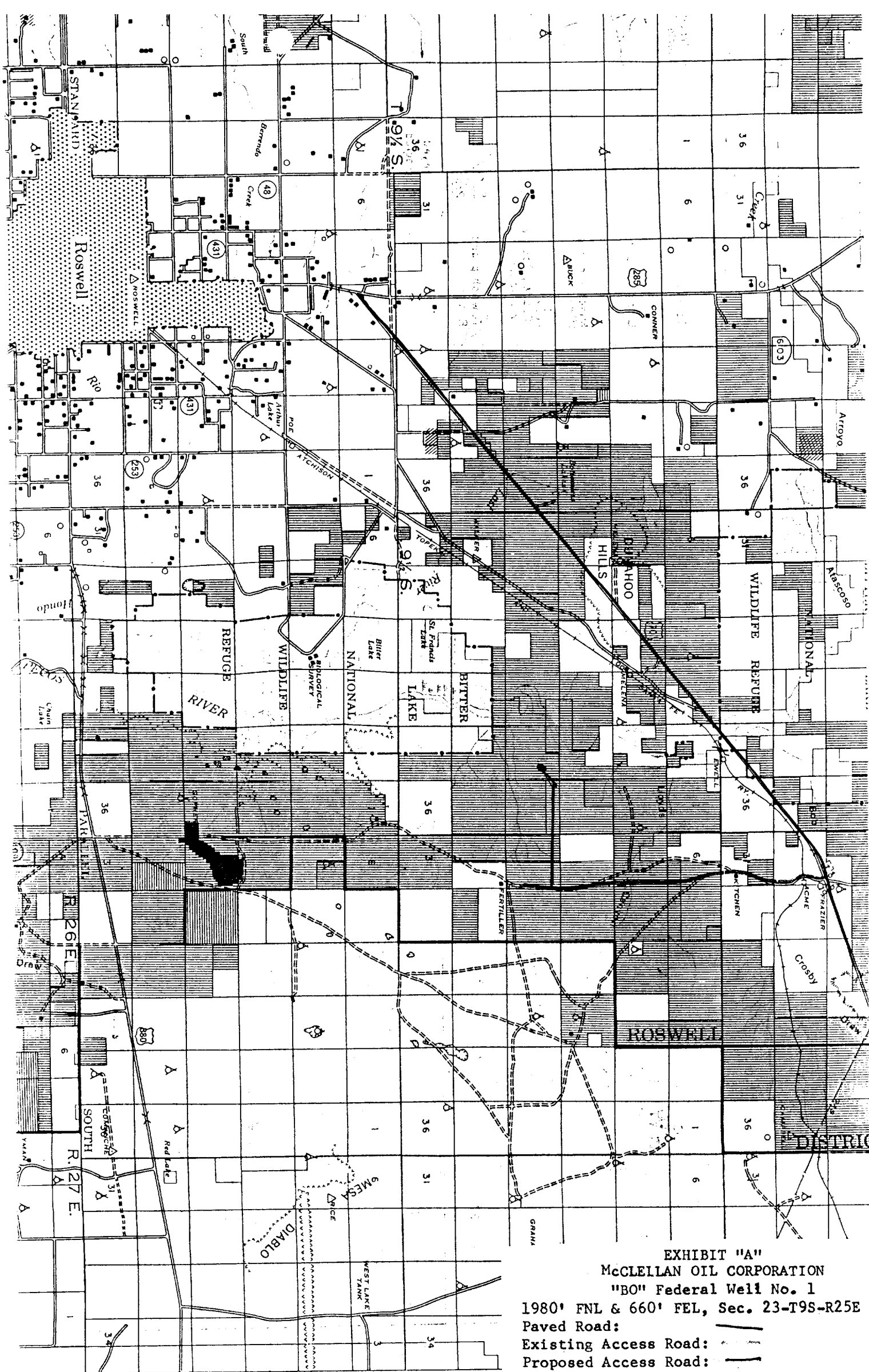
Jack McClellan
3106 N. Montana
Roswell, New Mexico 88201
Office Phone: (505) 622-3200
Home Phone: (505) 622-4076

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the 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 McClellan Oil Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

July 10, 1981


George R. Smith
Agent for:
McClellan Oil Corporation



T. 10 S.

T. 9 S.

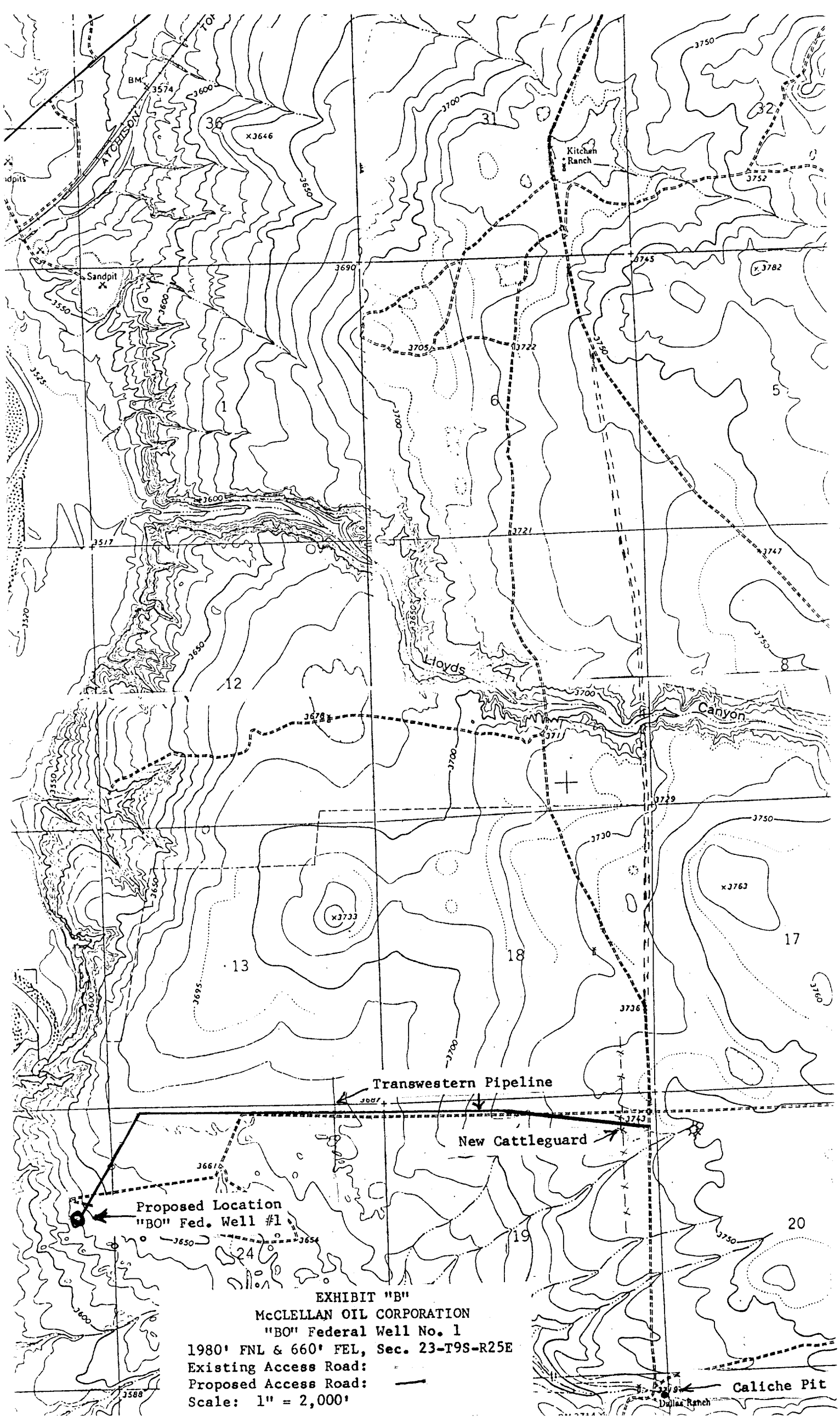
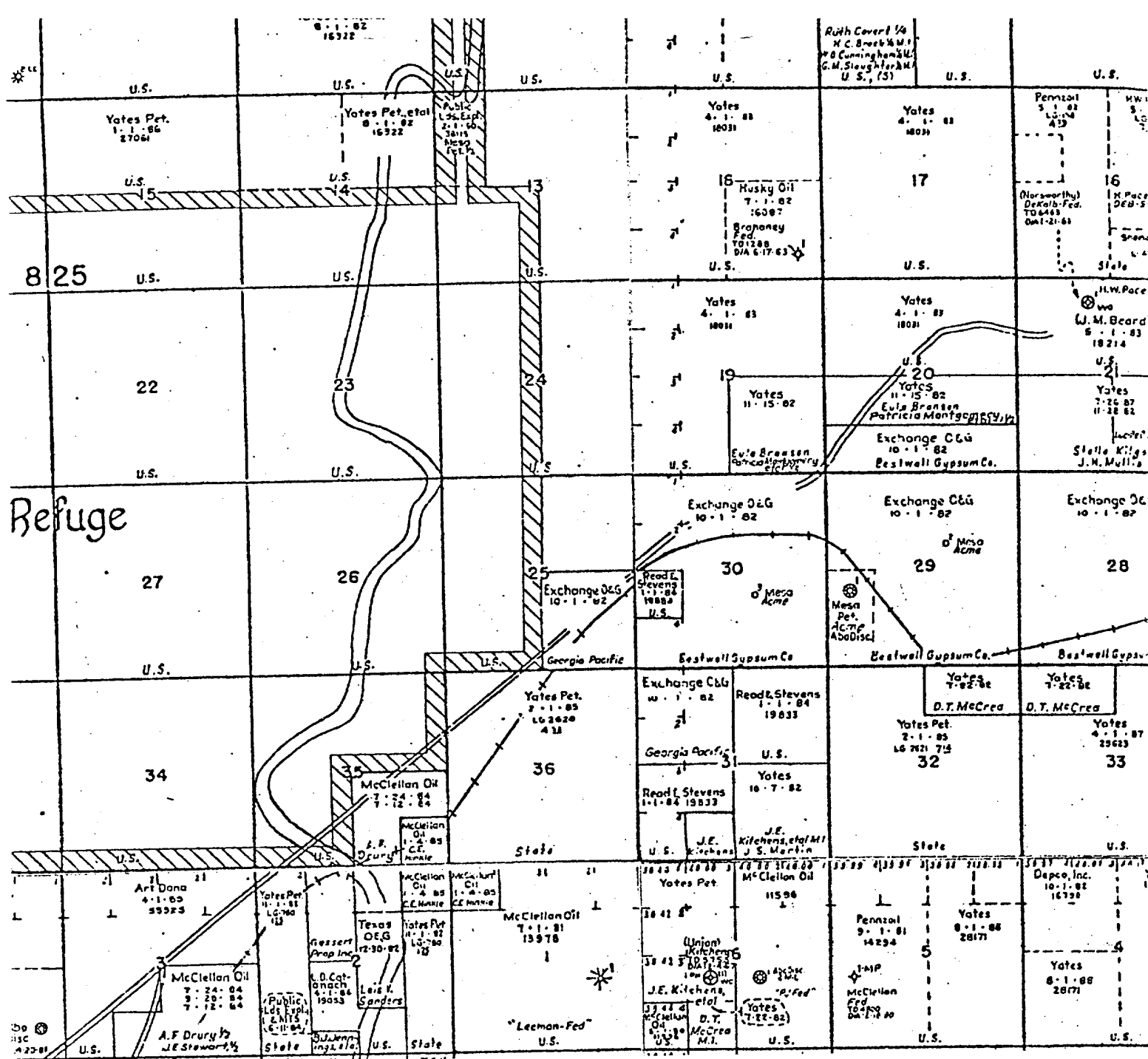
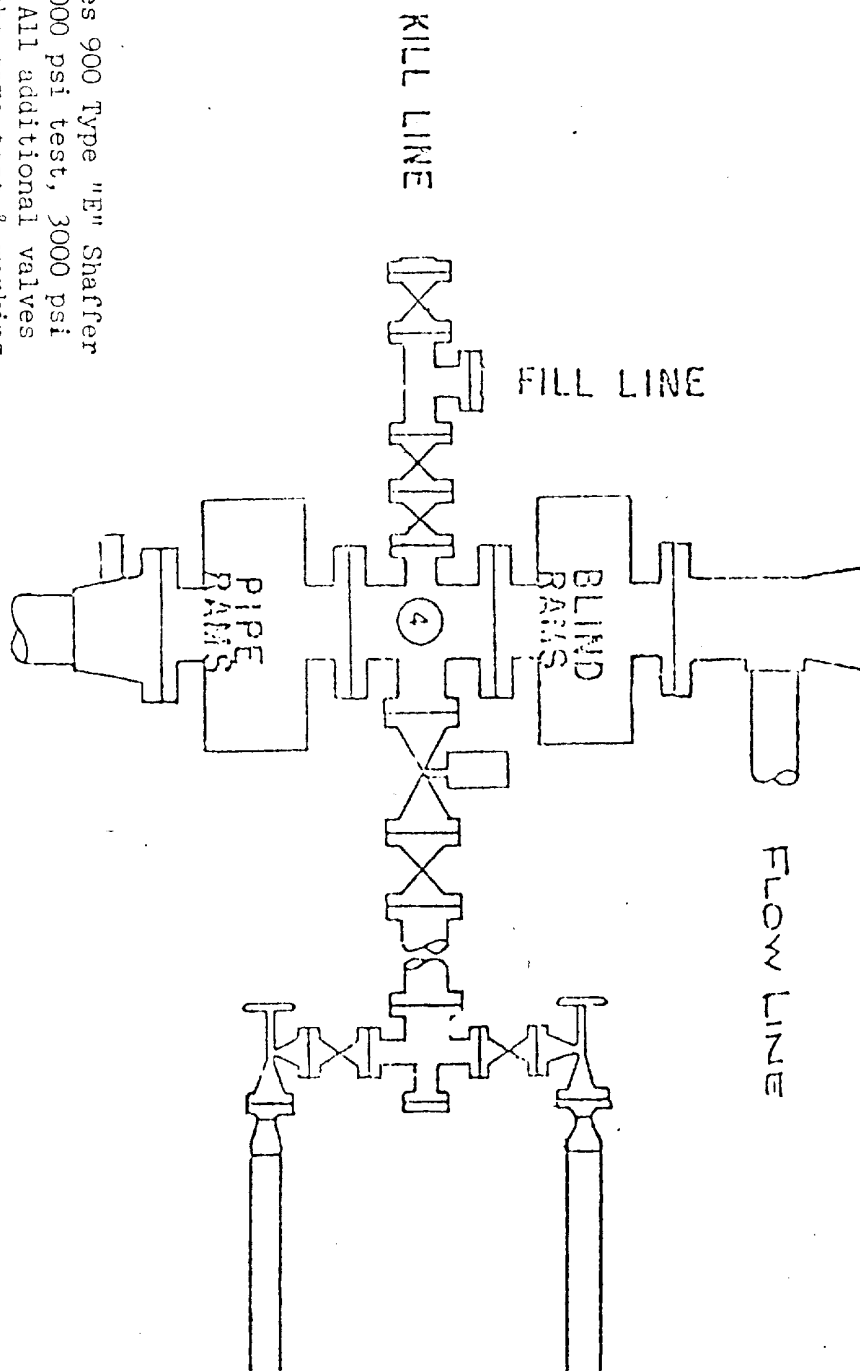


EXHIBIT "B"
McCLELLAN OIL CORPORATION
"BO" Federal Well No. 1
1980' FNL & 660' FEL, Sec. 23-T9S-R25E
Existing Access Road:
Proposed Access Road:
Scale: 1" = 2,000'



BLOWOUT PREVENTER SPECIFICATION

WEK DRILLING CO., INC. - Rig 1 & 3



BOP's are 10" Series 900 Type "E" Shafter Double Hydraulic 6000 psi test, 3000 psi working pressure. All additional valves & connections are the same test & working pressures.

EXHIBIT "E"
 McCLELLAN OIL CORPORATION
 "BO" FEDERAL WELL NO. 1
 BLOWOUT PREVENTER SPECIFICATIONS