

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-005-61258

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

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

DEPCO, Inc. ✓

3. ADDRESS OF OPERATOR

800 Central, Odessa, Texas 79761

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

At surface

0-660 FSL & 1980 FEL, Sec. 27, T7S, R26E

At proposed prod. zone

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

19 miles NE of Roswell, New Mexico

RECEIVED

DEC 4 1981

O. C. D.
ARTESIA, OFFICE

15. DISTANCE FROM PROPOSED*

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

16. NO. OF ACRES IN LEASE

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

6200'

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

3777 GR

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
14 3/4"	10 3/4"	40.50#	400'
9 7/8"			1900'
7 7/8"	4 1/2"	11.6#	6200'

QUANTITY OF CEMENT
500 sX.

Mud Program: See letter from Marrs Mud Company
BOP Program: See Exhibit "D"
Gas production not dedicated

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NOV 23 1981OIL & GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

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.

SIGNED R.L. Denney R.L. DenneyTITLE Chief Production Clerk

(This space for Federal or State office use)

PERMIT NO.

APPROVED

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY

DEC 2 1981

JAMES A. GILLHAM

DISTRICT SUPERVISOR*See Instructions On Reverse Side

5. LEASE DESIGNATION AND SERIAL NO.

NM-37601

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

Granite Wash Wildcat

11. SEC., T., R., M., OR BLM.

27, T7S, R26E

12. COUNTY OR PARISH

Chaves

13. STATE

New Mex.

22. APPROX. DATE WORK WILL START*

12-5-81

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

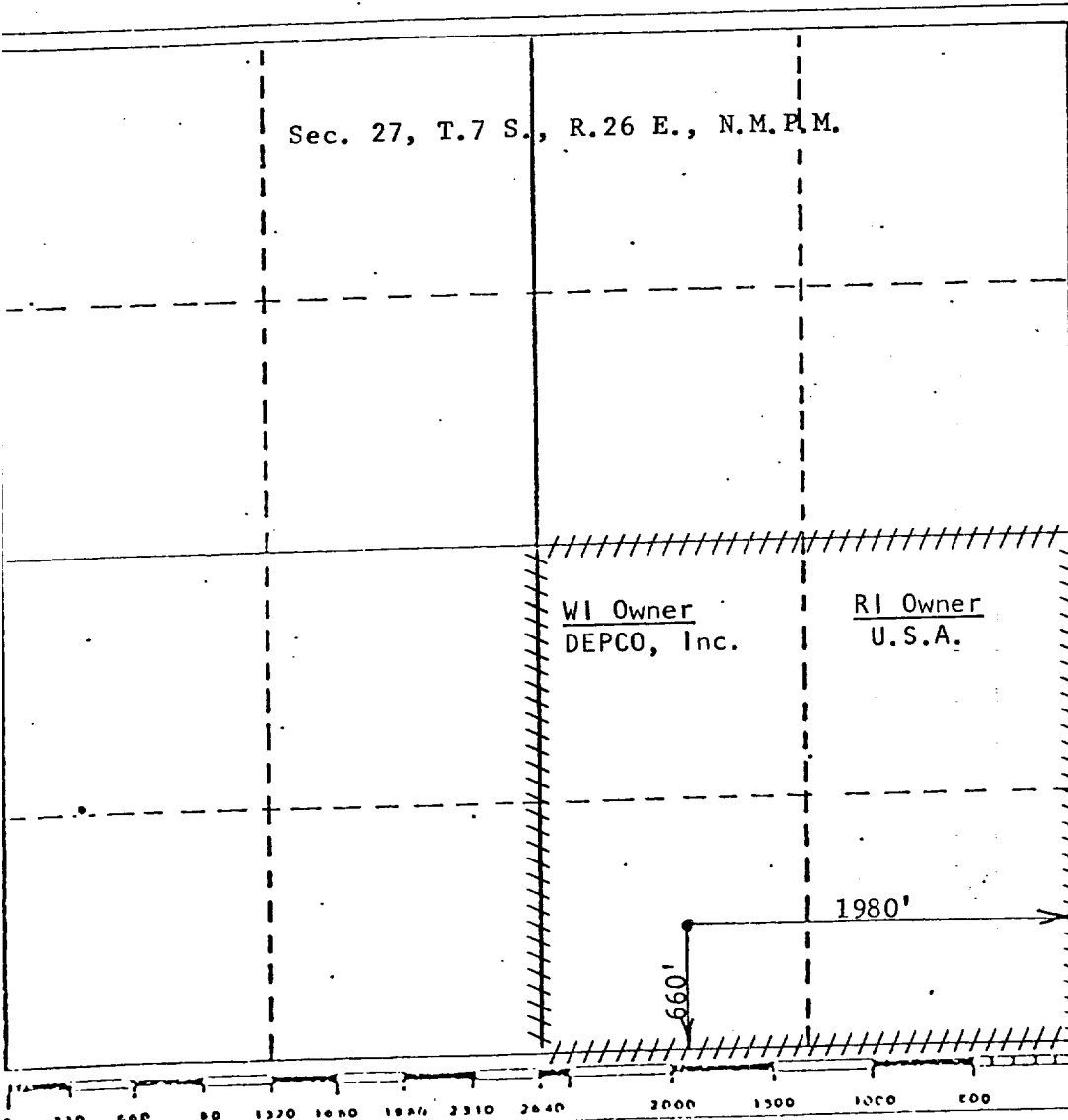
Operator Depco, Inc.		Lease Vance Federal		Well No. #1	
Well Letter 0	Section 27	Township 7 South	Range 26 East	County Chaves	
Actual Postage Location of Well: 660 feet from the South line and 1980 feet from the East line		Pool Granite Wash (Wildcat)		Dedicated Acreage: 160 Acres	
Ground Level Elev. 3777	Producing Formation Granite Wash				

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.

R.L. Denney

Name
R.L. Denney

Position
Chief Production Clerk

Company
DEPCO, Inc.

Date
11-20-81

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
November 1, 1981

Registered Professional Engineer and/or Land Surveyor
John D. Jaquess, P.E. & L.S.

Certificate No.
6290

DEPCO, Inc.
800 Central
Odessa, Texas 79761

Application for drilling

DEPCO, Inc.
No. 1 Vance Federal, Sec. 27, T7S, R26E
Chaves County, New Mexico

In conjunction with Form 9-331C, Application for permit to drill, DEPCO, Inc. submits the following items of pertinent information in accordance with USGS requirements.

1. The estimated tops of geologic markers are as follows:

San Andres	815
Glorieta	2000
Abo	4140
Wolfcamp	4830
Mississippian	5860
Fusselman	6050
Granite Wash	6200

2. The depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 200 feet or less
Gas Abo 4140-4830
Granitewash 6200

3. Proposed casing Program: See Form 9-331C

4. Pressure Control Equipment: See Form 9331C and Exhibit D.

5. Mud Program: See Form 9-331C and attached letter from Marrs Mud Company

6. Auxiliary Equipment: Blowout Preventer, Inside Blowout Preventer, Kelley Cock.

7. Testing, Logging and Coring Program:

Drill Stem Test: Granite wash

10-foot samples from surface casing to TD

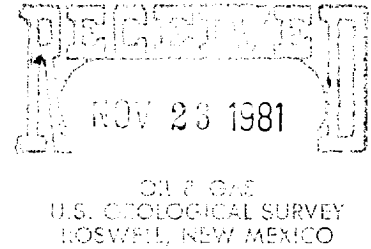
Logging: Dual Laterolog and Compensated Neutron/Density
With Gamma Ray and Caliper

8. No abnormal pressures or temperatures are anticipated.

9. Anticipated starting date: As soon as possible.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

DEPCO, Inc.
No. 1 Vance Federal
660 FSL & 1980 FEL
Section 27 - T-7S - R-26E
Chaves County, New Mexico
(Exploratory Well)



This plan is submitted with Form 9-331C, Application for Permit to Drill covering the Above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the necessary surface disturbance and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS

- A. Exhibit A is a portion of the USGS Map of Chaves County, New Mexico, on a scale of 1" = 2000' showing the area of the proposed wellsite and the roads in the vicinity. The wellsite is located approximately 19 miles north and east of Roswell, New Mexico, and part of the access route to the location is indicated in red on Exhibit A.
- (1) Proceed North from Roswell to the junction of Highways 285 and 70. Turn right on 70 and proceed for approximately 12.5 miles to the Acme school house.
 - (2) Turn north on the existing access road and continue for approximately 5 miles to the section line joining sections 28 and 33, T-7S, R-26E.
 - (3) At this point turn right and continue for approximately 1.2 miles.
 - (4) The proposed access road is staked to the location 660 feet to the north. The location is staked and flagged and clearly visible.
- B. The existing access road has numerous turn outs, is in good conditions, and will require minimal repair, however, the last 1/2 mile of the existing access road will have to be moved to the south a few feet due to drainage problems encountered on that portion of the existing access road.

2. PLANNED ACCESS ROAD

- A. The proposed access road will be approximately 660 feet in length and 12 feet in width. It will be covered with 6 inches of compacted caliche. The road will be crowned on both sides and will have at least 1 turnout.
- B. The center line of the proposed access road had been staked and flagged, and is clearly visible.
- C. Robert Marley was contacted about the access road and the location and he requested the last 1/2 mile of the existing access road be moved directly south of its present position due to drainage problems. He has been requested by his sister, Gay M. Vance, to act in her behalf on this project.

3. LOCATION OF EXISTING WELLS

- A. See Exhibit B.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There are no existing facilities on lease.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive of oil, electric power from existing lines will be utilized if necessary. No power will be required if the well is productive of gas.

5. LOCATION AND TYPE OF WATER SUPPLY.

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from a commercial source and will be hauled to the location by truck over the existing and proposed roads on Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS.

- A. Caliche for construction of the drilling pad and the new access road, and repairs to the existing access road, will be obtained from existing quarry in the NE of the SE of Sec. 3, T8S, 26E.

7. METHODS OF HANDLING WASTE DISPOSAL.

- A. Drill cuttings will be disposed of in reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits.
- C. 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 appropriate approval.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste material will be contained to prevent scattering by the wind.
- F. 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 C shows the relative location and dimensions of the well pad, reserve pits, and major rig components.
- B. The ground surface at the wellsite is in an area of relatively flat level ground. The pad will be covered with at least 6 inches of compacted caliche.
- C. The reserve pits will be plastic lined.
- D. The pad and pit area has been staked and flagged.

10. PLANS FOR RESTORATIONS OF THE SURFACE.

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk.
- B. Unguarded pits, if any, containing fluids will be fenced until they have been filled.
- C. This location being on Fee surface, cleanup operations will be made in accordance with Fed. regulation. All pits will be filled and leveled within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The wellsite is in an area gently sloping towards the Pecos river which is approximately 4.5 miles to the west.
- B. The topsoil at the wellsite is composed of gypsum.
- C. The vegetation cover at the wellsite consists primarily of prairie grass, *Coldenia* cens, mesquite, and miscellaneous weeds. No wildlife was observed, but it is likely that typical semi-arid desert wildlife, such as rabbits, coyotes, gophers, rodents and snakes inhabit the area. The area is used for cattle grazing.
- D. There are no stock ponds, lakes, streams or rivers within serval miles of the wellsite.
- E. No occupied dwellings in the immediate vicinity.
- F. The wellsite is located on privately owned surface as is the proposed access road.
- G. There is a windmill approximately 2000' to th ESE of the proposed wellsite.

12. OPERATORS REPRESENTATIVES.

- A. The field representative for assuring compliance with the approved surface use plan are:

Carl Bizzell
Production Superintendent
DEPCO, Inc.
800 Central
Odessa, Texas 79761
Telephone:

915-337-1536 (Office)
915-366-2147 (Home)
915-337-5677 (Mobile)

Danny Hokett
DEPCO, Inc.
Home Address: Rt. 2, Box 201-B
Artesia, New Mexico 88210
Telephone: 505-365-2593 (Mobile)
505-748-2197 (Home)

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 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 DEPCO, Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

11-20-81
Date

R. L. Denney
R. L. Denney Chief Clerk
DEPCO, Inc.

Exhibit A

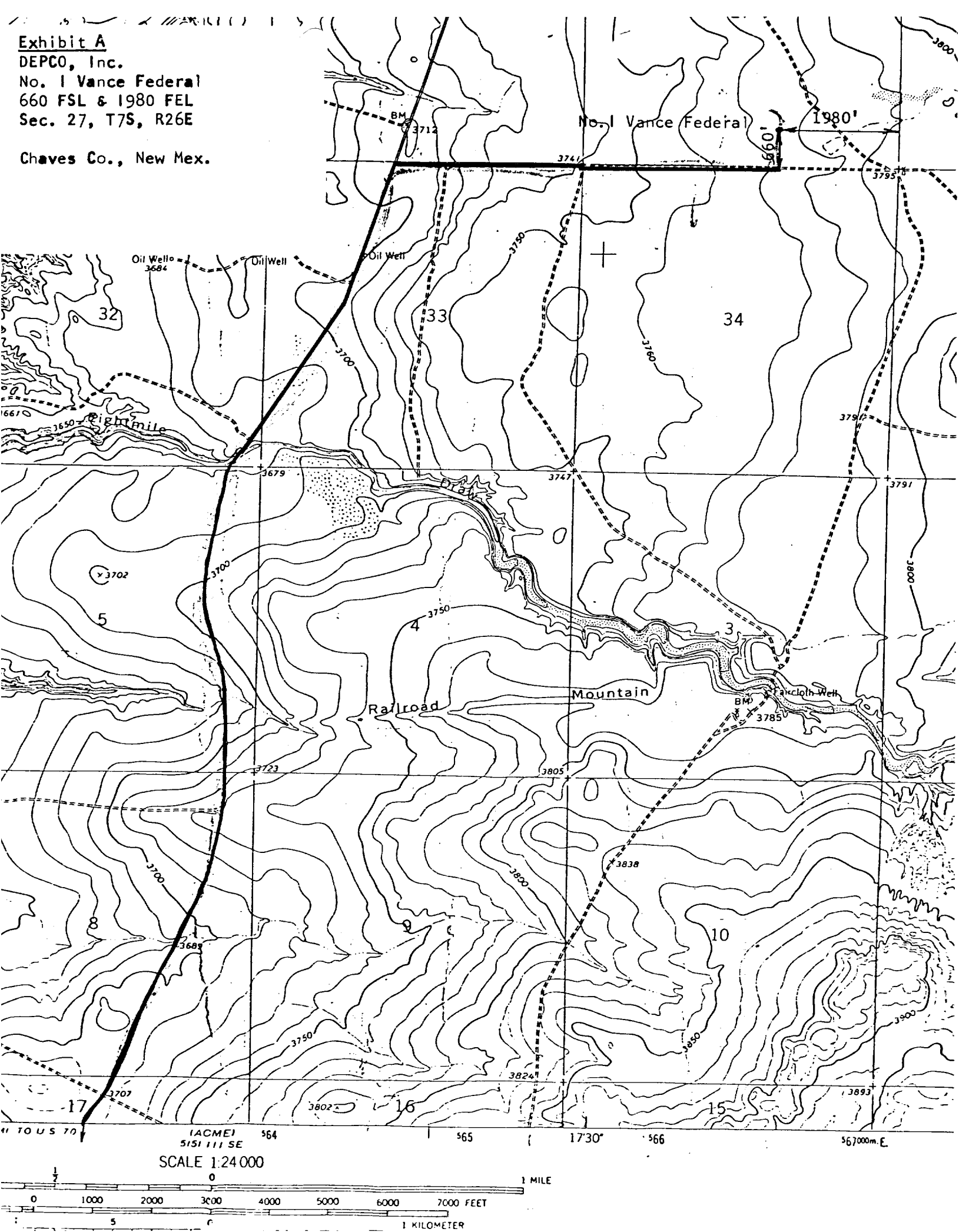
DEPCO, Inc.

No. 1 Vance Federal

660 FSL & 1980 FEL

Sec. 27, T7S, R26E

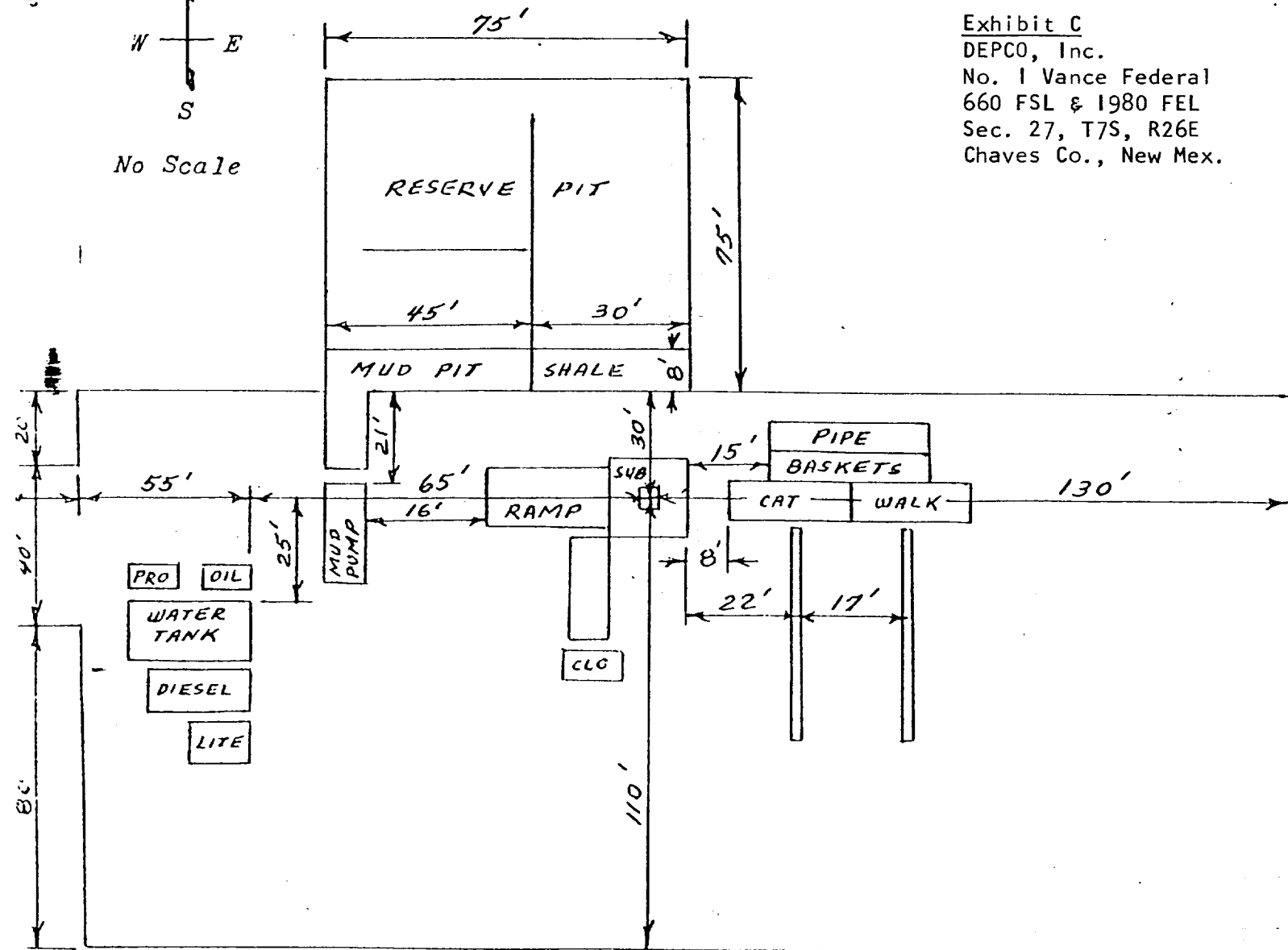
Chaves Co., New Mex.



W.E.K. DRILLING CO., INC.
 it layout for Rig No. 3

Exhibit C
 DEPCO, Inc.
 No. 1 Vance Federal
 660 FSL & 1980 FEL
 Sec. 27, T7S, R26E
 Chaves Co., New Mex.

N
 W — E
 S
 No Scale



Cellar - 5' x 5' x 5'

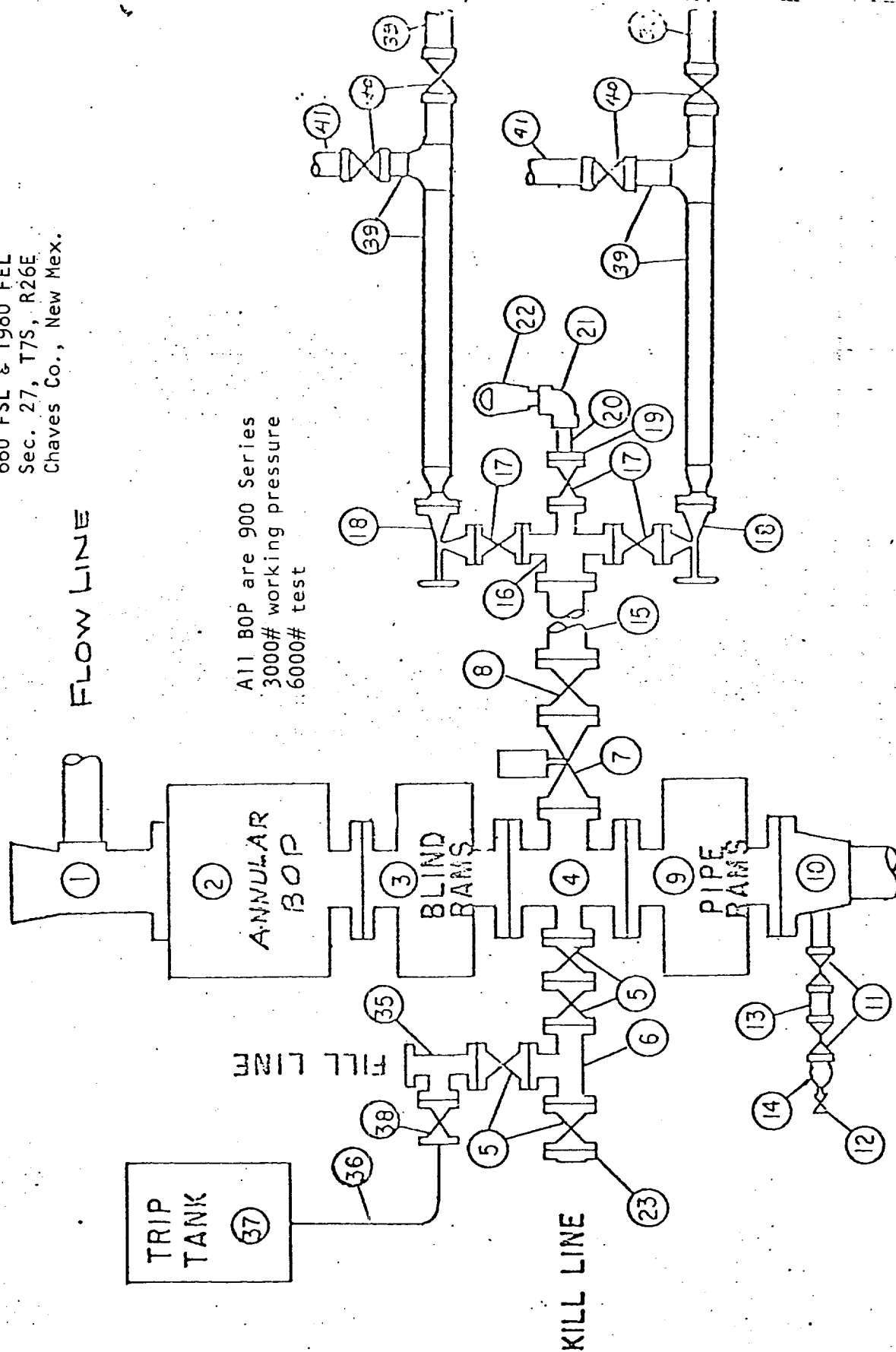
This Rig equipped with Schaffer type "E" 10" series 900 BOP with 4" blind rams, kill line and choke manifold. Koomey hydraulic controls and accumulator with remote controls.

Maintain six (6) foot spacing between oil tank, water tank, diesel tank and light plant.

Twenty (20) foot by Forty(40) foot stinger area at west end of location.

BLOWOUT PREVENTER SPECIFICATION

Exhibit D
DEPCO, Inc.
No. 1 Vance Federal
660 FSL & 1980 FEL
Sec. 27, T7S, R26E
Chaves Co., New Mex.





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

December 7, 1981

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

P.O. DRAWER 00
ARTESIA, NEW MEXICO 88210
(505) 746-4861

Depco Inc.
800 Central
Odessa, Texas 79761

Re: Vance Federal
#1-0-27-7-26
Chaves County, New Mexico

Gentlemen:

We hereby acknowledge receipt of Federal Form 9-331C application for permit to drill the subject well approved on 12-2-81.

Said well has only 160 acres dedicated to it and if completed as proposed, would require 320 acres.

If you have any questions concerning this matter, please feel free to call upon me.

Sincerely,

A handwritten signature in cursive script, reading "W.A. Gressett".

W.A. Gressett
Supervisor, District II

WAG:mm