

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 ☐

DEC 05 1988

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

McKay Oil Corporation O. C. D.

3. ADDRESS OF OPERATOR

ARTESIA, OFFICE

P.O. Box 2014, Roswell, New Mexico 88202-2014

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

At surface

660' FWL & 1780' FSL, NW/4 SW/4, Unit letter L

At proposed prod. zone

Same

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

25 air miles Northeast of Roswell, New Mexico

16. DISTANCE FROM PROPOSED*

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

660'

18. NO. OF ACRES IN LEASE

40

18. DISTANCE FROM PROPOSED LOCATION*

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

322'

19. PROPOSED DEPTH

4,500'±

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

3698' GR

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0#	800'±	600 sx (Circulated)
7 7/8"	4 1/2"	10.5#	4,500'±	325 sx (to isolate all oil, gas and water zones.)

Operator proposes to drill to the Abo formation to test for possible commercial production of gas.

Gas is not dedicated.

Attachments: A. Supplemental Drilling Data
B. Surface Use Plan (Exhibits A-F)
C. B.O.P. sketch

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

Levi W. Franklin

TITLE

Agent

DATE

11/03/88

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

S/Levi Deike, Acting

TITLE

Area Manager

NOV 30 1988

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION
OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION
OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT
IN ADVANCE.

*See Instructions to the Applicant

APPROVAL OF THIS APPLICATION DOES NOT WARRANT OR
CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE
TITLE TO THOSE RIGHTS IN THE SUBJECT LEASE WHICH WOULD
ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREON.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

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

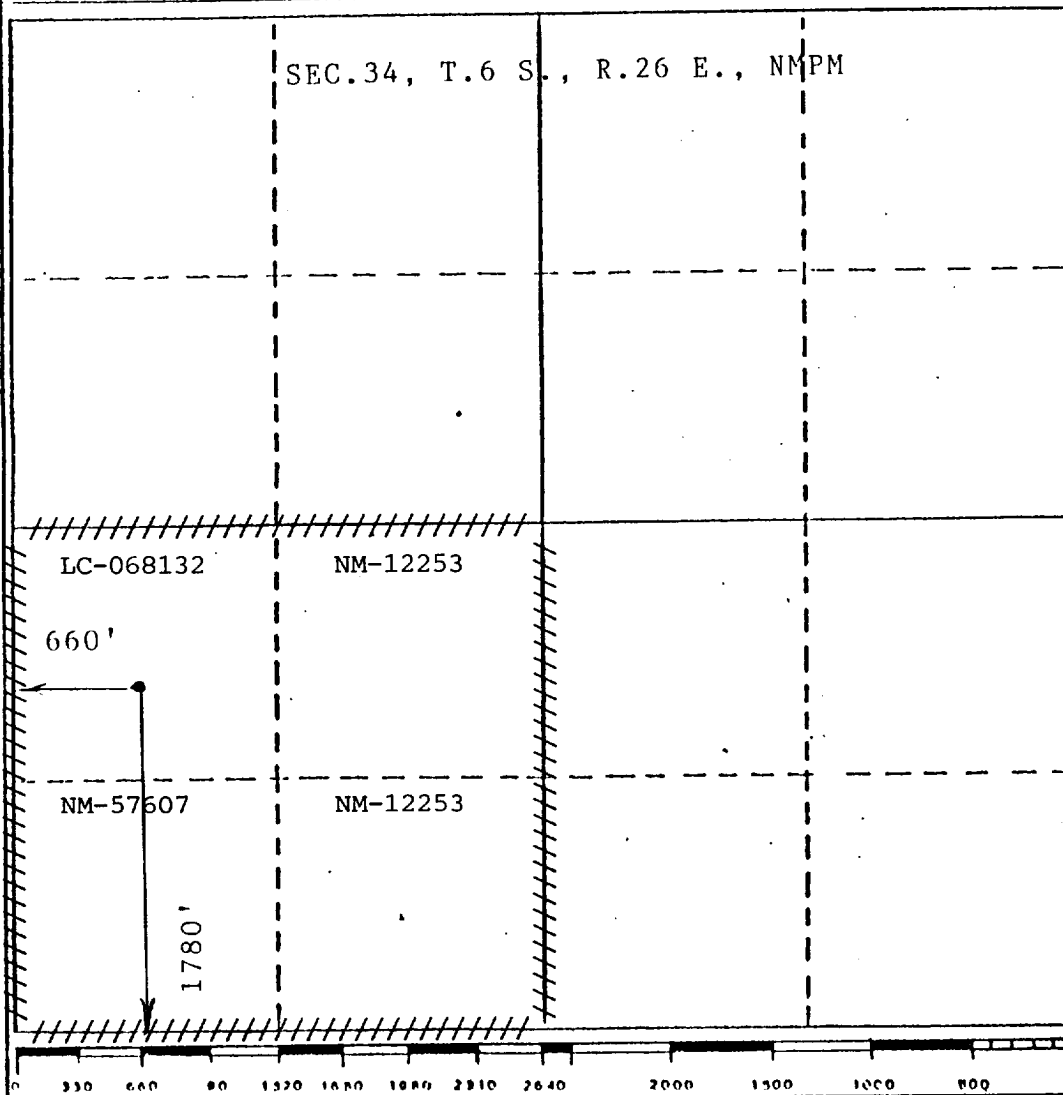
Operator McKAY OIL CORP.		Lease COTTONWOOD FED. COM.		Well No. #1
Unit Letter L	Section 34	Township 6 SOUTH	Range 26 EAST	County CHAVES
Actual Footage Location of Well: 660 feet from the WEST line and 1780 feet from the SOUTH line				
Ground Level Elev. 3698	Producing Formation Abo	Pool Pecos Slope Abo	Dedicated Acreage 160 Acres	

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 To be communitized

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.

Terry W. Franklin

Name

Terry W. Franklin

Position

Agent

Company

McKay Oil Corporation

Date

11/03/88

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

OCTOBER 28, 1988

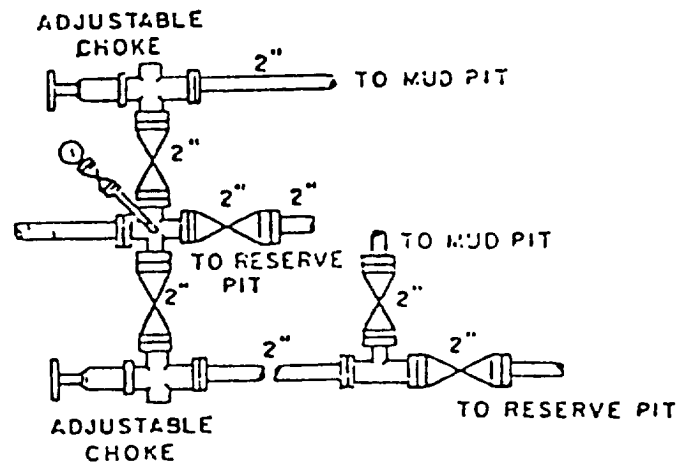
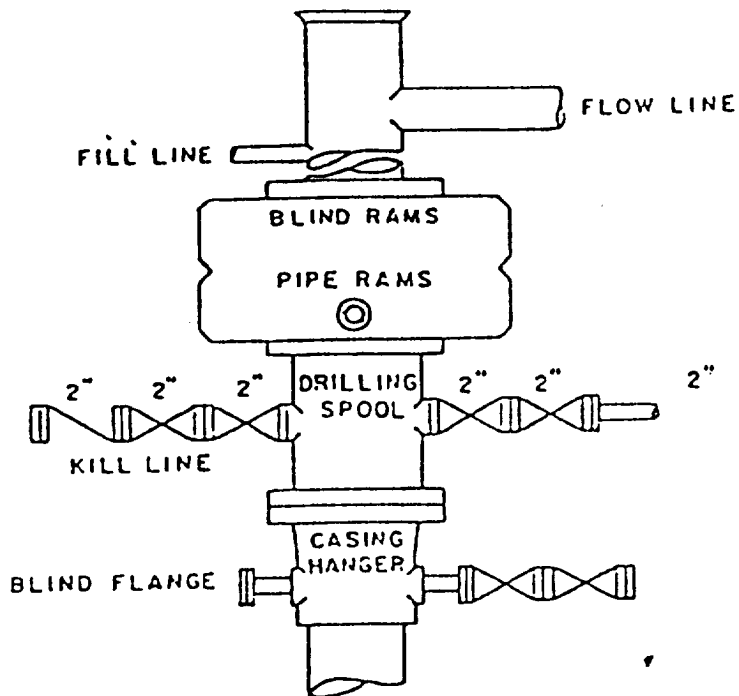
Registered Professional Land Surveyor and/or Land Surveyor

John D. Jaques, S.S.

Certificate No.

8290

NOV 4 1968



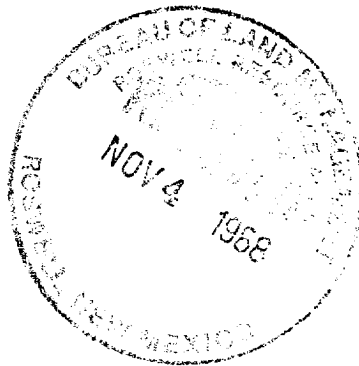
BOP DIAGRAM

3000# Working Pressure
Rams Operated Daily

EXHIBIT 'D'
MCKAY OIL CORPORATION
Cottonwood Fed. Com. No. 1

SUPPLEMENTAL DRILLING DATA

MCKAY OIL CORPORATION
Cottonwood Federal No. 1
NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 34-6S-26E
Chaves County, N.M.



LC-068132

The following items supplement Form 9-331C in accordance with instructions contained in 'Onshore Oil & Gas Order' No. 1:

1. SURFACE FORMATION: Alluvium
2. ESTIMATED TOPS OF GEOLOGIC MARKERS:
Glorietta - 1695'
Tubb - 3080'
Abo - 3830'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:
Fresh water - In surface formations above 700'
Gas - In Abo formation below 3830 '
4. PROPOSED CASING PROGRAM: See Form 9-331C
5. PRESSURE CONTROL EQUIPMENT: Blowout preventer stack will consist of at least a double-ram blowout preventer rated to 3000# WP. A sketch of the BOP is attached.
6. CIRCULATING MEDIUM:
0'- 800' Lime and gel, spud mud, viscosity 32 to 34 seconds.
600'- 3730' Fresh water
3730'- TD Start mudding up at 3730'; viscosity 36 to 38 seconds; water loss 10 cc or less; 3-5% Diesel; 2 KCL
Mud additives will be used to control water loss.
7. AUXILIARY EQUIPMENT: full-opening kelly cock, to fit the drill string in use, will be kept on the rig floor at all times.
8. PROPOSED TESTING, LOGGING AND CORING PROGRAMS:
Testing: None
Logging: CN1-FDC, DLL-MSFL
Coring : None
9. ABNORMAL PRESSURES OR TEMPERATURE ZONES: None
10. ANTICIPATED STARTING DATE: Upon approval of the A.P.D.

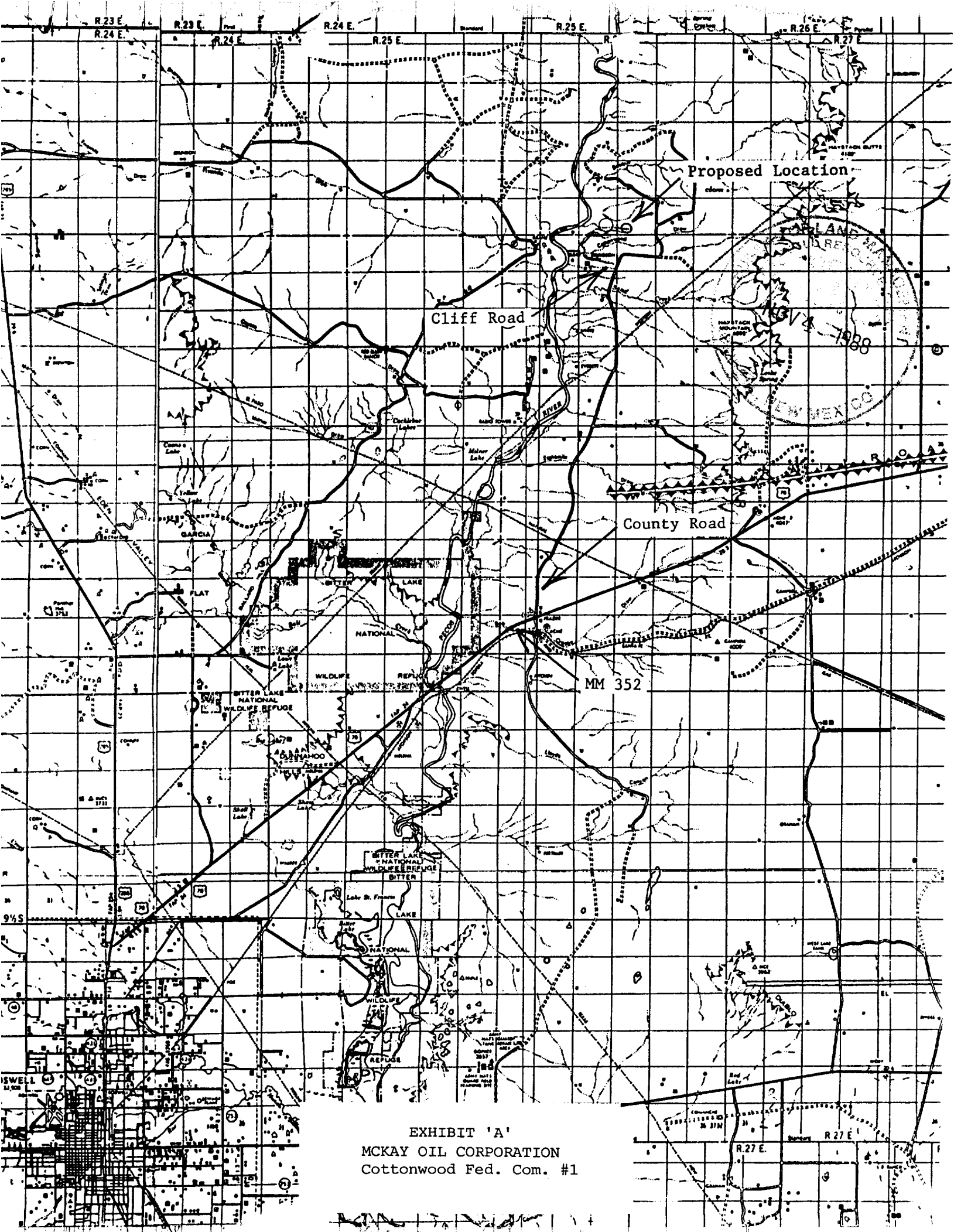


EXHIBIT 'A'
MCKAY OIL CORPORATION
Cottonwood Fed. Com. #1

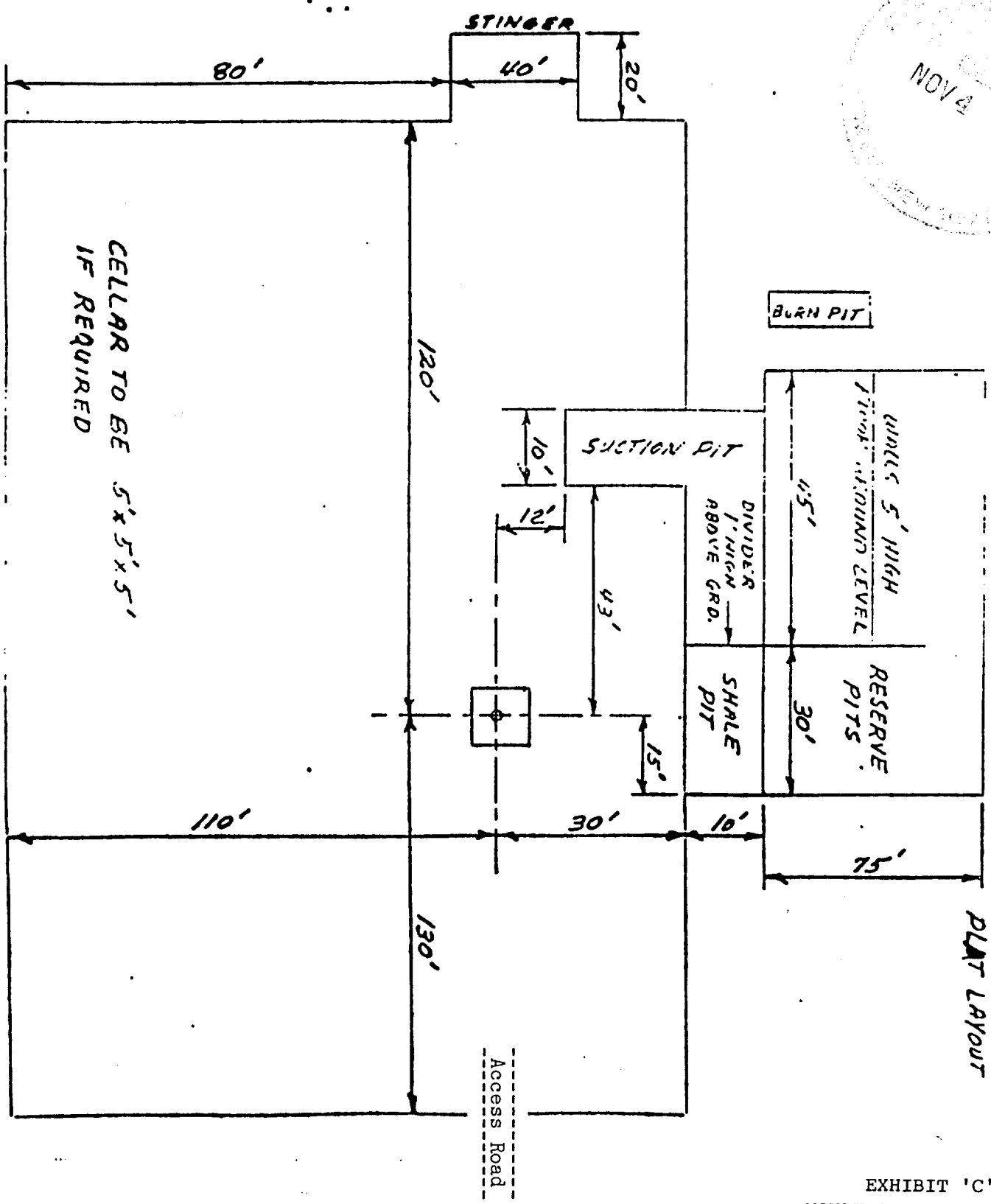
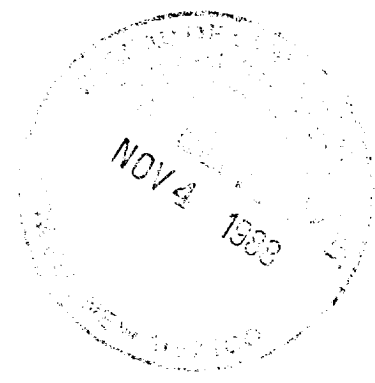


EXHIBIT 'C'
MCKAY OIL CORPORATION
Cottonwood Fed. Com. No. 1