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<b>D</b>	Webel Bar	Drawer DD		SUBI	IT D	PLICATE	rorm approved.	5-62740
Form 3160-3 (November 1983)	IINI	TED STATES	<b>TN 8</b> 8	210 (0)	her instruc reverse sig		Budget Bureau I Expires August	
(formerly 9-331C)			ITEDI			,		UP UP
13 2 22		T OF THE IN				:	5. LEASE DEBIGNATION	AND SERIAL NO.
	e ga generation in the	E LAND MANAG					NM 53957-A	
APPLICATION	FORBPERMIT	TO DRILL, D	EEPEN	<u>N, OR F</u>	PLUG B	ACK	6. IF INDIAN, ALLOTTER	OR TRIBE NAME
1a. TYPE OF WORKOCT	LL 🛛 💡	DEEPEN		PL	UG BAE	K 🗆	7. UNIT AGREEMENT NA	
b. TYPE OF WELL	S		SING		MULTIPI		O'Connell Fee	
WELL W	ELL X THER		ZONI		ZONE			
2. NAME OF OPERATOR	LANEW .				timeta 🖛 🐽	••	O'Connell Fee	1. Com.
Stevens Opera	ting Corporati	on V			1-7 VOV	89	9. WELL NO.	
3. ADDRESS OF OPERATOR							1	
	, Roswell, Ne		8202		O.C.D		10. FIELD AND POOL, O	R WILDCAT
4. LOCATION OF WELL (Re	eport location clearly an	d in accordance with	any Sta	te requirem	HESTA, OF	FICE X	Pecos Slope A	bo, Wildeat
At surface 1980' 660' At proposed prod. zon	FWL	, <b>11</b>				,	11. SEC., T., R., M., OR E AND SURVEY OR AR	
ne proposed prod	SAME						Sec. 15, T-68	5, R-26E
14. DISTANCE IN MILES	ND DIRECTION FROM NE.	AREST TOWN OR POST	OFFICE*				12. COUNTY OR PARISH	
/							Chaves	NM
15. DISTANCE FROM PROPU	SED*		16. NO.	OF ACRES IN	LEASE		F ACRES ASSIGNED HIS WELL	
LOCATION TO NEAREST PROPERTY OR LEASE L	INE. FT. 000 F	WL		200		10 11	320	
(Also to nearest drig	. unit line, if any)			320 DOSED DEPTH		20 8074	BY OR CABLE TOOLS	
18. DISTANCE FROM PROP TO NEAREST WELL, DI	RILLING, COMPLETED,							
OR APPLIED FOR, ON THE	IS LEASE, FT.			5800'		Rot		
21. ELEVATIONS (Show whe	ther DF, RT, GR, etc.)						22. APPROX. DATE WO	RK WILL START"
3668.1' GR							November 6,	1989
23.		PROPOSED CASIN	G AND	CEMENTIN	G PROGRA	м		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FO	07	SETTING	DEPTH		QUANTITY OF CEMEN	T
12 1/4	8 5/8	23.0 2	4	900	1	Circul	ate to sur. app	prox. 575 sacks
7 7/8	5 1/2	17.0		5800	1	600'a	bove Abo approx	c 550 sacks
		-				65.35%	Poz	

Well will be drilled to a total depth of 5800' and all potential zones evaluated. If Commercial Production is indicated, well will be selectively perforated and stimulated. Gas from this well has not been dedicated.

Attached are:

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- 1. Surface Use Plan
- 2. Well Locations & Dedication Plat
- Sketch of BOP 3.
- Sundry Notice regarding 8 5/8" pipe and testing of BOP 4.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive sone 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. BIGNED Bel Farm	TITLE Production Supervisor	DATE10/23/89
(This space for Federal or State office use)		
PERMIT NO	APPROVAL DATE	NOV 2 1989
APPROVAL OF THIS APPLICATION DOES NOT WARRANT O CONDITIONS OF APPROVALION DOES NOT WARRANT O CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE ITLE TO THOSE RIGHTS IN THE SUBJECT LEASE WHICH WOUL ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREOF ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREOF	R PLEASE BE ADVISED THAT THEN E OF FEDERALLY OWNED MINERAL D TION OF THE ACCESS ROAD O	RE WILL BE NO EXCAVATION MATERIAL FOR CONSTRUC- R PAD WITHOUT PAYMENT

NEW MEXICO OIL CONSERVATION COMMISSION RECEIVED OCT 1 1 1989 WELL LOCATION AND ACREAGE DEDICATION PLAT

		All distances must be fro		the Section.	
STEVENS	OPERATING (	COMPANY	O'CONNEL	FEDERAL COM.	Well No. 1
Init Letter S	ection	Township	Range	County	
E	15	6 SOUTH	26 EAST	CHAVES	
ctual Footage Locati	_				
1000	feet from the	NORTH line and	660 fee	et from the WEST	line
round Level Elev.	Producing Fo	ormation I	2001		Dedicated Acreage:
3668.1'	Montoya	a	Wildcat		320 Acr
	one lease is	ated to the aubject wel dedicated to the well,			the plat below. thereof (both as to workin
dated by con XX Yes If answer is this form if m No allowable	Munitization, No If a "no," list the eccessary.) will be assign	unitization, force-poolin unswer is "yes," type of owners and tract descri med to the well until all i	g. etc? consolidation <u>Cor</u> ptions which have a nterests have been a	munitized ctually been consolid	of all owners been consol dated. (Use reverse side nmunitization, unitization
forced-poolin sion.	g, or otherwise	) or until a non-standard	unit, eliminating suc	ch interests, has bee	n approved by the Commis CERTIFICATION
-086				tained h	certify that the information con erein is true and complete to th ny knowledge and belief. A.C. Tamar
	+             		             	Position	tion Supervisor s Operating Corp 9
		ALL STATE	PROFEDSION PLAND BURGE	shown o notes of under my is true knowled Date Surve DECI Registered	y certify that the well location in this plat was plotted from fie factual surveys mode by me y supervision, and that the sam and correct to the best of m ge and belief. Typed EMBER 3 & 4,1985 Professional Engineer ad Surveyor
	i i		A M NC	$ $ $\cap$ .	1 / 1/1 a

### SUPPLEMENTAL DRILLING DATA

STEVENS OPERATING CORPORATION WELL #1 O'CONNELL FEDERAL COM. 1980' FNL, 260' FWL, SEC. 15, T-6S, R-26E CHAVES COUNTY, NEW MEXICO

## 1. SURFACE FORMATION: Alluvium

#### 2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

San Andres	620'	P-1	1080'
Glorieta	1760'	Yeso	3100'
Abo	3750'	Montoya or	5800 <b>'</b>
		Granite	

### 3. ANTICIPATED POROSITY ZONES:

Water	700'	-	800'
Oil	1000'	-	1670'
Gas	3750'	-	4050'

#### 4. CASING DESIGN:

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<u>Size</u>	<u>Interval</u>	<u>Weight</u>	<u>Grade</u>	<u>Joint</u>	<u>Condition</u>
0 5 (0 1	0- 900'	24 <del>23.0</del> #	K-55	STC	New
8 5/8"	0-900	23.0#	K-22	510	INCW
5 1/2"	0-5800'	17.0#	J-55	STC	New

#### 5. SURFACE CONTROL EQUIPMENT:

A double Ram-type preventer. (2000# WP) A Sketch of BOP stack is attached.

#### 6. CIRCULATING MEDIUM:

0 - 900' Fresh water mud with gel added if needed. 3550' - 5800' Mud up to 200' above Abo, salt water mud, conditioned as necessary for control of viscosity and water loss.

- 7. AUXILIARY EQUIPMENT: Drill string safety valve.
- 8. <u>TESTING, LOGGING AND CORING PROGRAMS:</u> Coring and testing may be performed in zones of interest. Compensated Neutron-Formation Density w/Gamma Ray Log. 0-TD Dual Lateral Log Shoe to TD. The BOP & pipe will be tested to 1000# prior to drilling out from under the 8 5/8".
- 9. ABNORMAL PRESSURE, TEMPERATURES OR GASES: Not Anticipated.
- 10. <u>ANTICIPATED DATES</u>: It is planned that drilling operations will commence about November 6, 1989. Duration of drilling and completion operations should be 20 to 40 days.





### SURFACE USE PLAN

#### FOR

#### DRILLING, COMPLETING AND PRODUCTION

STEVENS OPERATING CORPORATION Well #1 O'Connell Federal Com. 1980' FNL 260' FWL, Section 15, T-6S, R26E CHAVES COUNTY, NEW MEXICO

LOCATED:

28.0 miles northeast of Roswell, NM

- FEDERAL LEASE NUMBER: NM 53957-A
- LEASE ISSUED: September 1, 1982

RECORD LESSEE: Verna S. O'Connell

OPERATOR'S AUTHORITY: Designation of Operator from Lessee

BOND COVERAGE: Donald G. Stevens Statewide Bond

ACRES IN LEASE: 320 (Communitized)

SURFACE OWNERSHIP: U. S. Govt.

WELL SPACING:

320 acre spacing for Montoya gas

EXHIBITS:

- A. Portion of Chaves County Road Map
- B. Portion of Cottonwood Draw Topo Map
- C. Portion of Lease Map
- D. Sketch of Well Layout
- E. Surface Agreement

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# Road Log to Proposed Drillsite

<u>Starting Point</u> is 16 miles northeast of Roswell, New Mexico on U. S. 70 at mile post 352.5. This point is at the Old Acme School House ruin which is 14.12 miles east of U. S. 285.

- 0.0 Turn left (North) through the cattleguard on Aztec Road and proceed on county road in a northerly direction for a distance of 15.5 miles.
- 15.5 Turn left (West) following the fence line for a distance of 1.25 miles.
- 16.75 Turn right (North) through cattleguard, proceed in a northerly and then westerly direction for a total of 1 mile.
- 17.75 O'Connell Fed Com #1 drillsite.

1. <u>Existing Road:</u> Existing roads lead to the proposed drillsite are shown on Exhibits "A" and "B". The existing road from road log 15.5 to 16.75 will be upgraded. The existing road from road log 16.75 to 17.75 will be surfaced with a minimum of 4" of caliche.

2. <u>Proposed New Road:</u> Proposed new access road will be 1.0 miles long. The proposed route which will originate at mileage 16.75 on the road log & terminate at the northeast corner of the proposed drillsite. See Exhibit "B"

- A. Width: 14 feet with 30' ROW.
- B. <u>Sufacing Material:</u> Road will be surfaced with a minimum of 4" of caliche.
- C. <u>Road Design:</u> At mileage point 16.75, to mileage point 17.75 culverts will be installed under access road where necessary; filling in the road around it to the same elevation.
- D. <u>Topsoil:</u> It will be removed from the location and stockpiled on north edge of location.
- E. <u>Pit cuttings</u>: Materials removed from the reserve pit area will be used for fill on the west side of location.

- 3. <u>Right-of-Way</u> Application for right-of-way has been determined that the appropriate category is category II. A copy of the determination will be included in the APD for right-of-way approval.
- 4. Location of existing facilities:
  - A. Existing wells in the vicinity of the proposed drillsite are shown on Exhibit "C".
- 5. Location of Proposed Facilities:
  - A. If the proposed well is productive, production and storage facilities will be located on the new well pad. See Exhibit "F".
  - B. A Gas flowline will be run in a westerly direction above ground for a distance of 400'. At this point it will be buried a minimum of 12" to West Section Line (260'). See Exhibit "F".
- 6. Location and type of water supply:
  - A. Water for leasehold operation will be purchased from the nearest commercial source operated by Mark Cooper.
  - B. The water source is 4.0 miles to east and south of the drillsite.
- 7. <u>Source of Construction materials:</u>
  - A. Where possible, material-in-place will be used for construction of the road & well pad. Additional material will be obtained from the nearest commercial source owned by Mr. Mark Cooper. The caliche pit is located in the W/2 of Section 10, T-6S, R-26E.
- 8. <u>Methods of handling waster disposal:</u>
  - A. Drill cuttings will be disposed of in the drilling pits.
  - B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- 9. Ancillary Facilities: None Anticipated.
- 10. Wellsite Layout:
  - A. The wellsite has been surveyed and a 500'x 500' area has been staked & flagged.

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- B. The dimensions and relative location of the drill pad, mud pit, and trash pit with respect to the well bore are shown on Exhibit "F".
- C. A cut & fill plat are shown on Exhibit "D".
- 11. Plans for Restoration:
  - A. After completion of drilling and/or completion operations, all equipment and other materials not needed for operation will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in as aesthetically pleasing condition as possible.
- 12. Production facilities:
  - A. The production facilities and flowline are shown on Exhibit "F".
- 13. Other Information:
  - A. <u>Topography:</u> The undisturbed wellsite elevation is 3668 GR.
  - B. <u>Soil:</u> Top soil is gyppie loam situated at the base of a 75 foot high cliff.
  - C. <u>Flora & Fauna:</u> The vicinity surrounding the drillsite is semi-arid dessert range land. Flora consist primarily of mesquite, salt cedar and range grasses interspersed with other desert plants. No wildlife was observed; however, fauna for this type of habitat also includes lizards, snakes, rodents, skunks, coyotes, dove, quail, and other small birds.
  - D. <u>Ponds & streams</u>: The Pecos River is located .5 miles to the northeast of the drillsite.
  - E. <u>Residences and other structures:</u> Nearest occupied dwelling is 4 miles to the southeast.
  - F. <u>Archaeological, historical and other cultural sites:</u> An archaeological reconnaissance of the well pad and new road area were made by the Agency for Conservation Archaeology and forwarded directly to the Bureau of Land Management.
  - G. Land use: Grazing and occasional hunting.
  - H. <u>Surface owner:</u> U. S. Government.

#### 14. Operator Representative:

Representative responsible for assuring compliance with the approved surface use plan:

Bob Farmer Production Superintendent 1250 United New Mexico Plaza Roswell, New Mexico 88201 Office Phone 505-622-7273 Home Phone 505-625-9376

# 15. <u>Certification:</u>

I 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 statement 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 Stevens Operating Corporation and its subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date <u>10/23/89</u>

Bob Farmer Stevens Operating Corporation



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CITADELT NO 643 - CROSS SECTION - 20 SQUARES TO INCH

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# SURFACE AGREEMENT FOR UNIT E - SEC. 15, T-6-S, R-26-E

Records show that the above-described tract of land is owned as follows:

Surface:

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U. S. Government

Minerals:

U. S. Government

Oil & Gas Leases:

Yates Petroleum Corporation, Stevens Oil Company

Designation of Operator:

Stevens Operating Corporation

Bob Farmer STEVENS OPERATING CORPORATION

EXHIBIT "E"

