

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 ☐

SINGLE  
ZONE ☐

RECEIVED ☐

2. NAME OF OPERATOR

Bill Fenn, Inc. ✓

3. ADDRESS OF OPERATOR

P.O. Box 569

Giddings, TX 78942

MAR -5 '90

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

At surface

1190' FSL & 990' FEL

ARTESIA OFFICE

At proposed prod. zone

Same

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

12 miles SE of Hagerman, NM

15. DISTANCE FROM PROPOSED\*

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

990'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED

TO THIS WELL 160 (320)

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

8300'

20. ROTARY OR CABLE TOOLS

Rotary

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

3451.7 GL

22. APPROX. DATE WORK WILL START\*

Feb. 15, 1990

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48 & 54.5#	350'	300 sx "c" circ.
12 1/4"	8 5/8"	24.0#	1600'	700 sx HL & C circ.
7 7/8"	5 1/2"	15.5#	8300'	400 sx "H" cover formation

MUD PROGRAM:

0' - 350' Fresh water spud mud, gel, lime, paper:  
350' - 1,600' Fresh water mud:  
1,600' - 4,750' Cut Brine water:  
4,750' - 7,600' Cut brine water, gel and oil:  
7,600' - 8,300' Cut brine water with starch:

Mud Wt.	Visc.	Wtr/Loss
8.4-8.9	32 - 36	N/C
8.4-8.6	27 - 29	N/C
8.8-9.2	27 - 29	N/C
9.0-9.4	36 - 38	N/C
9.0-9.4	37 - 39	15ccW/L

BOP PROGRAM:

The drilling rig is equipped with a 5,000 psi wp double hydraulic BOP but will be used and tested daily as a 3,000 psi wp system. See Exhibit

Per ID-1  
3-9-90  
New Loc +  
API

Gas 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.

24.

Agent for:

SIGNED

*Bill Fenn, Inc.*

TITLE

Bill Fenn, Inc.

DATE MAR 31, 1990

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

S/Levi Deike, Acting

TITLE

Area Manager

DATE

MAR 01 1990

CONDITIONS OF APPROVAL, IF ANY:

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.

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.

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 statement or representation, or to withhold any material information.

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department.

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator BILL FENN INC.			Lease Buffalo Valley 34 Federal Com.		Well No. 1
Unit Letter P	Section 34	Township 14 South	Range 27 East	County Chaves	
Actual Footage Location of Well: 1190 feet from the South line and 990 feet from the East line					
Ground level Elev. 3451.7	Producing Formation Atoka		Pool Buffalo Valley Penn.	Dedicated Acreage: 320 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☒ Yes ☐ No If answer is "yes" type of consolidation communitization  
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 interest, has been approved by the Division.

OPERATOR CERTIFICATION

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

Signature

Printed Name

George R. Smith

Position

Agent for:

Company

Bill Fenn, Inc.

Date

January 31, 1990

SURVEYOR CERTIFICATION

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

January 29, 1990

Signature & Seal of  
Professional Surveyor

Certification No.

JOHN W. WEST

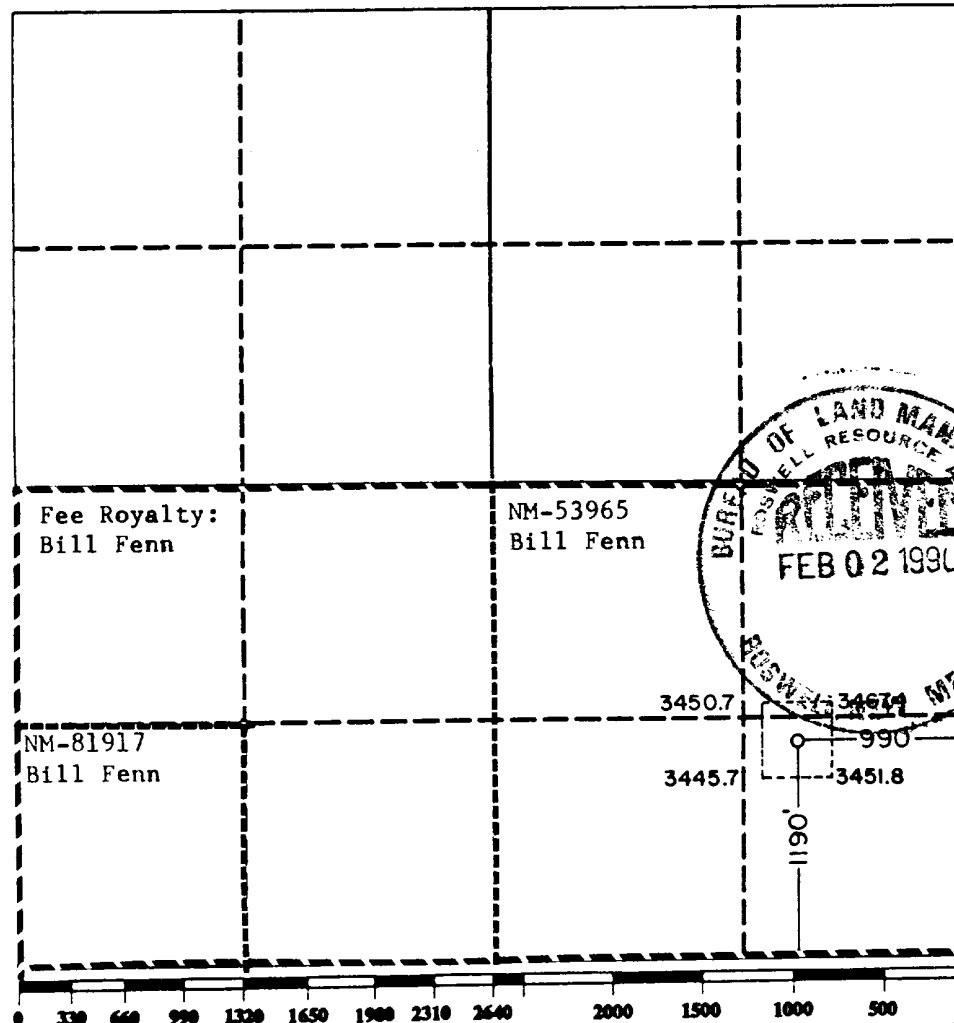
676

RONALD J. GIBSON,

3239

NEW MEXICO

JOHN W. WEST



125630

# APPLICATION FOR DRILLING

BILL FENN, INC.  
Buffalo Valley "34" Federal Com., Well No. 1  
1190' FSL & 990' FEL, Sec. 34-T14S-R27E  
Chaves County, New Mexico  
Lease No.: NM-53965  
(Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Bill Fenn, Inc. submits the following items of pertinent information in accordance with BLM requirements:

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

Queen	746'	Cisco	6770'
Grayburg	1096'	Canyon	7086'
San Andres	1406'	Atoka	7890'
Glorieta	2500'	Mississippi L/S	8215'
Tubb	4126'	T. D.	8300'
Abo	4908'		
Wolfcamp	6012'		

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

Water: Surface water between 100' - 350'.

Oil: None expected.

Gas: Atoka below 7950'.

4. Proposed Casing Program: See Form 3160-3.
5. Proposed Control Equipment: See Form 3160-3 and Exhibit "E"
6. Mud Program: See Form 3160-3.
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.  
  
Logging: T.D. to intermediate casing: GR-CNL-LDT, RFT and DLL w/Rxo,  
  
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: February 15, 1990.  
Anticipated completion of drilling operations: Approximately 35 days.



MULTI POINT SURFACE USE AND OPERATIONS PLAN

BILL FENN, INC.  
Buffalo Valley "34" Federal Com., Well No. 1  
1190' FSL & 990' FEL, Sec. 34-T14S-R27E  
Chaves County, New Mexico  
(Development 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 environmental effects associated with the operations.

1. EXISTING ROADS:

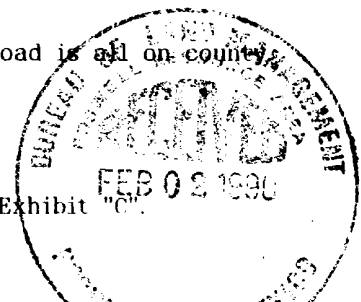
- A. Exhibit "A" is a portion of a BLM Topographic Roswell Quadrangle map showing the location of the proposed well as staked. The well site location is approximately 12 road miles southeast of Hagerman, New Mexico. There will be approximately 8 miles of paved highway and 4 miles of gravel county and ranch/oilfield roads.
- B. Directions: Travel East from Hagerman, NM on New Mexico Highway 31 for 7.8 miles to the gravel Chaves County road No. 257 (Harriet Rd.), which turns south at the Transwestern Pipeline crossing of State Road #31. Continue south on Harriet Rd. for 3 miles then turn right (west) onto another county road for approximately .9 mile to a dry hole marker 300 feet south of the existing access road. The old access road to the Derrick Federal Com., Well No. 1 will be used and upgraded.

2. PLANNED ACCESS ROAD;

- A. Length and Width: There will be approximately 1000 feet of proposed access road (and County road by-pass) 12 feet wide (24' Max.), and .9 mile of county road to be upgraded. The Chaves County Rd. No. 3-36 will be upgraded with the cooperation of the county road department. Approximately 650 feet of the proposed access road will be part of the pad. The proposed and existing roads are color coded on Exhibits "A" and "B".
- B. Construction: The existing access road will be upgraded and the proposed access road will be constructed by grading and topping with compacted caliche. The surface will be properly drained with water bars as needed.
- C. Turnouts: No turnouts are planned.
- D. Culverts: None planned. Low water crossings at several points will be used on the existing access road.
- E. Cuts and Fills: None required except to patch and level rough spots on the existing road.
- F. Gates, Cattleguards: None required.
- G. Off Lease R/W: None required. The existing access road is all on county road right of way.

3. LOCATION OF EXISTING WELLS:

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



Bill Fenn, Inc.

Buffalo Valley "34" Federal Com., Well No. 1

Page 3

9. WELL SITE LAYOUT:

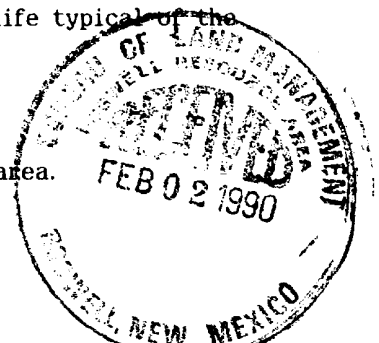
- A. Exhibit "D" shows the relative location and dimensions of the well pad, waste pits, and major rig components. The county road will be detoured around the location. The pad and pit area has been staked and flagged, 400' X 400'. The existing pad will be utilized as part of the new well site.
- B. Mat Size: 280' X 200', plus 130' X 130' reserve pits. The pits will be oriented to the north.
- C. Cut & Fill: An approximate area of 25' x 140' on the north will require a 6 to 8 foot cut and will be filled to the west.
- D. The surface will be topped with compacted caliche and the reserve pits 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 needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in an aesthetically pleasing a condition as possible.
- B. Any unguarded pits containing fluids will be fenced and screened until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management 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 proposed well site is located partially on an existing drill site in the breaks east of Buffalo Valley with an elevation of 3451.7'. Surrounding hills to the north and east are 30 feet above the location.
- B. Soil: The topsoil at the well site is a loamy sand with caliche scatter brought in during the original construction. The surrounding undisturbed soils are of the Holloman-Gypsum land complex series with exposed siltstone, shale and gypsum rock outcrops on the surrounding hillsides.
- C. Flora and Fauna: The vegetation cover is a fair grass cover of sand dropseed, gyp and blue grama, blue stem, sacaton and three-awn, along with plants of mesquite, yucca, snake broomweed, croton, cacti, thistle, and miscellaneous weeds and wildflowers. The wildlife consists of rabbits, coyotes, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.
- D. Ponds and Streams: None in the immediate vicinity.
- E. Residences and Other Structures: None in the immediate area.
- F. Land Use: Cattle grazing.



4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES;

- A. There are no production facilities on the lease at this 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 water that will be obtained from private or commercial sources and will be transported over the existing and proposed access roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

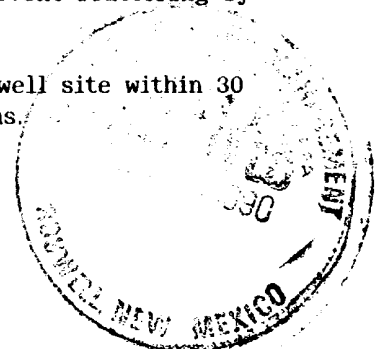
- A. Caliche for surfacing the existing access road and well site pad will be obtained from an approved Federal pit in the NW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 13-T15S-R278E. Some caliche will be obtained from the Tanner Fed. #1 well pad located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$  of Sec. 35-T14S-R27E. The topsoil from the location will be stockpiled near the location for future rehabilitation use. No surface materials will be disturbed except 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 a separate disposal application will be submitted to the BLM for approval.
- E. Oil produced during operations will be stored in tanks until sold.
- 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, or a commercial dumpster will be used. All waste material will be contained to prevent scattering by the wind.
- H. All trash and debris will be buried or removed from the well site within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

- A. None required.



11. OTHER INFORMATION; cont.....

- G. Surface Ownership: The proposed well site and access road is on Federal surface and minerals.
- H. There is no evidence of any archaeological, historical or cultural sites in the area. An archaeological survey will be conducted by Archaeological Survey Consultants, P. O. Box D, Roswell, NM 88202, and their report will be submitted to the appropriate government agencies.

12. OPERATOR'S REPRESENTATIVE:

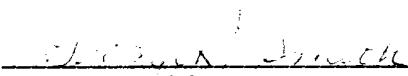
- A. The field representative for assuring compliance with the approved surface use and operations plan is as follows:

Danny Brown  
Bill Fenn, Inc.  
P. O. Box 569  
Giddings, Texas 78942  
Office Phone: (409) 542-9631  
Home Phone: (512) 446-7143

13. CERTIFICATION:

I hereby certify that I have inspected the proposed drill site 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 Bill Fenn, Inc. and its contractors and 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.

January 30, 1990

  
George R. Smith  
Agent for: Bill Fenn, Inc.



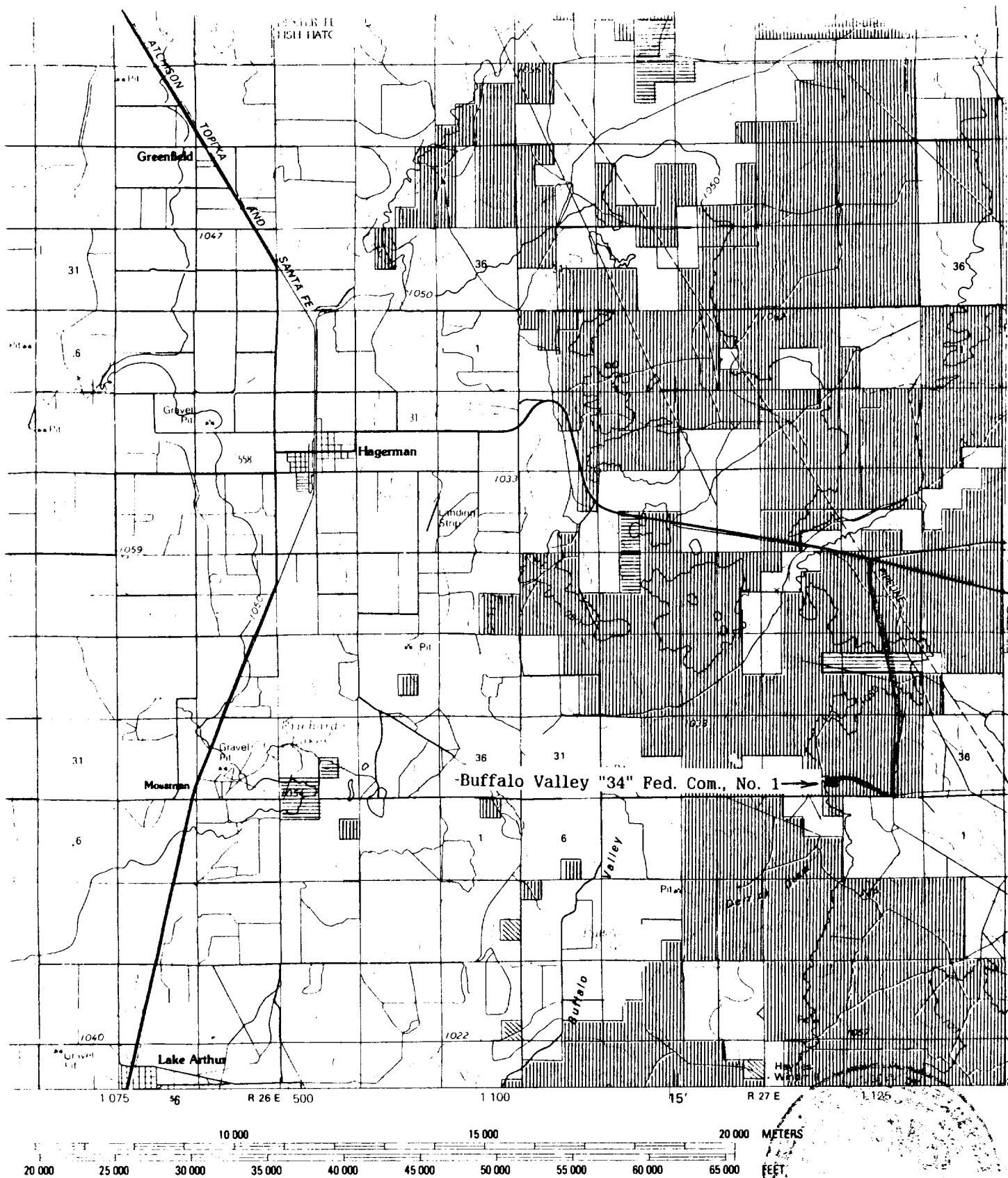
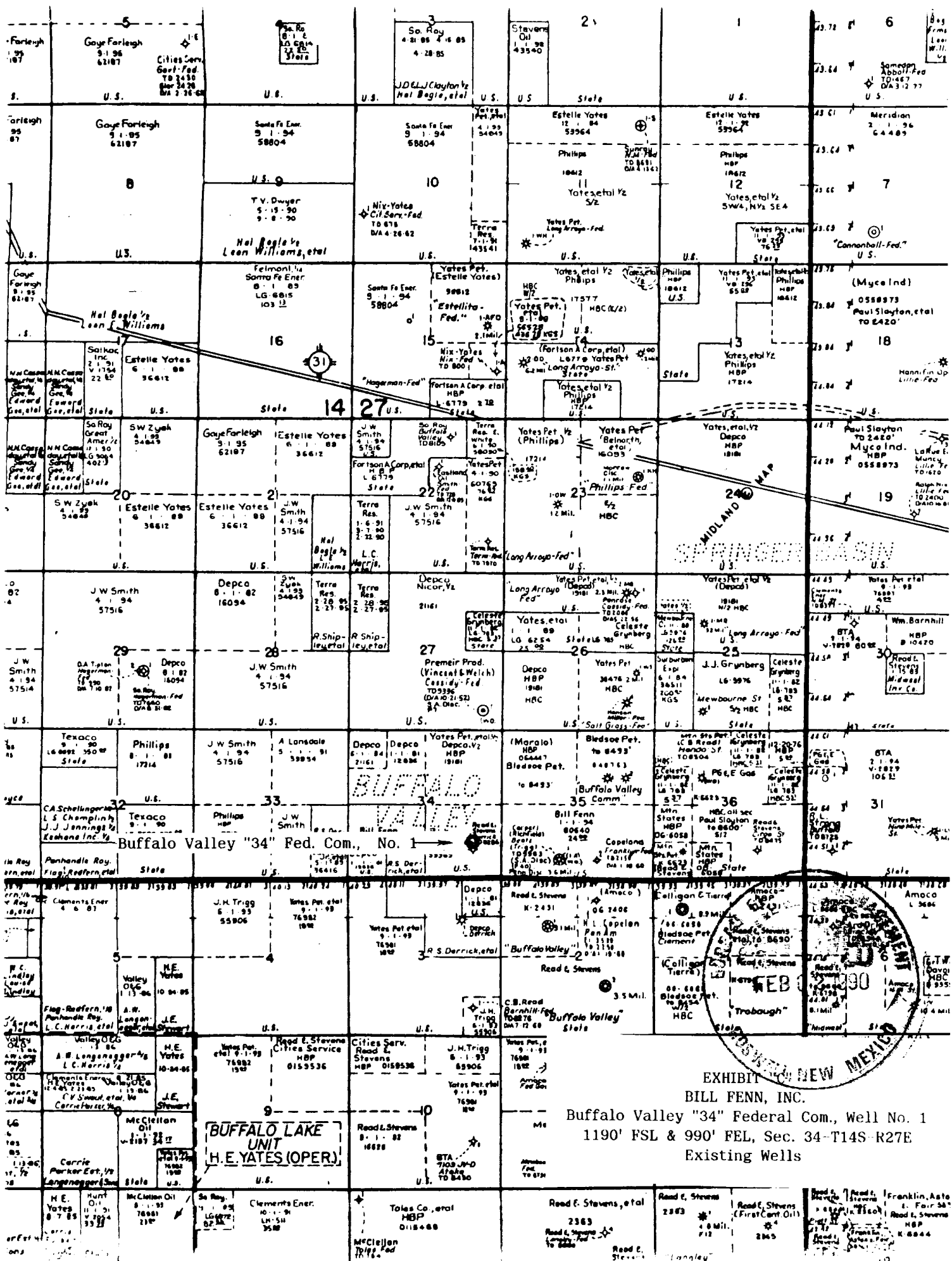


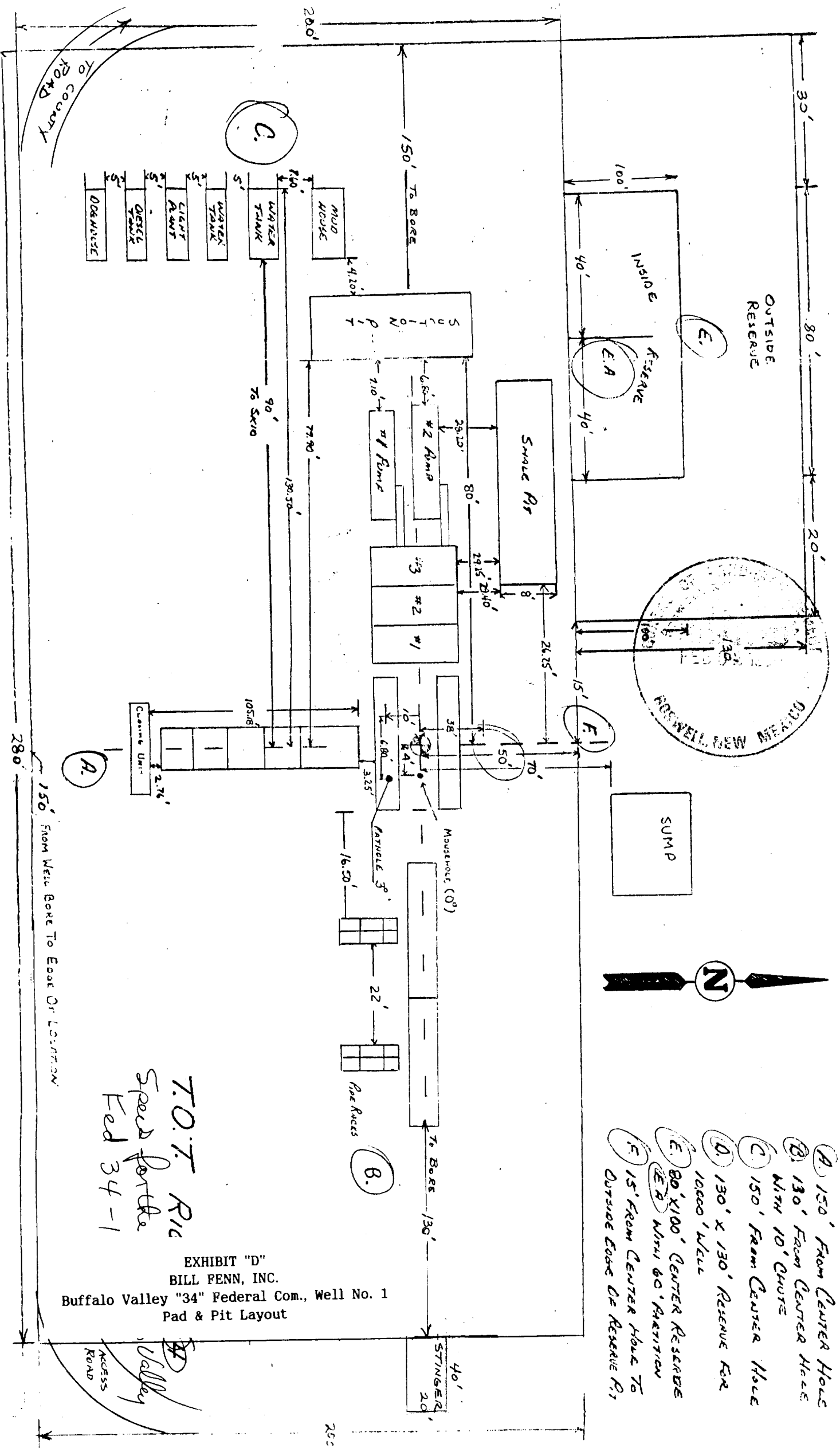
EXHIBIT 'A'  
 BILL FENN, INC.  
 Buffalo Valley "34" Federal Com., Well No. 1  
 1190' FSL & 990' FEL, Sec. 34-T14S-R27E  
 Existing Access Roads:  
 Proposed Access Road: —

energy	NONE	State, County, City, Wildlife,	
mineral Lands (O&C Lands)	NONE	Park and Outdoor Recreation Areas.	
US Forest Service	NONE	Acquired Lands	
		(By Administering Agency)	









- A. 150' From Center Hole
- B. 130' From Center Hole With 10' Chute
- C. 150' From Center Hole
- D. 130' x 130' Reserve For 10000' Well
- E. 80' x 100' Center Reserve With 60' Partition
- EA. 15' From Center Hole To Outside Edge Of Reserve Pit

EXHIBIT "D"  
 BILL PENN, INC.  
 Buffalo Valley "34" Federal Com., Well No. 1  
 Pad & Pit Layout

T.O.T. Ric  
 Speed for the  
 Fed 34-1

To County Road

150' From Well Bore To Edge Of Location

Valley  
 ACCESS ROAD



TOT DRILLING CORPORATION  
 11 " 5000# Blow Out Equipment  
 Rig 2-3-4-9-10

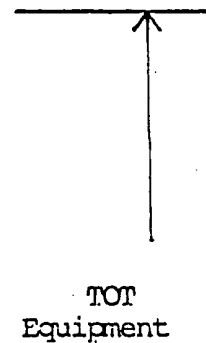
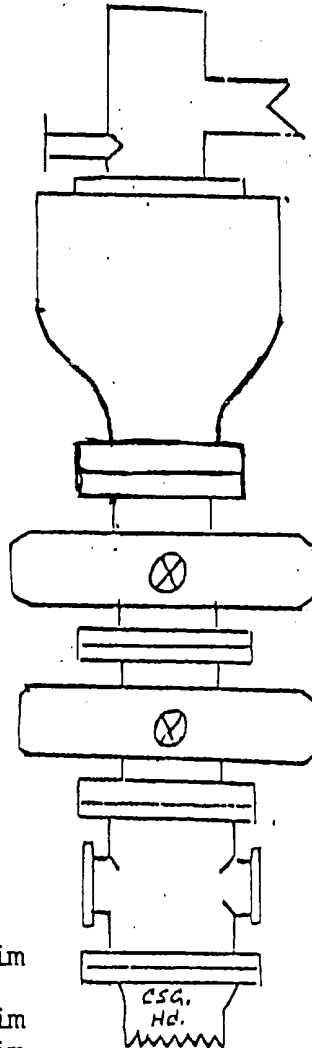
DRILLING NIPPLE

ANNULAR

BLIND RAMS

4 1/2" PIPE RAMS

4" MUD CROSS



Excess Equipment:

- 2 - 2" 5000# Manual Valves H2S Trim
- 1 - 2" 5000# Check Valve
- 1 - 4" 5000# Manual Valve H2S Trim
- 1 - 4" Hydraulic Valve H2S Trim
- Complete Choke Manifold w/ 1- Positive and 1 Manual Choke
- Complete Package H2S Trim

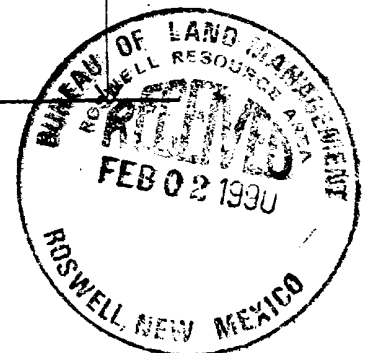


EXHIBIT "E"  
 BILL FENN, INC.  
 Buffalo Valley "34" Federal Com., Well No. 1  
 BOP Specifications

707 Drilling Corp.  
BOP. manifold  
Rep 23-4-9-10

