

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 ZONE ☐  
2. NAME OF OPERATOR  
McKay Oil Corporation  
3. ADDRESS OF OPERATOR  
P.O. Box 2014, Roswell, NM 88202  
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At surface 2180/N 660/E Ut. H  
At proposed prod. zone same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
Approximately 25 miles north of Roswell  
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
See new well 660'  
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
Location 1,100'  
19. PROPOSED DEPTH  
3,400'  
21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
4124 HTP GL  
Sundry Notice dated 12-11-91  
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 J-55	900' 1000'	850 cf cement circulate
7 7/8"	4 1/2"	10.5 J-55	TD	1200 cf cement including
			See drilling slip	480 cf to tie in 4 1/2" to 8 5/8" from 1500' to 800' AIC

We propose to drill and test the Abo Formation. Approximately 900' of surface casing will be set and cemented to surface. If commercial, 4 1/2 production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: See Supplemental Drilling Data which is attached.

BOP Program: BOP will be installed on 8 5/8" casing and tested daily.

Gas is not dedicated.

Post ID-1  
1-24-92  
New loc + API

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 David Stout TITLE Agent DATE 11-15-91

(This space for Federal or State office use)

PERMIT NO. David Stout APPROVAL DATE 1/13/92  
APPROVED BY David Stout TITLE Asst Area Manager DATE 1/13/92  
CONDITIONS OF APPROVAL, IF ANY:

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

APPROVAL OF THIS APPLICATION DOES NOT WARRANT OR CERTIFY THAT THE APPLICANT IS ENTITLED TO AN EQUITABLE TITLE TO THOSE RIGHTS IN THE LAND. THE BUREAU WOULD ENTITLE THE APPLICANT TO DRILLING OPERATIONS THEREON, IN ACCORDANCE WITH THE PROVISIONS OF THE MINERAL LEASING ACT, 30 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.

RECEIVED

NOV 15 5 52 PM '91

BUREAU OF POST  
OFFICE  
BOSTON AREA

NM Oil Cons. Commi on  
Drawer DD  
Artesia, NM 88210

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Mckay Oil Corp.

3. Address and Telephone No.

P.O. Box 2014

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2180' FNL & 660' FEL, Sec 23, T-6S, R-22E

5. Lease Designation and Serial No.

NM-36194

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

S. Four Mile Draw Fed

9. API Well No.

12

10. Field and Pool, or Exploratory Area

W. Pecos Slope Abo

11. County or Parish, State

Chaves, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent  
☒ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☐ Other Change Well Location  
☒ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

The original location was located at 1980' FNL & 660' FEL.  
We have moved the location 200' south to accomodate the request  
of the BLM.

14. I hereby certify that the foregoing is true and correct

Signed

SA [Signature]

Title AGENT

Date 12-11-91

(This space for Federal or State office use)

Approved by

[Signature]

Title Asst Area Manager

Date 1/17/92

Conditions of approval, if any:

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

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

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 McKay Oil Corporation			Lease South 4 Mile Draw Federal		Well No. #12
Tract Letter H	Section 23	Township 6S.	Range 22E.	NMPM	County Chaves
Actual Footage Location of Well: 2180 feet from the North line and 660 feet from the East line					
Ground level Elev. 4174		Producing Formation ABO		Dedicated Acreage: 160 Acres	
W. Pecos Slope Abo					

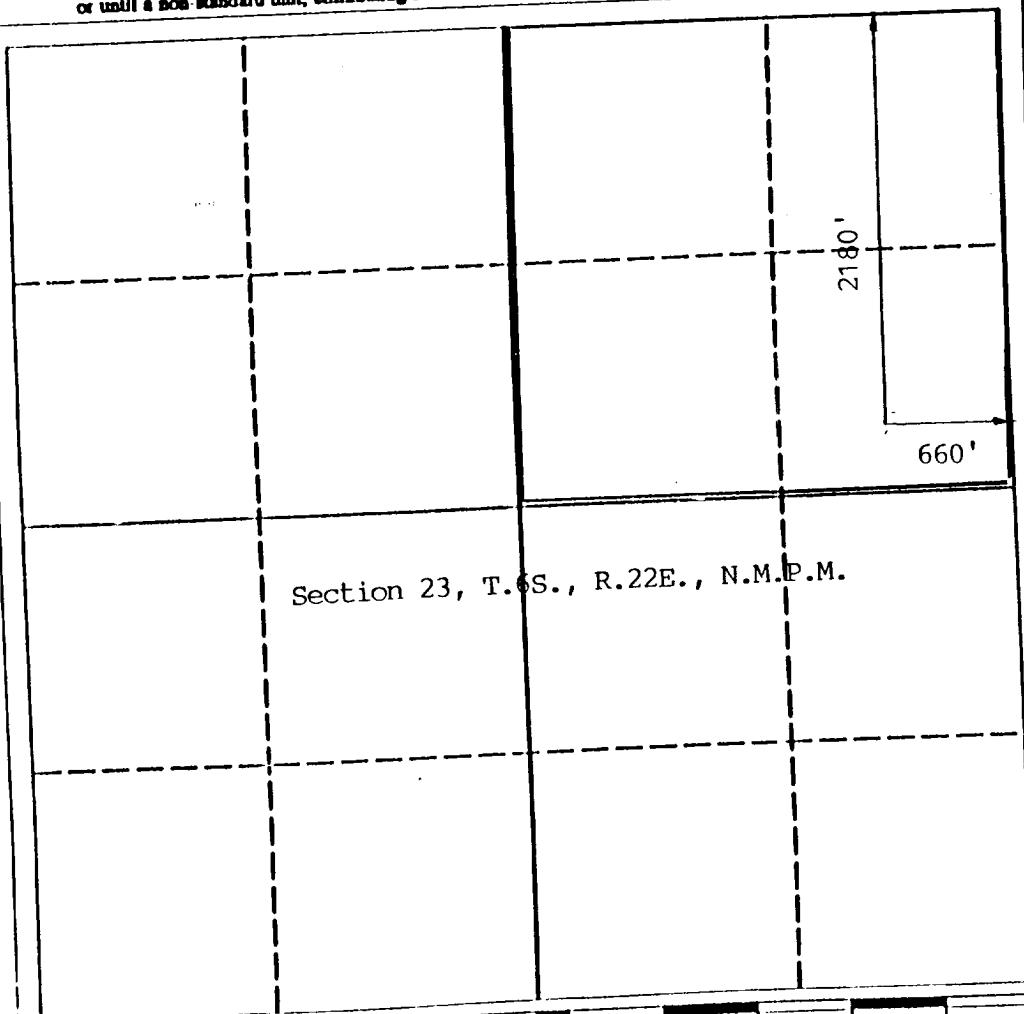
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

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 \_\_\_\_\_  
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

Sam L. Shackelford  
Position

Agent

Company

McKay Oil Corp.

Date

12-11-91

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

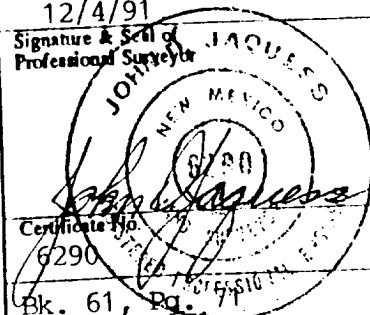
12/4/91

Signature & Seal of  
Professional Surveyor

Certificate No.

6290

Bk. 61, Pg. 77



JOHN D. JAQUESS  
CONSULTING ENGINEERS  
P.O. Box 2565  
ROSWELL, NEW MEXICO 88201  
(505) 622-8866

GRID ELEVATIONS

JOB

SHEET NO

OF

CALCULATED BY

DATE

CHECKED BY

DATE

SCALE

NW  
4181

400'

NE  
4175

1,007

○

4174

1,007

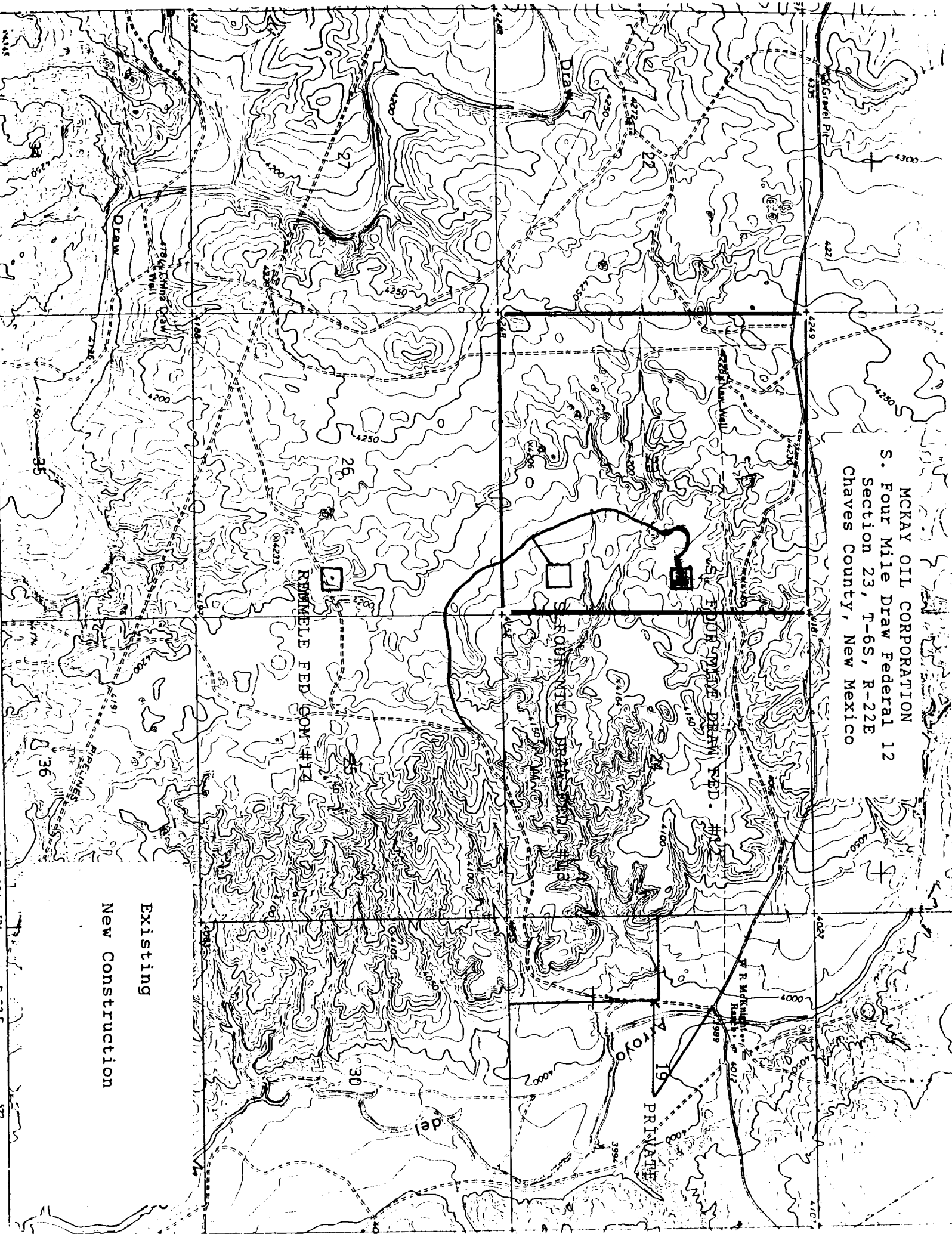
SW  
4172

400'

SE  
4172

SOUTH 4 MILE DRAW FEDERAL #12  
2180 FNL, 660 FEL  
SECTION 23, T.6S., R.22E., N.M.P.M.

MCKAY OIL CORPORATION  
S. Four Mile Draw Federal 12  
Section 23, T-6S, R-22E  
Chaves County, New Mexico



Existing  
New Construction

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 MCKAY OIL CORPORATION		Lease SOUTH 4 MILE DRAW FEDERAL		Well No. #12
Unit Letter H	Section 23	Township 6S.	Range 22E.	County CHAVES
Actual Footage Location of Well: 1980 feet from the NORTH line and 660 feet from the EAST line				
Ground level Elev. 4177	Producing Formation Abo		Pool West Pecos Slope Abo	Dedicated Acreage: 160.00 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  
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

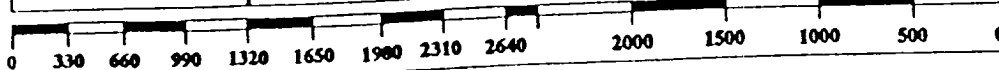
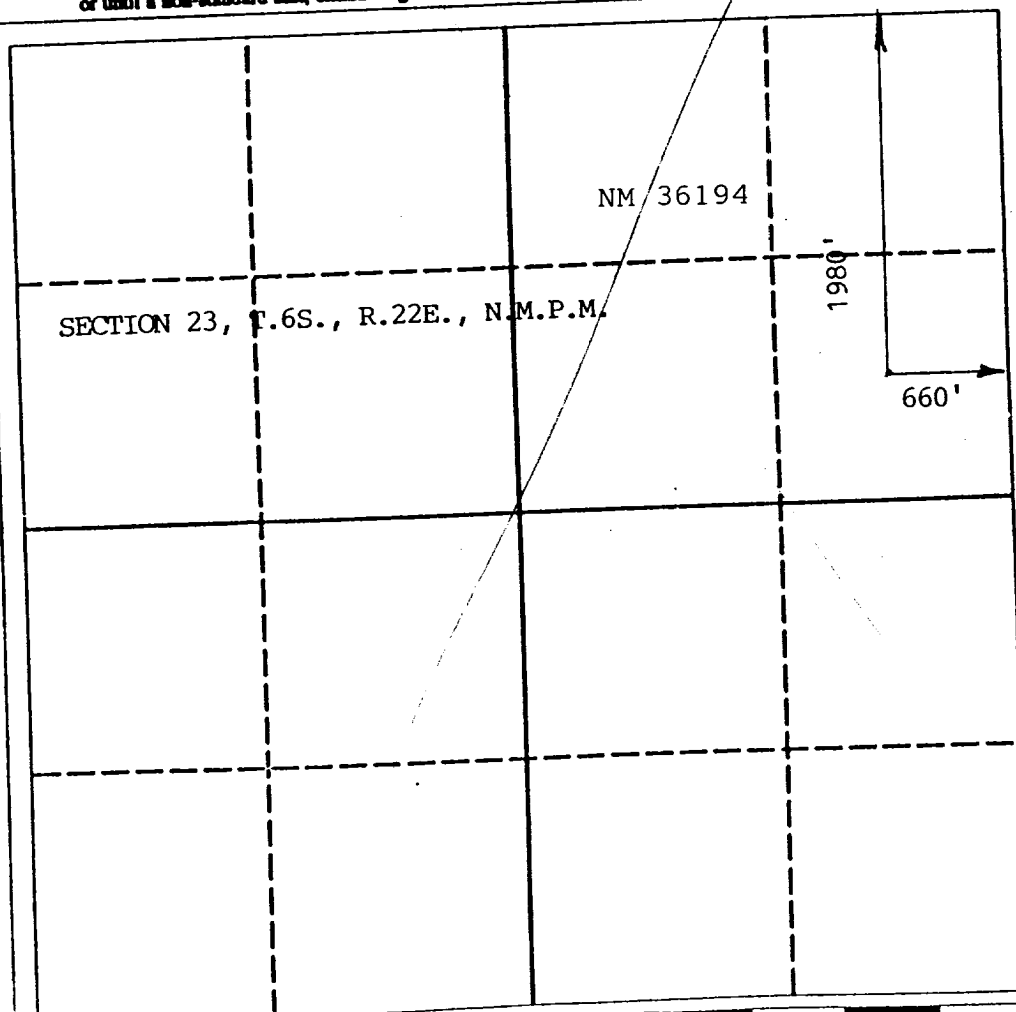
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature <i>Sam L. Shackelford</i>
Printed Name Sam L. Shackelford
Position Agent
Company McKay Oil Company
Date November 15, 1991

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 11/7/91
Signature & Seal of Professional Surveyor <i>D. Jaquess</i>
Certificate No. 6290 PROFESSIONAL ENGINEER



OK. 61 PG. 51-54

**PERTINENT INFORMATION**

For

MCKAY OIL CORPORATION  
South Four Mile Draw Federal #12  
SE/4NE/4 of Sec. 23, T-6S, R-22E  
Chaves County, New Mexico

<u>LOCATED:</u>	25 air miles Northwest of Roswell, N.M.
<u>LEASE NUMBER:</u>	NM-36194
<u>LEASE ISSUED</u>	May 1, 1981
<u>RECORD LESSEE:</u>	McKay Oil Corporation McKay Children,s Trust
<u>BOND COVERAGE:</u>	Lessee's \$25,000 Statewide
<u>AUTHORITY TO OPERATE:</u>	Designation of Operator
<u>ACRES IN LEASE:</u>	2,520.0 acres, more or less
<u>SURFACE OWNERSHIP:</u>	Federal
<u>OWNER:</u>	USA-BLM
<u>POOL RULES:</u>	General Statewide Rules
<u>EXHIBITS:</u>	A. Road and Well Map B. Contour Map C. Rig Layout D. BOP Diagram E. Lease Map F. Location Topography



## SUPPLEMENTAL DRILLING DATA

MCKAY OIL CORPORATION  
South Four Mile Draw Federal #12  
SE/4NE/4 of Sec. 23, T-6S, R-22E  
Chaves County, New Mexico

NM-36194

The following items supplement Form 9-331C in accordance with instruction contained in NTL-6.

1. SURFACE FORMATION: San Andres
2. ESTIMATED TOPS OF GEOLOGICAL MARKERS:

Yeso	-	740'
Tubb	-	2258'
Abo	-	2948'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:

Fresh Water	-	In surface formation above 600'
Gas	-	In Abo formation below 2946'
4. PROPOSED CASING PROGRAM: See Form 9-331C
5. PRESSURE CONTROL EQUIPMENT: Blowout preventer will consist of at least a double-ram blowout preventer rated to 3000#WP. A sketch of the BOP is attached. *Used as 2M system*
6. CIRCULATING MEDIUM:

Air Drilling to 100' above the top of the Abo formation. Then mud-up till TD.
7. AUXILIARY EQUIPMENT: Full-opening drill string safety valve fit for the drill string in use, will be kept on the rig floor at all times.
8. TESTING, LOGGING AND CORING PROGRAM:

Samples:	Catch samples from surface to TD.
DST'S:	None
Logging:	GR-CNL, Dual Lateral MSFL from surface to TD.
Coring:	None

9. ABNORMAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE:  
None anticipated.
10. ANTICIPATED STARTING DATE: ASAP  
Drilling should be completed within 60 days.  
Completion operations (perforations and stimulation)  
will follow drilling operations.

## MULTI-POINT SURFACE USE AND OPERATIONS PLAN

MCKAY OIL CORPORATION  
South Four Mile Draw Federal #12  
SE/4NE/4 of Sec. 23, T-6S, R-22E  
Chaves County, New Mexico

NM-36194

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, the magnitude of necessary surface disturbance involved, and the procedures 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 operation.

### 1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a road map showing the location of the proposed well as staked. The well is approximately 25 miles North of Roswell, N.M.
- B. Directions: Heading North out of Roswell, New Mexico on U.S. 285 for approximately 23 miles and turn left on county road just before mile marker 137 (Cottonwood Road). Go approximately 5 miles to McKnight ranch house, just past ranch house and Macho Draw crossing go south for approximately 2 miles, staying right at each fork in the road. Continue past S. Four Mile Draw Fed. #4, then #5 for 1/4 mile, access is on the left.

### 2. PLANNED ACCESS ROAD:

- A. Length and Width: 1/4 miles long and 14' wide.
- B. Surfacing Materials: Sand, gravel and caliche where needed.
- C. Turnouts: none
- D. Maximum Grade: No more than 3%.
- E. Drainage Design: Road will have drainage ditches on both sides and a crowned top, with culverts and/or low water crossings as necessary.

- F. Culverts: None.
  - G. Cut and Fill: Less than 5 feet.
  - H. Gates, Cattleguards: None
  - I. Top Soil: Very little
3. LOCATION OF EXISTING WELLS:
- A. A map indicating the location of adjacent wells is attached.
4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:
- A. See Exhibit "A" for location of existing lease wells. If the well is commercial, production facilities and tank battery will be constructed.
  - B. Cuts and Fills: Less than 5' of cut and fill will be required for the pad size of 125' x 125'. (see Exhibit "F")
  - C. Top Soil: Any top soil which can sustain plant vegetation will be bladed and piled for future rehabilitation.
5. LOCATION AND TYPE OF WATER SUPPLY:
- A. Water will be purchased from a commercial source and trucked to the location over existing and proposed access roads.
6. SOURCE OF CONSTRUCTION MATERIALS:
- A. Federal Pit located in the SE/4SE/4 Sec. 24-6S-22E and SW/4SW/4 of Sec. 19-6S-23E.
7. METHODS OF HANDLING WASTE DISPOSAL:
- 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.
  - C. Water produced during test will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.

- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
  - E. 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 deposited in an approved sanitary landfill. All waste material will be contained by a netted container to prevent scattering by the wind. Location of the trash pit is shown on Exhibit "C".
  - F. 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 necessary
9. WELL SITE LAYOUT:
- A. Exhibit "C" indicates the relation location and demensions of the well pad, mud pits, reserve pit and major rig equipment.
  - B. The location slopes very slightly to the north.
  - C. The reserve pit will be lined with plastic to prevent loss of water.
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 condition as possible.
  - B. Any unguarded pits containing fluids will be fenced until they are filled.
  - C. If the well is non-productive or abandoned, the distrubed area will be rehabilitated using the preserved soil mentioned in 2. I. and 4. C.
11. OTHER INFORMATION:
- A. Topography: The topography is a gradual slope

to the south in the vicinity of the access road and south in the vicinity of the drill pad. Regional slope is northeast toward the Arroyo Del Macho which is approximately 1 mile from the location.

- B. Soil: Sandy loam with limestone outcropping.
- C. Flora and Fauna: The flora consists of typical desert vegetation, such as yucca, cactus and various grasses. Fauna consists of desert wildlife such as coyotes, rodents, snakes, deer and antelope.
- D. Ponds or Streams: Macho Draw is about 1 mile northeast of the proposed location.
- E. Residences and other Structures: The McKnight ranch house is approximately 1 1/4 mile east of this location.
- F. Archaeological, Historical and Other Cultural Sites: An Archaeologist from Roswell, NM (A.S.C. Co.) has checked and approved this site and access road.
- G. Land Use: Grazing
- H. Surface Ownership: Federal

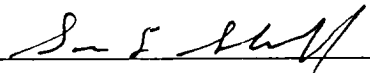
12. OPERATOR'S REPRESENTATIVE:

Gary Richburg  
Roswell, New Mexico  
(505) 623-4735

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exists; that the statements made in this plan are, to the best of my knowledge true and correct; that the work associated with the operations proposed herein will be performed by MCKAY OIL CORPORATION and its sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to provisions of 18 USC 1001 for the filing of a false statement.

11-15-91  
DATE:



MCKAY OIL CORPORATION  
S. Four Mile Draw Federal 12  
Section 23, T-6S, R-22E  
Chaves County, New Mexico

R. 21 E. R. 22 E. R. 23 E. R. 24 E.  
FIRST SECOND THIRD FOURTH FIFTH  
C. STANDARD

6001 6002 6003 6004 6005 6006 6007 6008 6009 6010 6011 6012 6013 6014 6015 6016 6017 6018 6019 6020 6021 6022 6023 6024 6025 6026 6027 6028 6029 6030 6031 6032 6033 6034 6035 6036 6037 6038 6039 6040 6041 6042 6043 6044 6045 6046 6047 6048 6049 6050 6051 6052 6053 6054 6055 6056 6057 6058 6059 6060 6061 6062 6063 6064 6065 6066 6067 6068 6069 6070 6071 6072 6073 6074 6075 6076 6077 6078 6079 6080 6081 6082 6083 6084 6085 6086 6087 6088 6089 6090 6091 6092 6093 6094 6095 6096 6097 6098 6099 6100

Exhibit A

Exhibit A

MCKAY OIL CORPORATION  
 Four Mile Draw Federal 1  
 Section 23, T-6S, R-22E  
 Chaves County, New Mexico

4228 New Well

W R McKnight Ranch

Draw

PIPERLINES

989

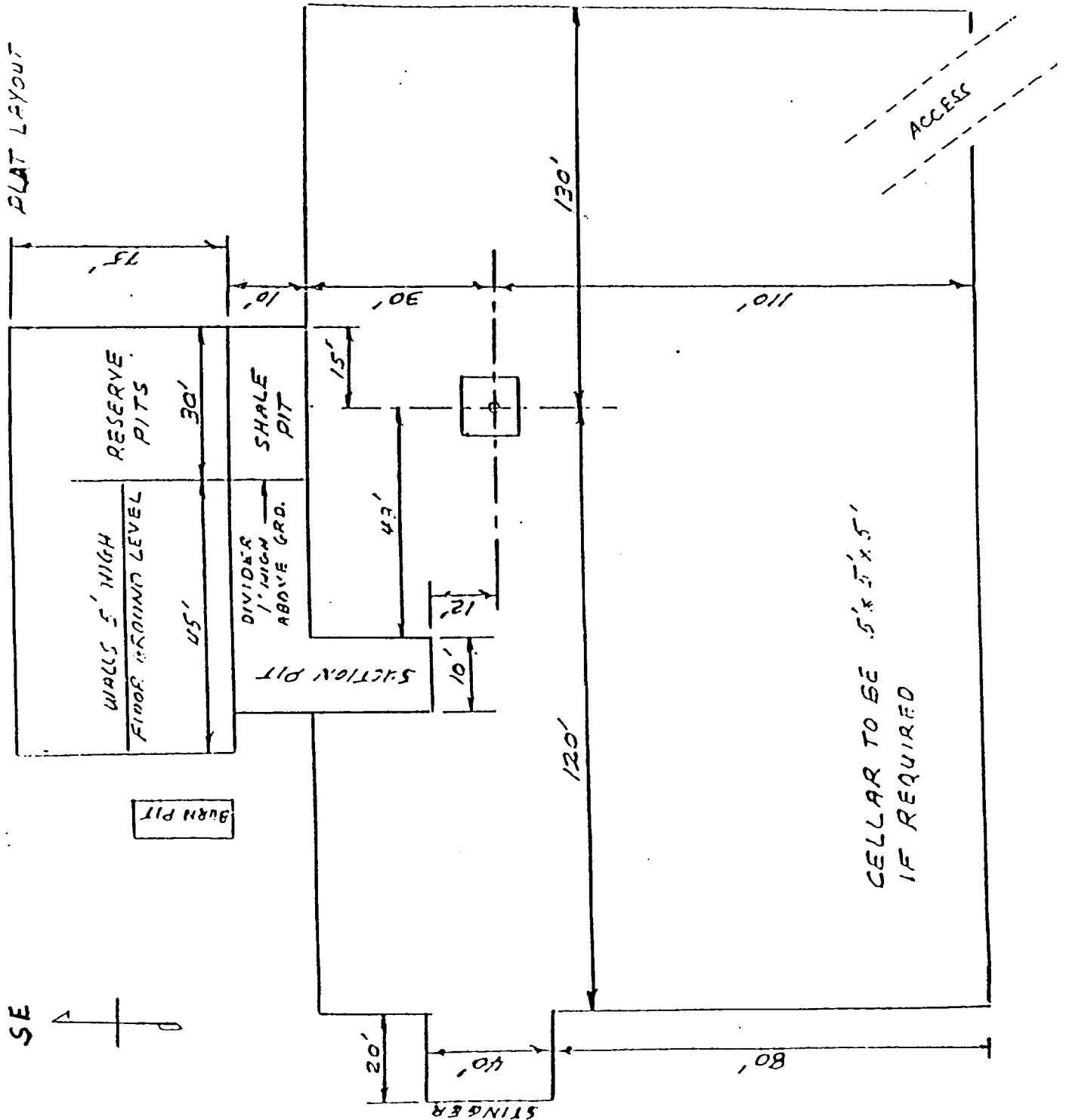
... 11

11

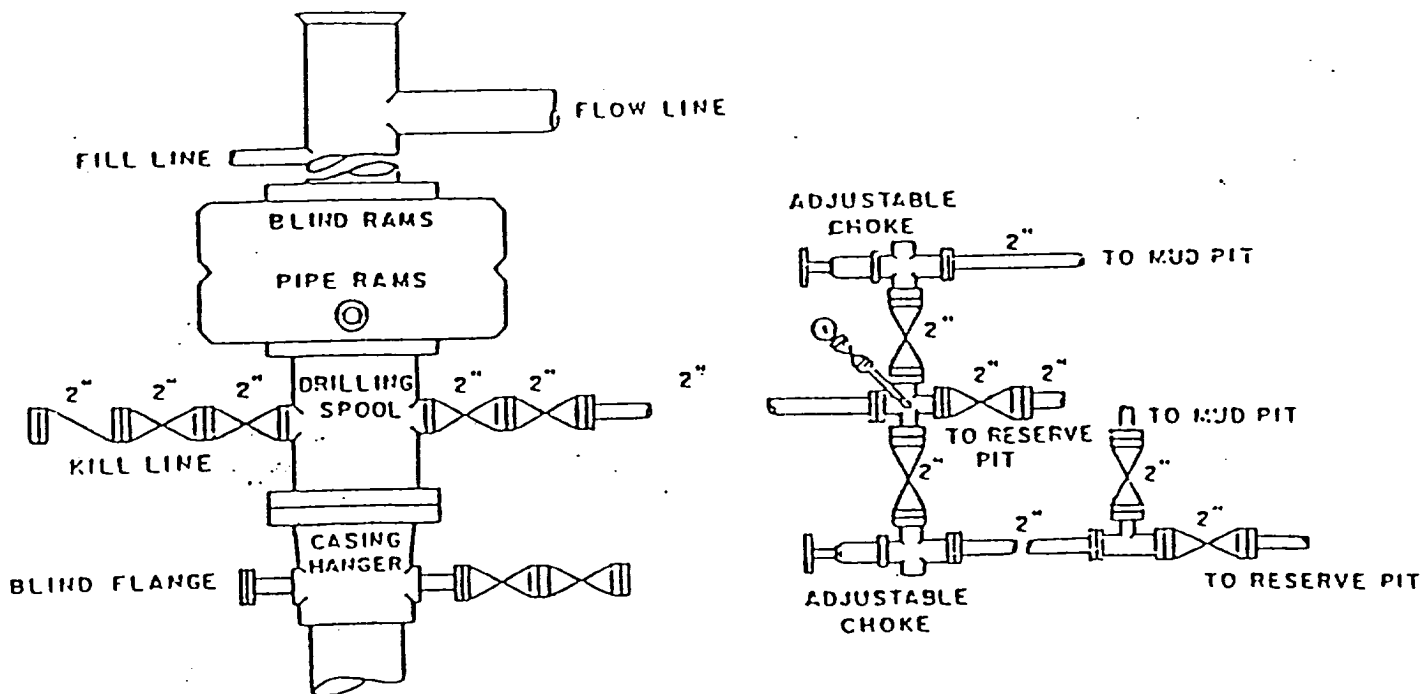
100



MCKAY OIL CORPORATION  
S. Four Mile Draw Federal 12  
Section 23, T-6S, R-22E  
Chaves County, New Mexico

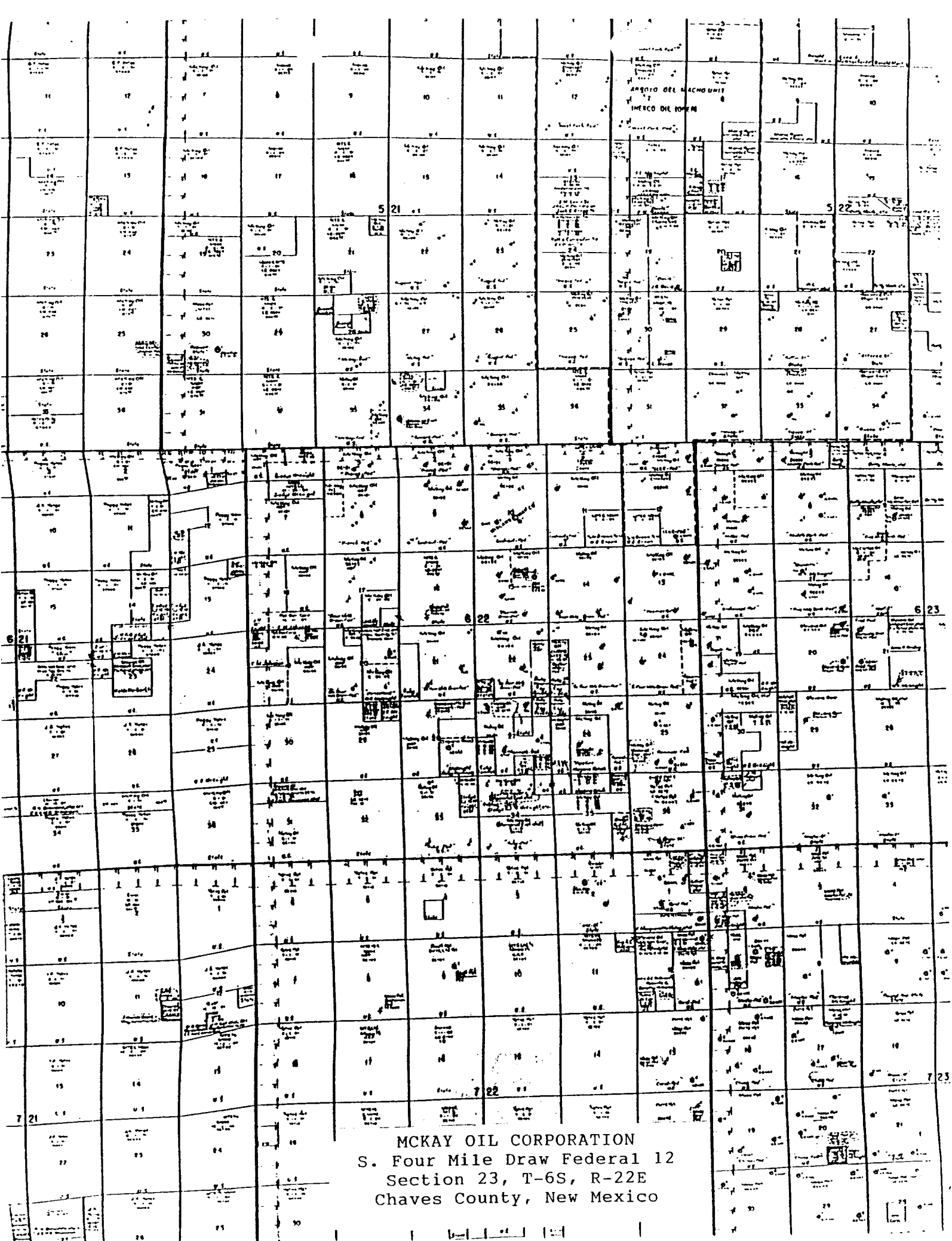


MCKAY OIL CORPORATION  
 S. Four Mile Draw Federal 12  
 Section 23, T-6S, R-22E  
 Chaves County, New Mexico



BOP DIAGRAM

3000# Working Pressure *Used at 2-M system*  
 Rams Operated Daily



**JOHN D. JAQUI**  
**CONSULTING ENGINEERS**  
P.O. Box 2565  
ROSWELL, NEW MEXICO 88201  
(505) 622-8866

**GRID ELEVATIONS**

JOB \_\_\_\_\_

SHEET NO. \_\_\_\_\_

OF \_\_\_\_\_

CALCULATED BY \_\_\_\_\_

DATE \_\_\_\_\_

CHECKED BY \_\_\_\_\_

DATE \_\_\_\_\_

SCALE \_\_\_\_\_

NW  
4178

400'

NE  
4170

400'

⊙ 4177

400'

SW  
4170

400'

SE  
4178

SOUTH 4 MILE DRAW FEDERAL #12  
1980 FNL, 660 FEL  
SECT. 23, T.6S, R.22E.  
N.M.P.M.