

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Arco, NM 88211-0719
District III
1000 Rio Grande Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address: McKay Oil Corporation P.O. Box 2014 Roswell, New Mexico 88202		RECEIVED JAN 24 1996	OCRID Number 014424
Property Code 18402	Property Name 16-B Samedan State OIL CON. DIV.		API Number 30-005-63082
		Well No. 16-3	

1 Surface Location									
UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
16	16	7S	26E		660	North	1710	West	Chaves

2 Proposed Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
3 Proposed Pool 1 Pecos Slope Abo (GAS) 82730					4 Proposed Pool 2				

5 Work Type Code N	6 Well Type Code G	7 Cable/Rotary Rotary	8 Lease Type Code S	9 Ground Level Elevation 3622'
10 Multiple No	11 Proposed Depth 4,400'	12 Formation Abo	13 Contractor United Drilling	14 Spud Date 2-1-96

21 Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8-5/8"	24 J-55	900+	850+	surface
7-7/8"	4 1/2"	10.5 J-55	TD	470+	2,500"
					Post ID-1
					2-9-96
					Minor Loss & API

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the date on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.
Propose to drill to approximately 4,400' to test the Abo and intermediate formations. Drill 12 1/4" hole to about 900' and circulate cement behind 8-5/8" casing. Install 10" API 3000# double ram BOP and drill 7-7/8" hole to total depth.

Cement 4 1/2" production casing with approximately 470 sacks of cement, using pump and plug method, to isolate all oil, gas and water zones. Selectively perforate and stimulate favorable zones.

The gas is not dedicated.

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

Signature:

Printed name:

Bill J. Milstead

Title:

Land Manager

Date:

1-17-96

Phone:

(505) 623-4735

OIL CONSERVATION DIVISION

Approved by:

ORIGINAL SIGNED BY TIM W. GUM

Title:

DISTRICT II SUPERVISOR

Approval Date:

2-5-96

Expiration Date:

8-5-96

Conditions of Approval:

Attached ☐

Notary N.M.O.C.C. in sufficient time to witness cementing per/mile Stagners Approval 2/5/96

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

State of New Mexico
Engr. 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

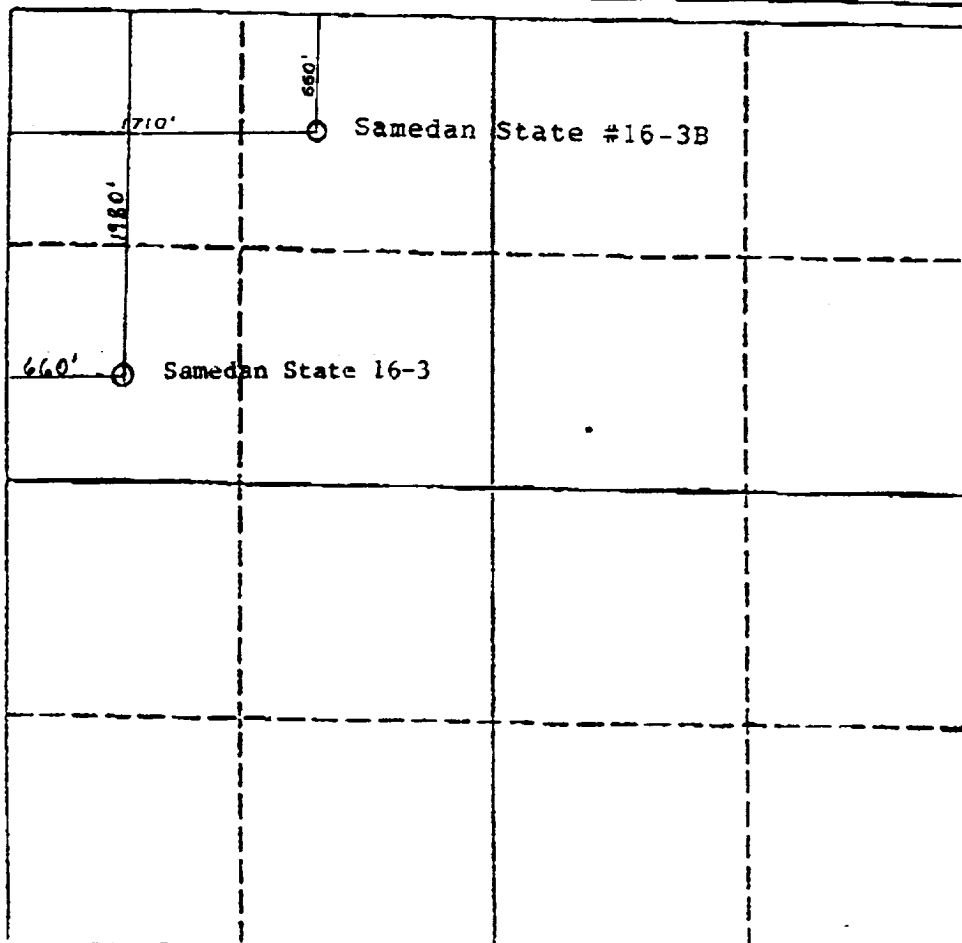
DISTRICT II
P.O. Drawer 00, Artesia, NM 88210

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 Samedan 16-B STATE		Well No. 3
Unit Letter C	Section 16	Township 7 South	Range 26 East	County Chaves	
Actual Footage Location of Well: 1710 feet from the West line and 660 feet from the North line					
Ground level Elev. 3622		Producing Formation Pecos Shale ABC (6AS)		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 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, force-pooling, or otherwise) or until a non-consolidated unit, eliminating each 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: Bill Milstead
Printed Name: Bill Milstead
Position: Land Manager
Company: McKay Oil Corporation

Date: 1-17-96

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 1996
Signature of Surveyor: Jackie D. Atkins
Professional Surveyor: 8504
Certificate No.: LS 8504

Connected Copy

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

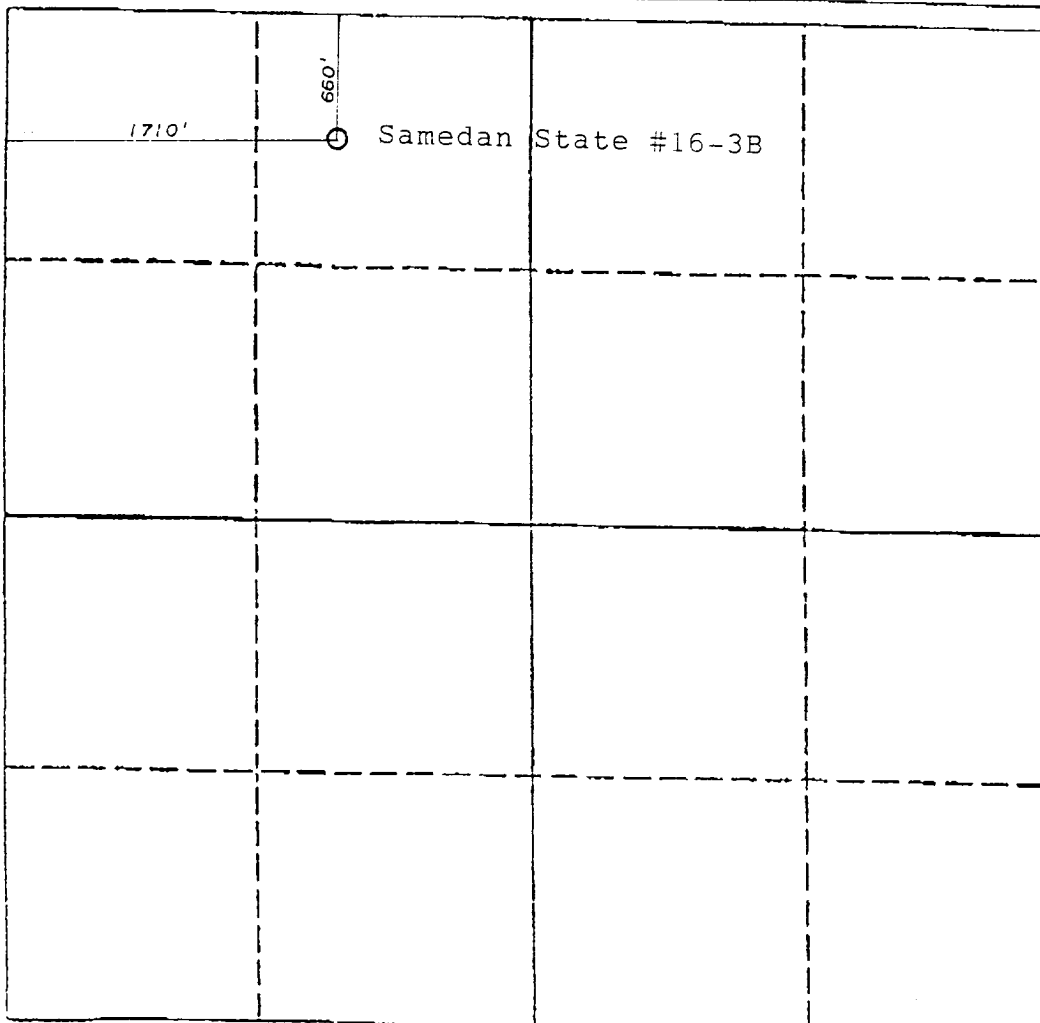
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

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

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Ground level Elev. 3622	Producing Formation		Pool Pecos Slope (Akr) (GAS)	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 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.

Bill J. Milstead
Signature
Bill J. Milstead
Printed Name
Land Manager
Position
McKay Oil Corporation
Company

Date
1-17-96

SURVEYOR CERTIFICATION

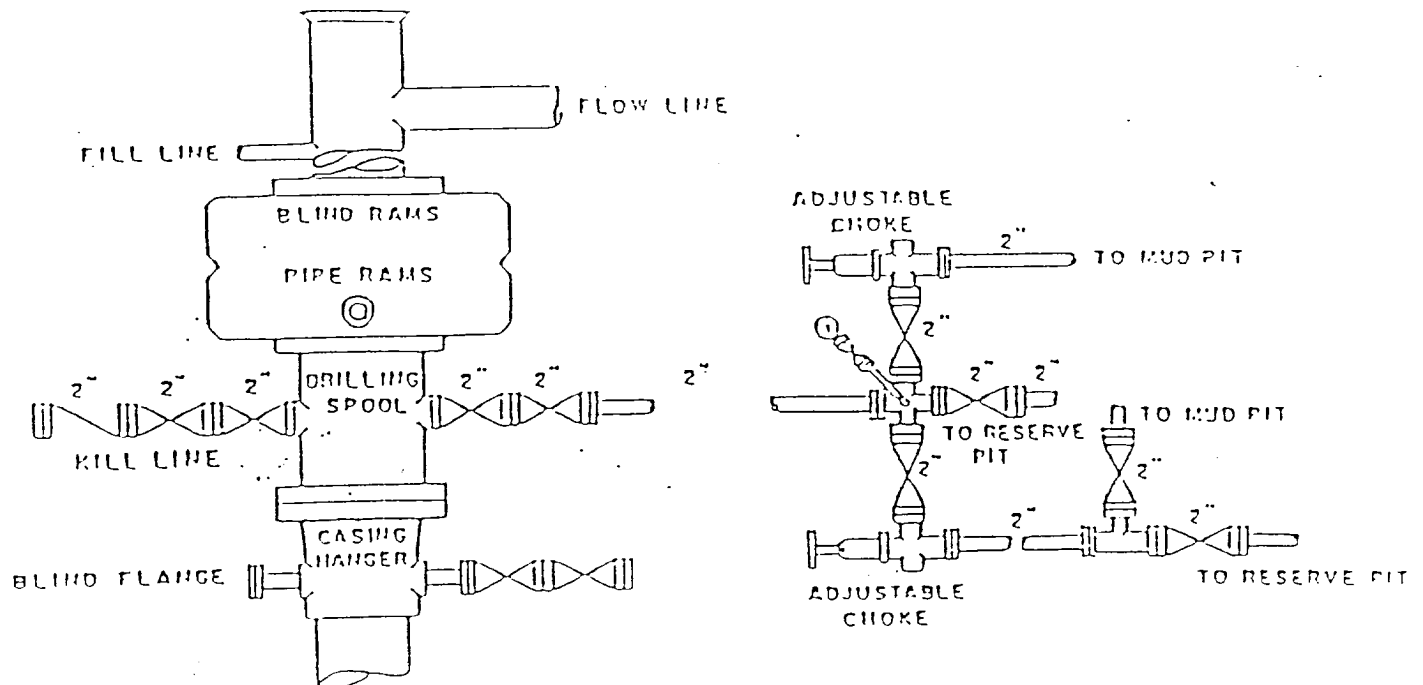
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
January 8, 1996
Signature & Seal of Professional Surveyor
Jackie D. Atkins
Professional Surveyor

JACKIE D. ATKINS
NEW MEXICO
8504
LAND SURVEYOR

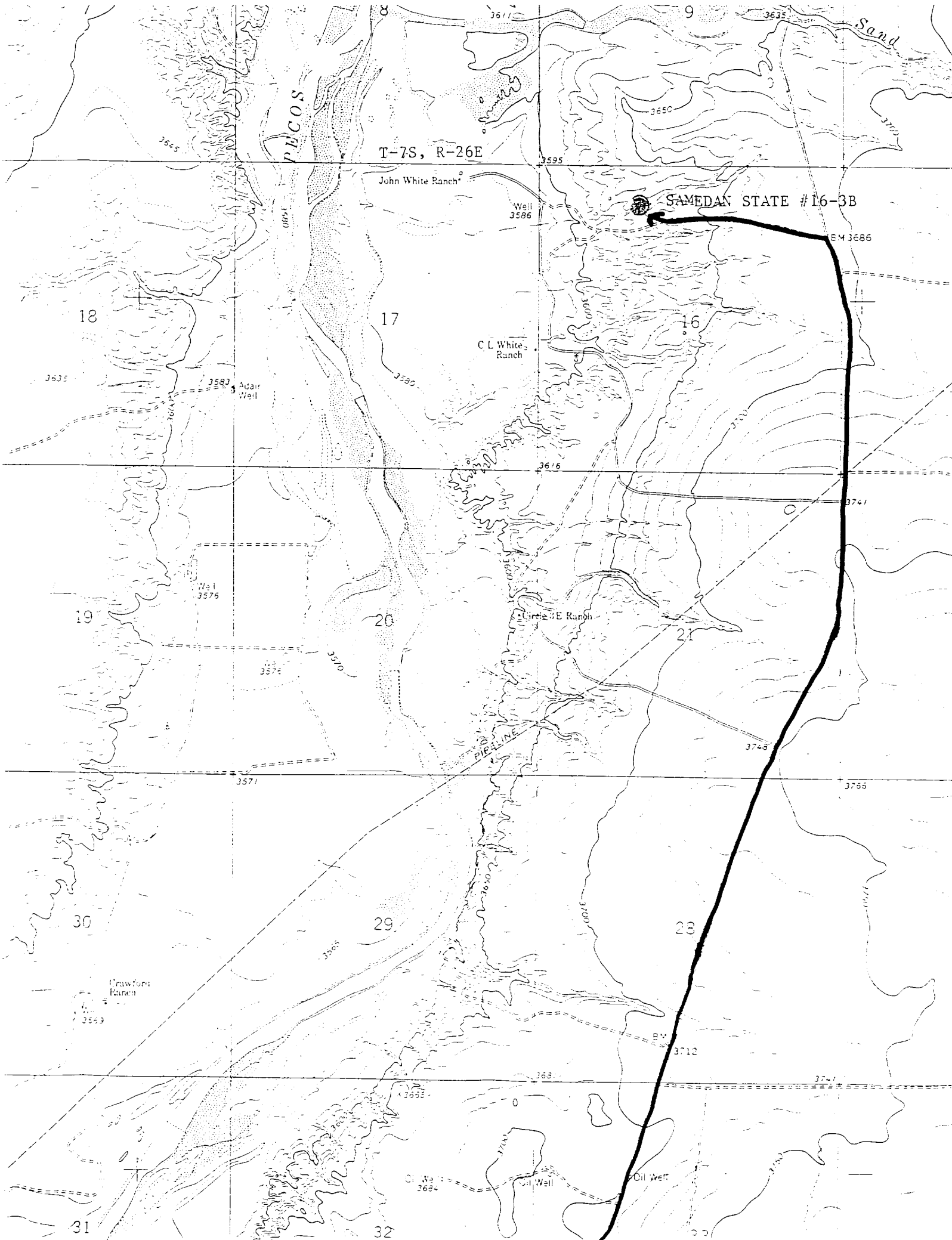
Certificate No.
LS 8504

MCKAY OIL CORPORATION
SAMEDAN STATE #16-3B
Section 16, T-7S, R-26E
Chaves County, New Mexico



BOP DIAGRAM

3000# Working Pressure
Rams Operated Daily



T-7S, R-26E

John White Ranch

Well 3586

SAMEDAN STATE #16-3B

SM 3686

C.L. White Ranch

Adair Well

Well 3576

Circle E Ranch

PIPELINE

Crawford Ranch

Oil Well 2624

Oil Well

Oil Well