_	N. M. GALCONS RE Ethological	n ar s Januar en gr Lanau de las			JSF
Form 3160-3	ALE AND ARTES	526212829	FORM	APPROYED	
(August 1999) UNITED STATE	5 OCRECEIVE		P OMB N	u. 1004-0136 vember 30, 2000	i
DEPARTMENT OF THE	INTERIOR ARTES		5. Lease Serial No.		
BUREAU OF LAND MAN	AGEMENT		<u>NM 32323</u> 6. If Indian, Alloute		
APPLICATION FOR PERMIT TO D	DRILL OR REENTER	994		e or the Man	-
12 Type of Work: O DRILL C REENT	ER		7. If Unit or CA Agr	69) (-	und No.
15. Type of Well: Dil Well XI Gas Well D Other	🗌 Single Zone 🔲 Multi	iple Zone	8. Lease Name and Y Snakeweed		#2
2. Name of Operator McKay Oil Corporation $1444$	54		9. API Well No.	5 - 633	1
P.O. Box 2014	3b. Phone No. (include area code)		10. Field and Pool, or		1
4. Location of Well (Report location clearly and in accordance with	<u>1505-623-4735</u> h any State requirements.*)		W. <u>Pecos S1</u> 11. Sec. T., R., M., o	ope Aho Blk and Surve	y or Area
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14. Distance in miles and direction from nearest town or post office*			12. County or Parish.	13.	State
23 miles north of Roswe	16. No. of Acres in lease	17 Sascia	Chaves g Unit dedicated to this		NM
location to nearest property or lease line, fL 660 <sup>+</sup> (Also to nearest drig, unit line, if any)	1360.00	17. Specifi	160.00	well	
<ol> <li>Distance from proposed location* to beared well, dilling, completed,</li> </ol>	19. Proposed Depth	20. BLM/2	SLA Sond No. on file	• · · · · · · · · · · · · · · · · · · ·	
applied for, on this hase, ft. 1320	3400		 M 1981		
31. Exactions (Show whether DF, KDB, RT, GL, etc.) 4146' GL	22. Approximate date work will sta 4/5/00	un*	23. Estimated duratio	m	1
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The following, completed in accordance with the requirements of Onsh	ore Oil and Gas Order No.1, shall be an	tached to this	form;	ICE LA	51.DQ_
<ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest System</li> </ol>	liem 20 above).		s unless covered by an	existing bood	on file (see
SUPO shall be filed with the appropriate Forest Service Office).		specific info	rmation and/or plans a	is may be requ	ired by the
25. Signature Billy Mlstert	Name (Printed/Typed) Bill J. Milst	tead		Dale 2-9-	00!
Vice President					
Approved by (Signanuce)	Name (Printed/Typed)			Dake SEP	2 2 2000
Title Assistant Field Manager, Lands And Minerals	Office ROSWELL FIEL		- Arrow	VED FOR 1	YEAR
Application approval does not warrant or certify the the applicant holds operations thereon. Conditions of approval, if any, are attached.	legal of equitable title to those rights in	the subject l	ease which would entitl	e the applicant (	o conduct
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Subrai to Appropriate District Office State Lease - 4 copies For Lease - 3 copies

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

DISTRICT II P.O. Drawer DD, Aneria, NM 18210

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DISTRICT DI ICCU RIO BIZZOS R.C., AZIEC, NM 87410

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

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# OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT All Distances must be from the outer boundary

1<sup>†</sup>

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### **PERTINENT INFORMATION**

### FOR

## MCKAY OIL CORPORATION SNAKEWEED "B" FED. #3 SE/4NE/4 of Sec. 18, T-6S, R-23E Chaves County, New Mexico

LOCATED:	23 air miles Northwest of Roswell, NM.		
LEASE NUMBER:	NM-32323		
LEASE ISSUED:	November 1, 1978		
RECORD LESSEE:	McKay Oil Corporation McKay Children's Trust		
BOND COVERAGE:	Operator's \$25,000 Statewide		
AUTHORITY TO OPERATE:	Assignment of Operating Rights		
ACRES IN LEASE:	1,360.00 acres, more or less		
SURFACE OWNERSHIP:	Federal		
<u>OWNER</u> :	USA-BLM		
POOL RULES:	General Statewide Rules		
<u>EXHIBITS</u> :	<ul> <li>A. Road and Well Map</li> <li>B. Contour Map</li> <li>C. Rig Layout</li> <li>D. BOP Diagram</li> <li>E. Lease Map</li> <li>F. Location Topography</li> </ul>		

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#### SUPPLEMENTAL DRILLING DATA

### MCKAY OIL CORPORATION SNAKEWEED "B" FED. #3 SE/4NE/4 of Sec. 18, T-6S, R-23E Chaves County, New Mexico

The following items supplement Form 3160-3 in accordance with instruction contained in Onshore Oil and Gas Order No. 1:

- 1. <u>SURFACE FORMATION</u>: San Andres
- 2. ESTIMATED TOPS OF GEOLOGICAL MARKERS:

Yeso	-	876'
Tubb	-	2372'
Abo	-	2600'

# 3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATIONS:

Fresh Water - In surface formation above 600' Gas - In Abo Formation below 2600'

### 4. PROPOSED CASING PROGRAM:

12-1/4" hole	8-5/8" X-42	23#	900× 950
7-7/8" hole	4-1/2" J-55	10.5#	TD

#### 5. PROPOSED CEMENTING PROGRAM:

Surface to 900'	class "C" - 350 sxs cemented and circulated
Production Casing	to surface. class "C" - 300 sxs cemented with adequate cover.

### 6. PROPOSED DRILLING PROGRAM:

McKay Oil Corporation proposes to drill and test the ABO formation. Approximately 900' of surface casing will be set and cemented to surface. 4-1/2" production casing will be set and cemented with adequate cover, perforated and stimulated as needed for production.

- 7. <u>PRESSURE CONTROL EQUIPMENT</u>: Blowout preventer will consist of *Z*<sup>ram</sup> <del>Rotary Head with a rotating rubber with 1,000/WP and 1,000// test</del> *PMythem*. <del>pressure and a steel Bloocy Line with 1,000/WP valve</del>. A sketch of the BOP is attached.
- 8. <u>CIRCULATION MEDIUM</u>: Air Drilling

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- 9. <u>AUXILIARY EQUIPMENT</u>: Full-opening drill string safety valve fit for the drill string in use, will be kept on the rig floor at all times.
- 10. 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.

- 11. <u>ABNORMAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE</u>: None anticipated.
- 12. ANTICIPATED STARTING DATE: On or before April 5, 2000

Drilling should be completed within 15 days. Completion operations (perforations and stimulation) will follow drilling operations.

# MULTI-POINT SURFACE USE AND OPERATIONS PLAN

## MCKAY OIL CORPORATION SNAKEWEED "B" FED #3 SE/4NE/4 of Sec. 18, T-6S, R-23E Chaves County, New Mexico

### NM 32323

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. <u>Exhibit "A"</u> is a portion of a road map showing the location of the proposed well is staked. The well is approximately 23 miles north of Roswell, NM.

B. <u>Directions</u>. 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 2.0 miles, then turn north for approximately 1/4 mile to the lease road, turn west for approximately 1/2 mile, then turn north 1/4 mile to the location.

### 2. PLANNED ACCESS ROAD:

- A. Length and Width: 1/4 mile long and 20' wide.
- B. Surface Materials: Sand, gravel and caliche where needed.
- C. Turnouts: None
- D. Maximum Grade: No more than 3%.
- E. <u>Drain Design</u>: Road will have drainage ditches on both sides and a crowned top, with culverts and/or low water crossings as necessary.
- F. <u>Culverts</u>: None.
- G. Cuts and Fill: None.

H. Gates, Cattleguards: None needed. Already in place.

I. <u>Top Soil</u>: Very little.

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# 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: <u>See Exhibit "A"</u> 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 10' of cut and fill will be required for the pad size of 258' x 350'. (See Exhibit "F")

C. <u>Top Soil</u>: 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. Closest Pit to the location.

# 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 placed in portable receptacles and hauled from the location upon completion of drilling and completion operations.

F. All trash and debris will be 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. <u>Exhibit "C"</u> indicates the relation location and dimensions of the well pad, mud pits, reserve pit and major rig equipment.

B. The location slopes very slightly to the east and southeast.

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 conditions 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 disturbed area will be rehabilitated using the preserved soil mentioned in 2.I. and 4.C.

#### 11. OTHER INFORMATION:

A. <u>Topography</u>: The topography is a gradual slope to the south in the vicinity of the access road and south-southwest in the vicinity of the drill pad. Regional slope is south-southwest toward the Arroyo del Macho which is south-southwest of the location.

B. Soil: Sandy loam with limestone outcropping.

C. <u>Flora and Fauna</u>: The flora consists of typical desert vegetation, such as yucca, cactus and various grasses. Fauna consists of desert wildlife such as coyotes, rodents, snakes, dear and antelope.

D. <u>Ponds and Streams</u>: Arroyo del Macho south-southwest of the proposed location.

E. <u>Residences and other Structures</u>: The David Corn ranch house (old W.R. McKnight Ranch) is approximately 1 mile to the south-southwest.

F. Archaeological, Historical and Other Cultural Sites: An Archaeologist from Roswell, NM will be contracted to check and approve this site and access road.

G. Land Use: Grazing.

H. Surface Ownership: USA-BLM.

### 12. OPERATOR'S REPRESENTATIVE:

Gary Richburg Roswell, New Mexico (505) 623-4735 (O) (505) 626-8581 (C)

### 13. <u>CERTIFICATION</u>:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that ) am familiar with the conditions which presently exists; that he 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.

2-4-00 TE

Bill, Mlated

SNAKEWEED FEDERAL "B" #3 SW/4NE/4 OF SEC. 18, T-6S, R-23E CHAVES COUNTY, NEW MEXICO

EXHIBIT "A"



(285)





## SNAKEWEED FEDERAL "B" #3 SW/4NE/4 OF SEC. 18, T-6S, R-23E CHAVES COUNTY, NEW MEXICO

#### EXHIBIT "D"





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JNAKEWEED FEDERAL "B" #3 SW/4NE/4 OF SEC. 18, T-6S, R-23E CHAVES COUNTY, NEW MEXICO

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### SNAKEWEED FEDERAL "B" #3 SW/4NE/4 OF SEC. 18, T-6S, R-23E CHAVES COUNTY, NEW MEXICO

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# EXHIBIT "F"

# THERE IS NO EXHIBIT "F"

Form 3160-5 (November 1994) D	UNITED STATE DEPARTMENT OF THE I	INTERIOR N.M.	Oil Cons. D 5. 1st Street	VISION FOR OMB Expir	M APPROVED No. 1004-0135 es July 31, 1996
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Bill J. Milstead	1		ice President	<u> </u>	
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Approved by /S/LARF	RY D. BRAY	Assistari	Field Manage	Br, Date	SEP 2 2 2000
Conditions of approval, if any, are certify that the applicant holds leg which would entitle the applicant to	e attached. Approval of this no gal or equitable title to those ri	otice does not waitant or ights in the subject lease	ROSWE	ILL FIELD OFFI	CE
Title 18 U.S.C. Section 1001, mal fraudulent statements or representa	kes it a crime for any person kn	nowingly and willfully to m jurisdiction.	ake to any department	or agency of the Uni	ted States any false, fictitious or



