

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos 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 OCD ARTESIA 120456/882110719	OGRID Number 014424
			API Number 30-0 OS-63385
Property Code 28077	Property Name New Mexico "CS" "B" State		Well No. 3

7 Surface Location									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
A	2	7S	22E		960'	FNL	660'	FEL	Chaves

8 Proposed Bottom Hole Location If Differer									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	NOTIFY OCD SPUD & TIME TO WITNESS CEMENTING OF 8 5/8" CASING STRING		
Proposed Pool 1 W. Pecos Slope Abo									

Work Type Code N	Well Type Code G	Cable/Rotary Rotary	Lease Type Code S	Gross Land Elevation 4163
Multiple No	Proposed Depth 3,200'	Formation Abo	Contractor	Spud Date

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"	23# X-42	950'+	750+	surface
7-7/8"	4 1/2"	9.5# J-55	TD	1200+	1500' to 800'

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

McKay Oil Corporation proposes to drill and test the Abo Formation, approximately 950' 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.

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

Signature: <i>Bill J. Milstead</i>
Printed name: Bill J. Milstead
Title: Vice President
Date: 5-22-01
Phone: 505-623-4735

OIL CONSERVATION DIVISION	
Approved by: ORIGINAL SIGNED BY TIM W. GUM	
Title: DISTRICT IV SUPERVISOR	
Approval Date: MAY 25 2001	Expiration Date: MAY 25 2002
Conditions of Approval: Attached <input type="checkbox"/>	

DISTRICT I  
1925 N. French Dr., Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised August 15, 2000  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
811 South First, Artesia, NM 88210

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

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name	Well Number
OGRID No.	Operator Name	Elevation
	NM "CS" "B" STATE	3
	McKAY OIL CORPORATION	4163

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	2	7 S	22 E		960	NORTH	660	EAST	CHAVES

Bottom Hole Location If Different From Surface

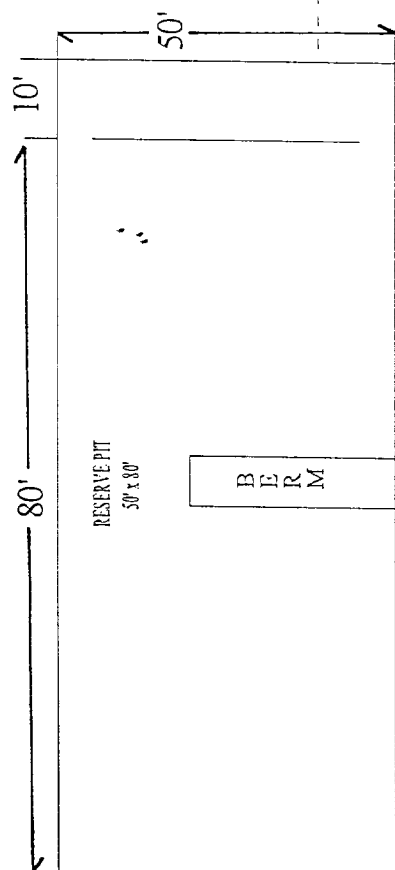
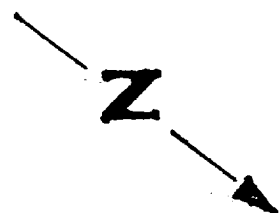
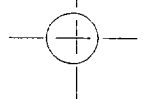
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4 40.55 ACRES	LOT 3 40.58 ACRES	LOT 2 40.60 ACRES	LOT 1 40.63 ACRES
<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Bill J. Milstead Printed Name Vice President Title 5-22-01 Date			
<b>SURVEYOR CERTIFICATION</b> 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 belief.  Date Surveyed Signature & Seal of Professional Surveyor Certificate No. TODD P. WAGNER NMPS # 9242 WAGNER ENGINEERING 1410 N. MISSOURI AVE. ROSWELL, NM 88201 505-823-8382			

CENTERLINE  
OF WELL

LOCATION PLAT  
AIR DRILLING

CENTERLINE  
OF WELL

ACCESS ROAD

140'2"

MCKAY OIL CORPORATION  
NEW MEXICO "CS" "B" STATE #3  
NE/4 of Section 2, T7S, R22E  
Chaves County, New Mexico

EXHIBIT "B"

