

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 88210  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

CISF  
Blm  
Jt Ed

Form C-101  
Revised March 17, 1999

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**

<sup>1</sup> Operator Name and Address MCKAY OIL CORPORATION P.O. BOX 2014 ROSWELL, NEW MEXICO 88202-2014		<sup>2</sup> OGRID Number 014424
		<sup>3</sup> API Number 30 - 005-63385
<sup>3</sup> Property Code 28077	<sup>5</sup> Property Name NEW MEXICO "CS" "B" STATE	<sup>6</sup> Well No 3.

**7 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	7S	22E		960'	FNL	660'	FEL	CHAVES

**8 Proposed Bottom Hole Location If Different From**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line
<sup>9</sup> Proposed Pool 1 WEST PECOS ABO SLOPE						

**NOTIFY OCD SPUD & TIME  
TO WITNESS 8 5/8" CASING**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary ROTARY	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation
<sup>16</sup> Multiple NO	<sup>17</sup> Proposed Depth 3200'	<sup>18</sup> Formation ABO	<sup>19</sup> Contractor UNITED DRILLING?	<sup>20</sup> Spud Date FEB 2002?

**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	5 1/2	15.5# J-55	TD	1200+	1500' TO 800'

22 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, 5 1/2" PRODUCTION CASING WILL BE RUN AND CEMENTED WITH ADEQUATE COVER, PERFORATED AND STIMULATED AS NEED FOR PRODUCTION.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

*April D. McKay*

Printed name: APRIL D. MCKAY

Title: VICE PRESIDENT

Date:

11/20/02

Phone:

505-623-4735

OIL CONSERVATION DIVISION

Approved by: **ORIGINAL SIGNED BY TIM W. GUM  
DISTRICT II SUPERVISOR**

Title:

Approval Date: **NOV 22 2002**

**NOV 22 2003**

Conditions of Approval:

Attached ☐

**Cement to cover all oil, gas and  
water bearing zones.**

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

OP

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		OGRID Number 014424
Property Code 28027	Property Name New Mexico "CS" "B" State	API Number 30 - 0 OS - 6338

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

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South E.
Proposed Pool 1 W. Pecos Slope Abo						

NOTIFY OCD SPUD & TIME TO WITNESS  
CEMENTING OF 8 5/8" CASING STRING

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

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>		OIL CONSERVATION DIVISION ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR	
Printed name: Bill J. Milstead		Title:	
Title: Vice President		Approval Date: MAY 25 2001	Expiration Date: MAY 25 2002
Date: 5-22-01	Phone: 505-623-4735	Conditions of Approval: Attached <input type="checkbox"/>	

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
	NM "CS" "B" STATE		3
OGRID No.	Operator Name		Elevation
	McKAY OIL CORPORATION		4163

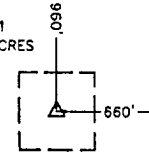


### Surface Location

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

## 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

<p>LOT 4 40.55 ACRES</p>	<p>LOT 3 40.58 ACRES</p>	<p>LOT 2 40.60 ACRES</p>	<p>LOT 1 40.63 ACRES</p> 
			
			

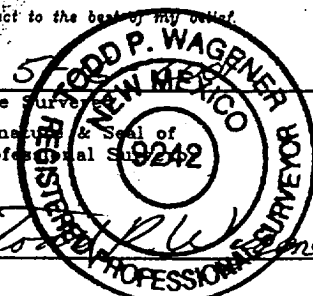

### OPERATOR CERTIFICATION

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

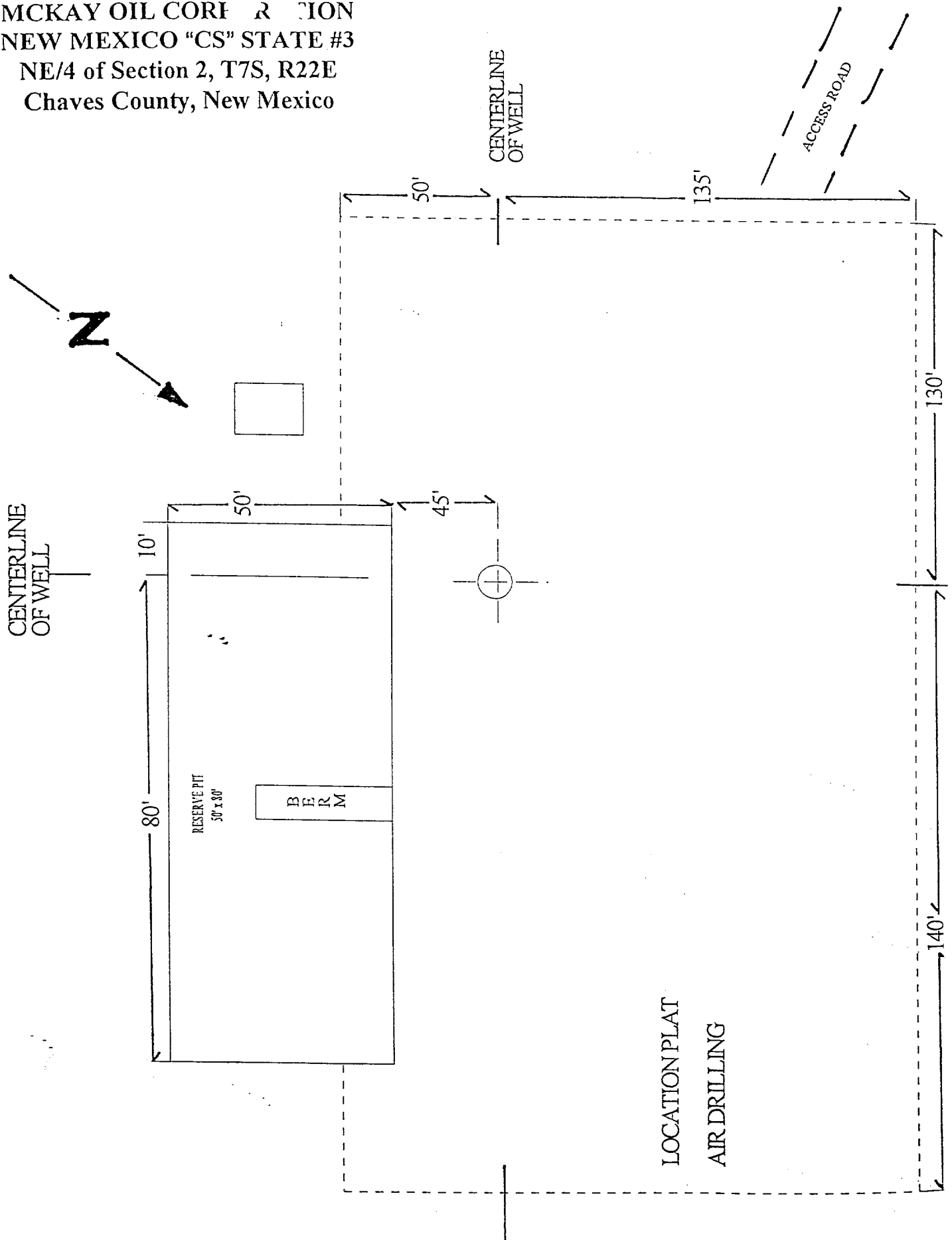
### SURVEYOR CERTIFICATION

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 belief.

5-22-01  
 Date Surveyed  
  
 Signature & Seal of Professional Surveyor  


Certificate No. TODD P. WAGENER NMPS # 9242  
 WAGENER ENGINEERING  
 1410 N. MISSOURI AVE.  
 ROSWELL, NM 88201  
 505-823-8382

**MCKAY OIL CORP. & SONS  
NEW MEXICO "CS" STATE #3  
NE/4 of Section 2, T7S, R22E  
Chaves County, New Mexico**



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

EXHIBIT "B"

