

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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 ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

TAHOE OIL & CATTLE CO.

3. ADDRESS OF OPERATOR

P. O. Box 7032, Midland, Texas 79703

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1980FNL & 660 FEL, Sec. 22, T-9-S, R-37-E, NMPM SURVEY

At proposed prod. zone

San Andres-Slaughter

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15 Miles East of Crossroads, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

660

16. NO. OF ACRES IN LEASE

160

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1320

19. PROPOSED DEPTH

5050'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3967.3 GR

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#	420'	250 Sx. Class C Plus 2% Ca Cl.
7-7/8"	4-1/2"	10.5#	5050'	1000 Sx. Class C Plus 2% Ca Cl.

Drill 12-1/4" hole to 420' using fresh water and native mud. Run 8-5/8" casing, cement & circulate to surface with 250 sx. Class C Plus 2% Ca Cl. WOC test to 1500' for 30 minutes. Drill 7-7/8" hole to total depth, 5050', mud program as follows:

- 0-420' Fresh water and native mud.
- 420-4900' Drill out with fresh water, mix 1 sx. paper for every 100' drilled, maintain viscosity @ 31-33 sec. /10000 c.c.; at 1000' add 25 barrels of oil, each day thereafter add 3 to 5 barrels of oil per day to the mud system. Use deaerator only as needed to maintain pump pressure.
- 4900-5050' at 4900' mix starch to lower water loss to 10-15 cc/30 minutes, maintain viscosity @ 36-37 sec./1000 cc.

Open hole logs will be run; logs will be Sidewall Neutron and Gamma Ray logs. Run 4-1/2", 10.5# K-55 (New) casing to 5050'. Cement with 1000 sx. Class C saturated cement, Wait on cement 24 hrs. Attached are BOP requirements, csg. schematic & rig layout. 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 _____

TITLE _____ Petroleum Engineer

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

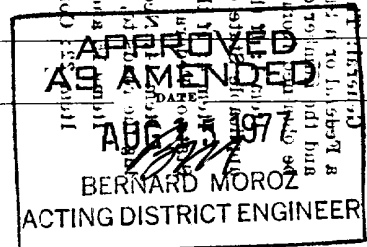
APPROVED BY _____

TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

Unless Drilling Operations Have
Commenced, this drilling permit
Expires 11-15-77

*See Instructions On Reverse Side



RECEIVED

AUG 15 1977

OIL CONSERVATION COMM.
HOBBS, N. M.

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form O-128
Supersedes O-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Lessee Tahoe Oil & Cattle Co.			Lease T. P. Federal			Well No. 1		
Section H	Section 22	Township 9 South	Range 37 East	Lea				
Actual Location of Well: 1980 feet from the North line and 660 feet from the East line.								
Produced Elev. 3967.3		Producing Formation San Andres		Field West Sawyer - San Andres			80	

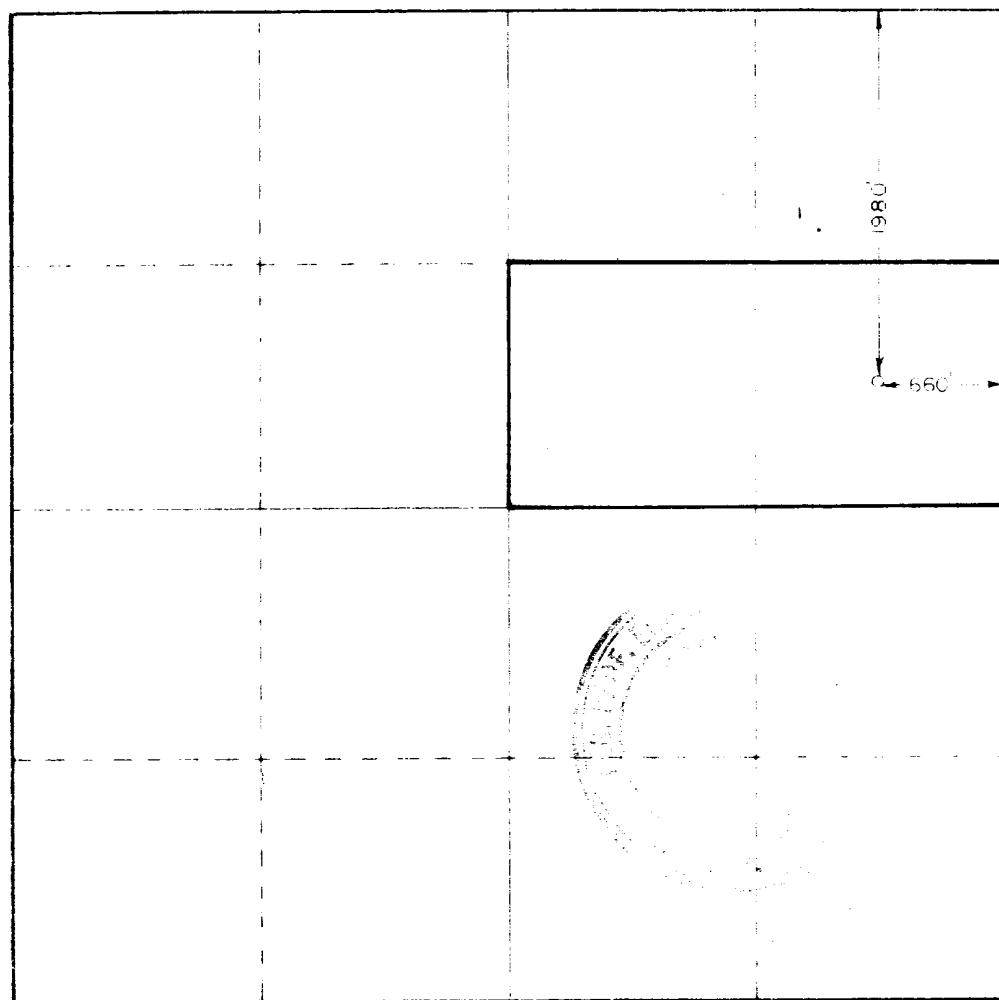
1. Outline the acreage dedicated to the subject well by colored pencil or ballpoint pen on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 their descriptions which have actually been consolidated (see back of this form if necessary.) **Texas Pacific 50%; J. M. Huber Corp. 37.5%; Jerry Chambers 12.5% - un-**

divided Interests

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 interests, has been approved by the Commission.



CERTIFICATION

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

K. A. Freeman

K. A. Freeman

Petroleum Engineer

Tahoe Oil & Cattle Co.

July 27, 1977

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.

July 23, 1977

John W West
John W West
676

330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960

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AUG 15 1977

OIL CONSERVATION COMM.
HOBBS, N. M.



OIL & CATTLE CO.

PHONE: 915-683-8009 • P. O. BOX 7032 • MIDLAND, TEXAS 79701

July 28, 1977

T. P. Federal No. 1

1980' FNL & 660' FEL, Section 22, Township 9 South, Range 37 East, Lea Co., New Mexico

ATTACHMENT TO FROM 9-331C (ADDITIONAL INFORMATION)

1. The surface formation is of Quaternary age.

2. Estimated formation tops:

Rustler Anhydrite	2275'
Yates Sand	2885'
San Andres	4190'
San Andres Pi	4770'
San Andres Slaughter	4925'

3. Fresh water is anticipated at 200' or less. Yates Sand may or may not have brackish water at 2885'.

San Andres (Slaughter Pay) 4925' to 5000' is expected to have oil, gas and mineralized water.

4. Production Casing will be new and is described under No. 23, Form 9-331-C K-55 Grade.

5. Series 900 (3000# service pressure rating) Rucker Shaffer LWP Double Blowout Preventer with hydraulic operation.

A. Surface Hole:

1. 1 set blind rams

2. 1 set drill pipe rams

After 8-5/8" 24# casing has been set and cemented, rams will be tested to 2000# prior to drilling out cement.

B. 7-7/8" Hole:

1. 1 set of blind rams tested to 2000#.

2. 1 set of drill pipe rams tested to 2000#.

*This is an old field area and no abnormal pressure is expected at this depth. San Andres Slaughter zone bottom hole pressure is anticipated at 1385 PSIG.

6. The circulating system will consist of the rig mud pumps and mud pits. The mud system will consist of salt gel (viscosity 31-33 sec/1000 cc), starch will be added at 4900' to lower the water loss to 10-15 cc/30 min. and viscosity at 36-37 sec/1000 cc. Mud weight will be 9.8 to 10.0#/gallon.

7. Auxiliary equipment will consist of the following:

A. Drill Pipe sub

B. Full opening valve tested to 3000#

8. Logging program in the open hole will consist of a Sidewall Neutron, Gamma Ray-Caliper log before running 4-1/2" casing. If open hole logs will not go to total depth, then 4-1/2" casing will be run. After casing is run and cemented at total depth a Gamma Ray, Neutron, Collar Log will be run.
9. No abnormal pressure, temperature or hydrogen sulfide gas is anticipated at this field development well.
10. Starting date is expected to be September 20, 1977 or upon approval by the U.S.G.S. Sitton Drilling Company of Lubbock, Texas will be the drilling contractor and they anticipate a rig available during the month of September, 1977. The operation is expected to be completed in three weeks.
11. Cementing program:

Surface: Drill 12-1/4" hole to 420', run 8-5/8" 24#, K-55 used casing to 420'.
Cement to surface with 250 sx. Class C plug 2% CaCl.

Production: Run 4-1/2 10.5# K-55 new casing to 5050'.

1. Either cement to surface with 800 sx. Common + 12% gel + .4 HR-7 and 200 sx. Class C salt saturated cement.
2. Or cement with 200 sx. Class C salt saturated cement as first stage, open DV tool to be run below the Rustler and cement second stage to surface with 200 sx. Common + 12% gel + .4 HR-7.

SURFACE PLAN OF DEVELOPMENT- T. P. FEDERAL NO. 1
1980 FNL & 660 FEL
Section 22, T-9S, R-37-E
Lea County, New Mexico

This plan is submitted with Application for Permit to Drill the above described well. This plan describes the well location, proposed construction, access road to be built and rehabilitating the surface after completion of the operation. The surface will be restored to a condition acceptable to the surface owner. The surface is presently in grass, or soil bank. The surface owner, O. L. Watson, Jr., 1306 8th Street, Levelland, Texas 79336, telephone number 806/894-4042.

1. EXISTING ROADS

- (A) This well will be drilled 1980' FNL & 660' FEL in Section 22, Township 9 South, Range 37 East. Exhibit "A" shows the location in relation to New Mexico State Highway 508 and Highway 125.
- (B) Exhibit "B" shows the existing roads in the area and are color coded blue.

2. PLANNED ACCESS ROAD

- (A) The new road required will be 12 feet wide 1/2 mile long. This new road is labeled and color coded red on Exhibit "B". The center line of the proposed new road from the beginning to the wellsite, has been staked and flagged with the stakes being visible from any one to the next.
- (B) Surfacing material will consist of six inches of caliche. The caliche will be obtained from the caliche pit approximately 1-1/2 miles to the northwest or located 660' FWL & 300' FNL Section 21, Township 9 South, Range 37 East. The caliche for the road will be compacted, watered, graded with a maximum 3 percent grade. No turnouts, culverts, cuts, fills, gates or cattleguards are required.

3. EXISTING WELL LOCATIONS

They are shown on Exhibit "A" and "B".

4. TANK BATTERY AND FLOWLINES

The No. 1 well will be connected to a new tank battery that will be located in Section 22 on the well location pad. The flowline will be buried and be directly west to Well No. 1. This is shown on Exhibit "C". The center line of the proposed new flow line has been staked and flagged.

5. WATER SUPPLY

Water for drilling will be purchased from Kenneth Tank Service, Crossroads, New Mexico, telephone No. 505/675-3366. By trucking the water, it will not cause any additional surface disturbance.

6. SOURCE OF CONSTRUCTION MATERIALS

Caliche for surfacing the road and the well pad will be obtained from existing pit in the NW/4 NW/4 Section 21, Township 9 South, Range 37 East. The pit is on land owned by Mr. W. E. Bilbrey. Location of the pit is shown on Exhibit "B".

7. 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 pits are dry.
- (C). Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
- (D). Current laws pertaining to disposal of human waste will be complied with.
- (E). Trash, garbage, and junk will be buried in the burn pit and covered with a minimum of 24 inches of dirt.

8. ANCILLARY FACILITIES

None required

9. WELLSITE LAYOUT

Exhibit "D" shows the location and dimensions of well pad, mud pits, reserve pit, burn pit, and location of major rig components. The reserve pit will be plastic lined. The pad and pit area has been staked and flagged.

10. RESTORATION OF THE SURFACE

Have contacted the surface owner and discussed building location and access road. Surface will be restored to a condition acceptable to surface owner. The area is presently in grass.

11. MISCELLANEOUS INFORMATION

- (A) Topography - Land is flat, elevation is 3967' see Exhibit "B" Topographic Map.
- (B) Soil - Is a deep fine sand underlain by caliche and is in grass.
- (C) Ponds and Streams - None in the area.
- (D) Archeological, Historical & Cultural Sites - None observed in the area.
- (E) Surface Ownership - Q. L. Watson, 1306 8th St., Levelland, Texas 79336.

12. OPERATOR'S PERSONNEL:

The field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

John T. Wood
P.O. Box 1641
Eunice, New Mexico 88231
Home Telephone No. 505/394-2027

K. A. Freeman
125 Midland Tower Bldg.
Midland, Texas 79701
Office Phone 915/682-2574
Home Phone 915/683-3774

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 exist; that the statements made in this plan are to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by Tahoe Oil & Cattle Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

K. A. FREEMAN
PETROLEUM ENGINEER

DATE

W
O
N
O

EXHIBIT "A"

1980FNL & 660FEL SEC.22,T9S,R37E
LEA COUNTY, NEW MEXICO

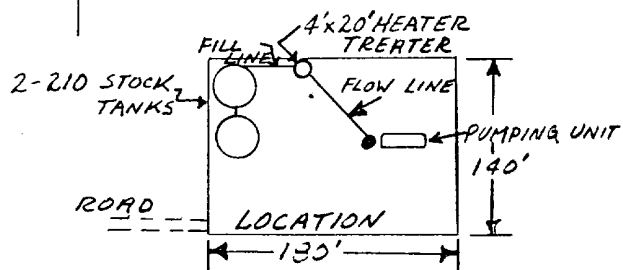
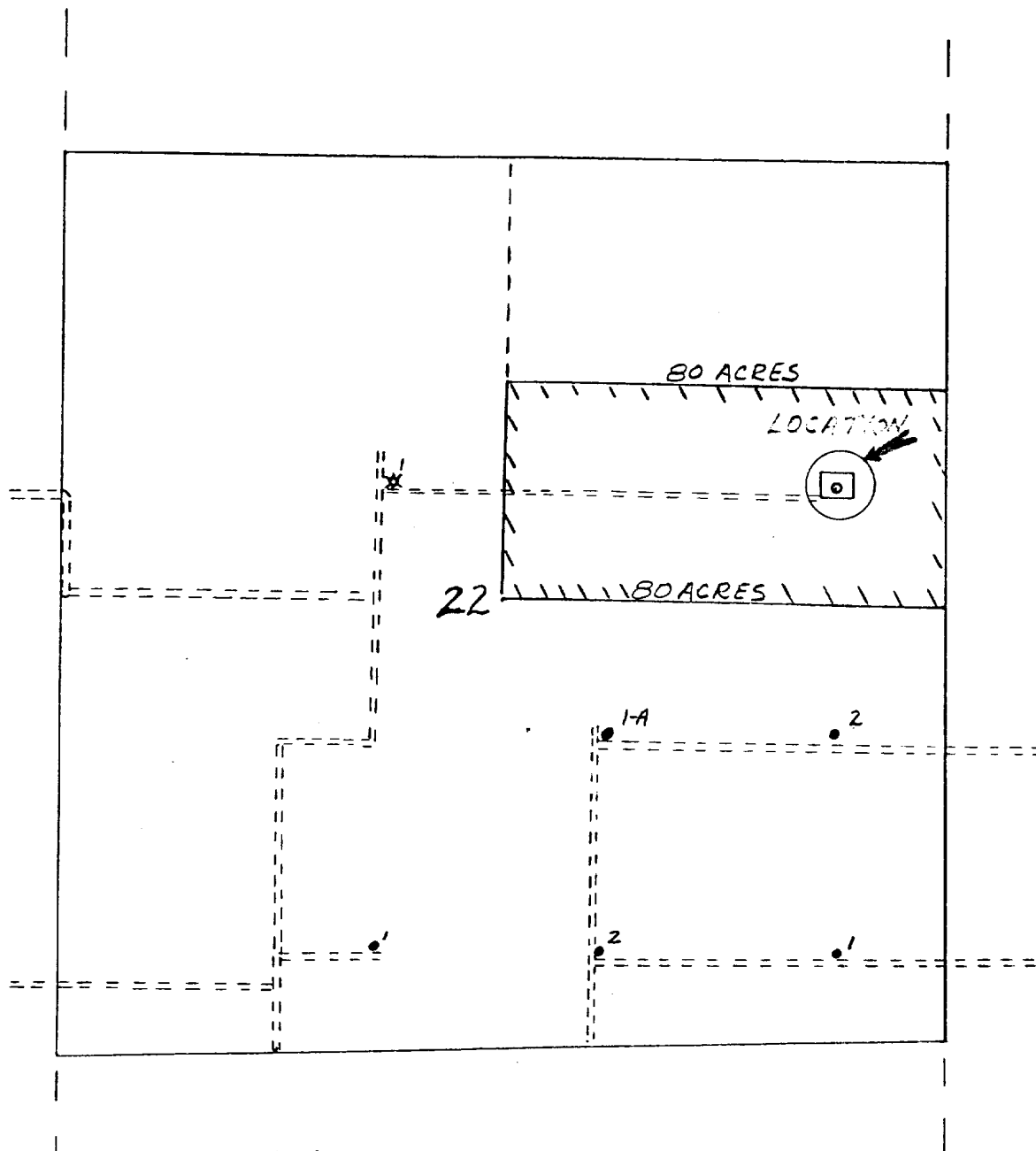


EXHIBIT "C"
 TAHOE OIL & CATTLE COMPANY
 T P FEDERAL NO. 1
 1980' FNL & 660' FEL SEC. 22, T9-S, R37-E
 LEA COUNTY, NEW MEXICO

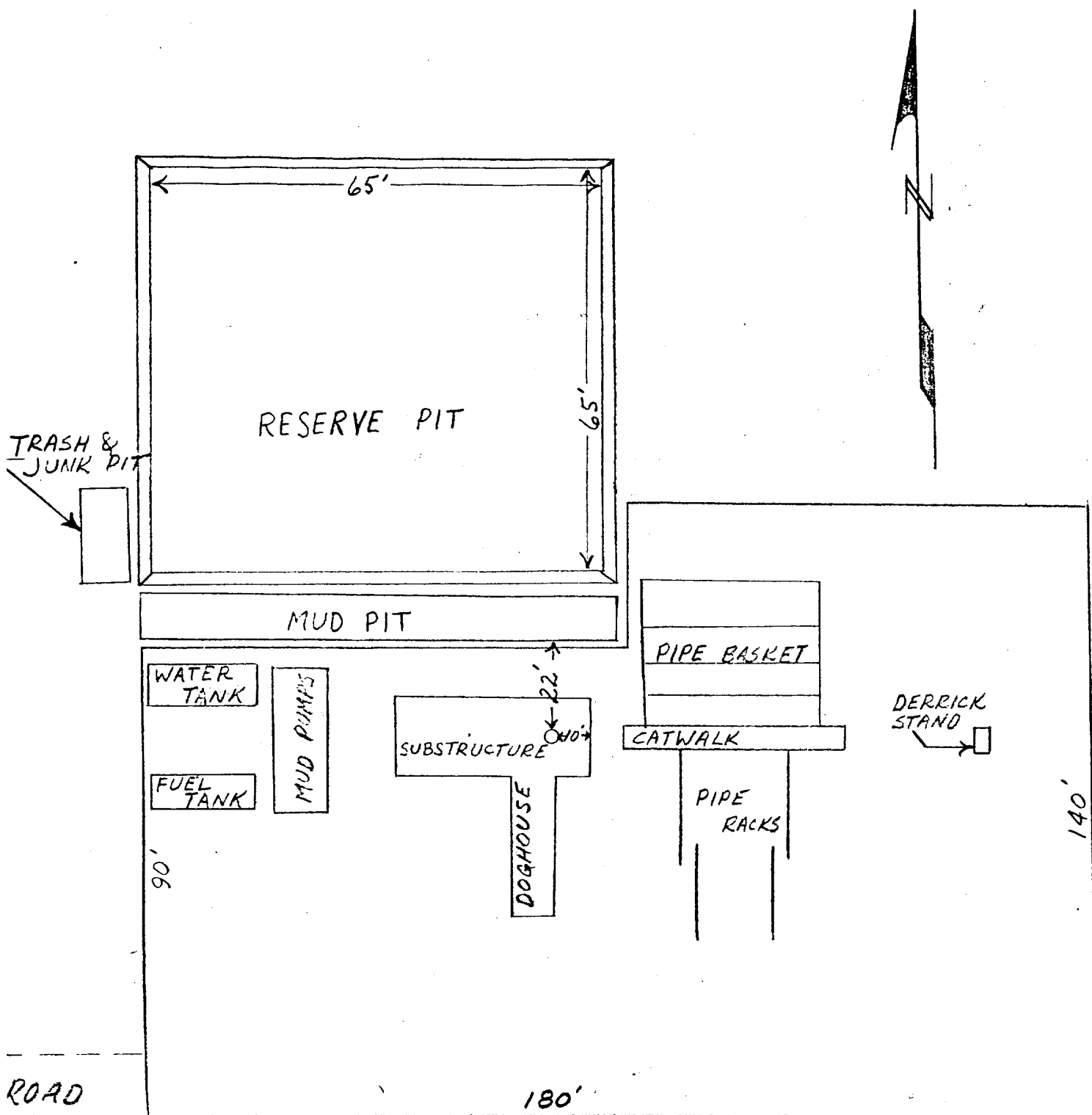


EXHIBIT "D"
 RIG LAYOUT
 TAHOE OIL & CATTLE CO.
 T. P. FEDERAL NO. 1
 LEA COUNTY, NEW MEX.

① Bell Nipple Fill UP & FLOW LINE

② 10³/₄" 900 Series Shaffer
Double Hydraulic BOP
by Contractor

③ 2"-5000# Hydraulic Gate
by Contractor

④ 2"-5000# Manual Gates
by Contractor

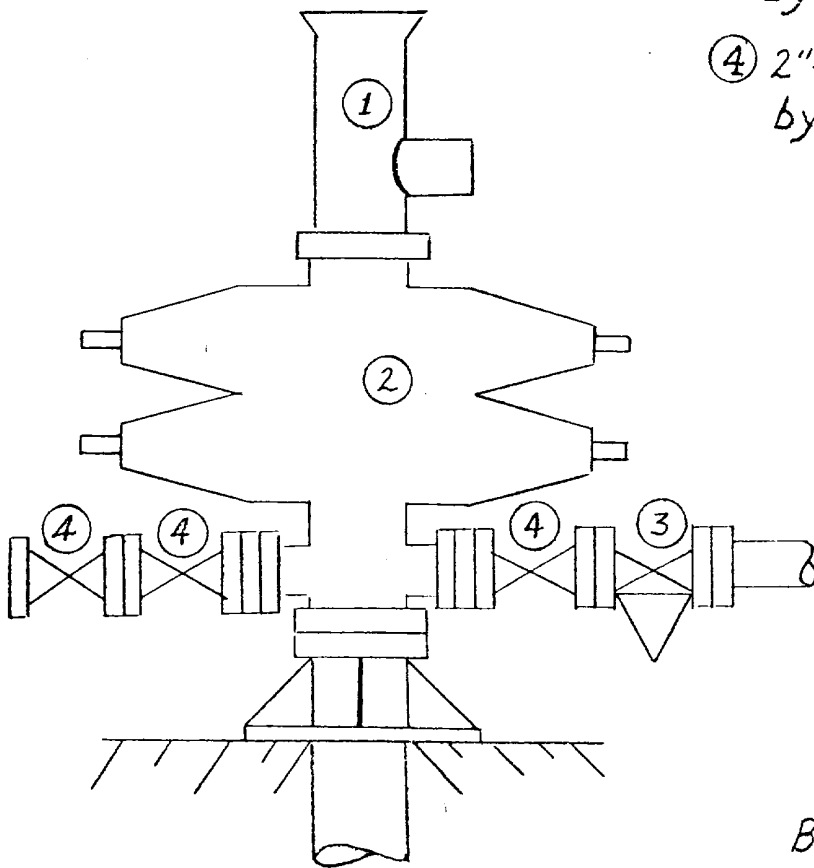


EXHIBIT "E"
BOP REQUIREMENTS
TAHOE OIL & CATTLE CO.
TP FEDERAL NO. 1
LEA COUNTY NEW MEXICO
SURFACE TO 4¹/₂" CSG. PT. (5050')

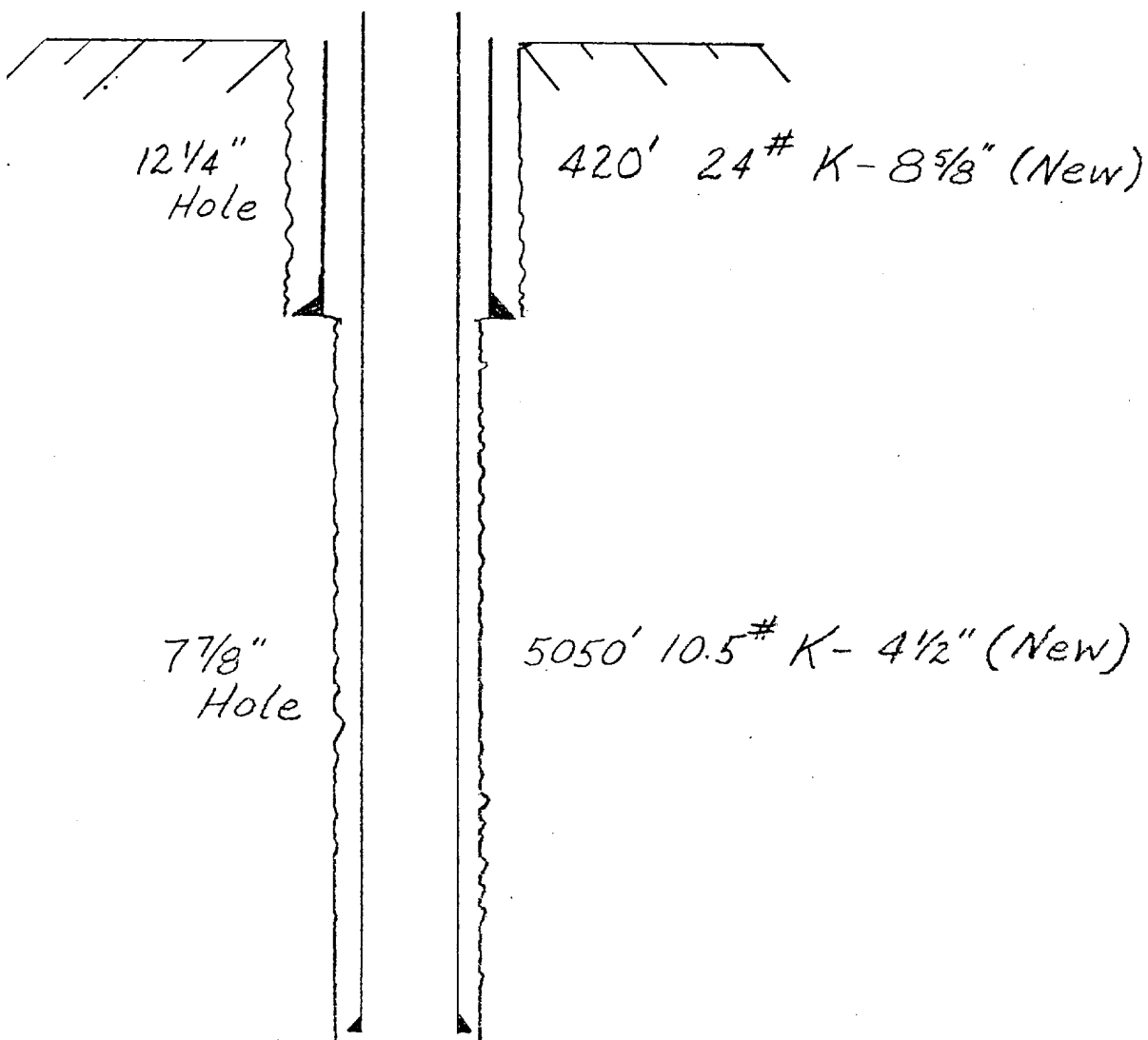


EXHIBIT "F"
CASING SCHEMATIC
TAHOE OIL & CATTLE CO.
TP FEDERAL NO. 1
LEA COUNTY NEW MEXICO

U. S. Geological Survey

HOBBS DISTRICT

Tahoe Oil & Cattle Co.
No. 1 T.P. Federal
SE $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 22-9S-37E
Lea County, N. M.

Above Data Required on Well Sign

CONDITIONS OF APPROVAL

1. Drilling operations authorized are subject to compliance with the attached General Requirements for Drilling Operations on Federal Oil and Gas Leases, dated January 1, 1977.
2. Notify this office (telephone (505) 393-3612) when the well is to be spudded and in sufficient time for a representative to witness all cementing operations. Attached are names and telephone numbers of Geological Survey and Bureau of Land Management personnel who are available for consultation during construction, drilling, completion, and rehabilitation activities.
3. Immediate notice is required of all blowouts, fires, spills, and accidents involving life-threatening injuries or loss of life.
4. Secure prior approval of the District Engineer for variance from the approved drilling program and before commencing plugging operations, plug-back work, casing repair work, corrective cementing operations, or suspending drilling operations indefinitely.
5. Blowout prevention equipment is to be installed, tested, and in working order before drilling below the surface casing and shall be maintained ready for use until drilling operations are completed.
6. Operations must be in compliance with the provisions of the landowner agreement concerning surface disturbance and surface restoration.