Form approved. Budget Bureau No. 42-R1425.

5. LEASE DESIGNATION AND SEBIAL NO.

NM-15019 6. IF INDIAN, ALLOTTEE OR TRIBE NAME

DEPARTMENT OF THE INTERIOR **GEOLOGICAL SURVEY**

(Other instructions on reverse side) UNITED STATES

APPLICATION	Y FOR PERMIT	O DRILL, D	EEPE	N, OR PL	.UG	BACK	6. IF INDIAN, ALLOTTEE	OR TRIBE NAME
1a. TYPE OF WORK	LL 🗓	DEEPEN []	PLU	IG BA	CK 🗌	7. UNIT AGREEMENT N	AME
b. TYPE OF WELL					3457.00	70 F		
	AS OTHER			NGLE	MULTI ZONE	PLE	8. FARM OR LEASE NAM	1E
2. NAME OF OPERATOR							Cone Federal	
SUNDANCE OI	L COMPANY						9. WELL NO.	
3. ADDRESS OF OPERATOR							9	
Suite 510,	1776 Lincoln St	reet, Denver		co 8020:	3		10. FIELD AND POOL, O	R WILDCAT
A t aureface	eport location clearly and		any S	tate requiremen	ts.*)		Tomahawk, San	Andres
2310	' FSL and 1901'	FWL		Unit K			11. SEC., T., R., M., OR E AND SURVEY OR AR	SLK.
At proposed prod. zone								
Same	,						Section 30, T	.7S., R.32
	AND DIRECTION FROM NEA	_	OFFIC	E *			12. COUNTY OR PARISH	1
-	outh of Kenna,						Roosevelt	New Mexic
15. DISTANCE FROM PROP- LOCATION TO NEARES			16. NO	o. OF ACRES IN	LEASE		OF ACRES ASSIGNED THIS WELL	
PROPERTY OR LEASE ! (Also to nearest drl	LINE, FT.	1901'	560			40		
18. DISTANCE FROM PROI	POSED LOCATION*		19. PROPOSED DEPTH			20. ROTARY OR CABLE TOOLS		
TO NEAREST WELL, I OR APPLIED FOR, ON TH	IS LEASE, FT.	1650'	4350		Rotary			
21. ELEVATIONS (Show wh	ether DF, RT, GR, etc.)						22. APPROX. DATE WO	RK WILL START*
4404.6' GL							April 15, 19	79
23.]	PROPOSED CASIN	G ANI	CEMENTING	PROGI	RAM		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FO	or	SETTING DI	EPTH		QUANTITY OF CEMEN	
11"	8 5/8"	24		1800		300 🕻	100 s	x Class C
7 7/8"	4 1/2"	10.5		4350			x 50/50 Poz	
7 170	1 1/4					_		
necessary. production.	Casing will be	run when lo	ogs	and DSI's	indi	A.	PR 5 1979 EOLOGICAL SURVE	
zone. If proposal is to preventer program, if al 24. SIGNED DOUG	e proposed program: If drill or deepen direction by. Bates gral or State office use)	proposal is to deep ally, give pertinent	data -	plug back, give on subsurface lo Vice Pres	ocations	and measur	ductive zone and propose ed and true vertical depti	ns. Give blowout
(IIII Space Ioi Ptu	7	* .						
PERMIT NO.				APPROVAL DATE			DDDVED	
						AP	PROVED	1
APPROVED BY		TIT	LE			A5 /	AMENDED	
CONDITIONS OF APPRO	VAL, IF ANY:				l			

*See Instructions On Reverse Side

JAMES F. SIMS DISTRICT ENGINEER

PEEEIVED APR2 41979 OIL CONCEPTATION COMM.

NEW TOO DIE TONSERVATION COMMISSIO. WELL ECCATION AND ACREAGE DEDICATION PLAT

Ecrin 1 - 192 Supersedes C-128 3 He tive 1-1-65

Sundance Oil Company Cone Fed. 32 East 7 South Roosevelt 30 2310 1901 South 4412.0 __San_Andres the me the acreage dedicated to subject well by a lored percel or hashmic marks of if were than one lease is deducted to the weil outline each and identify the contenting thereof that as in working interest and royalty). A If more than one lease of different is neashly is dedicated to the well, have the discress it all owners been consolydated by communitization, unitization force persons etc. If answer is "vee long of consideration, If answer is "no," list the ewners and much descriptions which have actually been a no-distance. Use reverse side of this form if necessary)____ No arlowable will be assigned to the exponential interests have been a miso dated any communitization, initization, for ed-pooling, or otherwise for until a recistant and chorneting such interests, has been approved by the Commis-ANDITA FERE Doug Backes Vice President Sundance Oil Company April 3, 1979 March 23, 1979 Rongid J Eldson

PPRS 4 1979 NMO3 NOITAYRESHOO LOMM. M. M. SCOOM

RECEIVED

Attachment to Form 9-331 C Application for Permit to Drill

Sundance Oil Company, #9 Cone Federal 2310' FSL and 1901' FWL of Section 30, T. 7S., R. 32E. Roosevelt County, New Mexico

- 1. The geologic name of the surface information is Triassic red beds overlain by wind blown sands.
- 2. The estimated tops of important geologic markers are as follows:

Rustler	1800'			
Salado	1830 '			
Yates	2220'			
San Andres	3380 '			
P-1	4080 '			
P-2	4165'			
T.D.	4350'			

3. The estimated depths at which anticipated water, oil, gas or other mineral bearing formations will be encountered are as follows:

Ogalala		water
Salado	1830'	salt
San Andres	3380'	oil and gas
P-1	4080'	oil and gas
P-2	4165'	oil and gas

4. The proposed casing program is as follows:

```
Surface - New 8 5/8", 24#/ft., ST&C, Secondary 45 (J&L). Production - New 4\frac{1}{2}", 10.5#/ft., ST&C, K-55, JCW-36 (J&L).
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- 5. A sketch of an API Series 900 Blowout Preventer is attached. Pipe rams and blinds will be checked to 1000 PSI for 30 minutes when BOP is installed. BOP will be checked when casing is set and operated daily for checks.
- 6. The proposed mud program is as follows:

```
0-1800' spud mud 8.5 - 9.0 lbs./gal.
1800-3500' native mud 9.0 - 9.5 lbs./gal.
3500-T.D. salt gel 9.5 - 10.0 lbs./gal.
```

- 7. The auxiliary equipment to be used is:
 - 1. Kelly cocks.
 - 2. Floats at the bit.
 - 3. Stabbing valve on rig floor with sub to fit drill pipe.
- 8. It is proposed to run 2" and 5" GR, CNL, FDC, DLL/MLL Logs from TD to 1800'.
- 9. No abnormal pressures or temperatures are expected to be encountered in this well.
- 10. The anticipated starting date for this well is April 15, 1979. Estimated duration of drilling operations is 10 to 12 days.

MULTI-POINT SURFACE USE & OPERATIONS PLAN

Sundance Oil Company: Cone Federal #9
2310' FSL and 1901' FWL of Section 30, T. 7S., R. 32E.
Roosevelt County, New Mexico

This plan is to accompany "Application for Permit to Drill" the subject well which is located approximately $15\frac{1}{2}$ miles south of Kenna, New Mexico. The following is a discussion of pertinent information concerning possible effect which the proposed drilling of the well may have on the environment of the well and road sites and surrounding acreage.

1. Existing Roads

- A. The proposed well site is 2310' FSL and 1901' FWL of Section 30, T.7S., R.32E., Roosevelt County, New Mexico.
- B. Exhibit "A" is portion of a map showing existing roads with directions to the location from Kenna, New Mexico. The route to the location is marked in red along side of roads to be used. The well location is approximately 15½ miles south of Kenna, New Mexico.
- C., D. & E. Access roads are shown on Exhibit "A".
- F. No improvement or maintenance is anticipated for the existing roads.

2. Planned Access Roads

- A. Length & Width: New road required will be 2970' long and 12' wide. This new road is labeled and color coded Red on Exhibits "A" and "B". The center line of the proposed new road has been flagged and staked with the stakes being visible from one to the next.
- B. Surfacing Material: Six inches of caliche, watered, compacted and graded.
- C. Drainage Design: New road will have a drop of 6 inches from center line on each side.
- D. Culverts: None.
- E. Turnouts: None.
- F. Cuts and Fills: The location and pits will be constructed as shown on Exhibit "C". Maximum cut and maximum fill will be 3' on the location, other than leveling sand dunes.
- G. Gates, Cattleguards, Fences: None.

3. Location of Existing Wells

A. See Exhibit "B".

4. Location of Existing and/or Proposed Facilities

- A. The tank battery and production facilities are located on this lease at or near the Cone Federal #1 location (NE NE Section 31).
- B. If commercial production is established, a flow line will be connected to the existing tank battery and no additional surface disturbance will occur. Facilities will be fenced and/or covered to protect livestock and wildlife.
- C. All unused areas disturbed by construction will be restored to natural terrain profile after construction is completed.

5. Location and Type of Water Supply

- A. Water will be obtained from well at Kenna and/or Crossroads.
- B. Water will be transported by truck.

6. Source of Construction Materials

A. Caliche will be obtained from a pit in Section 7, T.7S., R.32E.

7. Methods for Handling Waste Disposal

- A. Drill cuttings will be disposed of in the reserve pit.
- 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 and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of trash pit is shown on Exhibit "C". If well is productive, maintenance waste will be placed in special trash cans and hauled to an approved sanitary landfill, periodically. Any produced water will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the Survey for appropriate approval.

8. Ancillary Facilities: None.

9. Well Site Layout

A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, reserve pit, trash pit and location of major rig components.

Multi-Point Surface Use & Operations Plan Cone Federal #9 Page 3

9. Well Site Layout (Continued)

- B. The reserve pit will be lined with plastic.
- C. The pad and pit area has been flagged and staked.

10. Plans for Restoration of Surface

A. Pits will be backfilled and leveled as soon as practical to original condition. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed within 45 days from commencement.

11. Other Information

- A. Terrain: Low rolling sand hills.
- B. Soil: Sandy.
- C. Vegetation: Scrub oak, bear grass and very sparse vegetation.
- D. Surface Use: Grazing.
- E. Ponds and Streams: None within one mile.
- F. Water Wells: One mile northwest of location.
- G. Residences and Buildings: One mile northwest of location.
- H. Arroyos, Canyons, Etc.: Caprock escarpment approximately one mile west of location.
- I. Well Sign: Sign identifying and locating well will be maintained at drill site with the spudding of the well.
- J. Open Pits: All pits containing mud or other liquids will be fenced.
- K. Archaeological Resources: None observed.

12. <u>Lessee's or Operator's Representative</u>

Richard O. Dimit Sundance Oil Company Business Phone (303) 861-4694

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite 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

Multi-Point Surface Use & Amerations Plan Cone Federal #9 Page 4

13. Certification (Continued)

my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by SUNDANCE OIL COMPANY and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

April 3, 1979

Doug Bates // Vice President





April 3, 1979

U.S.G.S. P.O. Box 1157 Hobbs, NM 88240

RE: Agreement with Surface Landowner and Sundance Oil Company Cone Federal #9
NE SW Section 30, T.7S., R.32E. Roosevelt County, New Mexico

Gentlemen:

This is to certify that in regard to captioned well, Sundance Oil Company has an agreement with the surface owner in regard to the surface restoration.

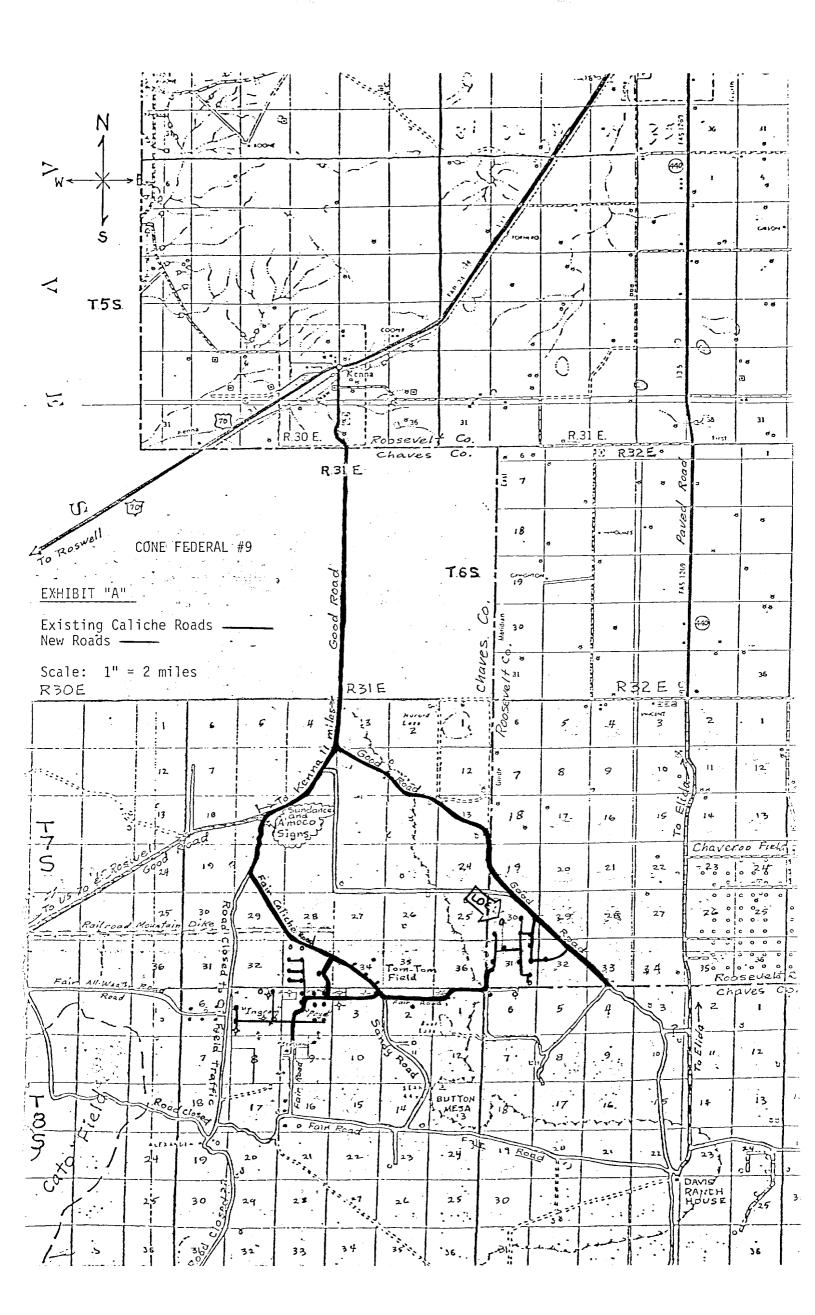
If this well is completed as a producing well, the pits are to be filled and covered and the location cleaned of all trash and junk in order to leave the wellsite in an aesthetically pleasing condition. Prior to the filling of the pits, any unguarded pit containing fluid will be fenced.

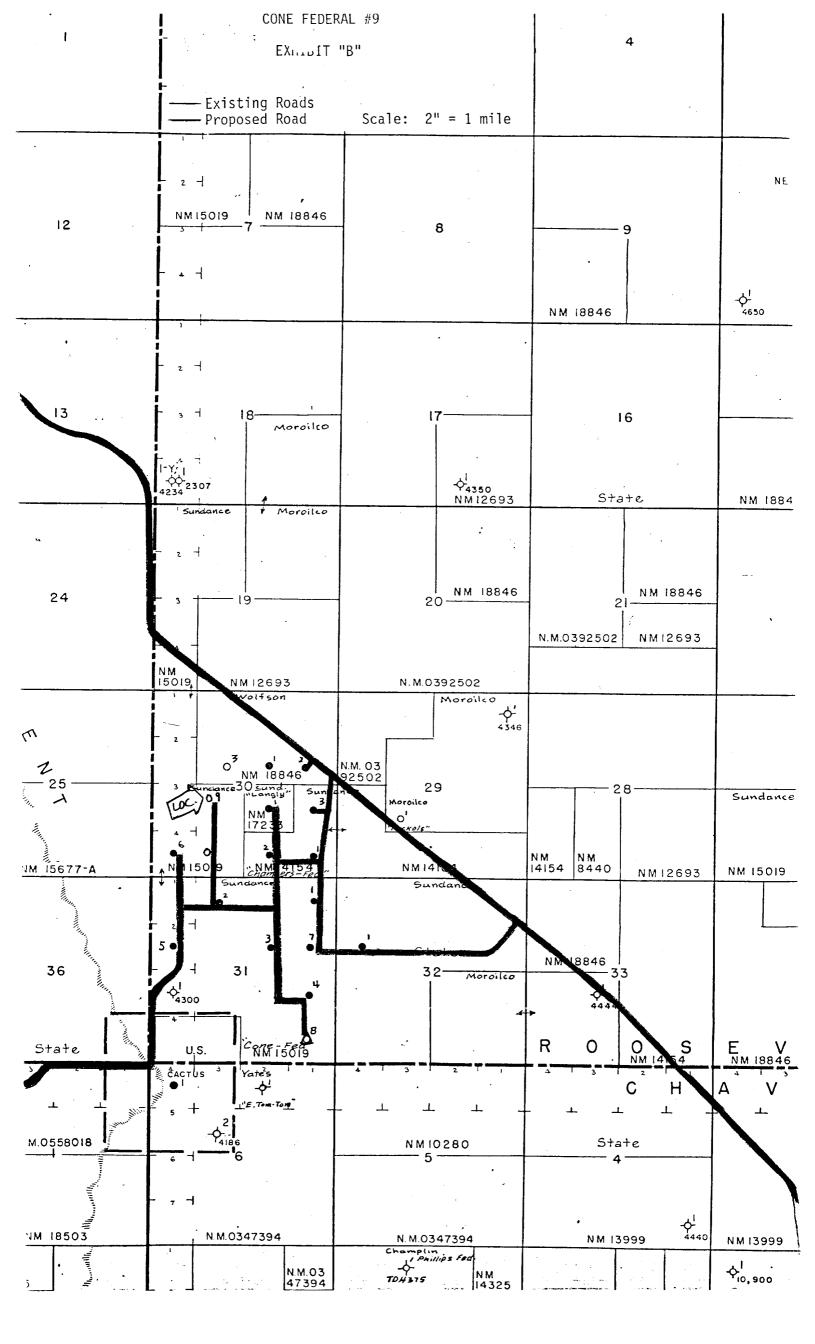
If the well is completed as a dry hole and plugged and abandoned, pits will be covered and location cleaned of all trash and junk. The road will remain in place. The drilling pad will either remain or be ripped at the landowner's option.

Yours truly

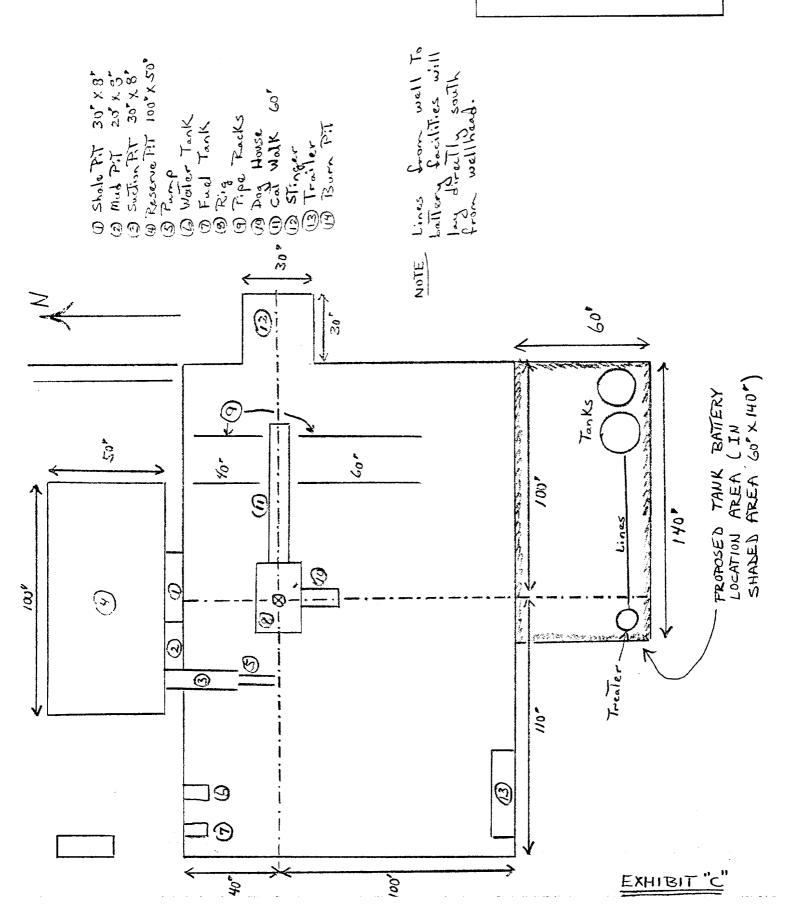
Doug Bates Vice President

DB:ds





LOCATION, MUD PIT AND PROPOSED TANK BATTERY AREA SPECIFICATIONS



BLONOUT PREVENTER of CHOKE MIMITOLD API 3M-8410-RdS

