

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

ELK OIL COMPANY

Ph. 505-623-3190

3. ADDRESS OF OPERATOR

P.O. Box 310

Roswell, N.M. 88202

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

At surface

660' FSL, 1980' FEL, Sec. 7-8S-38E

(Unit O)

At proposed prod. zone

Same

(SWSE)

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

15 miles east of Milnesand, New Mexico

15. DISTANCE FROM PROPOSED\*

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

660'

16. NO. OF ACRES IN LEASE

280

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.

1320'

19. PROPOSED DEPTH

4800' San Andres

17. NO. OF ACRES ASSIGNED TO THIS WELL

80

20. ROTARY OR CABLE TOOLS

Rotary

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

3990' GL

22. APPROX. DATE WORK WILL START\*

As Soon As Possible

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/2"	8-5/8"	24# J-55	375'±	200± sx (Circulate)
7-7/8"	5-1/2"	15.5# J-55	4800'±	220± sx

Propose to drill to 4800' and complete as an oil producer in the San Andres formation. See attached Surface Use Plan.

Set 5-1/2" production casing to TD, cemented with sufficient cement to isolate all porosity zones. Selectively perforate favorable zones. See attached Drilling Data.

Run 2-7/8" tubing to perforations and treat formation with 15% HCL. Test tanks.

Any associated gas has not been dedicated.

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.

SIGNED

JERRY W. LONG

TITLE Permit Agent

DATE December 16, 1993

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY

APPROVAL OF THIS APPLICATION DOES NOT WARRANT OR CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUIVAILABLE TITLE TO THOSE RIGHTS IN THE SUBJECT LAND WHICH WOULD ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREON.

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT IN ADVANCE.

\*See Instructions On Reverse Side

United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ELK OIL COMPANY			Lease PLAINS FEDERAL		Well No. #1
Unit Letter O	Section 7	Township 8S.	Range 38E.	County ROOSEVELT	
Actual Footage Location of Well: 660 feet from the SOUTH line and 1980 feet from the EAST line					
Ground level Elev. 3990	Producing Formation San Andres		Pool Bluitt-San Andres Assoc.		Dedicated Acreage: 80 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks 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).

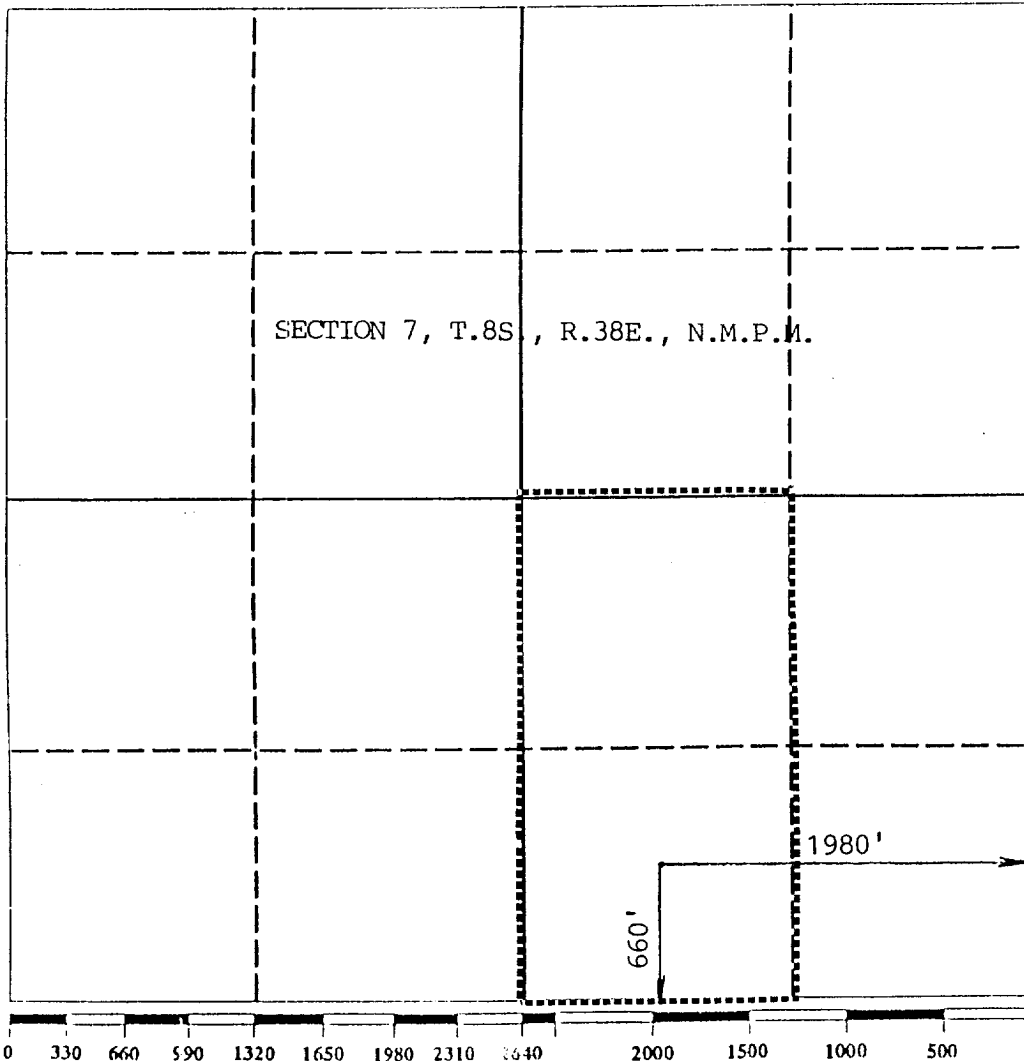
Single Lease

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation NA

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary).

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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature  
JERRY W. LONG  
Printed Name  
JERRY W. LONG  
Position  
Permit Agent  
Company  
ELK OIL COMPANY  
Date  
December 16, 1993

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 knowledge and belief.

Date Surveyed  
12/9/93  
Signature & Seal of Professional Surveyor  
D. J. JACQUES  
Certificate No.  
6290  
PLAINS1

SUPPLEMENTAL DRILLING DATA

ELK OIL COMPANY  
No.1 Plains Federal  
SWSE Sec.7-8S-38E  
Roosevelt County, N.M.  
Federal Lease NM-85955



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

1. SURFACE FORMATION: Tertiary

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Rustler	2290'
Salt	2460'
Yates	2690'
San Andres	3900'

3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:

Water - 0' - 200'

Gas - 4650' - 4675'

Oil - 4675' - TD

4. PROPOSED CASING PROGRAM:

8-5/8" Casing - Set 375' of 24# J-55 Surface Casing  
Tested to 600 Psi.

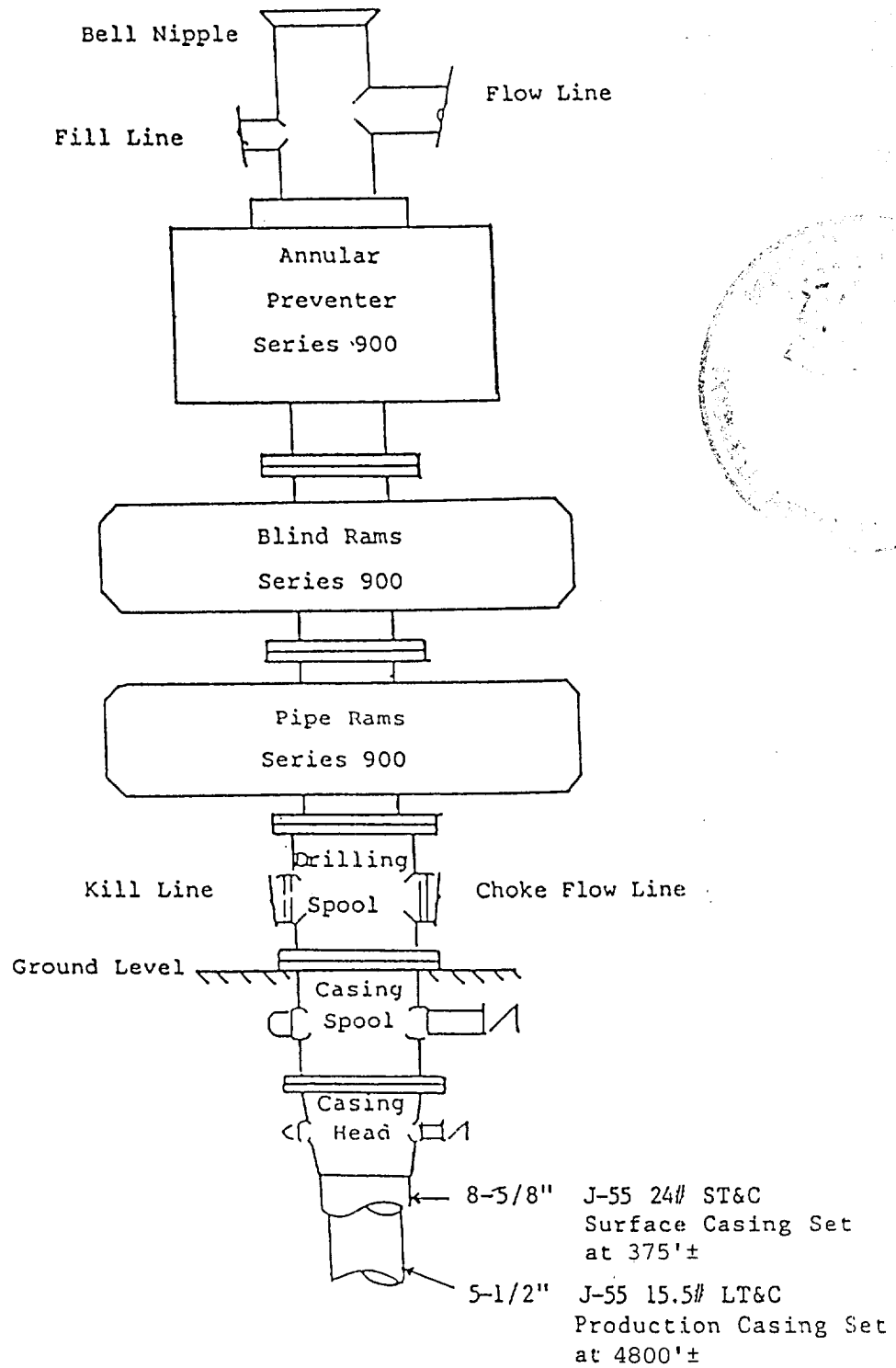
5-1/2" Casing - Set 4800' of 15.5 J-55 Production Casing  
Tested to 1000 Psi.

5. PRESSURE CONTROL EQUIPMENT: A 3000 psi. pressure control system will be used. This will include a Series 900 Shaffer double-ram hydraulic BOP with proper manifolds.

Bottom hole pressure is anticipated to be less than 900 psi. The north and south off-sets to this well are depleted oil wells. Due to the partially depleted condition of the reservoir, it is requested that a waiver be granted to permit testing BOP equipment to 1000 psi. using rig pumps, instead of testing to the normal 2000 psi.

6. CIRCULATING MEDIUM: The following mud program will be used to control pressure and circulate cuttings from the indicated intervals:
- Surface - 500': Drill with fresh water gel/lime slurry and appropriate lost circulation material to discourage seepage.
- 500' - TD: Drill with brine mud using a flocculant to minimize build-up of solids. Mud weight will be monitored to control pressure.
7. AUXILIARY EQUIPMENT: A full-opening valve, to fit the drill string in use, will be kept on the rig floor at all times.
8. TESTING, LOGGING AND CORING PROGRAM:
- Samples: Samples will be caught at 10' intervals from surface casing to total depth.
- DST and Cores: None anticipated
- Logging: Gamma Ray-Neutron and Density logs are proposed. Other logs may be run, as determined by the geologist.
9. ABNORMAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE:  
    No abnormal pressures or temperatures are anticipated.  
    Hydrogen sulfide gas is not expected to be a problem.
10. ANTICIPATED STARTING DATE: Drilling will start as soon as possible. Drilling and completion will require about 30 days.

ELK OIL COMPANY  
No.1 Plains Federal  
SWSE Sec.7-8S-38E  
Roosevelt County, N.M.  
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BLOWOUT PREVENTER STACK  
3000#WP

Rams Operated Daily