



NMOCC COPY

United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

September 28, 1978

Stevens Oil Company
P. O. Box 2203
Roswell, New Mexico 88201

STEVENS OIL COMPANY Federal "A" No. 1 Well 660 FSL 660 FEL Sec. 13, T8S, R30E Chaves County Lease No. NM-29225

Above Data Required on Well Sign

Gentlemen:

Your APPLICATION FOR PERMIT TO RE-ENTER the above-described well to a depth of 3,680 feet to test the San Andres formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and his approval including the GENERAL REQUIREMENTS.
3. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should indentify the well.
4. All above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate sandstone brown (Federal Standard Color # 595A, color 20318 or 30318).

Sincerely yours,

(Orig. Sgd.) ALBERT R. STALL

Albert R. Stall
Acting District Engineer

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

STEVENS OIL COMPANY

3. ADDRESS OF OPERATOR

P. O. Box 2203 - Roswell, New Mexico 88201

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

At surface

660' FSL & 660' FEL

At proposed prod. zone

Same

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

15 miles southeast of Elkins, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*

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

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

3954' GR (corrected)

23.

ACTUAL AND PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
ual 12-1/4"	8-5/8"	23#	363'
posed 7-7/8"	4-1/2"	9.5#	3680'

16. NO. OF ACRES IN LEASE

120

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

Sept. 29, 1978

Estimate Completion

Nov. 3, 1978

QUANTITY OF CEMENT

200 sx. circ.

200 sx.

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ARTESIA, NEW MEXICO

Surface formation is Pleistocene Alluvium on Bolson deposits.

Propose to re-enter Jack L. McClellan No. 1 Smith-Federal, P&A @ 3680'
on 10-5-65, drill cement plugs using mud left in hole @ 3450-80',
1625-1725', 345-400' and 0-20'.If re-entry is successful will run 4-1/2" casing to 3680' and attempt
completion by perforating and acidizing from 3555-82'. Estimate top of
San Andres @ 2830'.

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

Ronald G. Stevens

TITLE

Owner

DATE

9-22-78

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersedes C-128
Effective 1-1-65

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

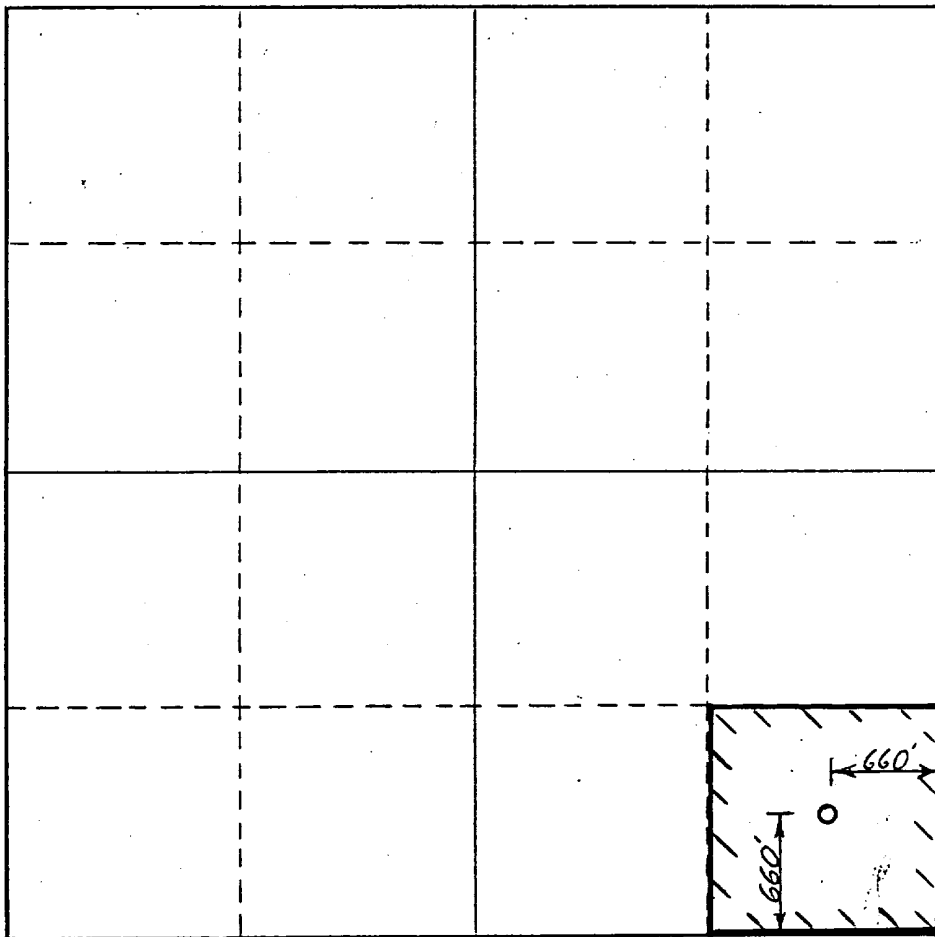
Operator Stevens Oil Company		Lease Federal "A"		Well No. 1
Unit Letter P	Section 13	Township 8 South	Range 30 East	County Chaves
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the East line				
Ground Level Elev: 4156'	Producing Formation San Andres	Pool Wildcat	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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).
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 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 interests, has been approved by the Commission.



CERTIFICATION

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

Name

Position

Owner

Company

Stevens Oil Company

Date

8-29-78

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 10-1-65

Registered Professional Engineer and/or Land Surveyor

Certificate No.

2787

SURFACE USE PLAN

Stevens Oil Company Federal "A" No. 1
660' FSL & 660' FEL Section 13-T8S-R30E
Chaves County, New Mexico
Federal Lease NM 29225

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1. Existing Roads

Exhibit "A" is a portion of the Chaves County road map of the New Mexico State Highway Department, showing the proposed well site in relation to nearby highways and ranch-oil field roads. U. S. Highway 70 will be used for 26 miles from Roswell to the county road. This highway is maintained by the State of New Mexico and the U. S. Government, a paved, all-weather road. The county road will be used for approximately 15 miles. This road is constructed of caliche, is approximately 30' in width and is maintained by the county. The oil field-ranch road will be used for approximately 6 miles. This road is constructed of caliche, is approximately 15 to 25' in width and is maintained by oil companies with production in the area and ranchers. All roads and highways to be used are marked in yellow and the proposed well site and nearby towns are marked in red.

2. Planned Access Road

Exhibit "B" shows the oil field and ranch roads and the access road to the proposed location. The proposed location is to be a re-entry of a well drilled in 1965 and will require no additional work for its use. The road is 12' wide and is caliche. Existing gates and cattleguards will be utilized and all existing fences will be left intact. In the event production is obtained the gate located in the approximate center of Section 13 will be replaced by a cattleguard. Exhibit "D" details the roads in the immediate area. Roads are marked in yellow and the proposed location in red.

3. Location of Existing Wells

Exhibit "B" shows all of the producing and abandoned wells within more than 1 mile of the proposed well with ownership of various tracts.

4. Location of Tank Battery, Production Facilities & Production Gathering & Service Lines

Exhibit "C" shows all of the above-stated facilities within 1 mile of the proposed location. All currently producing oil wells, tank batteries, and flowlines are owned by Stevens Oil Company. Two buried lines connect the two tank batteries, one a crude oil line owned by Mobil Oil Company and the other a gas flowline owned by Cities Service Company. The route of a flowline for water for the use and drilling the proposed location is shown. The Temporary Use Permit, a copy of which is attached and marked Exhibit "F", has not as yet been approved but is expected to be approved by the time drilling commences. In the event production is encountered and the Temporary Use Permit is approved the water flowline will be converted to an oil and gas flowline going from the proposed location to the tank battery at the Stevens Oil Company No. 2 Smith-Federal. If production is encountered, a tank battery will be constructed at Stevens Oil Company No. 2 Smith-Federal and all production will be

kept separate from production at the Smith-Federal well. The reason for constructing the tank battery at the Smith-Federal lease rather than at the proposed location is to prevent a proliferation of tank batteries in the area and to have accessible the crude oil flowline and gas flowlines available for immediate use at first production. The alternative tank battery at the proposed location would require trucking of the crude oil and venting of the gas, at least until such time as sufficient production were established that Mobil and Cities Service might lay lines to the location. The proposed tank battery location will result in greater economies, less surface use in the area and prevent the flaring of produced casinghead gas.

5. Location and Type of Water Supply

There is no useable fresh water in this area. All water needed for drilling, testing, and completion will be pipelined from the Smith-Federal No. 2 lease over the Temporary Use Permit, if approved, shown on Exhibit "B". If the Temporary Use Permit is not approved prior to drilling all water will be trucked in by commercial transport on existing roads as shown on Exhibits "A", "B" and "D".

6. Source of Construction Materials

As this is a re-entry operation it will not be necessary to construct roads or location with caliche topping since they are already in place.

7. Handling of Waste Disposal

All waste material remaining after the drilling of this well will be placed in mud pit as shown on Exhibit "E". Any combustible or biochemically degradable material will be placed in the "burn and trash pit." Drilling fluids and any produced oil or water recovered during testing operations will be allowed to dry out in the pit shown in Exhibit "E" and after drying out will be covered and leveled when the surface is restored.

8. Ancillary Facilities

No ancillary facilities are planned.

9. Well Site Layout

This information is shown on Exhibit "E". The pits will not be lined, since they were not lined in the original drilling of the well and the mud pits will be on the same location; further only a relatively small amount of saltwater will be used and only a small amount of cuttings accrue in the pit.

10. Plan for Restoration of Surface

All pits will be filled in and levelled. Deadmen will be removed if a dry hole. The access road and location will be left in its present state and the location will be cleared and maintained in an orderly manner.

11. Other Information

The area is in a marginal grassy portion of the typical mesquite and grassland range west of the Caprock in Eastern Chaves County. Grass and mesquite bushes constitute the majority of the flora and fauna consists principally of the usual field mice, rabbits, coyotes and snakes. The surface ownership is federal, leased under the Taylor Grazing Act to an

area rancher. The environmental impact on the area will be minimal since the proposed location is a re-entry of a well drilled in 1965. No unusual topography exists on this proposed well site and roads.

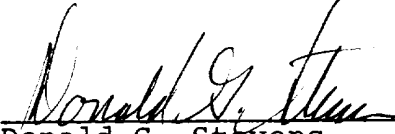
12. Operator Representatives

Donald G. Stevens	612 North Kansas Roswell, New Mexico 88201	623-3541
Curtis Stevens	2405-B North Grand Roswell, New Mexico 88201 Mobile Unit 4138 (Dial 623-0989)	623-3741

13. Certification

I 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 Stevens Oil Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

STEVENS OIL COMPANY



Donald G. Stevens

CHAVES COUNTY

SURFACE USE PLAN

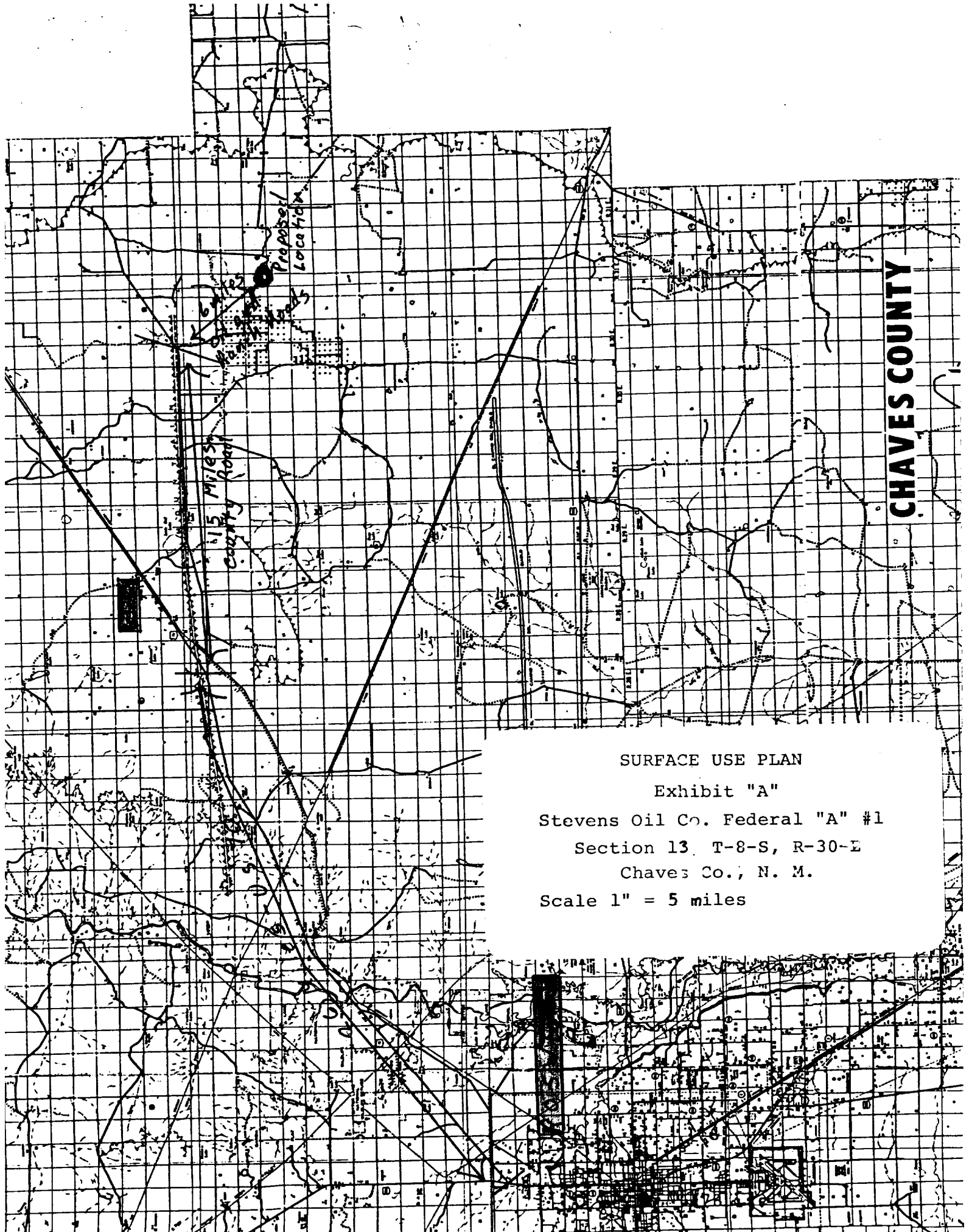
Exhibit "A"

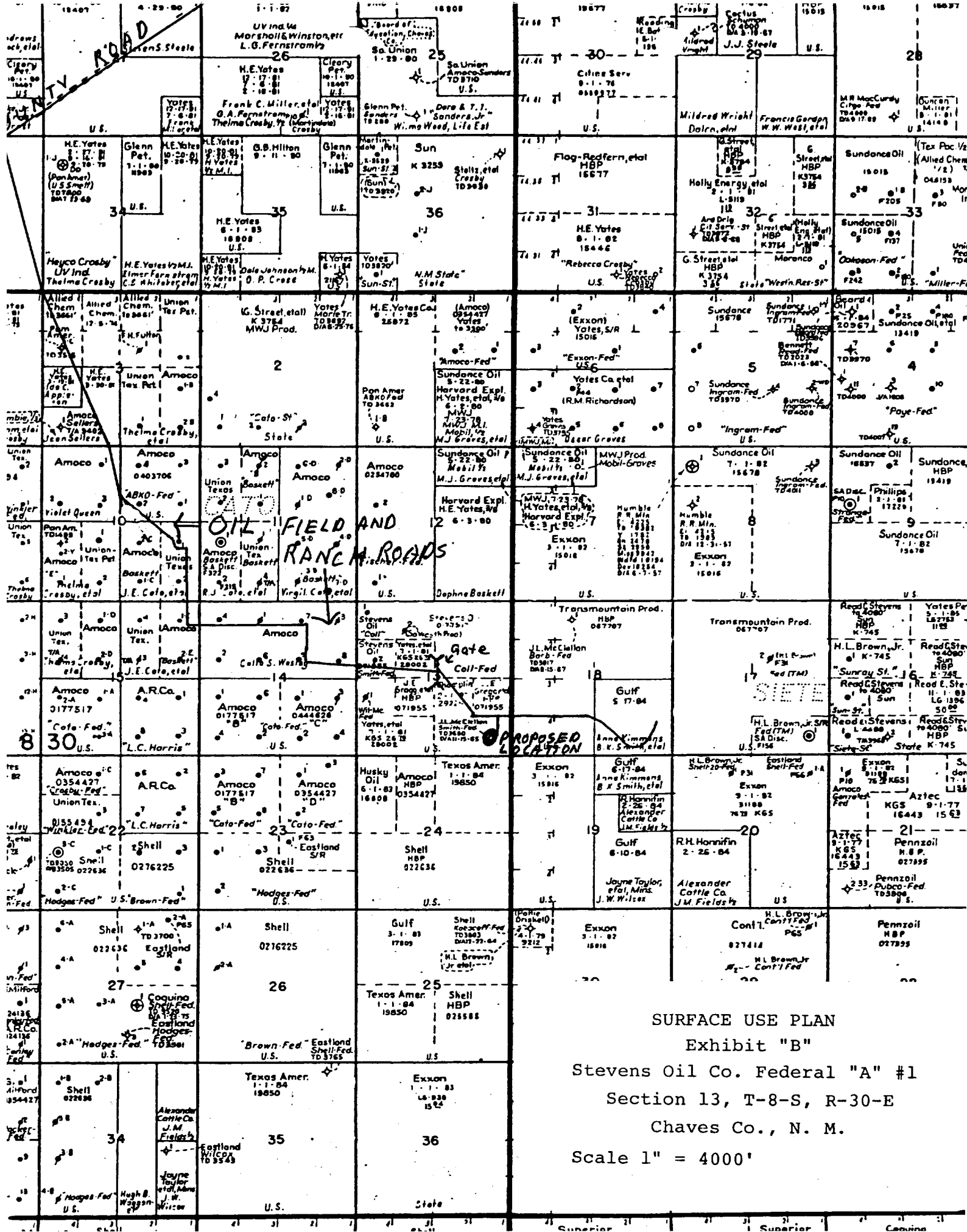
Stevens Oil Co. Federal "A" #1

Section 13, T-8-S, R-30-E

Chaves Co., N. M.

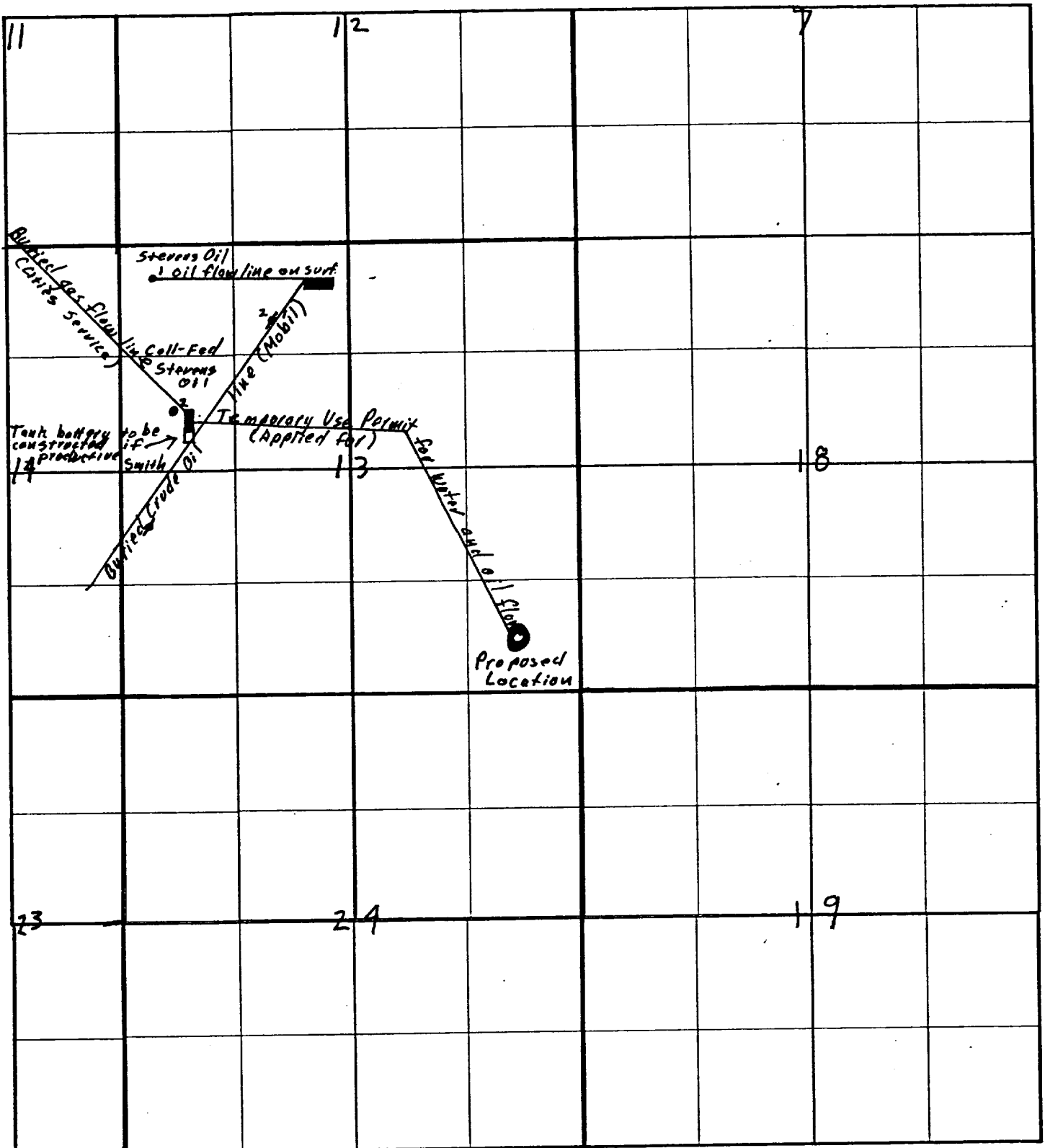
Scale 1" = 5 miles





SECTION 13 TOWNSHIP 8-S

RANGE 30-E

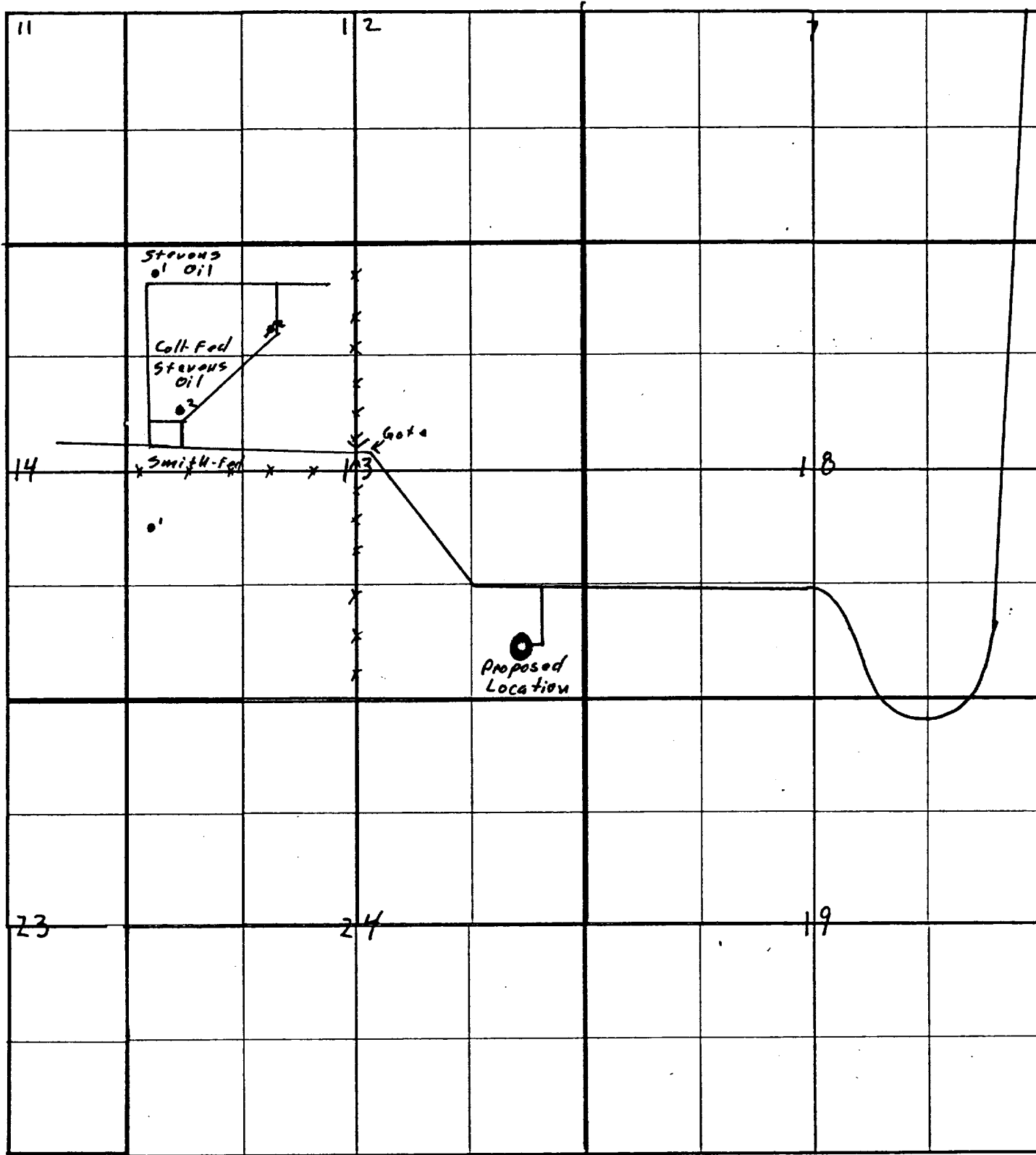


SURFACE USE PLAN
Exhibit "C"

Stevens Oil Co. Federal "A" #1
Section 13, T-8-S, R-30-E
Chaves Co., N. M.

Scale 1" = 800'

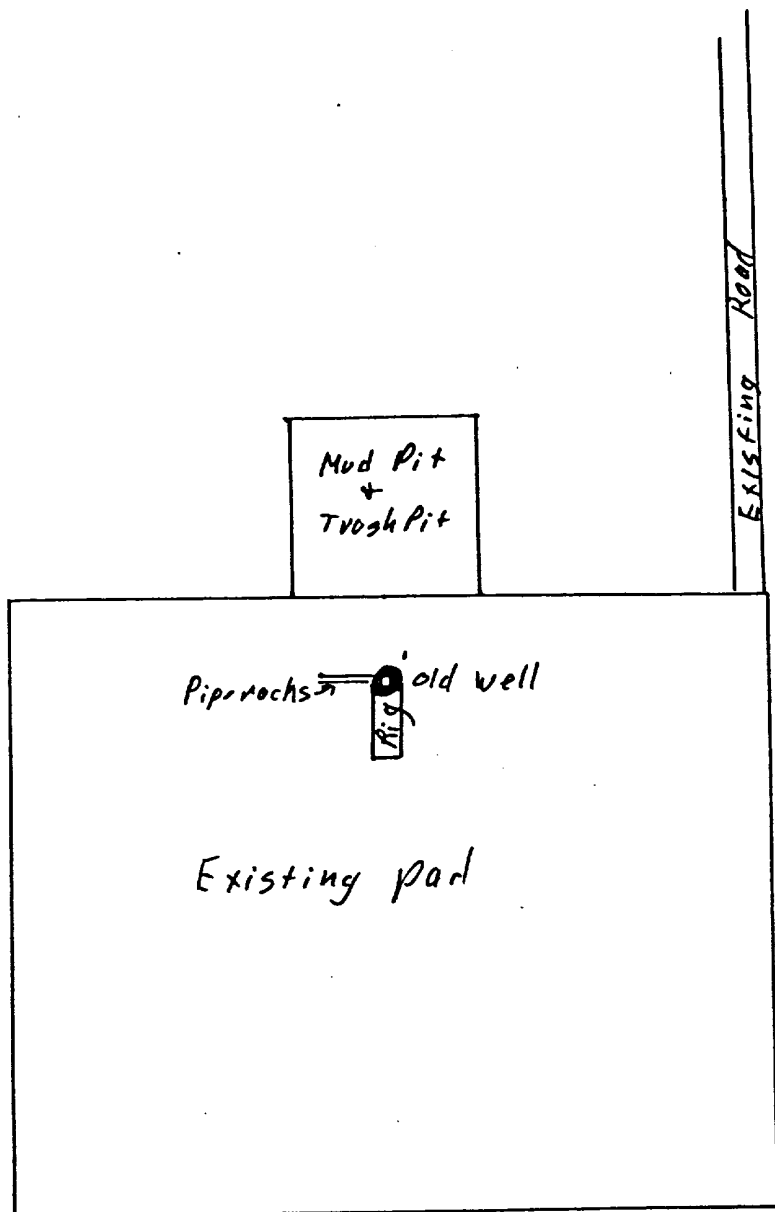
SECTION _____ TOWNSHIP _____ RANGE _____



—— Roads
 x x x x Fences

SURFACE USE PLAN
 Exhibit "D"
 Stevens Oil Co. Federal "A" #1
 Section 13, T-8-S, R-30-E
 Chaves Co., N. M.

Scale 1" = 800'



SURFACE USE PLAN
Exhibit "E"
Stevens Oil Co. Federal "A" #1
Section 13, T-8-S, R-30-E
Chaves Co., N. M.

Scale 1" = 50'

TEMPORARY USE APPLICATION AND PERMIT

Title I, Sec. 28(e) of the Mineral Leasing Act of 1920, 30 U.S.C. 185, as amended; Secs. 302(b) and 504(a) of P.L. 94-579, October 21, 1976, 43 U.S.C. 1732, 1764.

Serial Number

INSTRUCTIONS ON REVERSE

APPLICATION

1. Name (first, middle initial, and last)

Stevens Oil Company, a sole proprietorship of Donald G. Stevens

Address (include zip code)

**P. O. Box 2203
Roswell, New Mexico 88201**

2. Give legal description of public lands for which you are applying

TOWNSHIP

RANGE

SECTION

SUBDIVISION

8-South 30-East 13**S/2 NW/4, SW/4 NE/4, N/2 SE/4, SE/4 SE/4
(a 30' strip therein)**

Meridian

NMP

State

New Mexico

County

Chaves

Acres (number)

13. Proposed date(s) of use: From **10-25-78** to **10-24-79**

4a. Are you 21 years of age or over?

☒ Yes ☐ Nob. Are you a citizen of the United States or have you declared your intention? ☒ Yes ☐ Noc. As applicant, are you a ☐ Partnership ☐ Association ☐ Corporation; ☒ Individual(s); or an agency of ☐ Federal Government ☐ State Government ☐ Political subdivision of any state?d. Are the statements required by Instruction Number 2 attached? ☐ Yes ☐ No ☒ Not applicable5. Are you making this application for your own use and benefit? ☒ Yes ☐ No (If "no," explain)6. Are the lands now improved, occupied, or used? ☒ Yes ☐ No (If "yes," describe improvements and purposes, identify users and occupants)**No improvements or occupations, however cattle grazing occurs on lease land.**

7a. What do you propose to use the lands for?

To run produced oil field saltwater from a producing tank battery to an old dry hole to be re-drilled. In the event of oil and gas production from the re-drilled hole, the line would be used as an oil and gas flow line.

b. What improvements, including sanitation facilities, do you intend to make? (Describe improvements and attach drawings, if convenient)

The only improvement would be the laying of a 2" plastic line over the property between the tank battery and old well.c. What is the estimated cost of proposed improvement? **\$5,000.00**

d. What is the proposed source of water for domestic or other uses?

Not applicable8. Have you enclosed filing fee of \$10? ☒ Yes ☐ No (See Instruction Number 3)

I CERTIFY That the information given by me in this application is true, complete, and correct to the best of my knowledge and belief and is given in good faith.

STEVENS OIL COMPANY**9-18-78**

(Date)

by

Donald G. Stevens

(Signature of Applicant)

Owner

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

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SEP 29 1978

O. C. C.
ARTESIA, OFFICE