

NMOC COPY

SUBMIT IN TRIP
(Other instructions
reverse side)Form approved.
Budget Bureau No. 42-R1425.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

SUNDANCE OIL COMPANY

3. ADDRESS OF OPERATOR

Suite 510, 1776 Lincoln St., Denver, CO 80203

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

At surface

660 FSL and 1980' FWL

Unit N

At proposed prod. zone

San Andres

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

15¹/₂ miles south of Kenna, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

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

660

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

1320

16. NO. OF ACRES IN LEASE

200

19. PROPOSED DEPTH

4000'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary Tools

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

4274.6 GL

22. APPROX. DATE WORK WILL START*

On Approval

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11	8 5/8	28	1450	260 sx Econ & 100 sx Class C
7 7/8	4 1/2	11.60 & 10.5	4000	300 sx 50/50 Poz

Well will be drilled to TD and evaluated, if further evaluation is required, will log to determine if casing will be run.

RECEIVED

NOV 30 1977

U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

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

Richard O. Dimit
Richard O. Dimit

TITLE

Chief Engineer

DATE

November 17, 1977

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

DEC 15 1977

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

Joe J. Lara

TITLE

ACTING DISTRICT ENGINEER

DATE

DEC 15 1977

THIS APPROVAL IS RESCINDED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS.

EXPIRES MAR 15 1978

*See Instructions On Reverse Side

RECEIVED

1957

OIL COMPANY AND COMM.
HOBBBS, N. M.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator Sundance Oil Company			Lease Oakason Federal		Well No. 2
Unit Letter N	Section 33	Township 7 South	Range 31 East	County Chaves	
Actual Well Location of Well: 660 feet from the South line and 1980 feet from the West line					
Ground Level Elev. 4274.6	Producing Formation		Pool	Dedicated Acreage: Acres	

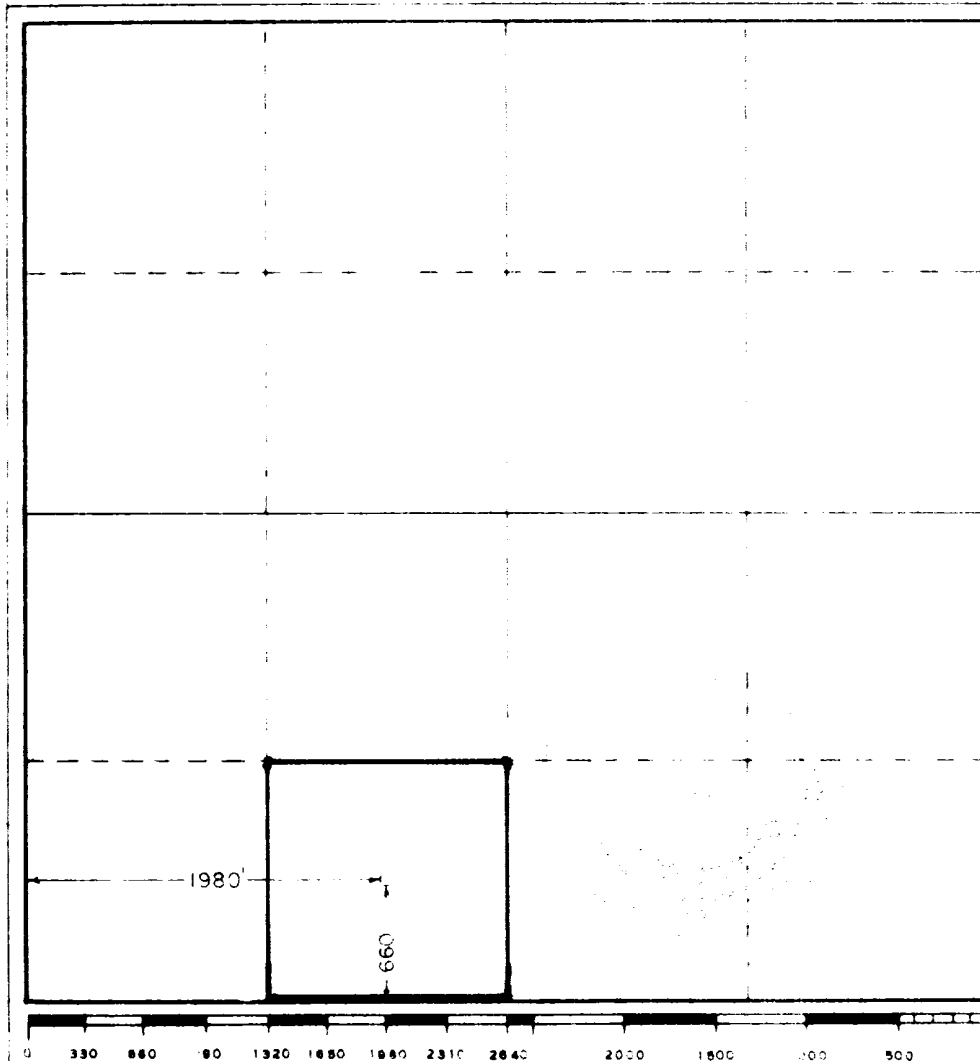
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests been consolidated by communitization, unitization, force-pooling, etc?

RECEIVED
NOV 30 1977
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

☐ 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

Richard O. Dimit

Richard O. Dimit

Chief Engineer

Sundance Oil Company

November 17, 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

November 8, 1977

Registered Professional Engineer
No. 11,111, E. 11,111

Jim W. West

676

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

Sundance Oil Company, #2 Oakeson Federal
660' FSL and 1980' FWL of Section 33, T. 7S., R. 31E.
Chaves 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	1450'
Salado	1510'
Yates	1900'
San Andres	3010'
P-1	3710'
P-2	3795'
T.D.	3950'

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

Ogalala	150' water
Salado	1450' salt
San Andres	3010' oil and gas
P-1	3710' oil and gas
P-2	3950' oil and gas

4. The proposed casing program is as follows:

Surface - New 8 5/8", 28 lb/ft., ST&C, Secondary 45 (J&L).
Production - New 4 1/2", 10.5 lb/ft., ST&C, K-55 and 11.6 lb/ft.,
ST&C, JCW-36 (J&L).

5. A sketch of an API Series 900 Blowout Preventer is attached. Pipe rams and blinds will be checked to 1,000 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:

0-1450' spud mud	8.5 - 9.0 lbs./gal.
1450-3000' native mud	9.0 - 9.5 lbs./gal.
3000' to TD salt gel	9.0 - 10.0 lbs./gal.

RECEIVED

1957

CIL CORP. COMM.
HOEBS, N. M.

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 1450'.
9. No abnormal pressures or temperatures are expected to be encountered in this well.
10. The anticipated starting date for this well is December 20, 1977. Estimated duration of drilling operations is 10 to 12 days.

RECEIVED

1947

CH. CONSERVATION COMM.
HOBBS, N. M.

MULTI-POINT SURFACE USE & OPERATIONS PLAN

Sundance Oil Company: Oakason Federal #2
660' FSL and 1980' FWL of Section 33-T7S-R31E
Chaves 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 660' FSL and 1980' FWL of Section 33-T7S-R31E, Chaves 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 $15\frac{1}{2}$ 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 1320' 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 six (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 will be 3' on the east and maximum fill will be 3' on the west of the location, other than leveling sand dunes.

(cont.)

RECEIVED

1977

OIL CONSERVATION COMM.
HOBBS, N. M.

G. Gates, Cattleguards, Fences: None

3. Location of Existing Wells

A. See Exhibit B.

4. Location of Existing and/or Proposed Facilities

- A. There are no existing tank battery or production facilities or flow lines on this lease owned by Lessee/Operator.
- B. If commercial production is established, the tank battery and flow line will be located on the well pad 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 NW NW Section 4-T8S-R31E.

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.

RECEIVED

1-15-77

OIL CONSERVATION COMM.
HOBBS, N. M.

7. Methods for Handling Waste Disposal (cont.)

E. Trash, waste paper, garbage, and junk will be buried in a separate trash pit and covered with a minimum of twenty-four (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.

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 forty-five (45) days from commencement.

(cont.)

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. Lessee's or Operator's Representative

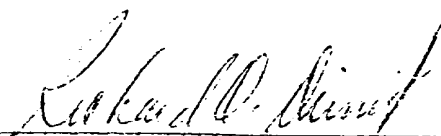
Richard O. Dimit
Sundance Oil Company.
Suite 510, 1776 Lincoln St.
Denver, CO 80203

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 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.

Nov. 17, 1977
Date

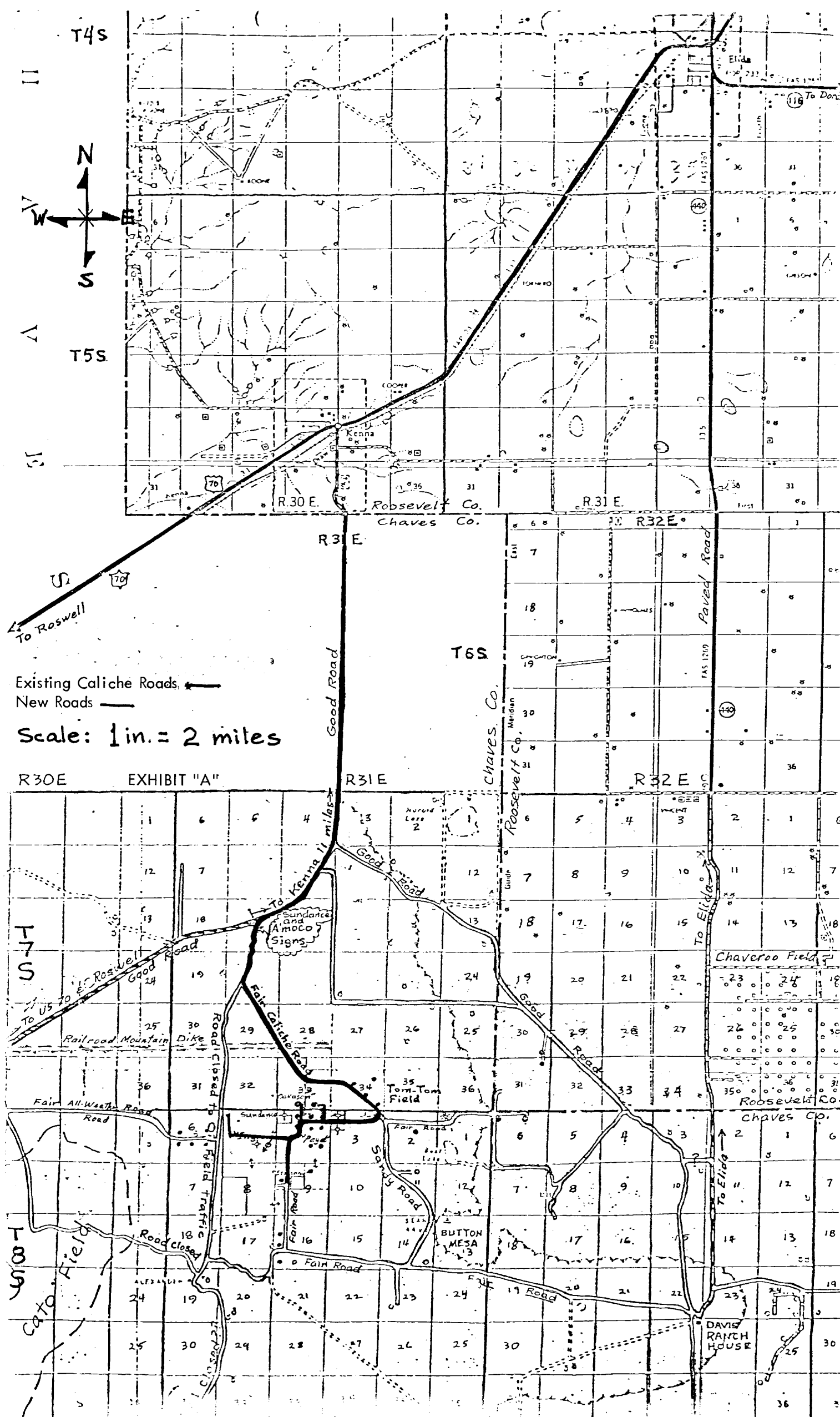


Richard O. Dimit
Chief Engineer

RECEIVED

1967

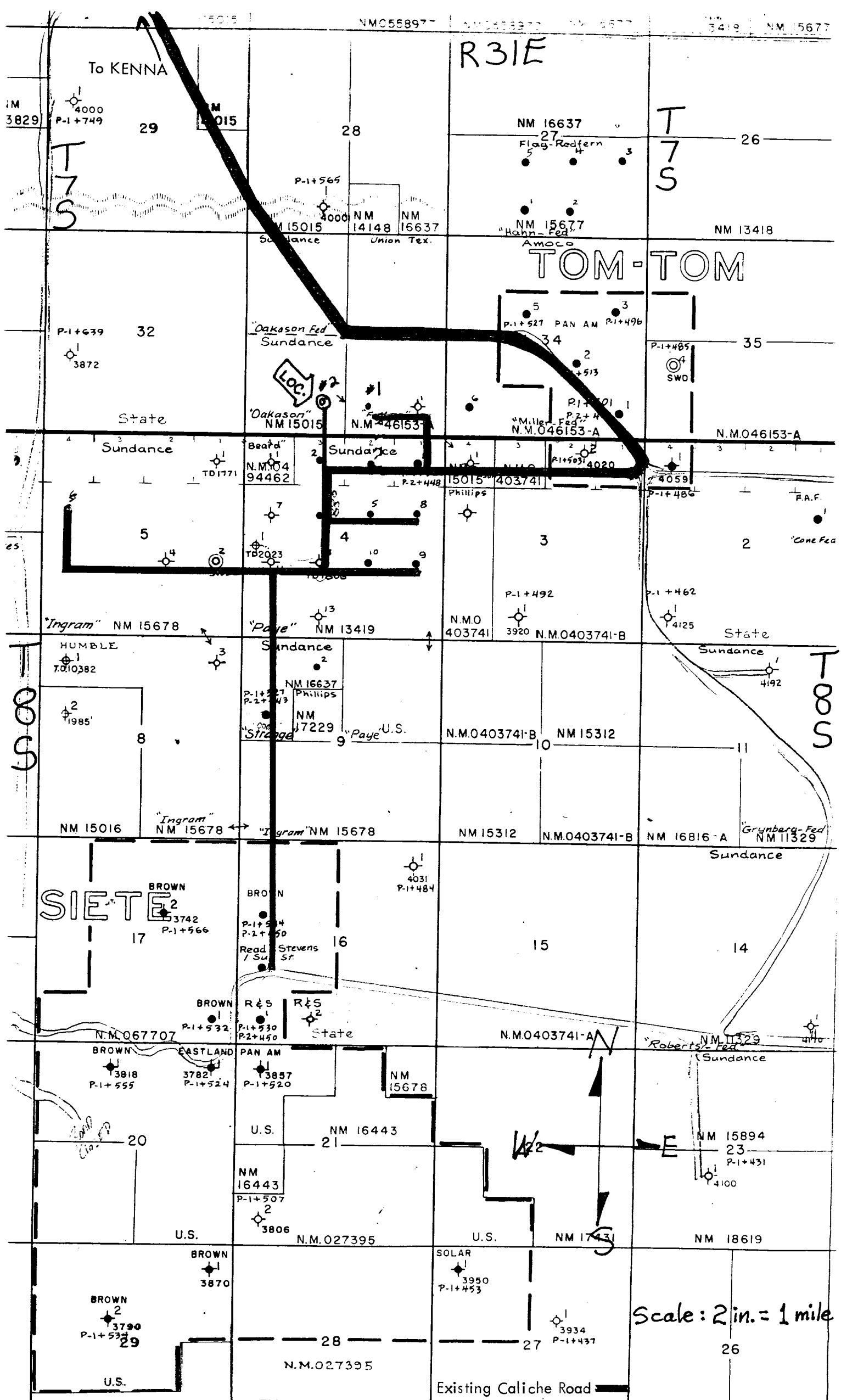
OIL CONSERVATION COMM.
HOBBS, N. M.



RECEIVED

1-10-77

CHL CONSULTATION COMM.
HOBBS, N. M.



LOCATION, MUD PIT AND
PROPOSED TANK BATTERY
AREA SPECIFICATIONS

- ① Shole PIT 30' x 8'
- ② Mud PIT 20' x 8'
- ③ Suction PIT 30' x 8'
- ④ Reserve PIT 100' x 50'
- ⑤ Pump
- ⑥ Water Tank
- ⑦ Fuel Tank
- ⑧ Ring
- ⑨ Pipe Racks
- ⑩ Dog House
- ⑪ Cat Walk 60'
- ⑫ Slinger
- ⑬ Trailer
- ⑭ Burn PIT & TRASH

NOTE
Lines from well To
Battery facilities will
lay directly south
from wellhead.

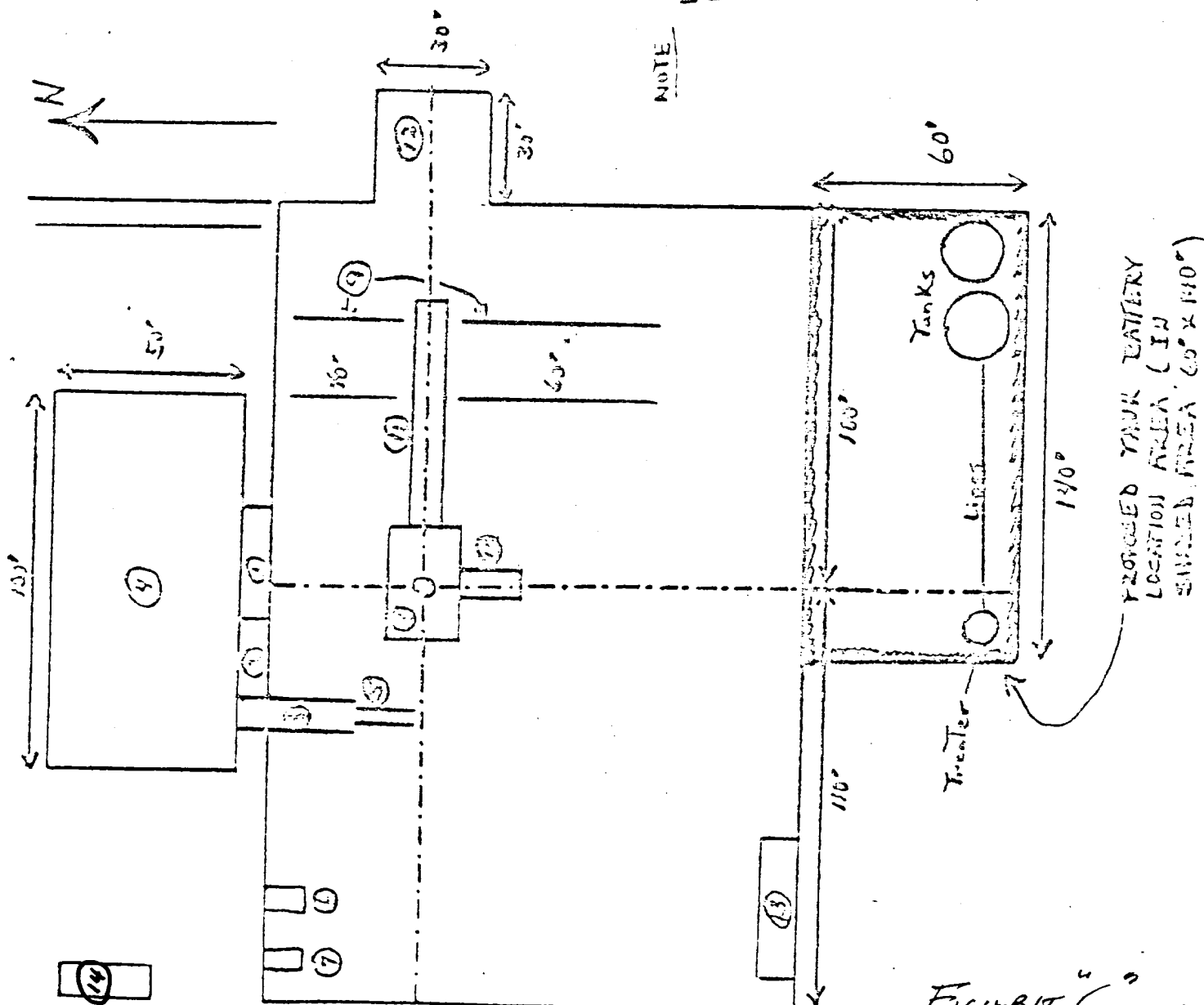
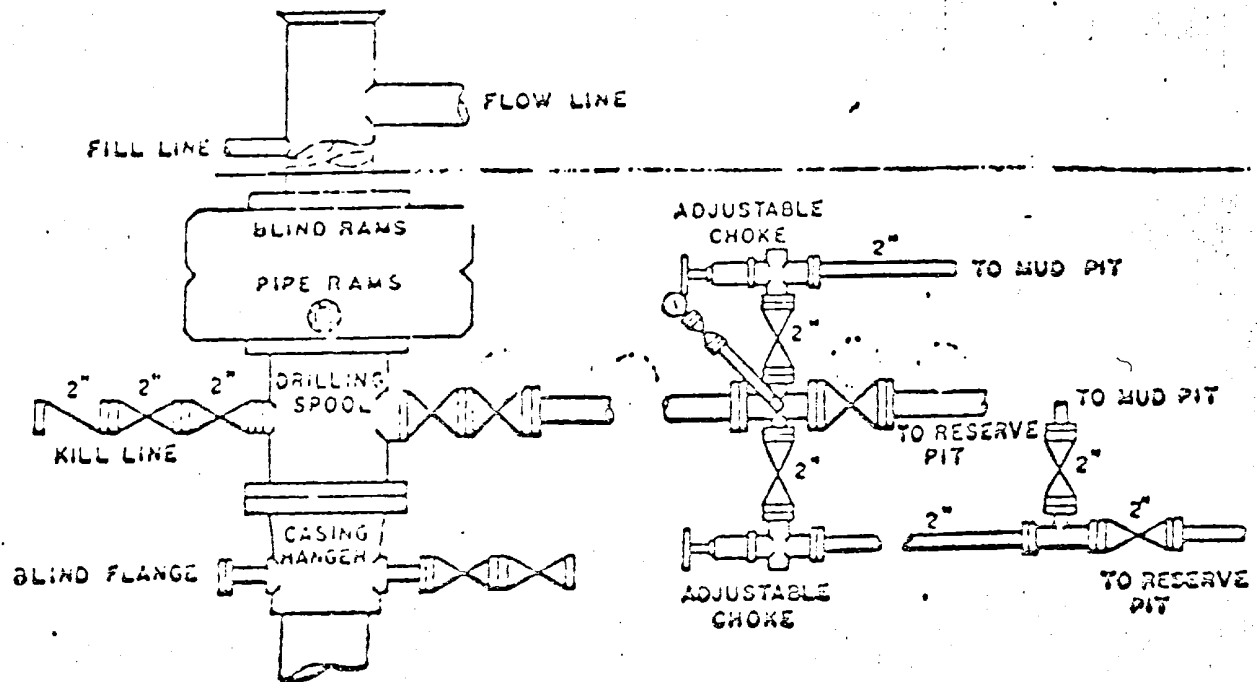


FIGURE 1

BLOWOUT PREVENTER & CHOKE MANIFOLD

API 3M-8410-RdS



RECEIVED

DEC 14 1977

DIRECTOR OF COMM.
EL PASO, N. M.

RECEIVED

DEC 16 1977

D. C. C.
ARTESIA, OFFICE