



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

RECEIVED

DEC 17 1979

D. C. C.
ARTESIA, OFFICE

December 14, 1979

Moranco
P. O. Box 1860
Hobbs, New Mexico 88240

Gentlemen:

MORANCO
Western Reserves Fed "34" No. 2
330 FNL 830 FEL Sec. 34 T.7S R.31E
Chaves County Lease NM 046153-A

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 4,200 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 this 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 identify the well.
4. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate Sandstone Brown (Federal Standard No. 595A, color 20318 or 30318).
5. Cement behind the 8-5/8" casing must be circulated.
6. Please have anyone contacting the Survey in regard to this well to identify the well with all of the information required above for the well sign.

Sincerely yours,

GEORGE H. STEWART

George H. Stewart
Acting District Engineer



N.C.D. COPY

SUBMIT IN TRIPLICATE
(Other instructions on
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

MORANCO

3. ADDRESS OF OPERATOR

P. O. Box 1860, Hobbs, NM 88240

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

At surface Section 34, T-7-S, R-31-E, Chaves County, NM

330' FNL & 830' FEL

At proposed prod. zone

San Andres

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

11.5 miles south of Kenna, NM

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 330/N
830/E
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

80

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 820' to
west

19. PROPOSED DEPTH

4200'±

20. ROTARY OR CABLE TOOLS

Rotary

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

GR 4340.5'

22. APPROX. DATE WORK WILL START*

December 12, 1979

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#	1700'±	700 sx - Circ to surface
7 7/8	4 1/2"	10.5#	4200'±	300 sx

24. (Leave space to 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 prevention program, if any.)

SIGNED

Larry W. Franklin

TITLE

Agent

DATE

11/28/79

(This space for Federal or State office use)

APPROVED BY

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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DEC 3 1979

U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

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 MORANCO		Lease Western Reserves 34		Well No. 2
Unit Letter A	Section 34	Township 7 South	Range 31 East	County Chaves
Actual Well Location of Well: 330 feet from the North line and 830 feet from the East line				
Ground Level Elev. 4340.5	Producing Formation SAN ANDRES	Port Tom-Tom	Dedicated Acreage 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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?

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O.E.C.
ARTESIA, OFFICE

☐ 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.

<p>RECEIVED</p> <p>DEC 3 1979</p> <p>U.S. GEOLOGICAL SURVEY ARTESIA, NEW MEXICO</p>		<p>RECEIVED</p> <p>DEC 10 1979</p> <p>U.S. GEOLOGICAL SURVEY ARTESIA, NEW MEXICO</p>	
		<p>RECEIVED</p> <p>DEC 10 1979</p> <p>U.S. GEOLOGICAL SURVEY ARTESIA, NEW MEXICO</p>	

CERTIFICATION

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

Jerry W. Franklin
Agent
Moranco
12-7-79

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 19, 1979

Registered Professional Surveyor
and State Surveyor

John W. West

Contributor No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6665
Ronald J. Edson 3239

330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900

Application to Drill

MORANCO

Western Reserves Federal '34' #2
Section 34, T-7-S, R-31-E
Chaves County, New Mexico

In response to questions asked under Section II B of Bulletin NTL-6, the following answers are provided for your consideration:

1. Location: 330' FNL & 830' FEL, Section 34, T-7-S, R-31-E, Chaves County, New Mexico.
2. Elevation Above Sea Level: 4340.5'
3. Geologic Name of Surface Formation: Alluvium
4. Drilling Tools and Associated Equipment: Conventional rotary drilling rig using mud for the circulation medium.
5. Proposed Drilling Depth: 4200'±
6. Estimated Geological Marker Tops: Yates 2020'; San Andres 3140'; Pi Marker 3680'; San Andres porosity 3920'.
7. Mineral Bearing Formation: Water bearing - none; gas bearing - none; oil bearing - San Andres at 3940'.
8. Casing Program: (A) Surface casing - 8 5/8" 24#/ft K-55 new casing. (B) Production casing - 4 1/2" 10.5#/ft K-55 new casing.
9. Setting Depth of Casing and Cement for Same: (A) 8 5/8" casing set at 1700'. Cement will be circulated to surface using 500 sacks of Halliburton light with 3# gilsonite/sack, 1/4# flocele/sack, 0.2% CaCl. Followed by 200 sacks Class 'C' 0.2% CaCl. (B) 4 1/2" casing set at 4200'± and will be cemented with 300 sacks Class 'C', 50-50 pozmix, 8# salt/sack, 3% CFR-2, 1/4# flocele/sack.
10. Pressure Control Equipment: Blowout preventers will be installed on the surface casing. They will be 10" API Series 900 Dual preventers adapted for the drilling contractor's 4 1/2" and 5 1/2" drill pipe. They will be capable of closing off on all

Application to Drill

MORANCO Western Reserves Federal '34' #2

Page 2

10. Pressure Control Equipment (Continued): open areas. The blowout preventers will be hydraulically actuated by an 80-gallon Payne accumulator. The blowout preventers will be tested to 2000 psig after they are installed on the surface casing, prior to drilling out and each time they are removed or rearranged on the wellhead.
11. Proposed Circulation Medium: Mud will be used for the circulating medium for all depths in this well. The following mud properties will be maintained: Viscosity sufficient to clean hole; weight 9.5-10.0 ppg; viscosity through pay zone 45 to 50 for good samples.
12. Testing, Logging and Coring Programs: (A) Testing - All testing will be commenced after the well is drilled and casing has been set and cemented. (B) Logging - At total depth the following logs will be run: 0-4000'± sidewall neutron porosity with gamma ray and caliper, dual laterolog, micro-SFL. (C) No coring.
13. Potential Hazards: No abnormal pressure or temperature zones are anticipated. Hydrogen sulfide gas is not expected to be a problem; however, the drilling rig will be so situated as to allow all gas vapors to be expelled away from all personnel gathering sites and engine exhausts.
14. Anticipated Starting Date and Duration of Operations: Commence December 10, 1979. Three weeks to completion on December 31, 1979.
15. Other Facets of Operation: After running 4 1/2" casing, cased hole gamma ray collar correlation logs will be run from total depth to 3300'±. The San Andres porosity pay will be perforated and acidized. The well will then be swab tested and a pumping unit will be installed to potential and produce the well.

**NEW ICO 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

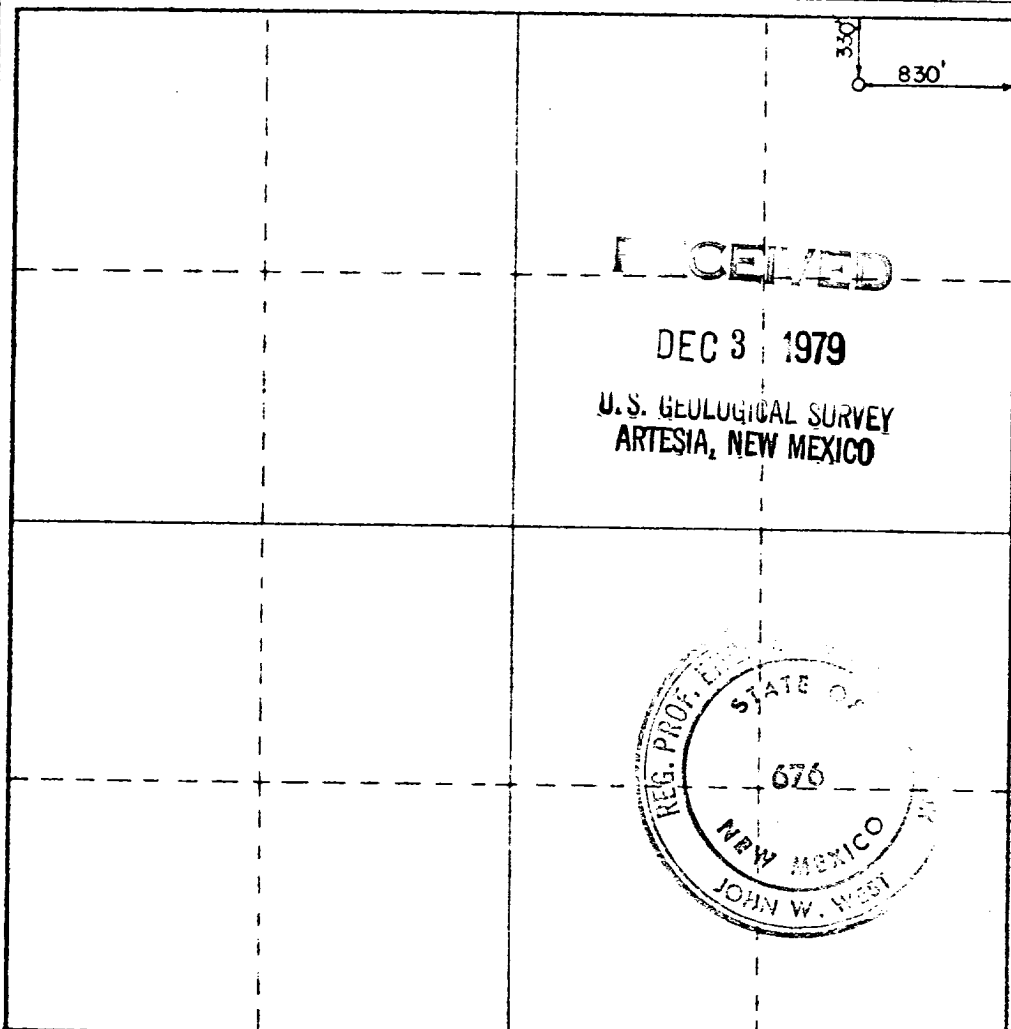
Operator MORANGO			Lease Western Reserves 34		Well No. 2
Unit Letter A	Section 34	Township 7 South	Range 31 East	County Chaves	
Actual Well Location of Well: 330 feet from the North line and 830 feet from the East line					
Ground Level Elev. 4340.5	Producing Formation		Pool	Dedicated Acreage: Acres	

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CERTIFICATION

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

Name _____

Position _____

Company _____

Date _____

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 _____

November 19, 1979

Registered Professional Engineer
and Licensed Surveyor

John W. West

Certificate No. **JOHN W. WEST 876**
PATRICK A. ROMERO 6863
Renald L. Edwards 3230

