

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

2. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

3. NAME OF OPERATOR
Moranco

4. ADDRESS OF OPERATOR
P. O. Box 1860 Hobbs, NM 88240

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 990' FWL Sec. 34, T-7-S, R-31-E
530' FNL
At proposed prod. zone
San Andres

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
11.5 miles south of Kenna, N.M.

7. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 990' FWL
530' FNL

8. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 1320' WEST
of proposed #3

9. ELEVATIONS (Show whether DF, RT, GR, etc.)
G.R. 4316

10. FIELD AND POOL, OR WILDCAT
Tom-Tom (San Andres)

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Sec 34, T-7-S, R-31-E

12. COUNTY OR PARISH
Chaves

13. STATE
N.M.

14. NO. OF ACRES IN LEASE
160

15. NO. OF ACRES ASSIGNED
TO THIS WELL
40

16. PROPOSED DEPTH
4130±

17. ROTARY OR CABLE TOOLS
Rotary

18. APPROX. DATE WORK WILL START*
October 1, 1980

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#	1650±	700 SX (Cement circulated)
7 7/8"	4 1/2	9.5#	4130±	300 SX

RECEIVED

APR 16 1980

U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

RECEIVED

SEP 12 1980

O. C. D.
ARTESIA, OFFICE

Jury W. Franklin

Agent

DATE

4/14/80

ACTING DISTRICT ENGINEER

AUG 28 1980

NEW MEXICO OIL CONSERVATION COMMISSION
W 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

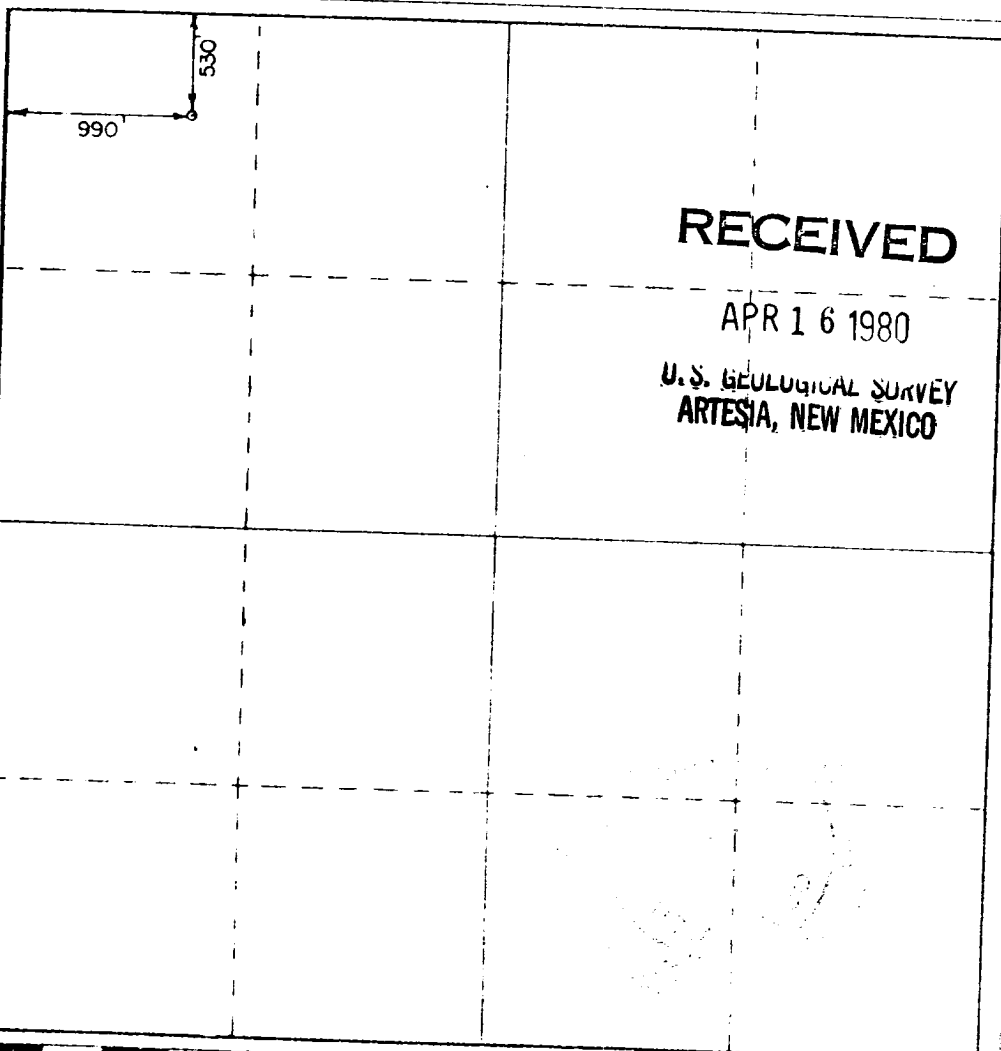
Owner Moranco, Inc.			Lease Western Reserve		Fed. 34	Acres 4
Section 10	Section 34	Township 7 South	Range 31 East	County Chaves		
Actual Surface Location of Well: 530 feet from the North line and 990 feet from the West line						
Original Survey Elev. 4316.2	Producing Formation San Andres		Pool Tom-Tom	Section Number 40		

- 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).
- 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.

By *Jerry Frankli*
Position
Agent

Company
Moranco

Date
April 3, 1980

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 of Survey
4-1-1980

Registered Professional Engineer
No. _____

John W. West
Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6853
Renold L. Fiddes 7070

0 330 660 990 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

- C. If, upon abandonment of wells on Federal surface, the retention of the well pad and/or access road is considered necessary for the management and multiple use of the natural resources, they will be ripped a minimum of 12" in depth. All ripped surfaces are to be protected from vehicular travel by construction of a dead-end ditch and earthen barricade at the entrance to these ripped areas. (Reseeding of the affected areas may be required.)
- D. Surface restoration after abandonment of wells on non-Federal surface normally will be in accordance with the operator - landowner agreement.
- E. Within 15 days after plugging the well, a Subsequent Report of Abandonment is to be filed on form 9-331 in quintuplicate showing the manner in which the well was plugged, including depths where casing was cut and pulled from, intervals, by depths, where cement plugs were placed, and the date plugging was completed. When all surface restoration work is completed, advise the District Office so that a field inspection of the wellsite can be made.

15. SPECIAL STIPULATIONS:

The following special requirements apply and are effective when check-marked.

☒ A. ~~8 5/8"~~ surface casing should be set in the Rustler Anhydrite formation and cement circulated to the surface. ~~If surface casing is set at a lesser depth, the casing must be cemented from the casing shoe to the surface or cemented to the surface through a string tool set at least 50 feet below the top of the Rustler after cementing around the shoe with sufficient cement to fill to the base of the Salt Section.~~

☒ B. Before drilling below the ~~8 5/8"~~ casing, the blowout preventer assembly will consist of a minimum of ~~one annular type~~ and two ram type preventers.

☐ C. Casing protectors will be run on drill pipe while drilling through the casing. Protectors will be of sufficient number and of sufficient outside diameter to protect the casing.

☐ D. Minimum required fill of cement behind the _____ casing is to _____

☐ E. After setting the _____ casing string and before drilling into the _____ formation, the blowout preventers and related control equipment shall be pressure tested to rated working pressures by an independent service company. Any equipment failing to test satisfactorily shall be repaired or replaced. This office should be notified in sufficient time for a representative to witness the tests and shall be furnished a copy of the pressure test report.

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be installed and operating before drilling into the _____ formation and used until production casing is run and cemented. Monitoring equipment shall consist of the following:

- (1) A recording pit level indicator to determine pit volume gains and losses.
- (2) A mud volume measuring device for accurately determining mud volume necessary to fill the hole on trips.
- (3) A flow sensor on the flow-line to warn of any abnormal mud returns from the well.

☐ F. For the protection of livestock and wildlife all pits containing toxic liquids will be fenced and covered with a fine mesh netting (i.e. Hardware Cloth) with openings being 1/2 inch or less.

- ☐ G. Above ground permanent structures and well head shall be painted in accordance with the data in following table. The paint color is to simulate:
- ☐ Sandstone Brown, Fed. Std. 595-20318 or 30318
 - ☐ Sagebrush Gray, Fed. Std. 595-20357 or 30357
- ☐ H. A kelly rock will be installed and maintained in operable condition.
- ☐ I. The District Office is to be notified in sufficient time for a representative to witness cementing of the _____ casing.
- ☐ J. A Communitization Agreement covering the acreage dedicated to the well must be filed for approval with the U. S. Geological Survey, P. O. Drawer 1857, Roswell, New Mexico 80201. The effective date of the agreement must be prior to any sales.
- ☐ K. A Gamma Ray-Compensated Neutron log is required from the base of the salt section to the surface with cable speed not to exceed 30 feet per minute.
- ☒ L. At least one working day prior to constructing the well pad, access roads and/or related facilities, the operator or dirt contractor shall notify the authorized officer (Bureau of Land Management, ~~Garlsbad~~ *Roswell* Resource Area, 505-837-6544). He shall also notify the Authorized Officer within two working days after completion of earth-moving activities.
- ☐ M. All access roads constructed in conjunction with the drilling permit (APD) will be limited to a _____ foot wide driving surface, excluding turn-arounds. Surface disturbance associated with construction and/or use of the road will be limited to _____ feet in width. If well is a producer, all roads will be adequately drained to control runoff and soil erosion. Drainage facilities may include ditches, water bars, culverts and/or any other measures deemed necessary by the authorized officer of the BLM. The following is a general guide for the spacing of water bars:

% Slope

less than 2%	200 ft.
2% to 4%	100 ft.
4% to 5%	75 ft.
more than 5%	50 ft.

- ☐ N. Special Stipulations: