

## DECLARATION REPORT

2110 Continental Nat'l Bank Bldg.,  
 ADDRESS Fort Worth, Texas 76102  
 LEASE Allied Federal WELL NO. 1 FIELD  
 LOCATION SW/4NW, Section 27, T-18S, R-34E, Lea County, New Mexico

Depth	Angle (Inclination 'degrees)	Displacement	Displacement Accumulation
250	1/4	1.1000	1.1000
510	1/2	2.2620	3.3620
1003	1/2	4.2391	7.6011
1490	1/4	2.1126	9.7137
1990	1/2	4.3500	14.0637
2350	3/4	1.7160	15.7797
2626	1	4.8200	20.6000
2800	1	3.0450	23.6450
3116	1	5.5200	29.1650
3160	1 1/4	.9592	30.1242
3720	1	9.8000	40.0242
3969	1	4.3575	44.3817
4143	1	3.0450	47.4267
4477	1	5.8450	53.2717
4647	3/4	2.2270	55.4987
4844	3/4	2.5807	58.0794

I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.

Cactus Drilling Company

By: Ken Kholmeid  
Title: Drilling Superintendent

Affidavit:

Before me, the undersigned authority, appeared Ken Hedrick  
known to me to be the person whose name is subscribed herebelow, who,  
on making deposition, under oath states that he is acting for and in  
behalf of the operator of the well identified above, and that to the  
best of his knowledge and belief such well was not intentionally  
deviated from the true vertical whatsoever.

(Affiant's Signature)

Sworn and subscribed to in my presence on this the 15th day of January 19 75

Jerry L. Myrick  
Notary Public in and for the County  
of Lea, State of New Mexico

MY COMMISSION EXPIRES 3-1-76

Seal

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE  
(Other instructions on  
reverse side)

Form approved.  
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

NM-0556553

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

-

7. UNIT AGREEMENT NAME

-

8. FARM OR LEASE NAME

Allied Federal

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

E-K Queen, East

11. SEC., T., R., M., OR BLK. AND  
SURVEY OR AREA

27-18S-34E, NMPM

12. COUNTY OR PARISH

Lea

13. STATE

New Mexico

SUNDRY NOTICES AND REPORTS ON WELLS  
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR

Armer Oil Company

3. ADDRESS OF OPERATOR

2110 Continental National Bank Building, Fort Worth, Texas 76102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)

At surface

1980' FNL and 330' FWL Section 27-T18S-R34E

14. PERMIT NO.

-

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

4004' GR, 4016' RKB

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐

FRACTURE TREAT ☐

SHOOT OR ACIDIZE ☐

REPAIR WELL ☐

(Other) ☐

PULL OR ALTER CASING ☐

MULTIPLE COMPLETE ☐

ABANDON\* ☐

CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☒

FRACTURE TREATMENT ☒

SHOOTING OR ACIDIZING ☒

(Other) ☐

REPAIRING WELL ☐

ALTERING CASING ☐

ABANDONMENT\* ☐

Completion ☒

(NOTE: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Armer Oil Company's Allied Federal #1 was spudded on 12-28-74 with Cactus Drilling Company rotary tools. A 12-1/4" surface hole was drilled to 4880' RKB and 8-5/8" OD, 20# surface casing was set at 520' RKB and cemented with 325 sacks Class C cement on 12-29-74. Cement circulated. WOC 12 hours. before pressure testing surface casing to 850 psi.

A 7-7/8" bit was used to drill to a total depth of 4880' RKB which depth was reached on 1-12-75. Drill stem test #1 was run from 4519' to 4539' RKB in the Upper Queen sand. The Penrose sand was drill stem tested from 4811' to 4844' RKB. After logging with Walex Compensated Density-Guard-Forxo log, 4 1/2" OD, 9.5# production casing was set at 4878' RKB and cemented with 400 sacks 50-50 pozmix cement with casing pressure tested to 1200 psi with cement plug landed.

On 1-17-75, GO International ran GR correlation log (PBTD 4852' RKB) and perforated Penrose sand from 4825' to 4835' RKB with 21-0.42" holes. On 1-26-75, Penrose sand perforations were acidized with 500 gallons 15% acid. After swab testing after acidizing, Penrose sand perforations were fracture treated on 1-27-75 with 37,500 gallons gelled 2% KCl water and 37,000 pounds of sand.

Well was equipped to pump (ready to produce) on 1-29-75, and was placed in operation on 2-8-75. On test on 2-18-75, well produced 3 barrels of oil and 10 barrels of water with a GOR of 6667 to 1 during a 24-hour period.

18. I hereby certify that the foregoing is true and correct

SIGNED

C. W. Lamb

TITLE Agent

DATE March 31, 1975

(This space for Federal or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD  
MAR 31 1975

U. S. GEOLOGICAL SURVEY  
HOBBS, NEW MEXICO

\*See Instructions on Reverse Side