SUBMIT IN TRIP. JATE.

30-015-25544 Form approved. Budget Bureau No. 1004-0136

(Other instructions on HINITED STAFFSA, NM 88976

	Exp	ires	August	31,	1985	
5.	LEASE	DESI	GNATION	AND	BERIAL	NO.

formerly 9-331C)	UNI	IED SIKIES	J., 1124	00%10	/		71, 1900
	DEPARTMEN	T OF THE I	NTER	IOR	!	5. LEASE DESIGNATION	ND BERIAL NO.
	BUREAU OI	LAND MANAG	SEMEN	T		NM 0557729	
APPLICATION	Y FOR PERMIT	TO DRILL, I	DEEPE	N, OR PLUG E	ACK	6. IF INDIAN, ALLOTTER	OR TRIBE NAME
a. TYPE OF WORK						7. UNIT AGBEEMENT NA	мв
	ILL X	DEEPEN [PLUG BA			
	AS OTHER		818 20			S. FARM OR LEASE NAM	
NAME OF OPERATOR				(Bob Green	•	HANSON FEDER	KAL
CANTRO EXP	LORATION, INC.	/		(512-826-2	981)	9. WELL NO.	
. ADDRESS OF OPERATOR				IED BY		2	
909 N.E. L	oop 410 (Suite	711), San A	Hear	o, Texas 78209		10. FIELD AND POOL, OF	
LOCATION OF WELL (R	eport location clearly at	A 4		tata waani se maanta Ph	X	North Hackbe	
	390 FEL of Se	ection	s nal	4 1986	Unit P)	11. BEC., T., R., M., OR B AND SURVEY OR AR	
At proposed prod. zone Same			O. C. D. (SE\(\frac{1}{4}\)SE\(\frac{1}{4}\)				
4. DISTANCE IN MILES	AND DIRECTION FROM NE	AREST TOWN OR POS	TARTES	N. OFFICE		12. COUNTY OR PARISH	
14 air mil	es south-south	east of Loco	HIL	s, NM		Eddy	NM
5. DIBTANCE PROM PROP LOCATION TO NEARES	USED*	3901	16. NO	OF ACRES IN LEASE		OF ACRES ASSIGNED HIS WELL	
PROPERTY OR LEASE	LINE, FT.	390 ')		320	ļ	40	
(Also to nearest drig, unit line, if any) (350) S. DISTANCE FROM PROPOSED LOCATION®			19. PROPOSED DEPTH 20.		20. ROTA	ROTARY OR CABLE TOULS	
OR APPLIED FOR, ON TH	RILLING, COMPLETED, IIS LEASE, FT.	660 '	İ	2500 '	Cable		
21. ELEVATIONS (Show wh	ether DF, RT, GR, etc.)		·			22. APPROX. DATE WOL	
3481' G.L.						January 15	, 1986
23.		PROPOSED CASI	NG AND	CEMENTING PROGR	AM		
SIZE OF HOLE	HIZE OF CABING	WEIGHT PER P	roor	SETTING DEPTH		QUANTITY OF CEMEN	T
12 1/4"	8 5/8"	23#		300'	Circu	Circulate to surface	
7 7/8"	5 1/2"	14#		2500'	Circ	ulate back into	<u>8 5/8" csg</u>
	1	1	I		1		

Pay zone will be selectively perforated and stimulated as needed for optimum production.

- 1. Well Location & Acreage Dedication Plat
- Supplemental Drilling Data
- Surface Use Plan

Operator's Authority: Designation of Operator from Hanson Oil Corporation,

record lessee is on file at BLM, Carlsbad, NM.

Bond Coverage:

Lessee's \$150,000 nationwide bond.

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If prone. If proposal is to drill or deepen directionally eventer program, if any.	oposal is to deepen or plug back, give data on present, give pertinent data on subsurface locations and me	asured and true vertical depths. Give blowout
SIGNED RESPONSE	Agent Agent	Jan. 6, 1986
(This space for Federal or State office use))	
APPROVED BY	APPROVAL DATE	DATE 1-23 89
CONDITIONS OF APPROVAL, IF ANY:		APPROVAL SUBJECT TO

*See Instructions On Reverse Side

GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS

TO COVEDER

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

orm (C upe e ffect

RONALD J EIDSON

3239

All distances must be from the outer boundaries of the Section Well No. Lease Operator CANTRO EXPLORATION, INC. HANSON FEDERAL 2 Township Unit Letter Section 198 31E Eddy 20 Actual Footage Location of Well: 390 East South 430 feet from the line feet from the line and Ground Level Elev: Producing Formation Pool Dedicated Acreage: North Hackberry 40 3481.4 Yates, Seven Rivers 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? If answer is "yes," type of consolidation __ Yes 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 Commis-CERTIFICATION I hereby certify that the information contained herein is true and complete to the James A. Knauf Agent Company CANTRO EXPLORATION, INC. January 6, 1986 I hereby certify that the well location shown on this plat was plotted from field Date Surveyed January 3, 1986 Registered Professional Engineer 676

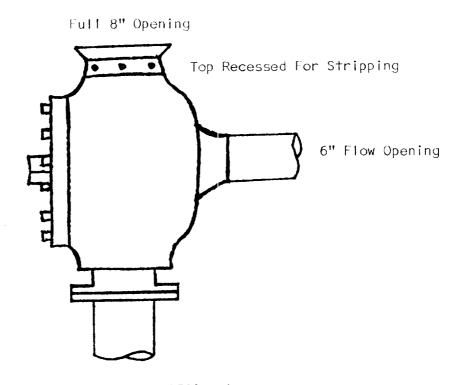
1980

2000

1500

1000

CABLE TOOL MASTER VALVE



Working Pressure - ±'500 psi

Master Valve can be closed to shut off flow from well bore. It can be operated to close top and open flow side. Recessed top opening can be used for stripping.

BLOWOUT PREVENTER SKETCH

Cantro Exptoration, Inc. Well #2 Hanson Federal 430'/S & 390'/E Sec. 20-19S-31E

SUPPLEMENTAL DRILLING DATA

CANTRO EXPLORATION, INC.
WELL #2 HANSON FEDERAL
430'/S & 390'/E SEC. 20-19S-31E
EDDY COUNTY, NEW MEXICO

- 1. SURFACE FORMATION: Sandy soils of Quaternary Age.
- 2. ESTIMATED TOPS OF GEOLOGIC MARKERS (Ground Elevation 3481'):

Salt 670' Yates 2140' Tansill 1950' Seven Rivers 2360'

3. ANTICIPATED POROSITY ZONES:

Water - Above 200'

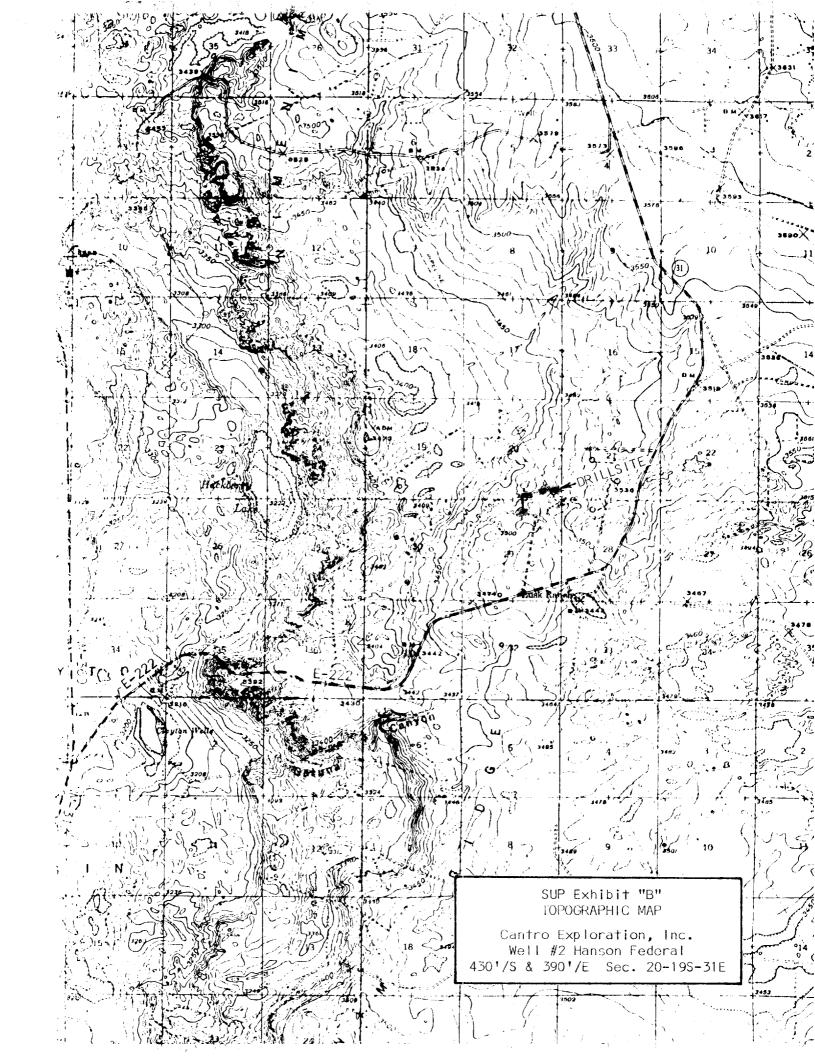
Oil - Yates

Oil - Capitan Reef

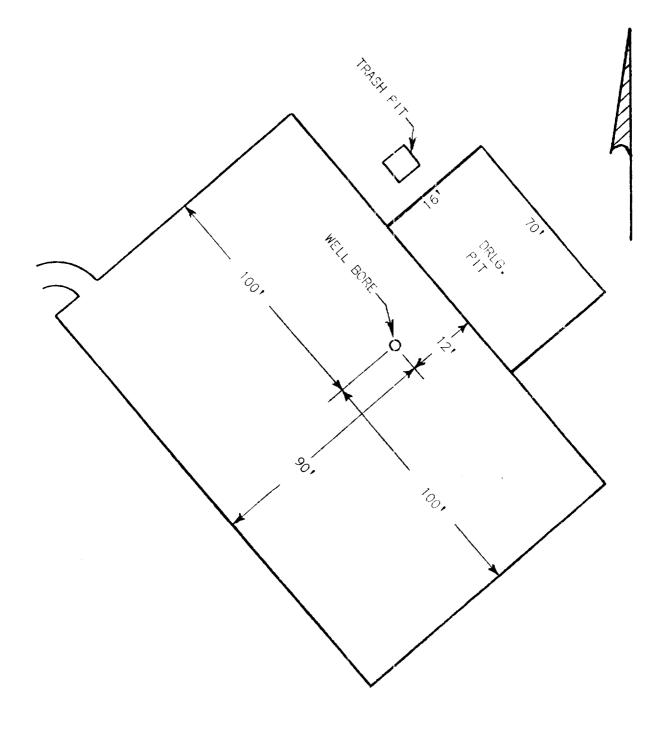
4. CASING DESIGN:

Size	<u>Interval</u>	Weight	<u>Grade</u>	<u>Joint</u>
8 5/8"	0 - 300'	23#	K-55	STC
5 1/2"	0 - 2500'	14#	K-55	STC

- 5. PRESSURE CONTROL EQUIPMENT: A pressure control valve will be used.
- 6. CIRCULATING MEDIUM: Not applicable for cable tool hole.
- 7. AUXILIARY EQUIPMENT: Not applicable.
- 8. TESTING & LOGGING PROGRAM: Formation tests will be made as warranted by bailing hole down and measuring the fluid entry rate. Electric logs will include a Gamma Ray/Neutron log.
- 9. ABNORMAL PRESSURES, TEMPERATURES OR GAS: None anticipated.
- 10. ANTICIPATED STARTING DATE: It is planned that drilling operations will commence about January 15, 1986. Duration of drilling, testing, and completion operations should be two to six weeks.



CABLE TOOL DRILL PAD



SUP Exhibit "D" SKETCH OF WELL PAD

Cantro Exploration, Inc. Well #2 Hanson Federal 430'/S & 390'/E Sec. 20-19S-31E