

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-10  
Revised October 18, 199  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

|                                                                                                              |                       |                         |
|--------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------|
| Operator Name and Address:<br>Hallwood Petroleum, Inc., P. O. Box 378111, Denver, CO 80237<br>(303) 850-7373 |                       | OGRID Number<br>009812  |
|                                                                                                              |                       | API Number<br>30 - 025- |
| Property Code                                                                                                | Property Name<br>Bass | Well No.<br>6           |

**Surface Location**

**POTASH AREA**

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 3             | 30      | 20S      | 33E   |         | 1980          | South            | 660           | West           | Lea    |

**\* Proposed Bottom Hole Location If Different From Surface**

| UL or lot no.                          | Section | Township | Range | Lot Idn | Feet from the   | North/South line | Feet from the | East/West line | County |
|----------------------------------------|---------|----------|-------|---------|-----------------|------------------|---------------|----------------|--------|
| Proposed Pool 1<br>Hat Mesa - Delaware |         |          |       |         | Proposed Pool 2 |                  |               |                |        |

\* (straight hole - N/A)

|                     |                         |                       |                                |                                 |
|---------------------|-------------------------|-----------------------|--------------------------------|---------------------------------|
| Work Type Code<br>N | Well Type Code<br>O     | Cable/Rotary<br>R     | Lease Type Code<br>P           | Ground Level Elevation<br>3585' |
| Multiple<br>No      | Proposed Depth<br>8300' | Formation<br>Delaware | Contractor<br>Not yet selected | Spud Date<br>ASAP               |

**21 Proposed Casing and Cement Program**

| Hole Size | Casing Size  | Casing weight/foot | Setting Depth | Sacks of Cement         | Estimated TOC |
|-----------|--------------|--------------------|---------------|-------------------------|---------------|
| 17.50"    | 13 3/8" K-55 | 54.50#             | 1200'         | 600 sxs                 | Surface       |
| 11"       | 8 5/8" K-55  | 24 x 32#           | 3100'         | 1000sxs                 | Surface       |
| 7.875"    | 5 1/2" N-80  | 15.5 x 17#         | 8300'         | 1 <sup>st</sup> 550 sxs | 3000'         |
|           | & J-55       |                    |               | 2 <sup>nd</sup> 540 sxs |               |

**22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.**

Hallwood Petroleum, Inc. proposes to drill this well with conventional rotary tools and mud systems to 8300'. Surface and intermediate (8 5/8") casing will be cemented to surface. The production casing will be 2-stage cemented back to approximately 3000'. The well will be perforated and fracture stimulated in the Upper and Lower Delaware zones and put on conventional beam pump. See attached plans and supporting information.

A 3000 psi BOP system will be utilized below 3100'.

*Casing OK  
for Potash  
Bx*

**23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief.**

Signature: *K. E. O'Connell*  
Printed name: Kevin E. O'Connell

Title: Drilling & Production Manager

Date: 7/14/98

Phone: (303) 850-6303

OIL

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

Hallwood Petroleum, Inc.  
Before Examiner Catanach  
NMOCD Cases 12,055 & 12,056  
November 5, 1998  
Exhibit No. 4

District I  
PO Box 1960, Hobbs, NM 88241-1960  
District II  
PO Drawer DD, Artesia, NM 88211-8719  
District III  
1000 Rio Braton Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

**OIL CONSERVATION DIVISION**  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                       |                                          |                    |                                  |
|-----------------------|------------------------------------------|--------------------|----------------------------------|
| API Number            |                                          | Pool Code<br>30214 | Pool Name<br>Hat Mesa - Delaware |
| Property Code<br>BASS | Property Name                            |                    | Well Number<br>6                 |
| OGRED No.<br>009812   | Operator Name<br>HALLWOOD PETROLEUM INC. |                    | Elevation<br>3585.               |

**18 Surface Location**

| TL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South Line | Feet from the | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| LOT 3         | 30      | 20-S     | 33-E  |         | 1980          | SOUTH            | 660           | WEST           | LEA    |

**11 Bottom Hole Location If Different From Surface**

| TL or lot no.         | Section | Township        | Range | Lot Ida            | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-----------------------|---------|-----------------|-------|--------------------|---------------|------------------|---------------|----------------|--------|
| (straight hole - N/A) |         |                 |       |                    |               |                  |               |                |        |
| Dedicated Acres       |         | Joint or Infill |       | Consolidation Code |               | Order No.        |               |                |        |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p><b>17 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kevin E. O'Connell</i></p> <p>Signature<br/>Kevin E. O'Connell</p> <p>Printed Name<br/>Drilling &amp; Production Mgr</p> <p>Title<br/>July 14, 1998</p> <p>Date</p>                                                                                                                |
|  | <p><b>18 SURVEYOR CERTIFICATION</b></p> <p>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 belief.</p> <p>JUNE 25 1998</p> <p>Date of Survey</p> <p>Signature and Seal of Registered Surveyor</p> <p>5412</p> <p>REGISTERED PROFESSIONAL ENGINEER</p> <p>Certificate Number<br/>NM PEAPS NO. 5412</p> |