

District I
PO Box 1980, Hobbs, NM 86241-1980

Energy Minerals & Natural Resources Department

Revised October 18, 1994

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Instructions on back
Submit to Appropriate District Office
State Lease 6 Copies
Fee Lease 5 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

¹ Operator Name and Address, William A. & Edward R. Hudson 616 Texas Street Fort Worth, TX 76102		² OGRID Number 25111
		³ API Number 30-025-35097
⁴ Property Code 25000	⁵ Property Name Indian Tank	⁶ Well No. #3

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	32	16 S	32 E		1980'	South	660'	East	Lea

8 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
⁹ Proposed Pool 1 Maljamar; Grayburg-San Andres					¹⁰ Proposed Pool 2				

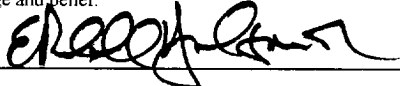
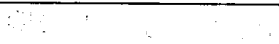

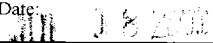
¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4203'
¹⁶ Multiple No	¹⁷ Proposed Depth 4500'	¹⁸ Formation San Andres	¹⁹ Contractor Unknown	²⁰ Spud Date September 2000

9 Proposed Casing and Cement Program



Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8 - 5/8" OD	24# J-55	500'	330	surface
7- 7/8"	5-1/2" OD	15.5# J-55	4500'	900	500'

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.

It is proposed to drill this well with rotary tools to a depth of approximately 4500'. Pay zones will be perforated and treated with acid followed by frac. It is anticipated that approximately six weeks will be required to drill and complete this well. If non-commercial, the well bore will be plugged and abandoned. BOP equipment will consist of a 10" Series 900 Type E Shaffer double ram-type (3000 psi WP) preventer and a bag-type (Hydril) preventer (3000 psi WP). Both units will be hydraulically operated and the ram-type preventer will be equipped with blind rams on bottom. Both BOPs will be nipped up on the 8-5/8" surface csg and used continuously until TD is reach. All BOPs and accessory equipment will be tested to 1000 psi before drilling out of surface casing. The ram-type BOP and accessory equipment will be tested to 2100 psi and the Hydril to 70% of rated working pressure (2100 psi). All valves and connections on the BOP will be the same test and working pressure.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature:  Printed name: E. Randall Hudson III Title: Geologist	OIL CONSERVATION DIVISION	
	Approved by: 	
	Title: 	
	Approval Date: 	Expiration Date:

Permit Expires 1 Year From Approval Date Unless Drilling Underway



DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-350 97	Pool Code 43329	Pool Name Maljamar; Grayburg-San Andres
Property Code 25000	Property Name INDIAN TANK	Well Number 3
OGRID No. 25111	Operator Name W.A. & E.R. HUDSON, INC.	Elevation 4203

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	32	16 S	32 E		1980	SOUTH	660	EAST	LEA

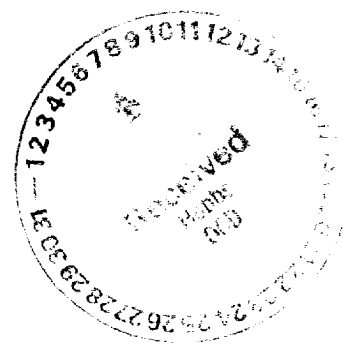
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

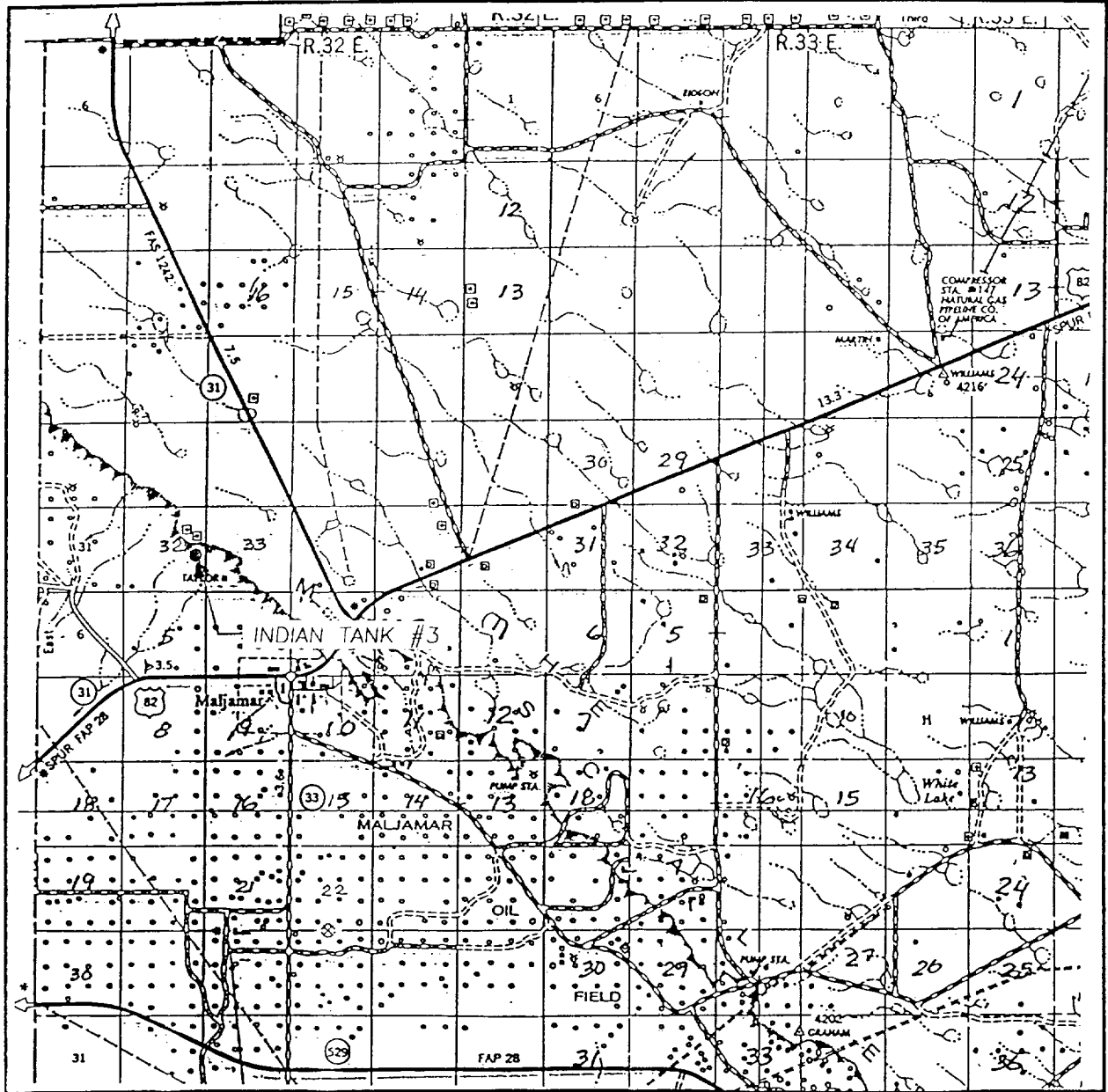
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>E. Randall Hudson III</i></p> <p>Signature E. Randall Hudson III</p> <p>Printed Name Geologist</p> <p>Title 7/12/00</p> <p>Date</p>	
	<p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>JUNE 17, 2000</p> <p>Date Surveyed _____ DC</p> <p>Signature & Seal of Professional Surveyor <i>Ronald J. Eidson 6/19/00</i></p> <p>00-1140726</p>	
	<p>Certificate No. RONALD J. EIDSON 3239 GARY EIDSON 12641 MACON McDONALD 12185</p>	



VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 32 TWP. 16-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1980' FSL & 660' FEL

ELEVATION 4203

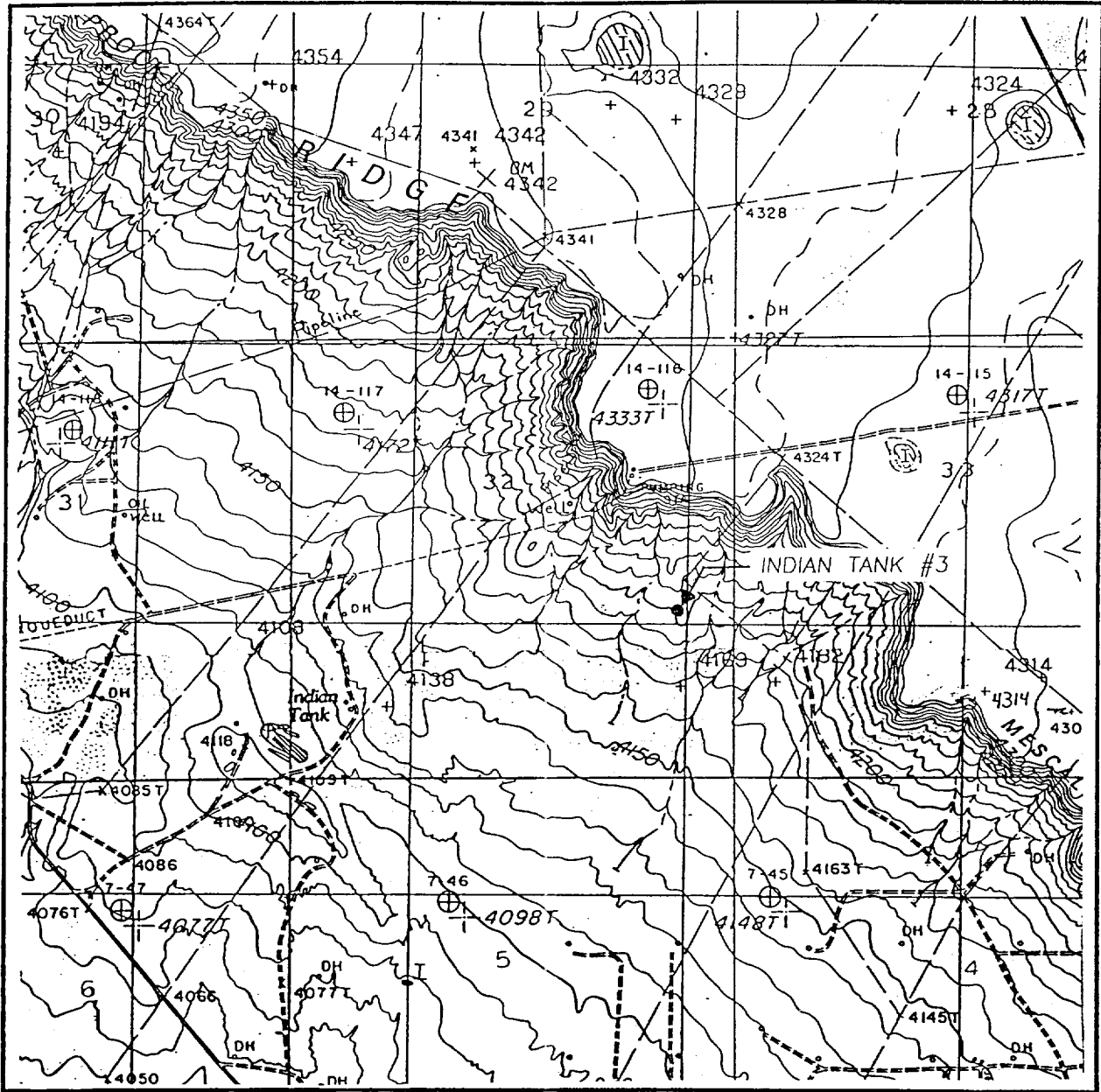
OPERATOR W.A. & E.R. HUDSON, INC.

LEASE INDIAN TANK

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505 393-3117)



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
MALJAMAR NE - 5'
MALJAMAR - 10'

SEC. 32 TWP. 16-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1980' FSL & 660' FEL

ELEVATION 4203

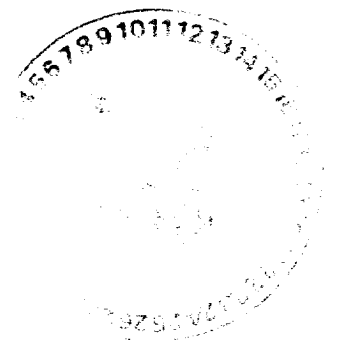
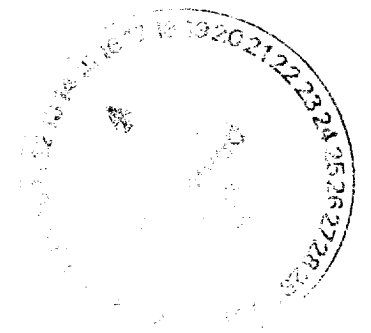
OPERATOR W.A. & E.R. HUDSON, INC.

LEASE INDIAN TANK

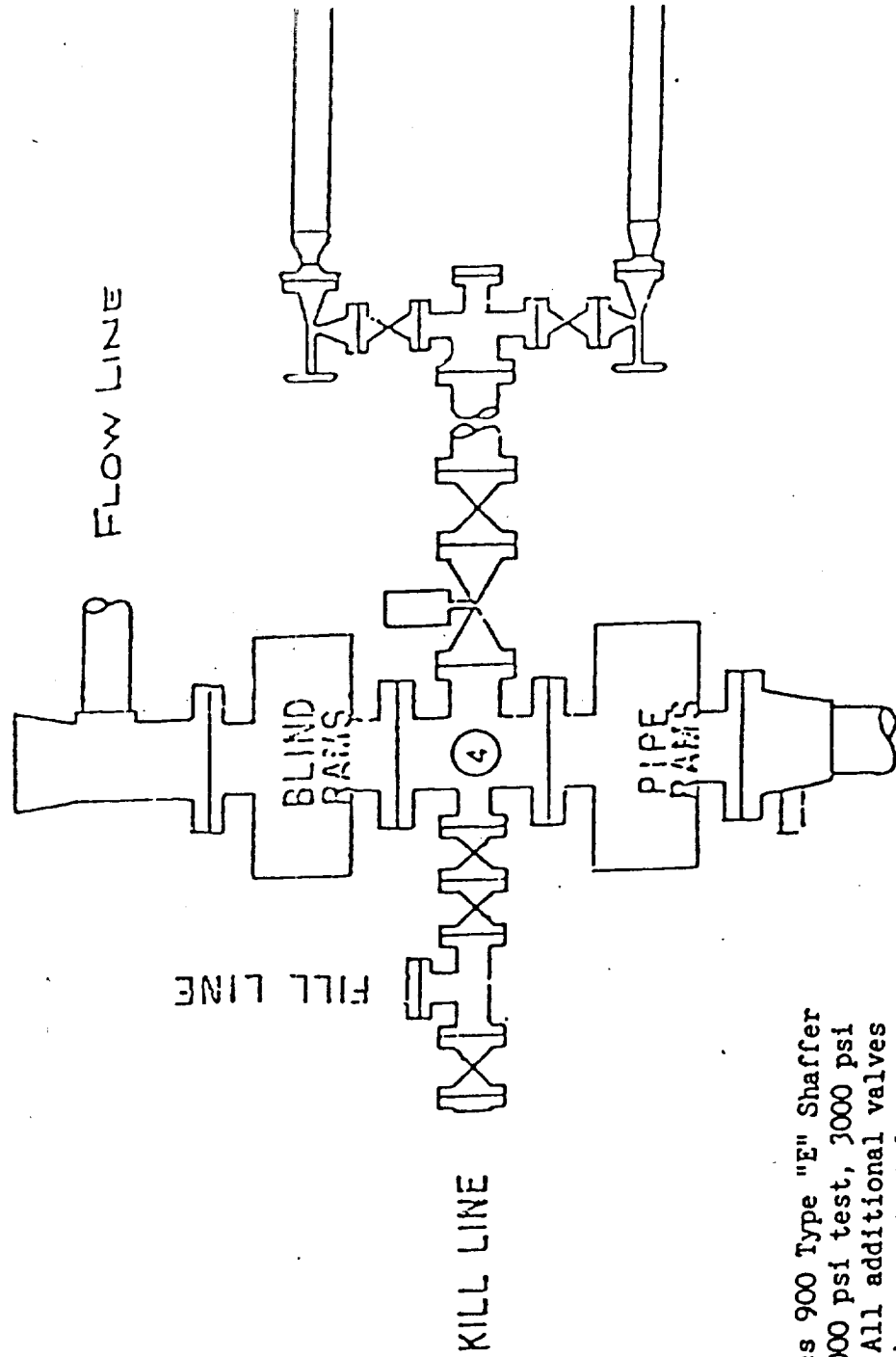
U.S.G.S. TOPOGRAPHIC MAP

MALJAMAR NE, MALJAMAR, N.M.

**JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505 393-3117)**



BLOWOUT PREVENTER SPECIFICATION



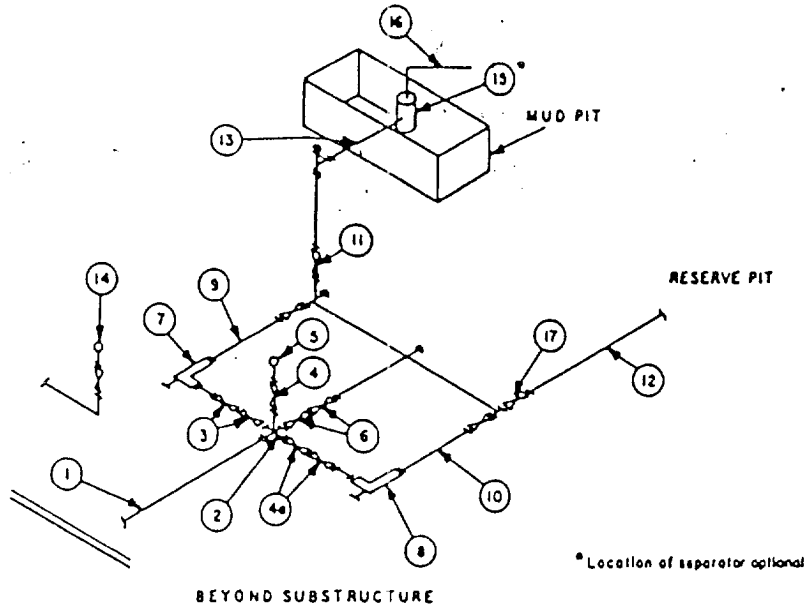
BLOWOUT PREVENTION EQUIPMENT

BOP's are 10" Series 900 Type "E" Shaffer Double Hydraulic 6000 psi test, 3000 psi working pressure. All additional valves & connections are the same test & working pressures.



MINIMUM CHOKE MANIFOLD
3,000, 5,000 and 10,000 PSI Working Pressure

3 MWP - 5 MWP - 10 MWP



MINIMUM REQUIREMENTS										
No		3,000 MWP			5,000 MWP			10,000 MWP		
		I.D.	NOMINAL	RATING	I.D.	NOMINAL	RATING	I.D.	NOMINAL	RATING
1	Line from drilling spool		3"	3,000		3"	5,000		3"	10,000
2	Cross 3"x3"x3"x2"			3,000			5,000			10,000
	Cross 3"x3"x3"x3"									10,000
3	Valves(1) Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
4	Valve Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	1-13/16"		3,000	1-13/16"		5,000	1-13/16"		10,000
4a	Valves(1)	2-1/16"		3,000	2-1/16"		5,000	3-1/8"		10,000
5	Pressure Gauge			3,000			5,000			10,000
6	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
7	Adjustable Choke(3)	2"		3,000	2"		5,000	2"		10,000
8	Adjustable Choke	1"		3,000	1"		5,000	2"		10,000
9	Line		3"	3,000		3"	5,000		3"	10,000
10	Line		2"	3,000		2"	5,000		3"	10,000
11	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000
12	Lines		3"	1,000		3"	1,000		3"	2,000
13	Lines		3"	1,000		3"	1,000		3"	2,000
14	Remote reading compound standpipe pressure gauge			3,000			5,000			10,000
15	Gas Separator		2'x5'			2'x5'			2'x5'	
16	Line		4"	1,000		4"	1,000		4"	2,000
17	Valves Gate <input type="checkbox"/> Plug <input type="checkbox"/> (2)	3-1/8"		3,000	3-1/8"		5,000	3-1/8"		10,000

(1) Only one required in Class 3M.

(2) Gate valves only shall be used for Class 10M.

(3) Remote operated hydraulic choke required on 5,000 psi and 10,000 psi for drilling.

EQUIPMENT SPECIFICATIONS AND INSTALLATION INSTRUCTIONS

- All connections in choke manifold shall be welded, studded, flanged or Cameron clamp of comparable rating.
- All flanges shall be API 6B or 6BX and ring gaskets shall be API RX or BX. Use only BX for 10 MWP.
- All lines shall be securely anchored.
- Chokes shall be equipped with tungsten carbide seats and needles, and replacements shall be available.
- Choke manifold pressure and standpipe pressure gauges shall be available at the choke manifold to assist in regulating chokes. As an alternate with automatic chokes, a choke manifold pressure gauge shall be located on the rig floor in conjunction with the standpipe pressure gauge.
- Line from drilling spool to choke manifold should be as straight as possible. Lines downstream from chokes shall make turns by large bends or 90° bends using bull plugged tees.
- Discharge lines from chokes, choke bypass and from top of gas separator should vent as far as practical from the well.

