

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos 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-101
 Revised February 10, 1994
 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: H. R. C. Inc. P. O. Box 5102 Hobbs, NM 88241		OGRID Number 131652
		API Number 30 - 025 - 23662

Property Code 992279 23612	Property Name Hobbs State	Well No. 5
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Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
F	29	18S	38E		2280	North	1980	West	Lea

Proposed Bottom Hole Location If Different From Surface

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

Proposed Pool 1 BSW - Salado	Proposed Pool 2
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Work Type Code E	Well Type Code	Cable/Rotary Workover	Lease Type Code	Gross Level Elevation 3655
Multiple	Proposed Depth	Formation Salt	Contractor	Spud Date

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	9 5/8	36#	364	200	
8 3/4	7	23#	3826	140	
6 1/4	4 1/2	11.6 #	5986	120	

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.

- 1) Remove dry hole marker
- 2) Rig up completion unit
- 3) Drill out surface plug
- 4) Run in hole and cut 7" at salt bottom (2500')
- 5) Pull 7" to salt top
- 6) Run in hole and spot 50 sk. cm. plug behind 7" csg.
- 7) Pull up to 1600 and circ. 100 sk. cmt plug behind 7" csg.
- 8) Test csg to 1500#
- 9) Run in hole w/2 7/8" tbg to 2400'
- 10) Install wellhead and circ. fresh water down csg. to produce brine through tbg.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>Gary M. Schubert</i>	Approved by:		
Printed name: GARY M. SCHUBERT	Title:		
Title: PRES.	Approval Date:	Expiration Date:	
Date: 7/9/01	Phone: 505-393-3194	Conditions of Approval Attached JAN 29 2002	

Re-Enter

District I
1625 N. French Dr., Hobbs, NM 88240
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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-23662	² Pool Code 96173	³ Pool Name BSW Salado
⁴ Property Code 992279 23612	⁵ Property Name Hobbs State	⁶ Well Number 5
⁷ OGRID No. 131652	⁸ Operator Name H. R. C. Inc.	⁹ Elevation 3655 GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	29	18S	38E		2280	North	1980	West	Lea

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Gary M. Schubert Printed Name Owner Title 7/2/04 Date