



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

December 14, 1999

Home-Stake Oil & Gas Company
15 E. 5th Street, Suite 2800
Tulsa, Oklahoma 74103

Attention: Larry Tarwater

RE: C-142 Application for New Well Status
HSOG No. 1, API No. 30-025-10402

Dear Mr. Tarwater:

Division Rule 34, New Well Tax Incentive, states:

34.B. Definitions

"New well" means a crude oil or natural gas producing well for which drilling commenced after January 1, 1999 and before July 1, 2000, or a horizontal crude oil or natural gas well that was recompleted from a vertical well by drilling operations that commenced after January 1, 1999 and before July 1, 2000, that has been approved and certified as such by the Division.

Pursuant to Division Rule 34.B, vertical recompletions/reentries do not qualify as new wells, therefore your application is hereby denied.

If you have any questions, please contact me at (505) 827-8183.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Ashley".

Mark Ashley
Petroleum Engineering Specialist

District I - (505) 393-6161

1625 N. French Dr

Hobbs, NM 88241-1980

District II - (505) 748-1283

811 S. First

Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Road

Aztec, NM 87410

District IV - (505) 827-7131

Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street

Santa Fe, New Mexico 87505

(505) 827-7131

**SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE**

APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Home-Stake Oil & Gas Company 15 E. 5 th Street Suite 2800 Tulsa, OK 74103							OGRID Number 163123	
Contact Party Larry Tarwater							Phone (918) 583-0178 ext 17	
Property Name H S O G					Well Number 1	API Number 30-025-10402		
UL "I"	Section 22	Twnship 22 S	Range 37 E	Feet From The 2194	North/South Line South	Feet From The 479	East/West Line East	County LEA

II. Date/Time Information

Spud Date 8-21-1999	Spud Time 11:00 pm	Date Completed 10-22-1999	Pool DRINKARD
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III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of Oklahoma)
) ss.
County of Tulsa)

Larry Tarwater, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature [Signature] Title Production Engineer Date

SUBSCRIBED AND SWORN TO before me this 9th day of December, 1999.

My Commission expires: 17 October 2002

Notary Public

[Signature]

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature	Title	Date
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

NOTICE: The operator must notify all working interest owners of this New Well certification.

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO.	30 - 025 - 10402
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	

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" (FORM C-101) FOR SUCH PROPOSALS.)		7. Lease Name or Unit Agreement Name:
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		HSOG
2. Name of Operator		8. Well No.
HOME-STAKE OIL & GAS COMPANY		1
3. Address of Operator		9. Pool name or Wildcat
15 E. 5 th Street Suite 2800 Tulsa, OK 74103		Drinkard
4. Well Location		
Unit Letter <u>I</u> : <u>2194</u> feet from the <u>SOUTH</u> line and <u>479</u> feet from the <u>EAST</u> line		
Section <u>22</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>LEA</u>		
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		
3340' GR 3348' KB		

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Re-enter & complete as a Drinkard oil well <input checked="" type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Dec 1948: Well spud by Exxon.
March 1949: Completed as an Ellenberger oil well (open hole 7883-7940') by Exxon.
Dec 1949: Well plugged & abandoned by Exxon.
Jan 1955: Exxon re-entered well & completed in Blinbry (5435-5690').
June 1980: Exxon plugged & abandoned the well for a second time.

8/21/99: Home-Stake re-entered well intending to complete as a Drinkard well.
10/25/99: Well ready to produce as a pumping Drinkard (6326-6486') oil well.
Property name is being changed by from W. B. Ferrell #2 to HSOG #1.

NOTE: NO CASING WAS PULLED & NO ADDITIONAL CASING WAS RUN.

NO DEVIATION SURVEY WAS RUN. SEE ATTACHED WELLBORE DIAGRAM.

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

SIGNATURE Larry Tarwater TITLE Production Engineer DATE 10/27/99
Type or print name Larry Tarwater Telephone No. (918) 583-0178

(This space for State use) ORIGINAL SIGNED BY

APPROVED BY GARY WINK TITLE FIELD REP. II DATE OCT 29 1999
Conditions of approval, if any:

District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
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

WELL API NO.

30 - 025 - 10402

5. Indicate Type of Lease

STATE ☐ X FEE ☒

State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:

OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐

b. Type of Completion:

NEW WELL ☐ WORK OVER ☒ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER Re-entry ☒

2. Name of Operator ☒ HOME-STAKE OIL & GAS COMPANY

3. Address of Operator 15 E. 5th Street Suite 2800
Tulsa, OK 74135

7. Lease Name or Unit Agreement Name

Change from W. B. Ferrell to HSOG

8. Well No. Change from #2 to #1

9. Pool name or Wildcat

Drinkard

4. Well Location

Unit Letter : I 2194' Feet From The South Line and 479 Feet From The East Line

Section 22 Township 22 S Range 37E NMPM Lea County

10. Date Spudded 8/21/99	11. Date T.D. Reached 9/5/99	12. Date Compl. (Ready to Prod.) 10/22/99	13. Elevations (DF& RKB, RT, GR, etc.) 3340' GR 3348' KB	14. Elev. Casinghead
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15. Total Depth 7940'	16. Plug Back T.D. 6555'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools Re-entry	Cable Tools
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19. Producing Interval(s), of this completion - Top, Bottom, Name DRINKARD: 6326 - 6486'	20. Was Directional Survey Made NO
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21. Type Electric and Other Logs Run Dual Spaced Neutron/GR/CCL	21. Was Well Cored NO
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23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
10 - 3/4"	40#	322'	15"	275 sks	None
7-5/8"	26.4#	2780'	9-7/8"	1500 sks	None
5-1/2"	14#, 15.5#, 17#	7883'	6-3/4"	775 sks	None

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
None					2-7/8"	6530'	None

26. Perforation record (interval, size, and number) 6326', 6336', 6338', 6344', 6351', 6362', 6366', 6372', 6378', 6380', 6386', 6398', 6400', 6403', 6427', 6453', 6463', 6482', 6486'	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	6326-6486'	3500 gals 15% HCl acid
	6326-6486'	Frac w/ 44,300 gals gel + 37,600# 20/40 sd

28. PRODUCTION

Date First Production 10/22/99	Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping	Well Status (Prod. or Shut-in) Producing
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Date of Test 10/26/99	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 37	Gas - MCF 160	Water - Bbl. 60	Gas - Oil Ratio 4324
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Flow Tubing Press. —	Casing Pressure —	Calculated 24-Hour Rate	Oil - Bbl. 37	Gas - MCF 160	Water - Bbl. 60	Oil Gravity - API - (Corr.)
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29. Disposition of Gas (Sold, used for fuel, vented, etc.) Vented - pending gas line connection	Test Witnessed By K. Mozingo
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30. List Attachments
C-103, C-104, E log, Wellbore Diagram

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature 	Printed Name Larry Tarwater	Title Production Engineer	Date 10/27/99
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This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

T. Anhy		T. Canyon	
T. Salt		T. Strawn	
B. Salt		T. Atoka	
T. Yates		T. Miss	
T. 7 Rivers		T. Devonian	
T. Queen		T. Silurian	
T. Grayburg		T. Montoya	7130'
T. San Andres		T. Simpson	7350'
T. Glorieta	5020'	T. McKee	7525'
T. Paddock	5222'	T. Ellenburger	7880'
T. Blinebry	5430'	T. Gr. Wash	
T. Tubb	6005'	T. Delaware Sand	
T. Drinkard	6190'	T. Bone Springs	
T. Abo		T.	
T. Wolfcamp		T.	
T. Penn		T.	
T. Cisco (Bough C)		T.	

Northwestern New Mexico

T. Ojo Alamo	T. Penn. "B"
T. Kirtland-Fruitland	T. Penn. "C"
T. Pictured Cliffs	T. Penn. "D"
T. Cliff House	T. Leadville
T. Menefee	T. Madison
T. Point Lookout	T. Elbert
T. Mancos	T. McCracken
T. Gallup	T. Ignacio Otzte
Base Greenhorn	T. Granite
T. Dakota	T.
T. Morrison	T.
T. Todilto	T.
T. Entrada	T.
T. Wingate	T.
T. Chinle	T.
T. Permian	T.
T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....5430 '.....to.....5690'.....
 No. 2, from.....6190'.....to.....6486'.....
 No. 3, from.....7880.....to.....7940'.....
 No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology
0	344	344	Red bed & caliche
344	935	591	Red bed & shale
935	1982	1047	Anhydrite & salt
1982	2555	573	Anhydrite & gyp
2555	3505	950	Anhydrite
3505	3680	175	Anhydrite & lime
3680	7180	3500	Lime
7180	7429	249	Lime & shale
7429	7555	126	Shale
7555	7642	87	Shale & sand
7642	7758	116	Lime & shale
7758	7855	97	Shale
7855	7883	28	Lime & shale
7883	7940	57	Lime





HOME-STAKE OIL & GAS COMPANY

APPLICATION FOR TAX REFUND

Well: HSOG #1 (Formerly Exxon Ferrell #2)
Location: UL "I" Section 22 - T22S - R37E
County, State: Lea County, New Mexico
API Number: 30-025-10402
Pool: Drinkard Pool No.: 19190
Operator: Home-Stake Oil & Gas Company OGRID: 163123
15 E. 5th Street Suite 2800
Tulsa, OK 74103

WORKING INTEREST OWNERS

PERCENTAGE INTEREST

- | | |
|---|-----|
| 1. Home-Stake Oil & Gas Company
15 E. 5th Street Suite 2800
Tulsa, OK 74103 | 53% |
| 2. John H. Hendrix Corporation
P.O. Box 3040
Midland, TX 79702 | 47% |