

HANSON OPERATING COMPANY, INC.

P.O. BOX 1515

ROSWELL, NEW MEXICO 88202-1515

PHONE AC 505-622-7330

September 19, 1990

New Mexico Oil Conservation Division
Room 206
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

Attention: Mr. David Catanach

RE: Max Gutman Well #5
Unit N, Sec.19, T.22S, R.38E
Lea County, New Mexico

Dear Mr. Catanach:

Your administrative approval is requested to permit down-hole commingling of marginal Granite Wash and Drinkard production with the Blinebry production on the above captioned well, within the subject well bore, pursuant to the provisions of statewide Rule 303 C-2.

There is no evidence of fluid incompatibility and Hanson Operating Company, Inc. does not expect any reservoir damage or waste occurring due to the commingling of this well. Ownership in the pools is common and correlative rights will not be violated. Down-hole commingling will allow the recovery of additional hydrocarbons from this well. All zones of interest are unable to flow and will have to be artificially lifted.

The subject well was drilled and completed in the Granite Wash and Drinkard zones in April, 1968, as a dual completion. A down-hole commingling approval was granted in October of 1980 (DHC-327). In October, 1985, the Blinebry zone was perforated and completed, and was placed on production in December, 1987.

Attached please find pertinent data regarding this application as outlined in Rule 303 C-2. If further information is needed, please feel free to contact me.

Very truly yours,
Hanson Operating Company, Inc.

David Sweeney
David Sweeney
Drilling & Production Superintendent

DS/lj
attachments

RULE 303 C-2 INFORMATION

- (A) Hanson Operating Company, Inc.
P. O. Box 1515
Roswell, New Mexico 88202-1515
- (B) Max Gutman Well #5
Unit N, Sec.19, T.22S, R.38E
Granite Wash, Drinkard, Blinebry
Lea County, New Mexico
- (C) Acreage Plat is attached.
- (D) Current C-116 is attached.
- (E) The above captioned well was completed in the Granite Wash (7356-7391') and the Drinkard (6392-6963') zones in April, 1968. The Granite Wash and Drinkard perforations were isolated with a bridge plug and the Blinebry perforations (5489-5671') were placed on production in October, 1985. In January, 1986, the Blinebry perforations were shot in and not produced due to a proration problem. In January, 1986, the bridge plug was removed isolating the Drinkard and Granite Wash perforations; a production packer was set at 5735' and the well was put back on production, leaving the Blinebry zone shut in. The proration problem was resolved and in December, 1987, the Drinkard and Granite Wash zones were isolated with a bridge plug at 5759'. The Blinebry zone was then placed back on production and is still currently producing. It is producing 8 BO and 360 MCF per day. Attached are decline curves for all zones. Also, a Well History Report and Cumulative Production Report are attached.
- (F) Bottom Hole Pressure Data:
Granite Wash: 1200 psi
Drinkard: 900 psi
Blinebry: 800 psi
- *Estimates are based on most recent available average BHP data within vicinity of well.
- (G) There is no evidence of fluid incompatibility. Hanson Operating has down-hole commingling production in Wells #1,2,4,5,7 and 9 on this lease and have had no evidence of this.

Submit 2 copies to Appropriate District Office.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

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

GAS - OIL RATIO TEST

Operator Hanson Operating Company, Inc.		Pool Blinebry		County Lea																	
Address P. O. Box 1515, Roswell, New Mexico 88202-1515		TYPE OF TEST (X)		Scheduled ☐ Special ☒																	
LEASE NAME Gutman Permit DHC #327	WELL NO. 5	LOCATION U S T R		DATE OF TEST 09/04/90	SIZE P	CHOKE M	TBG. PRESS.	DAILY ALLOW-ABLE 96%	LENGTH OF TEST 24 HOURS	Completion ☐ Special ☒		GAS - OIL RATIO CU/FT/BBL.									
		PROD. DURING TEST WATER GRAV. OIL BBL.S. GAS M.C.F.																			
REQUEST NEW ALLOCATION FORMULA AS SHOWN ABOVE		30% Oil Blinebry		Gas		96%		M		24		96		37.5		27		374		13852/1	
		62% Oil Granite Wash		Gas		1%										14		4			
		18% Oil Drinkard		Gas		3%										5		10			
		100%		Gas		100%										27		374			

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature Brenda R. Godfrey

Brenda R. Godfrey / Production Analyst
Printed name and title

09/19/90 505-622-7330

Date Telephone No.

(H) Value of Commingled Fluids:

	<u>BOPD</u>	<u>API Gravity</u>	<u>\$/BBL</u>	<u>REV/DAY</u>
Granite Wash Oil	14	39.2	29.66	415.24
Drinkard Oil	5	37.6	29.34	146.70
Blinebry Oil	8	35.6	28.94	231.52
TOTAL	<u>27</u>	<u>37.5</u>	<u>29.31</u>	<u>\$793.46</u>
COMMINGLED	27		29.31	\$793.46

(I) Formula for Allocation:

Based on existing allocation for Drinkard and Granite Wash, and well test for Blinebry, formula should be as follows:

	<u>BOPD</u>		<u>TOTAL</u> <u>COMMINGLED PROD.</u>		<u>PERCENT</u>
Granite Wash Oil	14	-	27	=	52%
Drinkard Oil	5	-	27	=	18%
Blinebry oil	8	-	27	=	30%
	<u>MCFPD</u>				
Granite Wash Gas	4	-	374	=	1%
Drinkard Gas	10	-	374	=	3%
Blinebry	360	-	374	=	96%

(J) All offsetting operators have been notified with a copy of the attached information:

Texaco Producing
P. O. Box 3109
Midland, Texas 79705

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

Chevron U.S.A., Inc.
P. O. Box 670
Hobbs, New Mexico 88240

OPERATOR: HOCT

LEASE: MAX GUTMAN #5

FIELD: * BLINEBRY

LOCATION: 5 1/4 SW 1/4

COUNTY & STATE: LEA COUNTY, NM

Date	Monthly Oil (Bbls.)	Cumulative Oil (Bbls.)	Monthly Gas (MCF)	Cumulative Gas (MCF)	Monthly Water (Bbls.)	Monthly GOR
1989		(6507)		(151930)		
Jan.	517	7024	10967	162897	217	
Feb.	458	7482	10738	173635	175	
Mar.	401	7883	11425	185060	203	
Apr.	400	8283	10508	195571	203	
May	418	8701	9465	205036	189	
June	427	9128	10144	215180	210	
July	383	9511	9610	224860	210	
Aug.	426	9937	10795	235655	196	
Sep.	268	10205	8894	244549	189	
Oct.	578	10783	11578	256127	217	
Nov.	512	11295	11196	267323	210	
Dec.	519	11814	12345	279668	279	
Jan.	497	12311	11009	290677	274	
Feb.	521	12832	11816	302493	374	
Mar.	537	13369	11937	314430	232	
Apr.	481	13850	11737	326167	270	
May	200	14050	11001	337168	124	
June	236	14286	11333	348501	120	
July	217	14503	9838	358339	144	
Aug.						
Sep.						
Oct.						
Nov.						
Dec.						
Jan.						
Feb.						
Mar.						
Apr.						
May						
June						
July						
Aug.						
Sep.						
Oct.						
Nov.						
Dec.						
Jan.						
Feb.						
Mar.						
Apr.						
May						
June						
July						
Aug.						
Sep.						
Oct.						
Nov.						
Dec.						

OPERATOR: HOCI
 FIELD: *BLINKBRY
 LOCATION: SE 1/4 SW 1/4
 COUNTY & STATE: LEA COUNTY, NM

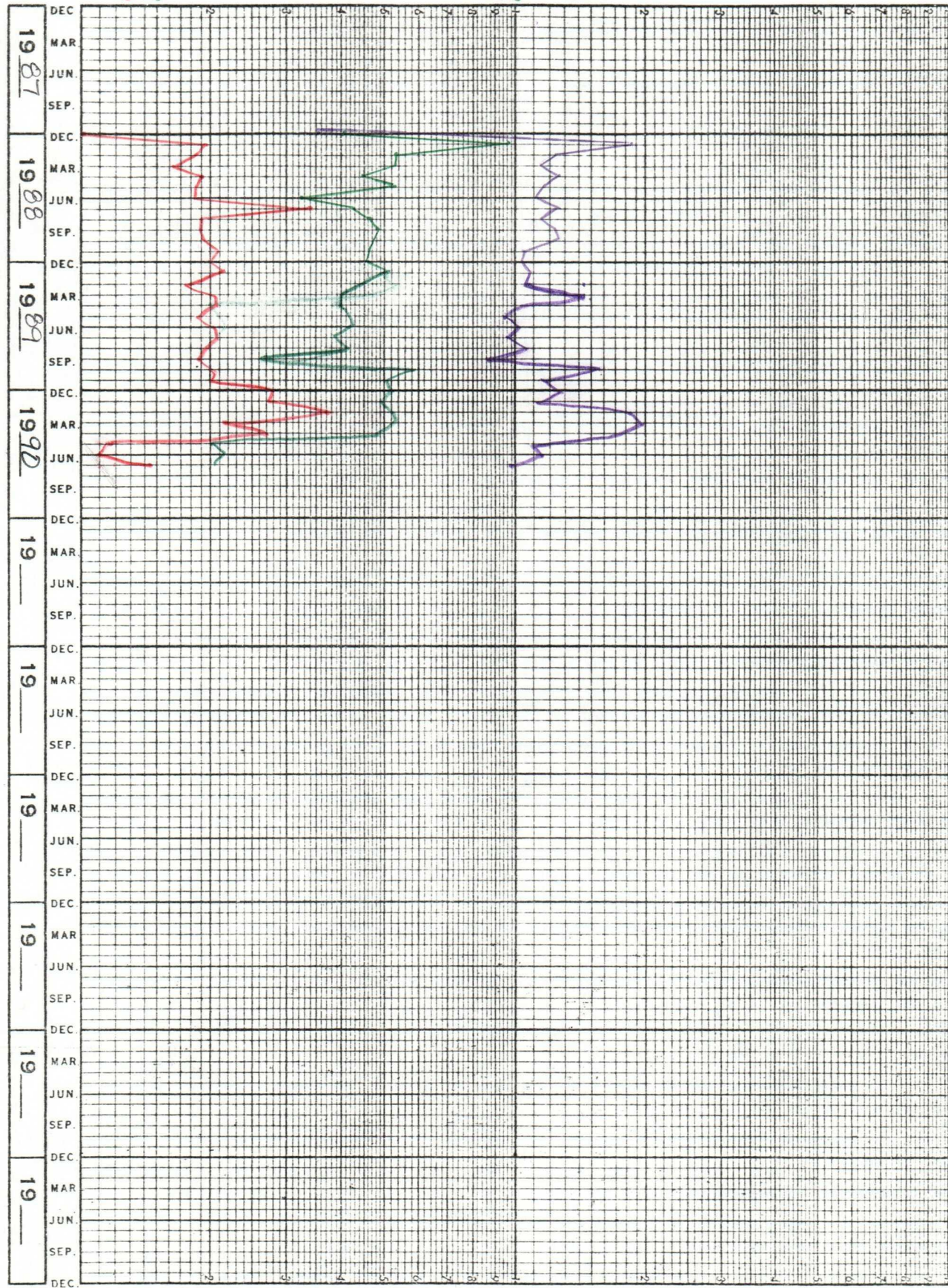
LEASE: MAX GUTMAN #5

Date		Monthly Oil (Bbls.)	Cumulative Oil (Bbls.)	Monthly Gas (MCF)	Cumulative Gas (MCF)	Monthly Water (Bbls.)		Monthly GOR
	1985							
Jan.		0		0		0		
Feb.		0		0		0		
Mar.		0		0		0		
Apr.		0		0		0		
May		0		0		0		
June		0		0		0		
July		0		0		0		
Aug.		0		0		0		
Sep.		0		0		0		
Oct.		0		0		0		
Nov.		0		0		0		
Dec.		0		0		0		
	1986							
Jan.		0		0		0		
Feb.		0		0		0		
Mar.		0		0		0		
Apr.		0		0		0		
May		0		0		0		
June		0		0		0		
July		0		0		0		
Aug.		0		0		0		
Sep.		0		0		0		
Oct.		0		0		0		
Nov.		0		0		0		
Dec.		0		0		0		
	1987							
Jan.		0		0		0		
Feb.		0		0		0		
Mar.		0		0		0		
Apr.		0		0		0		
May		0		0		0		
June		0		0		0		
July		0		0		0		
Aug.		0		0		0		
Sep.		0		0		0		
Oct.		0		0		0		
Nov.		0		0		0		
Dec.	**	403	403	3525	3525	0		
	1988							
Jan.		970		18590		186		
Feb.		536		12383		174		
Mar.		531		11676		124		
Apr.		450		12740		180		
May		529		11852		174		
June		324		11211		174		
July		424		12751		341		
Aug.		464		11447		180		
Sep.		482		12393		180		
Oct.		478		12633		186		
Nov.		441	6052	10415	141616	210		
Dec.		455	6507	10314	151930	203		

— OIL
— GAS
— WTR

MAX SUMMER #5 - BLUNTER

100
1000
10000
100000



OPERATOR: HOCT
 FIELD: * DRINKARD
 LOCATION: SE 1/4 SW 1/4
 COUNTY & STATE: LEA COUNTY, NM

LEASE: MAX GUTMAN #5

Date		Monthly Oil (Bbls.)	Cumulative Oil (Bbls.)	Monthly Gas (MCF)	Cumulative Gas (MCF)	Monthly Water (Bbls.)		Monthly GOR
	1989		(55176)		(2250053)			
Jan.		0	55176	0	2250053	0		
Feb.								
Mar.								
Apr.								
May								
June								
July								
Aug.								
Sep.								
Oct.								
Nov.								
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
May								
June								
July								
Aug.								
Sep.								
Oct.								
Nov.								
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
May								
June								
July								
Aug.								
Sep.								
Oct.								
Nov.								
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
May								
June								
July								
Aug.								
Sep.								
Oct.								
Nov.								
Dec.								

OPERATOR: HOCT

LEASE: MAX GUTMAN #5

FIELD: * DRINKARD

LOCATION: SE1/4 SW1/4

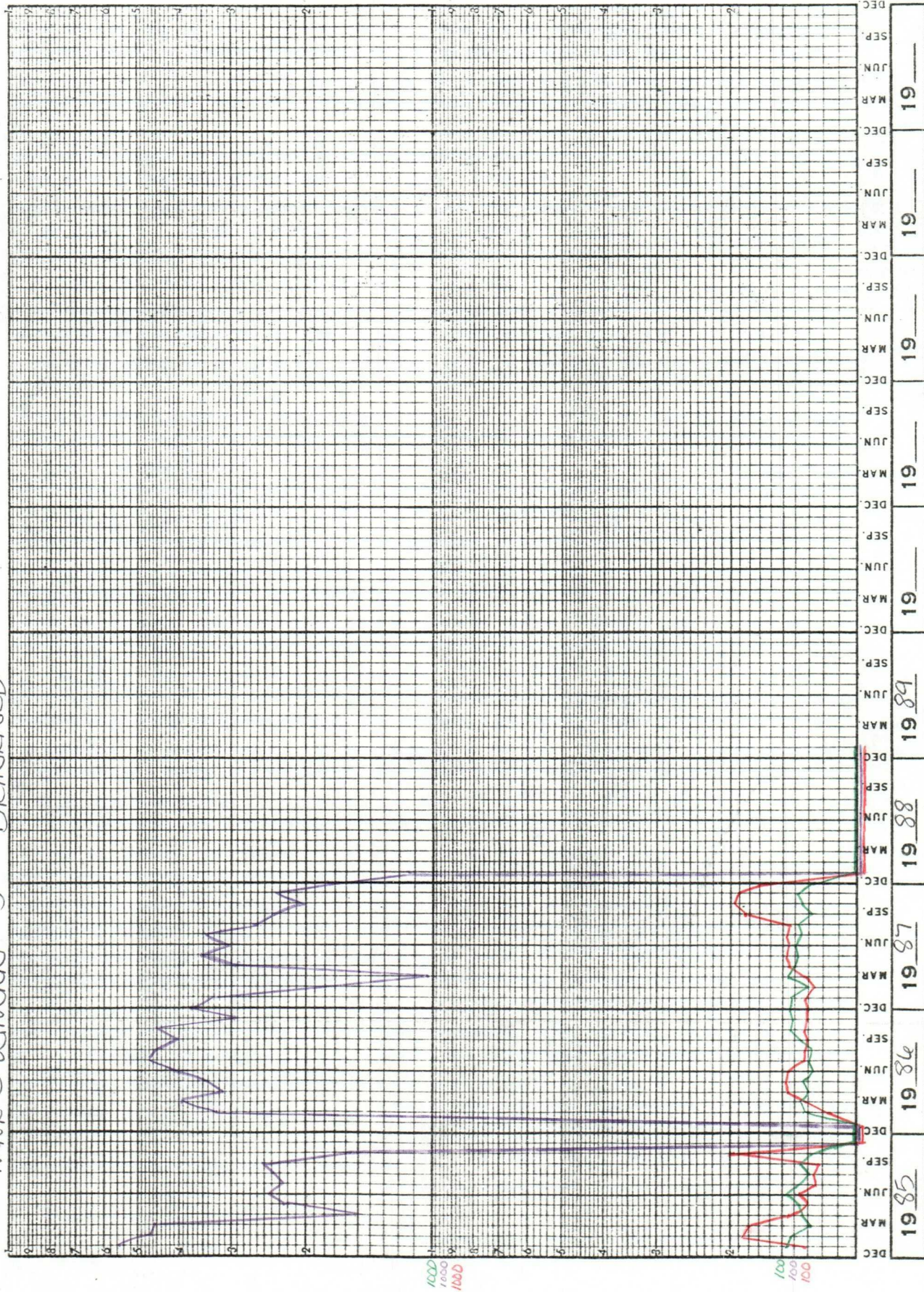
COUNTY & STATE: LEA COUNTY, NM

Date		Monthly Oil (Bbls.)	Cumulative Oil (Bbls.)	Monthly Gas (MCF)	Cumulative Gas (MCF)	Monthly Water (Bbls.)	Monthly GOR
	1985		(52819)		(2148202)		
Jan.		45		5599		62	
Feb.		83		4647		168	
Mar.		59		4552		160	
Apr.		67		1503		90	
May		73		2218		62	
June		92		7433		75	
July		76		2262		47	
Aug.		59		2387		48	
Sep.		72		2515		45	
Oct.		58		1586	"	196	
Nov.		0		0		0	
Dec.		0	53553	0	2177904	0	
	1986						
Jan.		0		0		0	
Feb.		65		3225		29	
Mar.		68		3934		62	
Apr.		66		3150		90	
May		64		3456		93	
June		54		4224		90	
July		59		4730		62	
Aug.		58		4556		62	
Sep.		71		4031		60	
Oct.		86		4539		62	
Nov.		82		2954		60	
Dec.		84	54304	3719	2220422	60	
	1987						
Jan.		82		3368		62	
Feb.		61		1036		56	
Mar.		87		2915		62	
Apr.		80		3509		90	
May		79		3023		93	
June		80		3495		90	
July		71		2648		93	
Aug.		73		2383		87	
Sep.		57		2004		168	
Oct.		67		2363		186	
Nov.		78		1764		180	
Dec.		57	55176	1123	2250053	126	
	1988						
Jan.		0		0		0	
Feb.		0		0		0	
Mar.		0		0		0	
Apr.		0		0		0	
May		0		0		0	
June		0		0		0	
July		0		0		0	
Aug.		0		0		0	
Sep.		0		0		0	
Oct.		0		0		0	
Nov.		0	55176	0	2250053	0	
Dec.		0	55176	0	2250053	0	



OIL
GAS
WTR

MAX GUMMA #5 - DRINKARD



OPERATOR: HOCT

LEASE: MAX GUTMAN #5

FIELD: * WANTZ GRANITE WASH

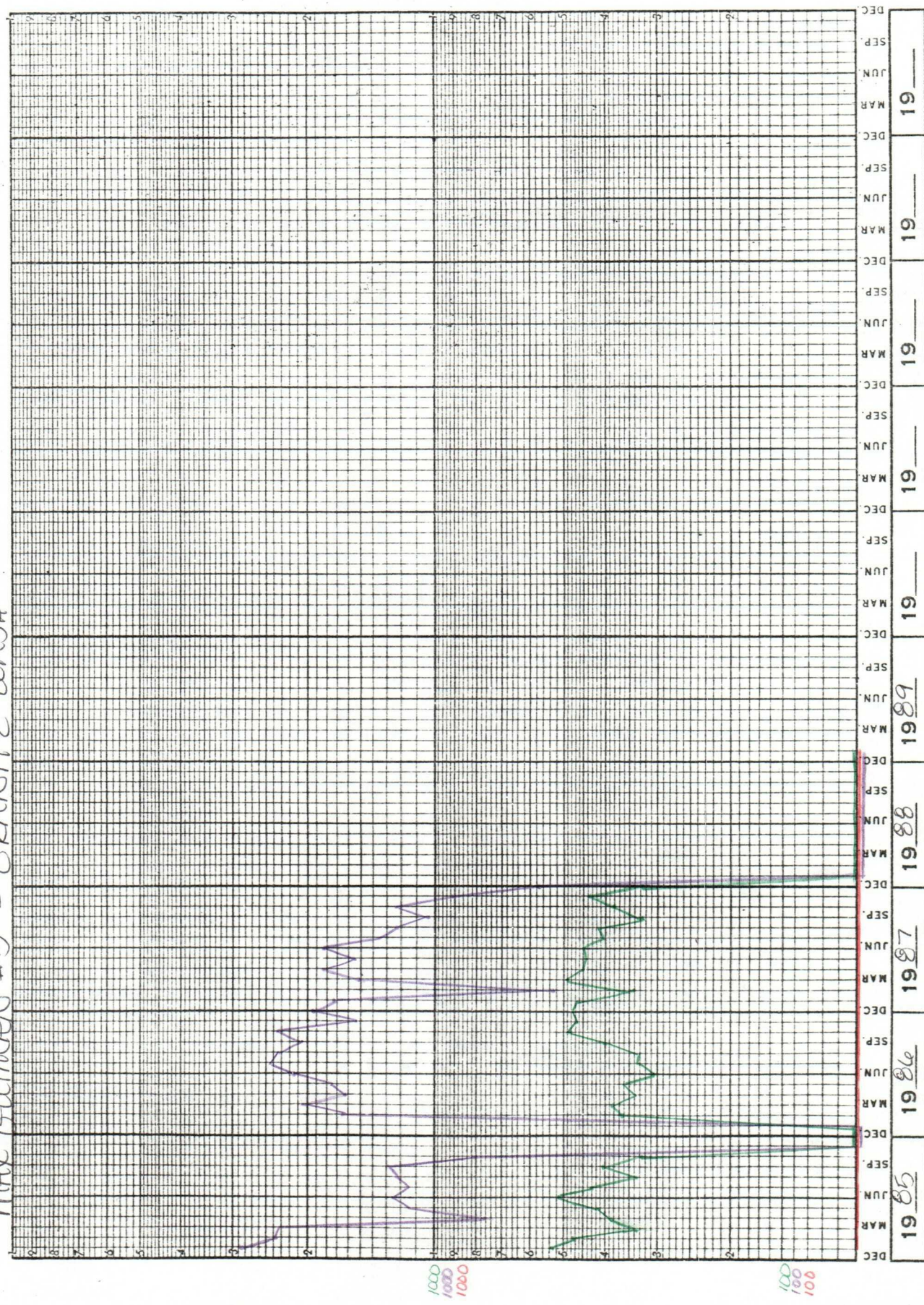
LOCATION: SE 1/4 SW 1/4

COUNTY & STATE: LEA COUNTY, NM

Date		Monthly Oil (Bbls.)	Cumulative Oil (Bbls.)	Monthly Gas (MCF)	Cumulative Gas (MCF)	Monthly Water (Bbls.)		Monthly GOR
	1985		(225215)		(365637)			
Jan.		537		2884		0		
Feb.		473		2394		0		
Mar.		333		2345		0		
Apr.		381		774		0		
May		416		1142		0		
June		518		1254		0		
July		436		1166		0		
Aug.		337		1230		0		
Sep.		406		1296		0		
Oct.		326		817		0		
Nov.		0		0		0		
Dec.		0	229422	0	380959	0		
Jan.	1986	0		0		0		
Feb.		366		1661		0		
Mar.		386		2027		0		
Apr.		339		1622		0		
May		361		1781		0		
June		307		2176		0		
July		334		2437		0		
Aug.		330		2347		0		
Sep.		400		2077		0		
Oct.		489		2338		0		
Nov.		467		1522		0		
Dec.		477	233678	1916	402843	0		
Jan.	1987	463		1735		0		
Feb.		344		534		0		
Mar.		490		1501		0		
Apr.		453		1808		0		
May		447		1558		0		
June		450		1801		0		
July		404		1364		0		
Aug.		414		1228		0		
Sep.		324		1532		0		
Oct.		380		1218		0		
Nov.		439		908		0		
Dec.		323	238609	579	418109	0		
Jan.	1988	0		0		0		
Feb.		0		0		0		
Mar.		0		0		0		
Apr.		0		0		0		
May		0		0		0		
June		0		0		0		
July		0		0		0		
Aug.		0		0		0		
Sep.		0		0		0		
Oct.		0		0		0		
Nov.		0	238609	0	418109	0		
Dec.		0	238609	0	418109	0		

OIL
GAS
WTR

MAX GUTMAN #5 - GRANITE WASH



EUNICE Amoco, Gulf, Anadarko, etc.	2 TUBE Amoco, Gulf, Anadarko, etc.	U.S. MI Amoco, Gulf, Anadarko, etc.	State Amoco, Gulf, Anadarko, etc.
ROSE SKELLY UNIT Amoco, Gulf, Anadarko, etc.	Amoco Amoco, Gulf, Anadarko, etc.	U.S. MI Amoco, Gulf, Anadarko, etc.	State Amoco, Gulf, Anadarko, etc.
ROSE SKELLY UNIT Amoco, Gulf, Anadarko, etc.	Amoco Amoco, Gulf, Anadarko, etc.	U.S. MI Amoco, Gulf, Anadarko, etc.	State Amoco, Gulf, Anadarko, etc.
ROSE SKELLY UNIT Amoco, Gulf, Anadarko, etc.	Amoco Amoco, Gulf, Anadarko, etc.	U.S. MI Amoco, Gulf, Anadarko, etc.	State Amoco, Gulf, Anadarko, etc.
ROSE SKELLY UNIT Amoco, Gulf, Anadarko, etc.	Amoco Amoco, Gulf, Anadarko, etc.	U.S. MI Amoco, Gulf, Anadarko, etc.	State Amoco, Gulf, Anadarko, etc.
ROSE SKELLY UNIT Amoco, Gulf, Anadarko, etc.	Amoco Amoco, Gulf, Anadarko, etc.	U.S. MI Amoco, Gulf, Anadarko, etc.	State Amoco, Gulf, Anadarko, etc.
ROSE SKELLY UNIT Amoco, Gulf, Anadarko, etc.	Amoco Amoco, Gulf, Anadarko, etc.	U.S. MI Amoco, Gulf, Anadarko, etc.	State Amoco, Gulf, Anadarko, etc.
ROSE SKELLY UNIT Amoco, Gulf, Anadarko, etc.	Amoco Amoco, Gulf, Anadarko, etc.	U.S. MI Amoco, Gulf, Anadarko, etc.	State Amoco, Gulf, Anadarko, etc.
ROSE SKELLY UNIT Amoco, Gulf, Anadarko, etc.	Amoco Amoco, Gulf, Anadarko, etc.	U.S. MI Amoco, Gulf, Anadarko, etc.	State Amoco, Gulf, Anadarko, etc.
ROSE SKELLY UNIT Amoco, Gulf, Anadarko, etc.	Amoco Amoco, Gulf, Anadarko, etc.	U.S. MI Amoco, Gulf, Anadarko, etc.	State Amoco, Gulf, Anadarko, etc.

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease
State ☐ Fee ☒
5. State Oil & Gas Lease No.
N/A

2. TYPE OF WELL
OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER _____
3. TYPE OF COMPLETION
NEW WELL ☐ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☒ DIFF. RESVR. ☒ OTHER _____

7. Unit Agreement Name
N/A
8. Farm or Lease Name
Max Gutman

4. Name of Operator
Hanson Operating Company, Inc.

9. Well No.
5

6. Address of Operator
P. O. Box 1515, Roswell, New Mexico 88202-1515

10. Field and Pool, or Wildcat
Blinebry

1. Location of Well
UNIT LETTER N LOCATED 640 FEET FROM THE South LINE AND 1650 FEET FROM

12. County
Lea

West LINE OF SEC. 19 TWP. 22-S RGE. 38-E

13. Date Spudded 03/16/68 16. Date T.D. Reached 04/06/68 17. Date Compl. (Ready to Prod.) 04/22/68 18. Elevations (DF, RKB, RT, GR, etc.) 3358' KB 19. Elev. Casinghead 3346'

20. Total Depth 7447' 21. Plug Back T.D. 5759' 22. If Multiple Compl., How Many _____ 23. Intervals Drilled By Rotary Tools 0-7447' Cable Tools _____

24. Producing Interval(s), of this completion - Top, Bottom, Name
Blinebry 5574-5671, 5489-5527' 25. Was Directional Survey Made No

26. Type Electric and Other Logs Run _____ 27. Was Well Cored _____

CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	1180'	12-1/4"	450 sx	
5-1/2"	17#	7447'	7-7/8"	625 sx	

LINER RECORD				TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET
					2-3/8"	5759'
						5759'

28. Perforation Record (interval, size and number)		29. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
5574-5671' - 16 holes		DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
5489-5527' - 15 holes		5574-5671'	3000 gal 15% NeFe. Frac w/
			50000 gal gel wtr, 90000 20/40
		5489-5527'	3000 gal 15% NeFe. Frac w/
			50000 gal gel wtr, 95000 20/40

30. PRODUCTION							
Date First Production 12/24/87		Production Method (Flowing, gas lift, pumping - Size and type pump) Pump				Well Status (Prod. or Shut-in) Prod	
Date of Test 12/25/87	Hours Tested 24	Choke Size	Prod'n. For Test Period	Oil - Bbl. 61	Gas - MCF 425	Water - Bbl. 39 BLW	Gas - Oil Ratio 6967/1
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl. 61	Gas - MCF 425	Water - Bbl. 3	Oil Gravity - API (Corr.) 37.0	

4. Disposition of Gas (Sold, used for fuel, vented, etc.)
Sold Test Witnessed By
Truman J. Auld

5. List of Attachments
Form C-104 & Plat

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

SIGNED Brenda R. Godsey TITLE Production Analyst DATE 01/05/88

This form is to be filed with the original in the District Office of the Commission not later than 30 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 in 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 30 through 34 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

Northwestern New Mexico

T. Anhy	1158	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	1255	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	2496	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	2540	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers		T. Devonian	T. Menefee	T. Madison
T. Queen	3365	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	3718	T. Montoya	T. Mancos	T. McCracken
T. San Andres	3945	T. Simpson	T. Gallup	T. Ignacio Qizte
T. Glorieta	5111	T. McKee	Base Greenhorn	T. Granite
T. Paddock	5138	T. Ellenburger	T. Dakota	T.
T. Blinberry	5480	T. Gr. Wash	7352	T. Morrison
T. Tubb	6062	T. Granite	T. Todilto	T.
T. Drinkard	6270	T. Delaware Sand	T. Entrada	T.
T. Abo	6568	T. Bone Springs	T. Wingate	T.
T. Wolfcamp		T.	T. Chinle	T.
T. Penn.		T.	T. Permian	T.
T. Cisco (Bough C)		T.	T. Penn. "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from	to	No. 4, from	to
No. 2, from	to	No. 5, from	to
No. 3, from	to	No. 6, 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
No. 4, from	to	feet

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0'	1158'	1158'	Red beds				
1158'	1255'	97'	Anhydrite				
1255'	2496'	1241'	Salt				
2496'	2540'	44'	Dolomite				
2540'	3365'	825'	Sand & dolomite				
3365'	3945'	580'	Anhydrite, dolomite & sand				
3945'	7352'	3407'	Dolomite				
7352'	7447'	95'	Granite Wash				
TD							

JAN 1968
DISTRICT OFFICE

REGISTRATION		
PROPERTY		
FILE		
U.S.D.S.		
LAND OFFICE		
OPERATION		

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form E-103
Revised 10

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 - A" (FORM E-101) FOR SUCH PROPOSALS.)

30. Indicate Type of Lease

State ☐ Fee ☐

5. State Oil & Gas Lease No.

7. Unit Agreement Name

8. Farm or Lease Name

MAX GUTMAN

9. Well No.

5

10. Field and Pool, or Wildcat

DRINKARD GRANITE WASH

12. County

LEA

OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator

HANSON OPERATING COMPANY, INC.

Address of Operator

P. O. BOX 1515 ROSWELL, NEW MEXICO 88202-1515

Location of Well

UNIT LETTER N 640 FEET FROM THE SOUTH LINE AND 1650 FEET FROM

THE WEST LINE, SECTION 19 TOWNSHIP 22-S RANGE 38-E NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)

3358 KB

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

REPAIR REMEDIAL WORK ☒

PLUG AND ABANDON ☐

REMEDIAL WORK ☐

ALTERING CASING ☐

ABANDON ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

OR ALTER CASING ☐

CHANGE PLANS ☐

CASING TEST AND CEMENT JOB ☐

OTHER ☐

OTHER _____

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed) SEE RULE 1103.

We propose to isolate the Drinkard and Granite Wash perforations by using a retrievable bridge plug. Then perforate the Blinbry formation in the upper and middle sections, acidize & fracture stimulate as needed. We will produce from the Blinbry perforations until production declines to a point when we can commingle with the other two zones in this well with permission from the state in order #303-C downhole commingling.

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

David Swearing

TITLE Drilling & Production Supt.

DATE 08/26/85

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT 1 SUPERVISOR

AUG 28 1985

COPIES OF APPROVAL, IF ANY:

TITLE _____

DATE _____

OIL CONSERVATION DIVISION

P. O. BOX 2058

(SANTA FE, NEW MEXICO 87501)

Form C-103
Revised 10-1

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease	
State ☐	Fee ☒
5. State Oil & Gas Lease No.	
N/A	

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL ON TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT - " (FORM C-101) FOR SUCH PROPOSALS.)

OIL WELL ☒ GAS WELL ☐ OTHER ☐		7. Unit Agreement Name
Name of Operator		N/A
Hanson Operating Company, Inc.		8. Former Lease Name
Address of Operator		MAX GUIMAN
P. O. Box #1515, Roswell, New Mexico 88202-1515		9. Well No.
Location of Well		5
UNIT LETTER <u>N</u> , <u>640</u> FEET FROM THE <u>South</u> LINE AND <u>1650</u> FEET FROM		10. Field and Pool, or Wildcat
THE <u>West</u> LINE, SECTION <u>19</u> TOWNSHIP <u>22-S</u> RANGE <u>38-E</u> NMPM.		Blinebry
15. Elevation (Show whether DF, RT, GR, etc.)		12. County
3358' KB		Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data			
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☒	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOB ☐	OTHER ☐

17. 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.

Perf interval 5574 - 5671' (16 holes).
 Set BP @ 5732'.
 Acidized w/3,000 gal 15% NE acid.
 Frac w/50,000 gal gel water, 90,000# sand.

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

SIGNED Brenda K. Godfrey TITLE Production Analyst DATE 10/18/85

APPROVED BY JERRY SEXTON DISTRICT SUPERVISOR TITLE DATE OCT 21 1985

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P. O. BOX 2068

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

1a. Indicate Type of Lease
State ☐ Fee ☒

5. State Oil & Gas Lease No.

N/A

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.)OIL WELL ☒ GAS WELL ☐ OTHER ☐

7. Unit Agreement Name

N/A

8. Farm or Lease Name

MAX GUTMAN

9. Well No.

5

10. Field and Pool, or Wildcat

Blinebry

UNIT LETTER N 640 FEET FROM THE South LINE AND 1650 FEET FROM
THE West LINE, SECTION 19 TOWNSHIP 22-S RANGE 38-E N.M.P.M.

15. Elevation (Show whether DF, RT, GR, etc.)

3358' KB

12. County

Lea

6. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☒	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
FULL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOB ☐	

7. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1503.

Perf interval 5489 - 5527' (15 holes).
Set BP @ 5557', set pkr @ 5400'.
Acidized w/3,000 gals NE acid.
Frac w/50,000 gals gel wtr & 95,000# 20/40 sand.

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

SIGNED Brenda G. GodfreyTITLE Production AnalystDATE 10/25/85ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT 1 SUPERVISOR

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

OCT 29 1985

DISTRIBUTION		
SANTA FE		
FILE		
U.S.O.S.		
LAND OFFICE		
OPERATOR		

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-

10. Indicate Type of Lease	
State ☐	Fee ☒
11. State Oil & Gas Lease No. N/A	

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.

OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator
HANSON OPERATING COMPANY, INC.

Address of Operator
P. O. BOX #1515, ROSWELL, NEW MEXICO 88202-1515

Location of Well

UNIT LETTER N 640 FEET FROM THE South LINE AND 1650 FEET FROM
West LINE, SECTION 19 TOWNSHIP 22-S RANGE 38-E N.M.P.M.

7. Unit Agreement Name

N/A

8. Farm or Lease Name

MAX GUIMAN

9. Well No.

5

10. Field and Pool, or Wildcat

Blinebry

15. Elevation (Show whether DF, RT, CR, etc.)

3358' KB

12. County

Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

REPAIR REMEDIAL WORK ☐
TEMPORARILY ABANDON ☐
WELL OR ALTER CASING ☐

PLUG AND ABANDON ☐
CHANGE PLANS ☐

REMEDIAL WORK ☐
COMMENCE DRILLING OPERATIONS ☐
CASING TEST AND CEMENT JOB ☐
OTHER Shut In

ALTERING CASING ☐
PLUG AND ABANDONMENT ☐

OTHER ☐

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1503.

Shut in due to proration allocation question.

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

by Eddie W. Seay

TITLE Production Analyst

DATE 11/15/85

by Eddie W. Seay
Oil & Gas Inspector

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NOV 18 1985

Original to
State - Hobbs

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1

NO. OF EXPLORATION PERMITS	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease

State ☐Fee ☒

5. State Oil & Gas Lease No.

N/A

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.)OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator

HANSON OPERATING COMPANY, INC.

Address of Operator

P. O. BOX #1515, ROSWELL, NEW MEXICO 88202-1515

Location of Well

UNIT LETTER N, 640 FEET FROM THE South LINE AND 1650 FEET FROM THE West LINE, SECTION 19 TOWNSHIP 22-S RANGE 38-E N.M.P.M.

7. Unit Agreement Name

N/A

8. Farm or Lease Name

MAX GUTMAN

9. Well No.

5

10. Field and Pool, or Wildcat

Drinkard, Granite Wash

15. Elevation (Show whether DF, RT, GR, etc.)

3358' KB

12. County

Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐PLUG AND ABANDON ☐REMEDIAL WORK ☐ALTERING CASING ☐TEMPORARILY ABANDON ☐COMMENCE DRILLING OPNS. ☐PLUG AND ABANDONMENT ☐FULL OR ALTER CASING ☐CHANGE PLANS ☒CASING TEST AND CEMENT JOB ☐OTHER ☐OTHER ☐

7. 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.

We propose to set a production packer at 5735'± isolating the Blinbry perforations at 5489'-5671' from the Drinkard perforations at 6392'-6963' and the Granite Wash perforations at 7356-7391'. The Drinkard and Granite Wash perforations will be produced thru the tubing with a rod pump. The Blinbry perforations will not be produced from this well.

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

SIGNED Jaye BiswellTITLE Production AnalystDATE 01/22/86ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT 1 SUPERVISOR

APPROVED BY _____

TITLE _____

DATE JAN 24 1986

Orig. + 2c. 40.

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	

OIL CONSERVATION DIVISION
P. O. BOX 2066
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 12-

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.)

OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator
HANSON OPERATING COMPANY, INC.

Address of Operator
P. O. BOX #1515, ROSWELL, NEW MEXICO 88202-1515

Location of Well
UNIT LETTER **N** **640** FEET FROM THE **South** LINE AND **1650** FEET FROM
West LINE, SECTION **19** TOWNSHIP **22-S** RANGE **38-E** NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)
3358' KB

5a. Indicate Type of Lease
State ☐ Fee ☒
5. State Oil & Gas Lease No.
N/A

7. Unit Agreement Name
N/A

8. Farm or Lease Name
MAX GUTMAN

9. Well No.
5

10. Field and Pool, or Wildcat
DRINKARD, GRANITE WAS

12. County
LEA

6. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPS. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOB ☐	
		OTHER Re-open Drinkard & Granite Wash zones	

7. 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.

We set a production packer @ 5728', isolating the Blinbry perforations @ 5489-5671' from the Drinkard perforations @ 6392-6963' & the Granite Wash perforations @ 7356-7391'. The Drinkard and Granite Wash perforations are being produced through the tubing with a rod pump @ 7250'. (The Blinbry perforations are not being produced from this well). Put well on pump 01/30/86.

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

SIGNED Brenda G. Godfrey TITLE Production Analyst DATE 02/26/86

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT 1 SUPERVISOR

APPROVED BY _____ TITLE _____ DATE **MAR 3 - 1986**

CONDITIONS OF APPROVAL, IF ANY:

Orig. + 20 to:
000-50000-466186

OIL CONSERVATION DIVISION

P. O. BOX 2088

NTA FE, NEW MEXICO 87501

Form C-103
Revised 10-

NO. OF EXPLORATION PERMITS		
DISTRIBUTION		
DATE		
FILE		
U.S.C.S.		
LAND OFFICE		
OPERATOR		

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.)

30. Indicate Type of Lease
State ☐ Fee ☒
3. State Oil & Gas Lease No.
N/A
7. Unit Agreement Name
N/A
8. Farm or Lease Name
Max Gutman
9. Well No.
5
10. Field and Pool, or Wildcat
Drinkard/Granite Wash
12. County
Lea

DIL WELL ☒	CAD WELL ☐	OTHER ☐
Name of Operator		
Hanson Operating Company, Inc.		
Address of Operator		
P. O. Box 1515, Roswell, New Mexico 88202-1515		
Location of Well		
UNIT LETTER	N	640
FEET FROM THE		South
LINE AND		1650
FEET FROM		
West	LINE, SECTION	19
TOWNSHIP		22S
RANGE		38E
NMPM.		
15. Elevation (Show whether DF, RT, CR, etc.)		
3358' KB		

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

OWN REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
ORABLY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPER. ☐	PLUG AND ABANDONMENT ☐
OR ALTER CASING ☐		CASING TEST AND CEMENT JOB ☐	
Re-open & produce Blinebry zone ☒		OTHER ☐	

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed operations.) SEE RULE 1103.

It is proposed to remove the production packer set @ 5728', which is isolating the Blinebry perforations (5489-5671') from the Drinkard perforations (6392-6963') and the Granite Wash perforations (7356-7391').

A retrievable bridge plug will be set @ 5728', temporarily abandoning the Drinkard and Granite Wash mentioned above. The production string will be run into the hole and we will produce from the existing Blinebry perforations.

We will apply for a downhole commingling permit when the Blinebry production declines sufficiently to make room for production from the other zones, according to Order #303-C.

NOTE: As per conversation with NMOC, it is our understanding that Chevron has applied to plug and abandon the Blinebry formation in their Gutman #1 well, which is located in Unit N, Sec.19,T.22S,R.38E, Lea County, New Mexico.

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

<u>Brenda R. Godfrey</u>	TITLE	Production Analyst	DATE	12/09/87
ORIGINAL SIGNED BY JERRY SEXTON				
DISTRICT I SUPERVISOR				
ED BY	TITLE		DATE	DEC 11 1987
CTIONS OF APPROVAL, IF ANY:				

DISTRIBUTION		
SANTA FE		
FILE		
U.S.O.B.		
LAND OFFICE		
OPERATOR		

ONE CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-10
Revised 10

3a. Indicate Type of Lease	
State ☐	Fee ☐
3. State Oil & Gas Lease No.	
N/A	

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.)

DIL WELL ☒ CAR WELL ☐ OTHER ☐

7. Unit Agreement Name
N/A

8. Farm or Lease Name
Max Gutman

9. Well No.
5

10. Field and Pool, or Wildcat
Blinebry

11. Elevation (Show whether DF, RT, CR, etc.)
3358' KB

12. County
Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK	☐
TEMPORARILY ABANDON	☐
PLUG OR SEALER CASING	☐
OTHER	☐

PLUG AND ABANDON	☐
CHANGE PLANS	☐
OTHER	☐

REMEDIAL WORK	☐
COMMENCE DRILLING OPER.	☐
CASING TEST AND CEMENT JOB	☐
OTHER	☐

ALTERING CASING	☐
PLUG AND ABANDONMENT	☐

Re-open & produce Blinebry zone

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.

Removed packer set @ 5728'.
Set a packer @ 5759' with a bull plug to isolate Drinkard perforations (6392-6963') & Granite Wash perforations (7356-7391').
Ran in with production tubing. SN set @ 5954' to produce the Blinebry perforations at 5489-5671'.

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

Brenda K. Hodges

TITLE Production Analyst

DATE December 28, 1988

ORIGINAL SIGNED BY JERRY SEXTON

DISTRICT SUPERVISOR

TITLE

DATE

JAN - 7 1988

CONDITIONS OF APPROVAL, IF ANY:

WELL HISTORY REPORT

OPERATOR: Ernest A. Hanson

NO. & LEASE: #5 Max Gutman

LOCATION: 640' FSL & 1650' FWL
Sec. 19, T-22-S, R-38-E, N.M.P.M.
Lea County, New Mexico

FIELDS: Drinkard
Undesignated Granite Wash

ELEVATION: 3358' Kelly Bushing (logs measured from KB)
3346' Ground Level

DRILLING CONTRACTOR: Roy H. Smith Drilling Co.
Wichita Falls, Texas

TYPE RIG: Rotary - National "50"

DRILLING COMMENCED: March 16, 1968

DRILLING COMPLETED: April 6, 1968

WELL COMPLETED: April 23, 1968

CASING PROGRAM: 8-5/8" @ 1180' w/450 sx. reg. cmt. + 2% CaCl
(Cmt. circ. to surf.)
5-1/2" @ 7447' w/425 sx. Incor + 6% NaCl + 5# sand per
sx. cmt.

TOTAL DEPTH: 7447' Granite Wash

P.B. TOTAL DEPTH 7419'

TOP OF CEMENT: (from temperature survey)

DRILL STEM TESTS: DST #1 @ 7341-7447': op. 1 hr. w/weak blow for 19 min.
and quit. Rec. 90' drilling fluid + 112' cutting
in D.C.'s. Tool plugged. 1 hr. ISIP 2946#.
FP 229-2942#. 2 hr. FSIP 2947#. Unsuccessful test.

CORES: Core #1 @ 2538-2552': rec. 6' being 2' gray sandy shale +
4' light gray dolomite, NS.

LOGS: GR-Den-Cal (Welex)
GR-N perforating log (Welex)
Temperature Survey (West Engineering Co.)

PERFORATIONS: UPPER DRINKARD Perforations:
1 - 3/8" jet per foot @ 6392', 6398', 6411', 6421', 6433',
6441', 6451', 6460' & 6468'.
LOWER DRINKARD Perforations:
1 - 3/8" jet per foot @ 6505', 6511', 6523', 6528', 6535',
6543', 6549' & 6558'.
VIVIAN Perforations:
1 - 3/8" jet per foot @ 6671, 6688', 6697', 6715', 6728',
6741', 6750', 6765', 6781', & 6796'.
ANDREWS Perforations:
1 - 3/8" jet per foot @ 6855', 6862', 6875', 6885', 6891',
6903', 6917', 6928', 6945', 6953' & 6963'.
GRANITE WASH Perforations:
1 - 0.50" jet per foot @ 7356', 7366', 7373', 7386' & 7391'.

TREATMENT:

Granite Wash Perforations @ 7356-7391'.

Treatment #1: Acidized w/1000 gals. 15% DS-30 acid via 3-1/2" tubing below HOWCO RTTS packer. Formation broke @ 4400 psi. ISDP @ 2800 psi. 10 min. SIP 2400 psi. Swabbed back load and acid and swabbed dry.

Treatment #2: Acidized w/5000 gals. 15% DS-30 acid via 3-1/2" tubing using ball sealers below a HOWCO RTTS packer. Swabbed back load and approximately 15 bbls. acid water when well commenced to swab 100% oil. After several swab runs and well cleaned up, well swabbed 35 barrels of oil in one hour and could not swab below 4200 feet from surface.

Andrews Perforations @ 6855-6963'.

Frac with 2500 gals. 15% DS-30 acid + 20,811 gals. lease oil + 1/2 lbs. sand per gal. via 3-1/2" tubing limited entry between HM straddle packers. Attempted to frac with 3/4 lbs. sand but treatment began screening-out. ISDP @ 3100 psi. Frac rate @ 15.8 BOPM.

Vivian Perforations @ 6671-6796'.

Frac with 2500 gals. 15% DS-30 acid + 20,811 gals. lease oil + 1/2 lbs. sand per gal via 3-1/2" tubing limited entry between HM straddle packers. ISDP @ 3000 psi. Frac rate @ 14.0 BOPM.

Lower Drinkard Perforations @ 6505-6558'.

Frac with 2500 gals 15% DS-30 acid + 20,811 gals. lease oil + 3/4 lbs. sand per gal. via 3-1/2" tubing limited entry between HM straddle packers. ISDP @ 2800 psi. Frac rate @ 16.9 BOPM.

Upper Drinkard Perforations @ 6392-6468'.

Frac with 2500 gals. 15% DS-30 acid + 20,811 gals. lease oil + 1 lb. sand per gal. via 3-1/2" tubing limited entry between HM straddle packers. ISDP @ 2400 psi. Frac rate @ 20.6 BOPM.

POTENTIAL:

Drinkard (6392-6963') IPF 260 BOPD.

Granite Wash (7356-7391') IPF 840 BOPD.

OIL PURCHASER:

Texaco, Inc.
Midland, Texas

GAS PURCHASER:

Warren Petroleum Corporation
Tulsa, Oklahoma

WELL STATUS:

Producing oil well.

GEOLOGICAL FM. TOPS:

Top of Anhydrite	1158 = +2200
Top of Salt	1255 = +2103
Base of Salt	2496 = + 862
Top of Yates	2540 = + 818
Top of Queen	3365 = - 7
Top of Penrose	3517 = - 159
Top of Means Sand	3687 = - 329
Top of Grayburg	3718 = - 360
Top of Premier Sand	3897 = - 539
Top of San Andres	3945 = - 587
Top of McKnight	5087 = -1729
Top of Glorietta	5111 = -1753
Top of Paddock	5138 = -1780
Top of Blinebry	5480 = -2122
Top of Middle Blinebry	5560 = -2202
Top of Lower Blinebry	5847 = -2489

GEOLOGICAL FM. TOPS CONT'D.

Top of Tubb	6062 = -2704
Top of Drinkard	6270 = -2912
Top of Abo	6568 = -3210
Top of Vivian	6661 = -3303
Top of Andrews	6852 = -3494
Top of Granite Wash	7352 = -3994

ERNEST A. HANSON


Harry F. Schram
Exploration Manager



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

'90 NOV 1 AM 9 13

10-28-90

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC
DHC ☒
NSL
NSP
SWD
WFX
PMX

Gentlemen:

I have examined the application for the:

Hanson Operating Co. Inc. Gray Gutman #5-N 19-22-38
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed