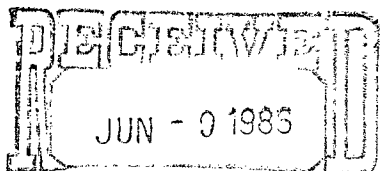


Release June 29, 1986

By DRC



June 6, 1986

ASL-2274
RULE-R-2807-A
Order No. (2)

Hospah Sand Pool
40 acres delineated
SF 1/4 SW 1/4 Sect 36

Mr. Dick Staments
Oil Conservation Division
Box 2088
Santa Fe, New Mexico 87501

330 Feet from the South line
~~2590~~ feet from the West line

RE: Application for administrative approval for an unorthodox location - Hospah Sand Unit #15, Unit N, Sec 36 T18N, R9W McKinley Co., New Mexico

Dear Mr. Staments:

The attached waterflood orders indicate administrative approval may be obtained for necessary unorthodox locations. Although this well is anticipated to be completed in the Lower Sand, I thought the order would be important.

The reason for the unorthodox location is because the proposed deepening is inside the existing wellbore of the Hospah Sand Unit #15 which was originally an unorthodox location. We believe the Lower Hospah Sand may be productive in this area of the field. I have included a map showing the area making up our Hospah Sand Unit. Also, the #15 well is spotted. As you can see, correlative rights will not be violated by this approval. I have also included a copy of the original plot on the Notice Of Intention to Drill and a copy of the completion reports for the original well.

Also, included are other data and information required by the Commission under Rule 104.

If additional information is necessary, call me at the telephone number below.

Sincerely,

Gavino Perez
Area Production Manager

GP/jal

Attachment:

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

Form C-101
Revised 10-1-78

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.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL ☒ GAS WELL ☐ OTHER ☐ DEEPEEN ☒ PLUG BACK ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐		7. Unit Agreement Name Hospah Sand Unit 8. Farm or Lease Name -----
2. Name of Operator Tesoro Petroleum Corporation		9. Well No. 15
3. Address of Operator 8700 Tesoro Drive San Antonio, Texas 78286		10. Field and Pool, or Wildcat Hospah Upper Sand
4. Location of Well UNIT LETTER <u>N</u> LOCATED <u>2310</u> FEET FROM THE <u>North</u> LINE AND <u>50</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>36</u> TWP. <u>18N</u> RGE. <u>9W</u> NMPM		12. County McKinley
21. Elevations (Show whether DF, RT, etc.) 6,730' GL		21A. Kind & Status Plug. Bond Blanket - Current
21B. Drilling Contractor Company Rig		20. Rotary or C.T. Rotary
22. Approx. Date Work will start March 24, 1986		

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
8 5/8 "	7	13# - 24#/Ft.	1,626'	100 Sk.	
6 1/4"	4 1/2	9.5	1,730'	100 Sk.	500'

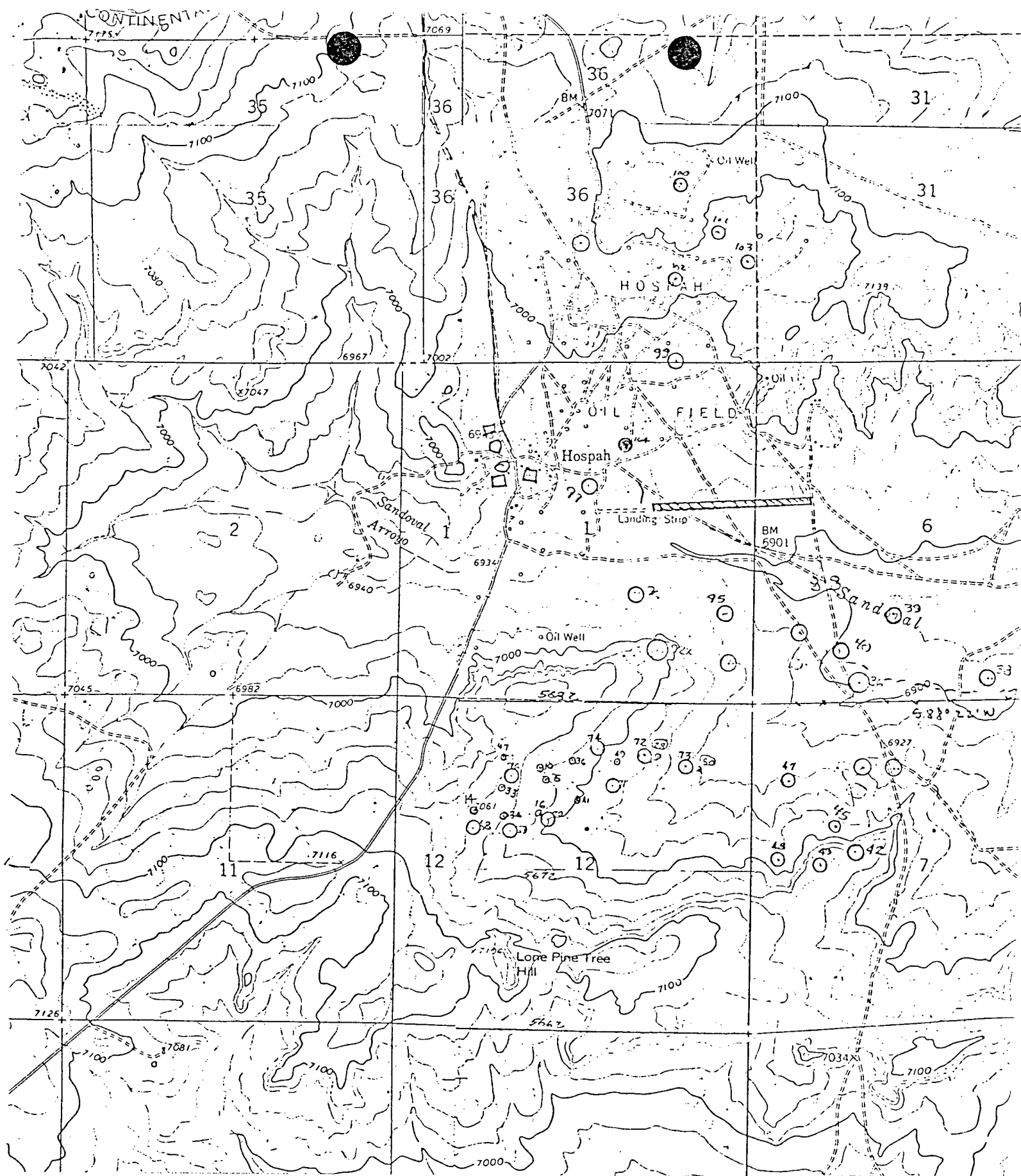
Tesoro proposes to deepen this well into the Lower Hospah Sand. When well has been deepened we will run 4 1/2" casing to a TD of 1730'. Well will be cemented with 100 sacks of cement. We expect to make an oil producer from this deeper section. This well is currently completed as an open hole completion in the Upper Hospah Sand.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Gavino Perez Title Area Production Manager Date Mar. 5, 1986
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:



VICINITY MAP FOR
 TESORO PETROLEUM CORPORATION #15 HOSPAH SAND UNIT
 2310 FNL 50' FWL SW 1/4 SEC 36-T18N-R9W
 McKinley County, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

NOTICE OF INTENTION TO DRILL

Notice must be given to the Oil Conservation Commission or its proper agent and approval obtained before drilling begins. If changes in the proposed plan are considered advisable, a copy of this notice showing such changes will be returned to the sender. Submit this notice in triplicate. One copy will be returned following approval. See additional instructions in Rules and Regulations of the Commission.

Thoreau, New Mexico

July 21, 1941

OIL CONSERVATION COMMISSION,
Santa Fe, New Mexico,

Gentlemen:

You are hereby notified that it is our intention to commence the drilling of a well to be known as

Petroleum Products Corporation -- StateWell No. 15 in SE 1/4 of SW 1/4

Company or Operator

Lease

of Sec. 36, T. 15 N, R. 9 W, N. M. P. M., Hesper Field, McKinley County.The well is 330 feet (N.) 55 of the South line and 50 feet00 (W.) of the East line of SE 1/4 of SW 1/4 of Section 36.

(Give location from section or other legal subdivision lines. Cross out wrong directions.)

If state land the oil and gas lease is No. 285 662 Assignment No. _____

If patented land the owner is _____

Address _____

If government land the permittee is _____

Address _____

The lessee is Petroleum Products CorporationAddress Thoreau, New MexicoWe propose to drill well with drilling equipment as follows: Rotary

The status of a bond for this well in conformance with Rule 39 of the General Rules and Regulations of the Commission is as follows: Petroleum Products Corporation --- Blanket Bond

We propose to use the following strings of casing and to land or cement them as indicated:

Size of Hole	Size of Casing	Weight Per Foot	New or Second Hand	Depth	Landed or Cemented	Sacks Cement
<u>8-3/4</u>	<u>7" O.D.</u>	<u>22 lb.</u>	<u>Used</u>	<u>1600</u>	<u>cemented</u>	<u>100 sacks</u>

If changes in the above plan become advisable we will notify you before cementing or landing casing. We estimate that the first productive oil or gas sand should occur at a depth of about 1630 feet.

Additional information:

Approved _____, 19____
Except as follows:

Sincerely yours,

Petroleum Products Corporation
Company or Operator

By _____

Glen W. AtterburyPosition President

Send communications regarding well to

Name Petroleum Products CorporationAddress Thoreau, New Mexico

OIL CONSERVATION COMMISSION,

By _____

Title _____

Santa Fe, New Mexico

[illegible]

WELL RECORD

Mail to Oil Conservation Commission, Santa Fe, New Mexico, or its proper agent not more than twenty days after completion of well. Follow instructions in the Rules and Regulations of the Commission. Indicate questionable data by following it with (?). **SUBMIT IN TRIPLICATE.**

AREA 640 ACRES - ONE
LOCATE WELL CORRECTLY

Petroleum Products Corporation State

beroo : bno Company or Operator 9 Lease

R. **9W** _____, N. M. P. M.

Hospah

1943.

McKinley

Lease

9. 2007

County.

Well is **2510** feet south of the North line and **50** feet west of the East line of **Sec. 36**

If State land the oil and gas lease is No. 226 Assignment No. 001

If patented land the owner is _____, Address _____

If Government land the permittee is John Doe, Address 1234

The Lessee is **Petroleum Products Corporation**, **Thoreau, New Mexico**

Drilling commenced	7-15	1941	Drilling was completed	7-28	1941
--------------------	------	------	------------------------	------	------

Name of drilling contractor **Petroleum Products Corporation**, Address **Thoreau, N. M.**

Elevation above sea level at top of casing: 6730.1 feet.

The information given is to be kept confidential until _____ 19__

OIL SANDS OR ZONES

No. 1. from 433 to 443 No. 4. from _____ to _____

No. 2. from **1626** to **1673** 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.

CASING RECORD

[illegible]

MUDDING AND CEMENTING RECORD

SIZE OF HOLE	SIZE OF CASING	WHERE SET	NO. SACKS OF CEMENT	METHOD USED	MUD GRAVITY	AMOUNT OF MUD USED
8 $\frac{3}{4}$ "	7" O.D.	1626'	100 sacks	Incor - pump		

PLUGS AND ADAPTERS

Hearing plug—Material_____Length_____Depth Set_____

Adapters—Material _____ Size _____

RECORD OF SHOOTING OR CHEMICAL TREATMENT

SIZE	SHELL USED	EXPLOSIVE OR CHEMICAL USED	QUANTITY	DATE	DEPTH SHOT OR TREATED	DEPTH CLEANED OUT
------	------------	-------------------------------	----------	------	--------------------------	-------------------

FOI-0 14804-

FROM	TO	THICKNESS IN FEET	FORMATION
0	20	20	Hard sand rock
20	100	80	Sand and red shale
100	183	83	Sand and blue shale
183	345	162	Hard sand and shells
345	417	72	Sand and shale
417	426	9	Hard sand
426	433	7	Shale
433	443	10	Oil sand: Cored--small showing oil
443	449	6	Sand and shells: cored
449	453	4	Soft sand: cored
453	462	9	Medium soft sand; cored
462	488	26	Hard sand and shells
488	493	5	Sand
493	698	205	Sand and shells
698	757	59	Hard gray sand
757	857	100	Shale, sand and shells
857	985	128	Shale
985	1022	37	Gray sand
1022	1233	211	Shale, sand and shells
1233	1480	247	Shale and sand
1480	1520	40	Hard sand and shale breaks
1520	1626	106	Shale
1626	1675	49	Oil sand cored.
1675	1677	2	Shale cored
1677			Total depth.

MUDDING AND CEMENTING RECORD

SIZE OF HOLE	SIZE OF CASING	WHERE SET	NO. SACKS OF CEMENT	METHOD USED	MUD GRAVITY	AMOUNT OF MUD USED
8 1/2"	7" O.D.	1826'	100 sacks	Incor - pump		

PLUGS AND ADAPTERS

Heaving plug—Material _____ Length _____ Depth Set _____

Adapters—Material _____ Size _____

RECORD OF SHOOTING OR CHEMICAL TREATMENT

SIZE	SHELL USED	EXPLOSIVE OR CHEMICAL USED	QUANTITY	DATE	DEPTH SHOT OR TREATED	DEPTH CLEANED OUT

Results of shooting or chemical treatment _____

RECORD OF DRILL-STEM AND SPECIAL TESTS

If drill-stem or other special tests or deviation surveys were made, submit report on separate sheet and attach hereto.

TOOLS USED

Rotary tools were used from _____ feet to _____ feet, and from _____ feet to _____ feet.

Cable tools were used from _____ feet to _____ feet, and from _____ feet to _____ feet.

PRODUCTION

Put to producing **7-23** **41**, 19____

The production of the first 24 hours was **30** barrels of fluid of which **86** % was oil; _____ %

emulsion; _____ % water; and **155.9.W** % sediment. Gravity, Be **30.0**

If gas well, cu. ft. per 24 hours _____ Gallons gasoline per 1,000 cu. ft. of gas _____

Rock pressure, lbs. per sq. in. _____

EMPLOYEES

W.A. Cooper

B. Jackson

C. Small

Driller

Driller

Driller

Driller

FORMATION RECORD ON OTHER SIDE

I hereby swear or affirm that the information given herewith is a complete and correct record of the well and all work done on it so far as can be determined from available records.

Frewitt, N. H.

10.11.41

Subscribed and sworn to before me this _____

Place

Date

day of _____, 19____

Name **Olen W. Atterbury**
President

Position

Representing

Petroleum Products Corporation

Thoreau, New Mexico

Notary Public

My Commission expires _____

Address _____