

PNR M0803537671

C-103 Received 11-13-2007  
DHC No. Assigned 2-1-2008

Order Number		API Number	Operator		County	
HOB-0236		30-025-31096	Hanson Operating Co, Inc.		Lea	
Order Date		Well Name		Number	Location	
		Max Gutman		010	F 19	22S 38E
					UL Sec	T (+Dir) R (+Dir)
				Oil %	Gas %	
Pool 1	60240	Tubb Oil & Gas (Oil)		20%	36%	
Pool 2	09900	Brunson Drinkard Abo, South		80%	64%	
Pool 3						
Pool 4						
Comments: Work completed effective _____ Work cancelled effective _____						

Posted to  
RBM &  
2-4-2008

30-025-31096

HOB-0236

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Hanson Operating Co. Inc.

PROPERTY NAME: Max Gutman

WNULSTR: 10-F, 19-22-38

SECTION I:	ALLOWABLE AMOUNT	
60240 POOL NO. 1 <u>Tubb Oil &amp; Gas (Oil)</u>	<u>142</u>	<u>284</u> MCF 2000
07900 POOL NO. 2 <u>Brunson Drinkard Akg, South</u>	<u>142</u>	<u>852</u> MCF 6000
POOL NO. 3 _____	_____	_____ MCF
POOL NO. 4 _____	_____	_____ MCF
	<b>POOL TOTALS</b>	<u>284</u> <u>1136</u>

SECTION II:	Oil	Gas
POOL NO. 1 <u>Tubb Oil &amp; Gas (Oil)</u>	<u>20%</u>	<u>36%</u>
POOL NO. 2 <u>Brunson Drinkard Akg, South</u>	<u>80% X 284 = 227.20</u>	<u>64%</u>
POOL NO. 3 _____	_____	_____
POOL NO. 4 _____	_____	_____

<u>OIL</u>	<u>GAS</u>
SECTION III: <u>142 ÷ 80% = 177.50 (178)</u>	_____
SECTION IV: <u>178 X 20% = 35.60 (36)</u>	_____
<u>178 X 80% = 142.40 (142)</u>	_____
_____	_____
_____	_____

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 100 S. St. Francis Dr., Santa Fe, NM 87505

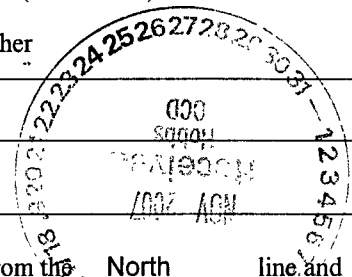
State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 May 27, 2004

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-025-31096
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.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		7. Lease Name or Unit Agreement Name Max Gutman
2. Name of Operator Hanson Operating Company, Inc.	8. Well Number #10	9. OGRID Number 009974
3. Address of Operator P. O. Box 1515, Roswell, NM 88202-1515	10. Pool name or Wildcat Tubb and South Brunson Drinkard Abo	
4. Well Location Unit Letter <u>F</u> : <u>2310</u> feet from the <u>North</u> line and <u>1650</u> feet from the <u>West</u> line Section <u>19</u> Township <u>22 South</u> Range <u>38 East</u> NMPM Lea County	11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3339.5' GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		



12. 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"/>	P AND A <input type="checkbox"/>
WELL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: DHC Approval <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. 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 recompletion.

Hanson Operating hereby requests approval to Downhole Commingle the 7900 Brunson Drinkard and 60240 Abo, South Tubb Pools in the Pre-Approved Pools, Division Order #R-11363.

1. Drinkard perforations: 6470'-6587'; 6665'-6967'; 7039'-7336'. Tubb perforations: 6222'-6257'; 6096'-6176'. RBP at 6300'.
2. Each zone was isolated and flowed back for 24 hours to establish rate. (Drinkard 16 BO) <sup>80%</sup> (32 MCF) <sup>64%</sup> 2 BW; Tubb 4 BO, 18 MCF, 7 BW.
3. Commingling will not reduce the value of the total remaining production since the fluids are compatible with like pressures that will not result in damage to the pools.
4. All interest owners are identical in each pool.
5. Located on Fee lands. Copies were not provided to the Commissioner of Public Lands or the BLM.

DHC Order No. HOB-0236

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE Carol J. Smith TITLE Production Analyst DATE 11/08/2007

Type or print name Carol J. Smith E-mail address: hanson@dfn.com Telephone No. 505-622-7330  
 State Use Only FEB 0 1 2008

APPROVED BY: Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE \_\_\_\_\_  
 Conditions of Approval (if any): \_\_\_\_\_

District Office  
 State License - 4 copies  
 Fee License - 3 copies

CLERK, MINERAL AND LAND SURVEYING DEPARTMENT

Revised 1-1-89

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

DISTRICT I  
 P.O. Box 1900, Hobbs, NM 88240

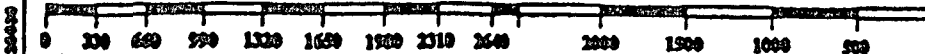
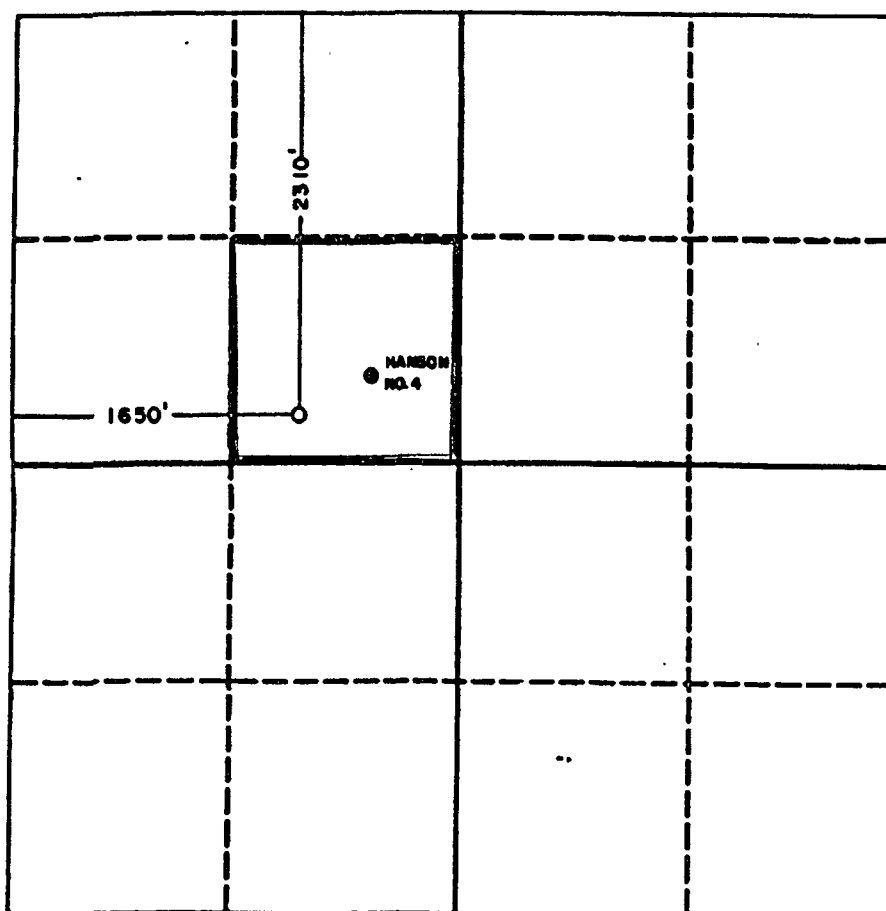
DISTRICT II  
 P.O. Drawer 810, Aztec, NM 88210

DISTRICT III  
 1600 Elie Springs Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 All Distances must be from the outer boundaries of the section

Operator <b>HANSON OPERATING CO.</b>			Lessee <b>MAX GUTHAN</b>		Well No. <b>10</b>
Unit Letter <b>F</b>	Section <b>19</b>	Township <b>22 SOUTH</b>	Range <b>38 EAST</b>	County <b>NMEM LEA</b>	
Actual Footage Location of Well:					
2310 feet from the NORTH line and		1650 feet from the WEST line			
Ground level Elev. <b>3339.5</b>	Producing Formation <b>TUBB</b>		Pool <b>TUBB OIL &amp; GAS</b>		Dedicated Acreage <b>40 Acres</b>

- Outline the acreage dedicated to the subject well by colored pencil or indelible marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
  - Yes     No    If answer is "yes" type of consolidation \_\_\_\_\_
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)  
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**  
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
*Carol J. Smith*

Printed Name  
 Carol J. Smith

Position  
 Production Analyst

Company  
 Hanson Operating Co., Inc.

Date  
 1/25/2007

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**SURVEYOR CERTIFICATION**  
 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 knowledge and belief.

Date Surveyed  
 12-3-90

Signature & Seal of Professional Surveyor

License No. JOHN W. WEST 676  
 RONALD J. GIBSON 3239

# OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1500, Hobbs, NM 88240

DISTRICT II  
P.O. District DD, Aztec, NM 88210

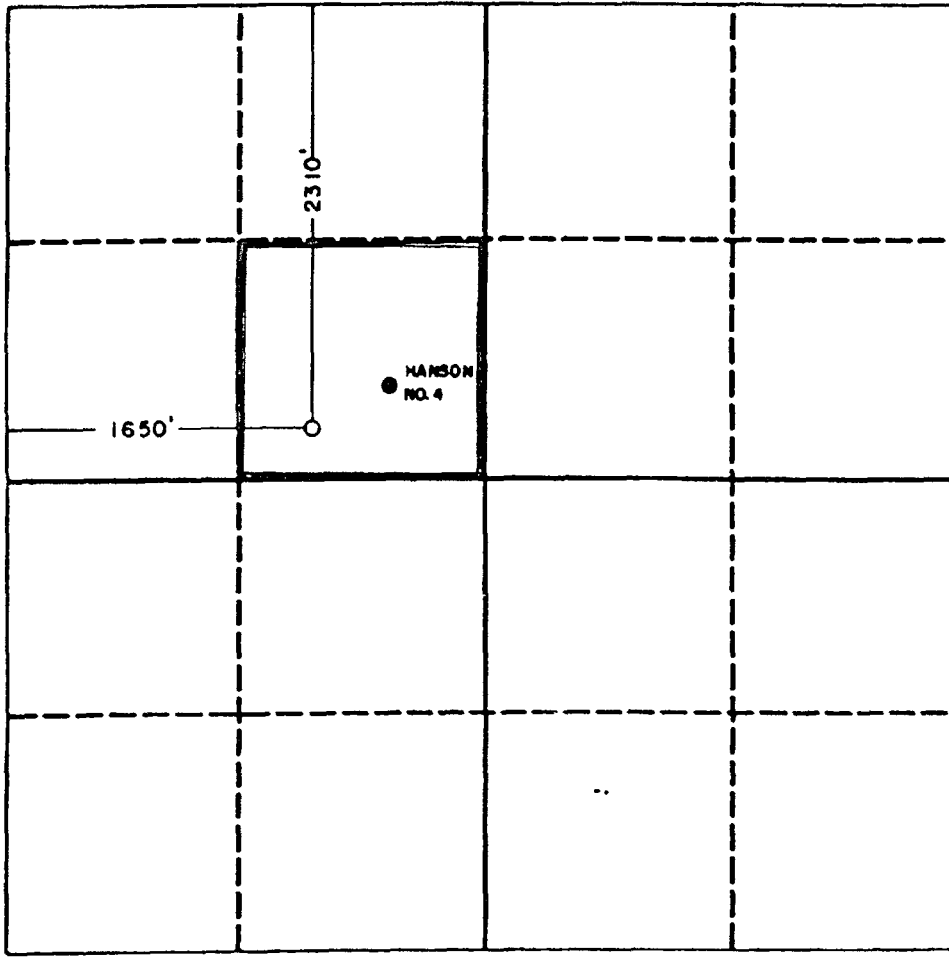
DISTRICT III  
1000 Elia Avenue Rd., Aztec, NM 87410

## WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>HANSON OPERATING CO.</b>			Lease <b>MAX GUTMAN</b>		Well No. <b>10</b>
Unit Lease <b>F</b>	Section <b>19</b>	Township <b>22 SOUTH</b>	Range <b>38 EAST</b>	County <b>LEA</b>	
Actual Footings Location of Well: <b>2310</b> feet from the <b>NORTH</b> line and <b>1650</b> feet from the <b>WEST</b> line					
Ground level Elev. <b>3339.5</b>		Producing Formation <b>Drinkard</b>	Pool <b>Brunson Drinkard-Abo, South</b>		Dedicated Acreage: <b>40</b> Acres

- Outline the acreage dedicated to the subject well by colored pencil or inkhouse marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
  - Yes       No      If answer is "yes" type of consolidation \_\_\_\_\_
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)  
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



### OPERATOR CERTIFICATION

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

Signature  
*Brenda R. Godfrey*

Printed Name  
**Brenda R. Godfrey**

Position  
**Production Analyst**

Company  
**Hanson Operating Co., Inc.**

Date  
**03/20/91**

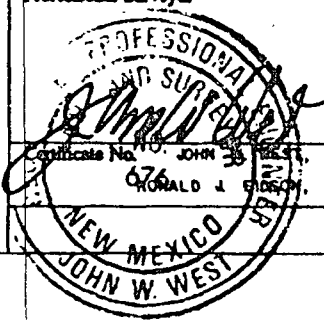
### SURVEYOR CERTIFICATION

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 knowledge and belief.

Date Surveyed  
**12-3-90**

Signature & Seal of Professional Surveyor  
*Ronald J. Storch*

Certificate No. **JOHN W. WEST**      676  
**RONALD J. STORCH**      3239



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