

**District I**  
1625 N French Dr, Hobbs, NM 88240  
Phone (575) 393-6161 Fax (575) 393-0720  
**District II**  
811 S First St, Artesia, NM 88210  
Phone (575) 748-1283 Fax (575) 748-9720  
**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone (505) 334-6178 Fax (505) 334-6170  
**District IV**  
1220 S St Francis Dr, Santa Fe, NM 87505  
Phone (505) 476-3460 Fax (505) 476-3462

**State of New Mexico**  
**Energy Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 South St. Francis Dr.**  
**Santa Fe, NM 87505**

Form C-101  
Revised December 16, 2011

Permit

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address <b>Dan A. Hughes Company, L.P.</b> <b>P. O. Box 669, Beeville, TX 78104-0669</b> <b>208 E. Houston Street, Beeville, TX 78102</b>		<sup>2</sup> OGRID Number <b>251054</b>
		<sup>3</sup> API Number <b>30-023-20016</b>
<sup>4</sup> Property Code <b>39224</b>	<sup>5</sup> Property Name <b>Big Hatchet North Unit 25 State</b>	<sup>6</sup> Well No. <b>1</b>

<sup>7</sup> Surface Location									
UL - Lot <b>G</b>	Section <b>25</b>	Township <b>30S</b>	Range <b>17W</b>	Lot Idn	Feet from <b>660'</b>	N/S Line <b>N</b>	Feet From <b>4620'</b>	E/W Line <b>E</b>	County <b>Hidalgo</b>

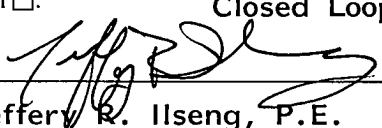

<sup>8</sup> Pool Information	
<b>WC: Porcha Shale</b>	<b>97660</b>

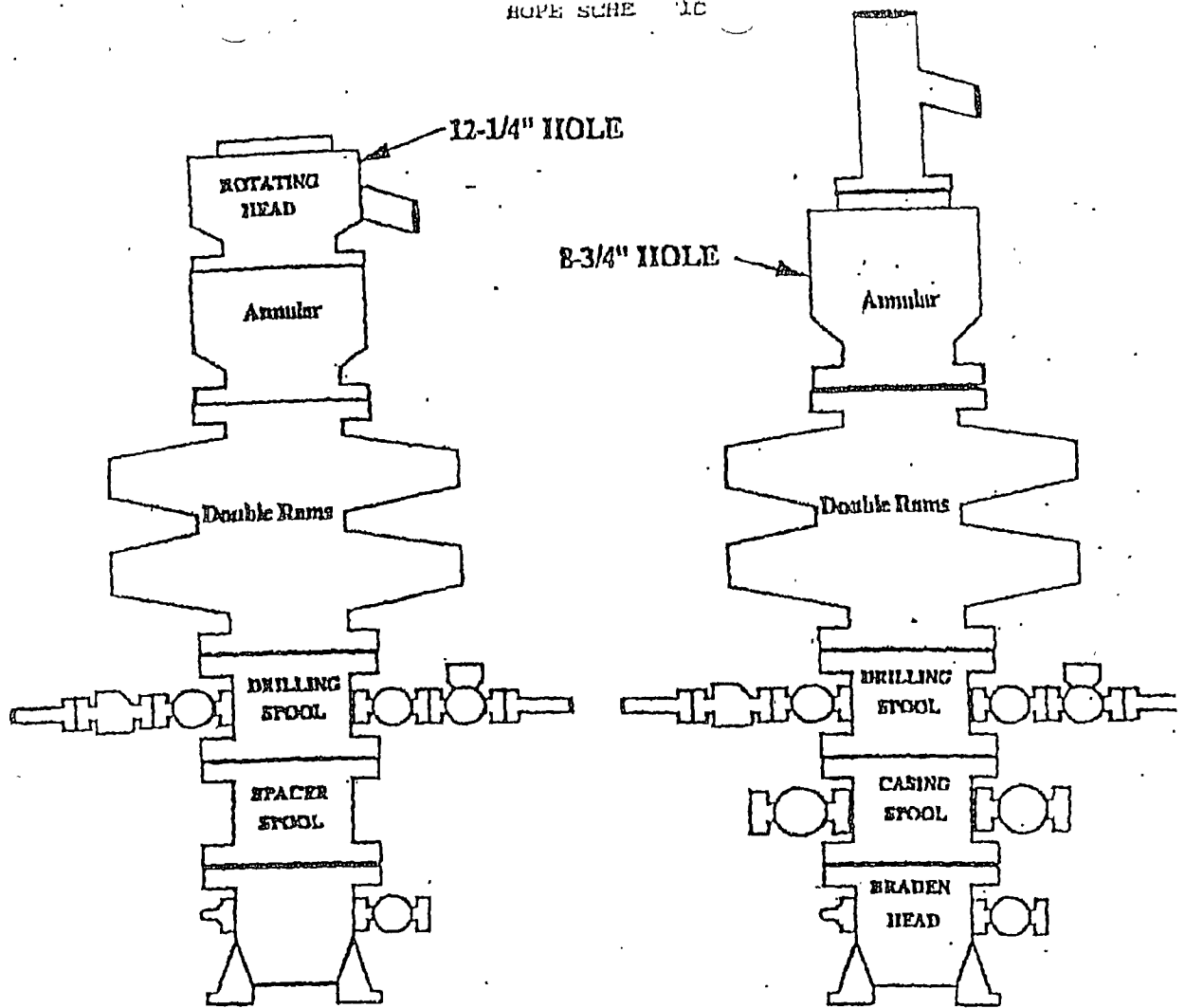
Additional Well Information				
<sup>9</sup> Work Type <b>N</b>	<sup>10</sup> Well Type <b>G</b>	<sup>11</sup> Cable/Rotary <b>Cable</b>	<sup>12</sup> Lease Type <b>S</b>	<sup>13</sup> Ground Level Elevation <b>4494.32'</b>
<sup>14</sup> Multiple <b>No</b>	<sup>15</sup> Proposed Depth <b>7000'</b>	<sup>16</sup> Formation <b>Percha Shale</b>	<sup>17</sup> Contractor	<sup>18</sup> Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

<sup>19</sup> Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
	<b>12-1/4"</b>	<b>9-5/8"</b>	<b>36#, J-55 LT&amp;C</b>	<b>800'</b>		<b>Surface</b>
	<b>7-7/8"</b>	<b>5-1/2"</b>	<b>17#, J-55 LT&amp;C</b>	<b>7000'</b>		<b>5000'</b>

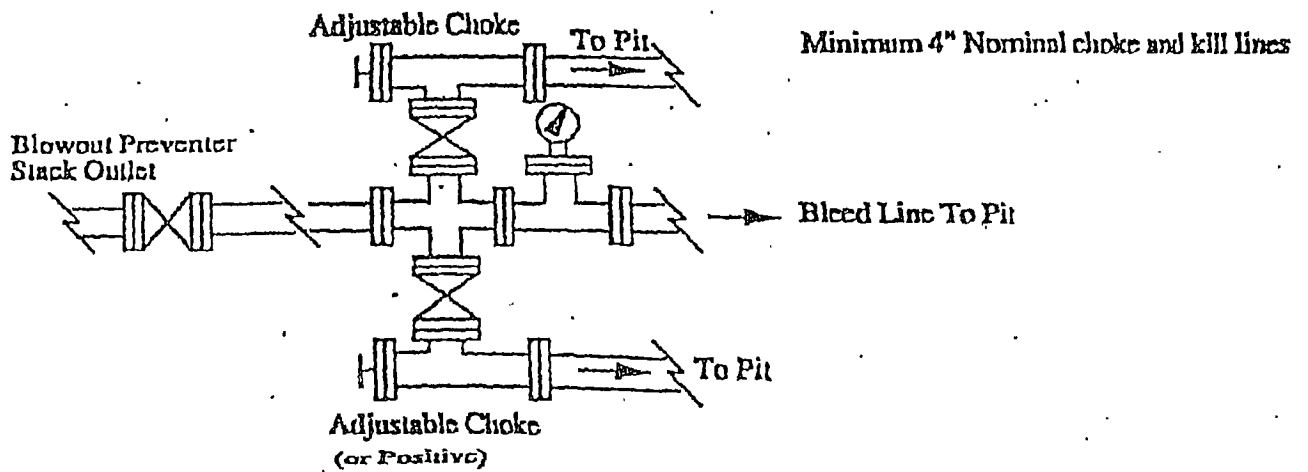
Casing/Cement Program: Additional Comments	<b>RECEIVED</b>
	<b>MAY 17 2012</b>

Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	<b>NMOCD ARTESIA</b>
<b>Double Ram &amp; Annular</b>	<b>3000#</b>	<b>3000#</b>	<b>Schaffer</b>

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input checked="" type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . <p align="center"><b>Closed Loop</b></p>		<b>OIL CONSERVATION DIVISION</b>	
Signature:  Printed name: <b>Jeffery R. Iiseng, P.E.</b> Title: <b>Operations Manager</b> E-mail Address: <b>jeffi@dahughes.net</b> Date: <b>5/17/2012</b>		Approved By:  Title: <b>Geologist</b> Approved Date: <b>5/17/2012</b> Expiration Date: <b>5/17/2014</b> Conditions of Approval Attached: <b>Provide sundry w/cementing procedure for both strings of casing prior to drilling well</b>	
Phone: <b>361/358-3752</b>			

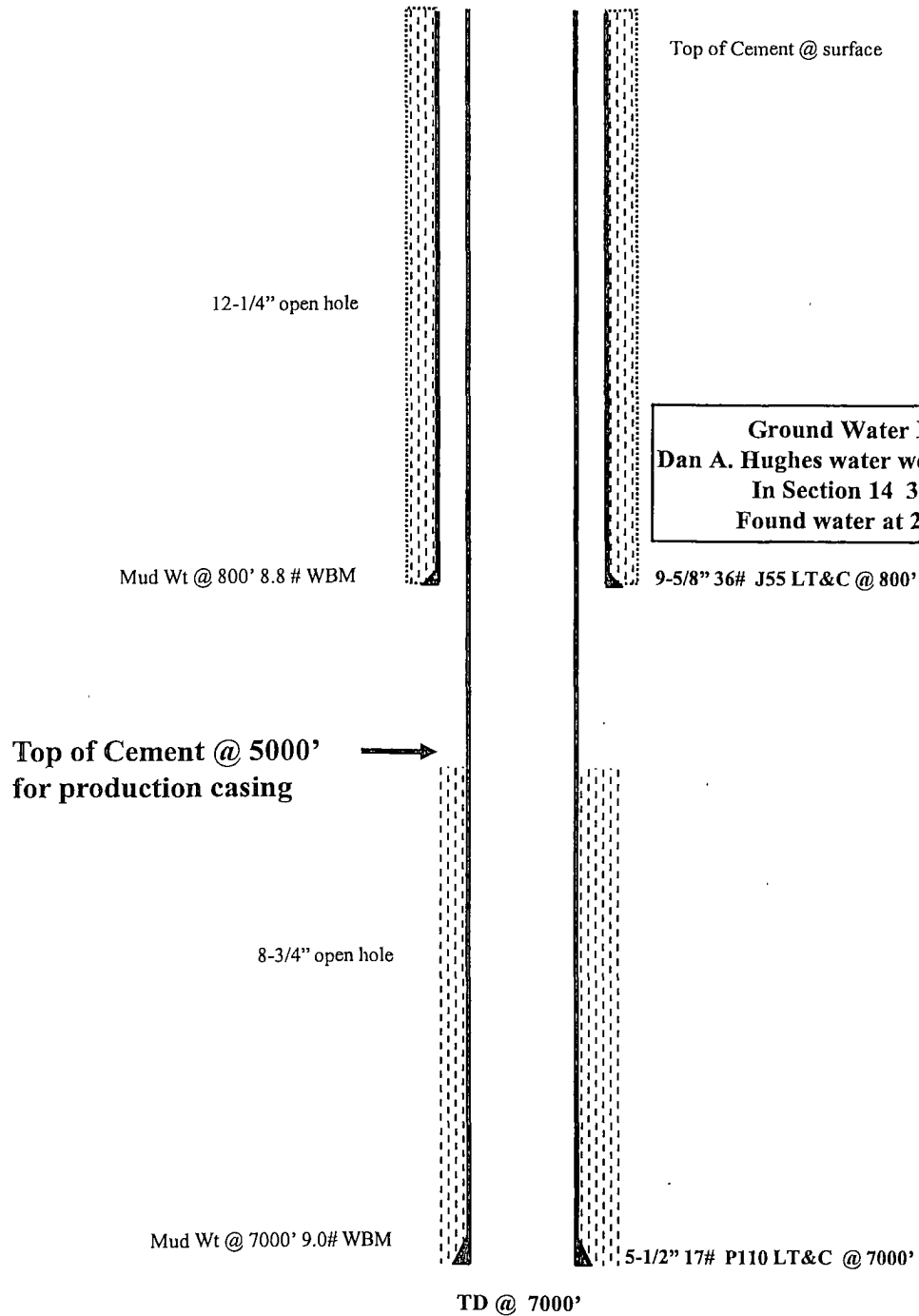


Choke Manifold Requirement (3000 psi WP)



**PROPOSED  
WELLBORE SCHEMATIC**

Elev: 4494.32' GL



**Ground Water Depths:**  
**Dan A. Hughes water well drilled 1/3/11**  
**In Section 14 30S17W**  
**Found water at 286'-300'**

**DAN A. HUGHES COMPANY, L.P.**

BIG HATCHET NORTH UNIT 25 STATE #1  
Section 25- 30S17W WILDCAT/PERCHA SHALE

HIDALGO COUNTY, NEW MEXICO  
BY: JEFF ILSENG DATE: 5/11/12

DIRECTIONS:

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-023-20016	<sup>2</sup> Prod. Code 97660	<sup>3</sup> Pool Name WC: Percha Shale
<sup>4</sup> Property Code 39224	<sup>5</sup> Property Name Big Hatchet North Unit 25 State #1	<sup>6</sup> Well Number 001
<sup>7</sup> OGRID No. 251054	<sup>8</sup> Operator Name Pan A. Hughes Company, L.P.	<sup>9</sup> Elevation 4494.32'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
6	25	30S	17W		660	N	4620	E	HIDALGO

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 1.660	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or as a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.</p> <p>Signature: <i>Jeffrey R. Jensen</i> Date: 5/12/11</p> <p>Printed Name: JEFFREY R. JENSEN</p> <p>E-mail Address: JEFFI@DAHUGHES.NET</p>	
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b> 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 belief.</p> <p>Date of Survey: May 7 2012</p> <p>Signature and Seal of Registered Engineer &amp; Land Surveyor: <i>Laura Hardin</i></p> <p>Certificate Number: 5252</p>	
	<p>5252 Certificate Number</p>	