

APPLICATION FOR DRILLING

HANSON OIL CORPORATION H-M FEDERAL #1

EDDY COUNTY, NEW MEXICO

In conjunction with permitting subject well for drilling in Section 14, Township 25 South, Range 26 East, N.M.P.M., Eddy County, New Mexico, Hanson Oil Corporation submits the following ten points of pertinent information in accordance with U. S. G. S. letter of July 1, 1976:

1. The geologic surface formation is Rustler.

2. The estimated tops of geologic markers are as follows:

Top Salt:	1,130'
Base Salt:	1,695'
Top Delaware Lime:	1,898'
Top Delaware Sand:	1,960'

3. The depth at which water, oil or gas are expected to be encountered is:

1,960'

4. Casing Program:

8-1/2" 24# K55 to 120' (used) Cement w/150 sx.  
1/2" 9.5# K55 (new) Cement w/175 sx.

5. Blowout Preventers:

Ram type Series 900 with double hydraulic rams.  
This is a Schaffer blowout preventer (2000# working pressure, 4000# Test) with a Payne closing unit. The fill, kill and choke lines are indicated on the blowout preventer specification sheet Exhibit #5.

6. Circulating Medium:

Earthen pits will be used to hold mud and cuttings and the drilling fluid as follows:

0-1850' Native, supplemented with aqua gel and lime or Quick-Gel

1850'-2050' Mud up when indicated for hole conditions as follows:

Bring WT. to 8.9#  
Bring Vis. to 38  
Lower Water Loss to 10

**R E C E I V E D**

SEP 15 1976

**O. C. C.**  
ARTESIA OFFICE