

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

AMENDED REPORT

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

¹ Operator Name and Address Hanson Operating Company, Inc. P. O. Box 1515, Roswell, NM 88202-1515		² OGRID Number 9974
³ Property Code 4979	⁴ Property Name Max Gutman	⁵ API Number 30 - 025-31096
⁹ Proposed Pool 1 Tubb		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	19	22S	38E		2310'	North	1650'	West	Lea

⁸ Proposed 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

Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3339.5' GL
¹⁶ Multiple N	¹⁷ Proposed Depth 7366'	¹⁸ Formation Drinkard	¹⁹ Contractor	²⁰ Spud Date 1/31/2007
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbs Drilling Method:				
Closed-Loop System <input type="checkbox"/>			Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>	

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	54.5#	350'	350	Surface
12 1/4"	8 5/8"	32#	2550'	1250	Surface
7 7/8"	5 1/2"	17#	7600'	1130	4818'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

If the Upper Drinkard Recompletion is not productive, propose to complete and test the Tubb formation as follows:

1. RU pulling unit and install BOP.
2. Pull rods, pump and tubing.
3. Set RBP at 6300'.
4. Perforate at 6224' - 6256'.
5. Acidize perfs with 3,000 gallons 15% acid.
6. Swab test and evaluate.
7. Frac with 15,000 gallons 20/40 sand.
8. Perforate at 6096' - 6197'.
9. Acidize perfs with 4,000 gallons 15% acid.
10. Swab and evaluate.
11. Frac with 30,000 gallons 20/40 sand.
12. Place on production.



²³ 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 , a general permit , or an (attached) alternative OCD-approved plan .

Printed name: Carol J. Smith <i>Carol J. Smith</i>		Title: OCD DISTRICT SUPERVISOR/GENERAL MANAGER	
Title: Production Analyst		Approval Date: FEB 26 2007	Expiration Date:
E-mail Address: hanson@dfn.com		Conditions of Approval Attached <input type="checkbox"/>	
Date: 1/25/2007	Phone: 505-622-7330		

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. Drawer DD, Azusa, NM 88210

DISTRICT III
 1000 Rio Arriba Rd., Azusa, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

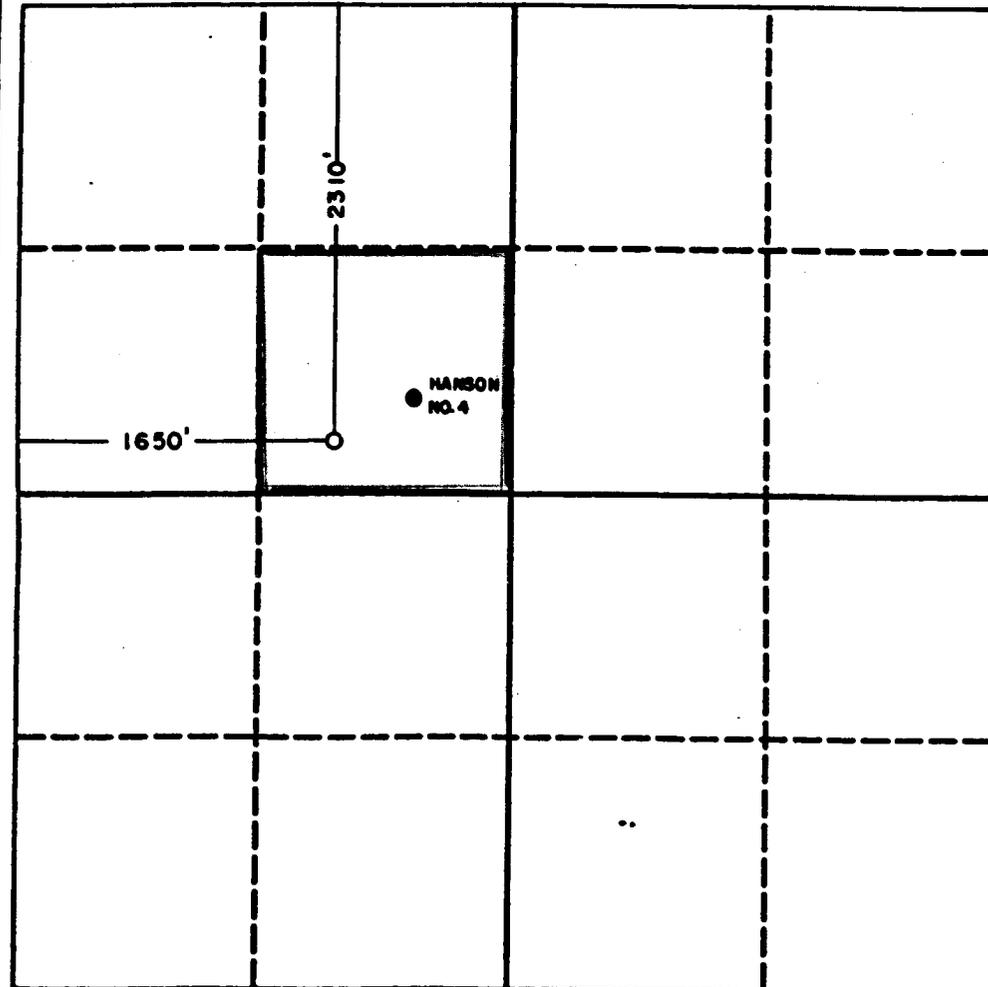
Operator HANSON OPERATING CO.			Lease MAX GUTMAN		Well No. 10
Unit Letter F	Section 19	Township 22 SOUTH	Range 38 EAST	County NMTR LEA	
Actual Footage Location of Well:					
2310 feet from the NORTH line and		1650 feet from the WEST line			
Ground level Elev. 3339.5	Producing Formation TUBB	Pool TUBB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

- Outline the acreage dedicated to the subject well by colored pencil or inkline 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.

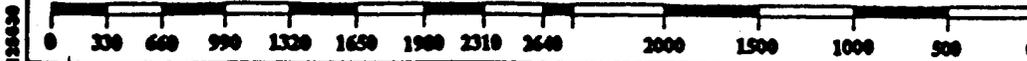
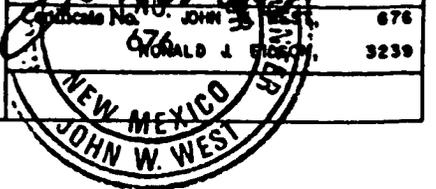
Date
1/25/2007

SURVEYOR CERTIFICATION

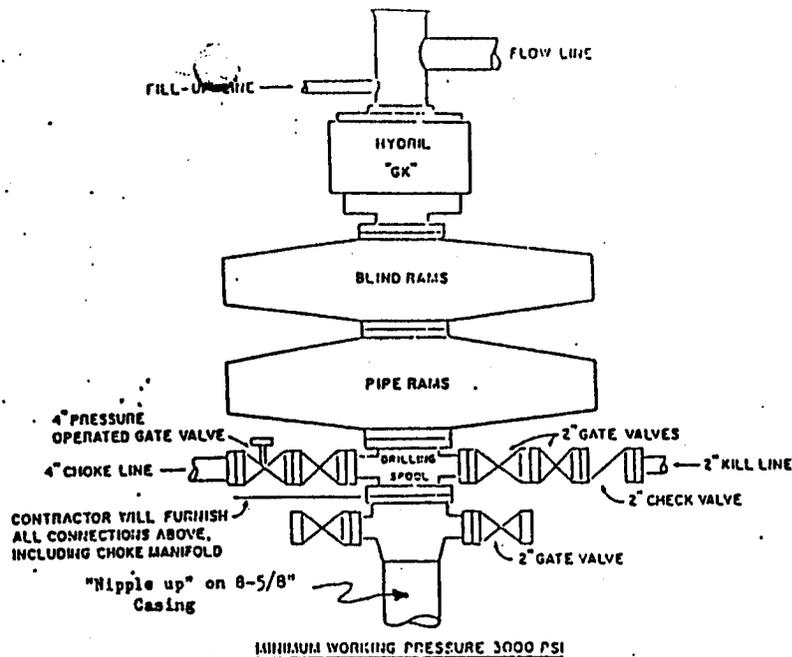
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
12-3-90

Signature & Seal of Professional Surveyor
John W. West



128630



CONTRACTOR TO FURNISH

1. ALL EQUIPMENT ABOVE CASING HEAD HOUSING INCLUDING CHOKE MANIFOLD.
2. INDEPENDENT AUTOMATIC ACCUMULATOR 3000 PSI WP.
3. B.O.P. CONTROLS TO BE LOCATED NEAR DRILLER'S POSITION AND AT SAFE DISTANCE FROM THE WELL.
4. SPARE SET PIPE RAMS TO FIT PIPE IN USE.

COMPANY TO FURNISH

1. WELLHEAD EQUIPMENT.
2. WEAR BUSHING, IF REQUIRED.

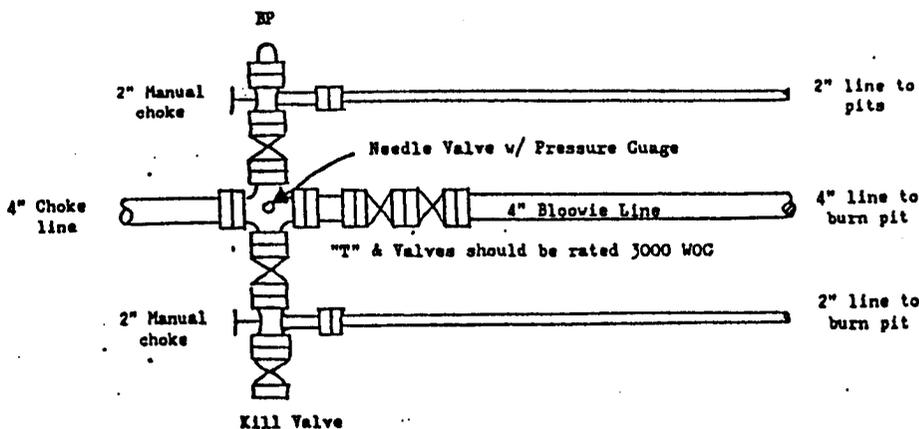
GENERAL NOTES

1. ALL VALVES, PIPING, FLANGES ETC. MUST HAVE MINIMUM WORKING PRESSURE EQUAL TO WORKING PRESSURE OF PREVENTERS. VALVES MUST BE OF THE FULL OPENING TYPE.
2. CONTROLS TO BE OF STANDARD DESIGN AND EACH MARKED SHOWING OPEN AND CLOSED POSITION.
3. CHOKE MANIFOLD AS SHOWN IN APP. 11 AND IF REPLACEABLE PARTS AND WRENCHES TO BE CONVENIENTLY LOCATED FOR IMMEDIATE USE.
4. ALL VALVES TO BE EQUIPPED WITH HANDWHEELS.
5. CHOKE LINES MUST BE SUITABLY ANCHORED.
6. DEVIATIONS FROM THIS DRAWING MAY BE MADE ONLY WITH THE PERMISSION OF THE COMPANY.

MINIMUM BLOWOUT PREVENTER REQUIREMENTS

NORMAL PRESSURE SERVICE

CHOKE MANIFOLD SETUP



The above Manifold Hookup Design will meet minimum requirement by the Operator. Drilling Contractor to supply choke line and choke manifold. Operator to supply downstream lines from manifold assembly to pits.