

## 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

<sup>1</sup> Operator Name and Address Hanson Operating Company, Inc. P. O. Box 1515 Roswell, NM 88202-1515		<sup>9974</sup> OGRID Number
		<sup>30-025-31096</sup> API Number
<sup>4979</sup> Property Code	<sup>Max Gutman</sup> Property Name	<sup>#10</sup> Well No.
<sup>Paddock</sup> Proposed Pool 1		<sup>Wildcat</sup> Proposed Pool 2

<sup>7</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
F	19	22S	38E		2310'	North	1650'	West	Lea

<sup>8</sup> 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

<sup>A</sup> Work Type Code	<sup>O</sup> Well Type Code	<sup>R</sup> Cable/Rotary	<sup>P</sup> Lease Type Code	<sup>3340' GL</sup> Ground Level Elevation
<sup>N</sup> Multiple	<sup>7384'</sup> Proposed Depth	<sup>Granite Wash</sup> Formation	<sup></sup> Contractor	<sup>8/13/2007</sup> Spud Date
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
<sup>Pit</sup> Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 25 bbls 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"/>				

<sup>21</sup> 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	Surface

<sup>22</sup> 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.

Propose to complete and test the Paddock, McKnight and Glorieta formations as follows:

1. RU pulling unit. Pull rods and pump. Install BOP. Pull out of hole with tubing.
2. Set RBP at 5300'. Circulate hole clean.
3. Perforate Paddock formation at 5170' - 5238'.
4. Perforate McKnight/Glorieta formation at 5106' - 5126'.
5. Acidize perfs with 10,000 gallons 20% acid.
6. Flow back, swab and evaluate.
7. Place on production.

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway

<sup>23</sup> 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 ☐.

Signature: *Carol J. Smith*  
 Printed name: Carol J. Smith  
 Title: Production Analyst  
 E-mail Address: hanson@dfn.com  
 Date: 7/5/2007 Phone: 505-622-7330

## OIL CONSERVATION DIVISION

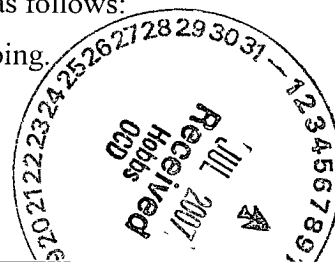
Approved by:

*Chris Williams*Title: **OC DISTRICT SUPERVISOR/GENERAL MANAGER**Approval Date: **JUL 16 2007**

Expiration Date:

## Oil Conservation Division

Conditions of approval: Approval for drilling ONLY  
 -- CANNOT produce Downhole Commingled until  
 DHC is approved in Santa Fe.



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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 October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-025-31096</b>		<sup>2</sup> Pool Code <b>49210</b> ✓	<sup>3</sup> Pool Name <b>Paddock, McKnight, Glorieta, Drinkard, Tubb</b>
<sup>4</sup> Property Code <b>4979</b>	<sup>5</sup> Property Name <b>Max Gutman</b>		<sup>6</sup> Well Number <b>#10</b>
<sup>7</sup> OGRID No. <b>009974</b>	<sup>8</sup> Operator Name <b>Hanson Operating Company, Inc.</b>		<sup>9</sup> Elevation <b>3340' GL</b>

<sup>10</sup> Surface Location

UL or lot no. <b>F</b>	Section <b>19</b>	Township <b>22 South</b>	Range <b>38 East</b>	Lot Idn	Feet from the <b>2310</b>	North/South line <b>North</b>	Feet from the <b>1650</b>	East/West line <b>West</b>	County <b>Lea</b>
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<sup>11</sup> Bottom Hole Location If Different From Surface

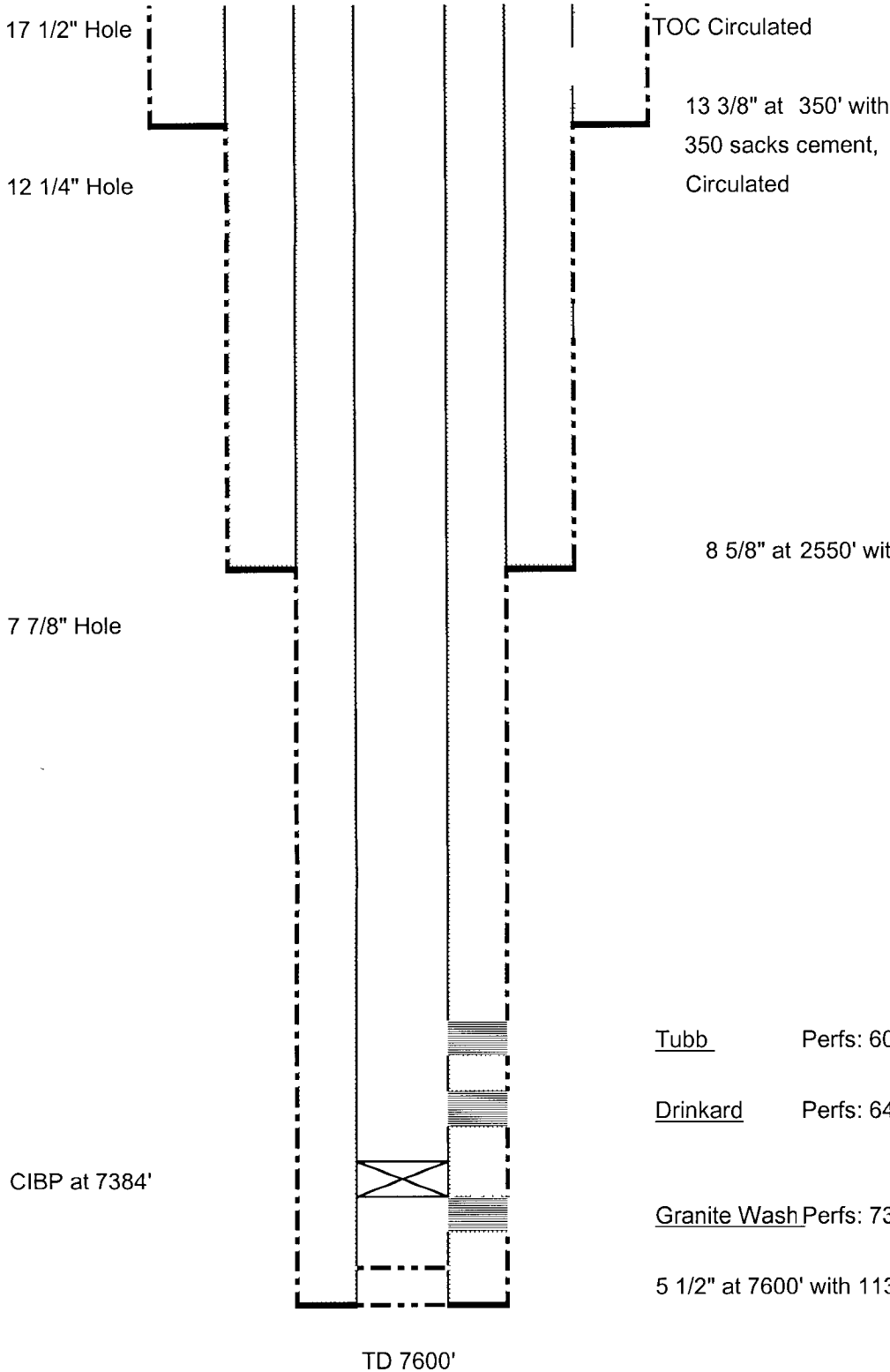
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres <b>40</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.					

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.

<sup>16</sup> 	<sup>17</sup> <b>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 to a voluntary pooling agreement or a compulsory pooling order hereinafter entered by the division. <i>Carol J. Smith</i> 7/5/2007 Signature Date Carol J. Smith Printed Name	
	<sup>18</sup> <b>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. 12/3/1990 Date of Survey Signature and Seal of Professional Surveyor Refer to Original Plat 676 Certificate Number	

# WELLBORE DIAGRAM

WELL NAME	Max Gutman #10	FIELD	Drinkard, Tubb
LOCATION	2310' FNL & 1650' FWL, F-Section 19-22S-38E, Lea County, NM		
GL	3340'	ZERO	KB 3353'
SPUD DATE	12/31/1990	COMPLETION DATE	2/28/1991
COMMENTS:	API #30-025-31096		



## CASING PROGRAM

13 3/8" 54.5# K55 ST&C	350'
8 5/8" 32# K55 ST&C	2550'
5 1/2" 17# N80 ST&C	7600'

## BEFORE

Tubb Perfs: 6096'-6257' 34 holes

Drinkard Perfs: 6470'-7336' 76 holes

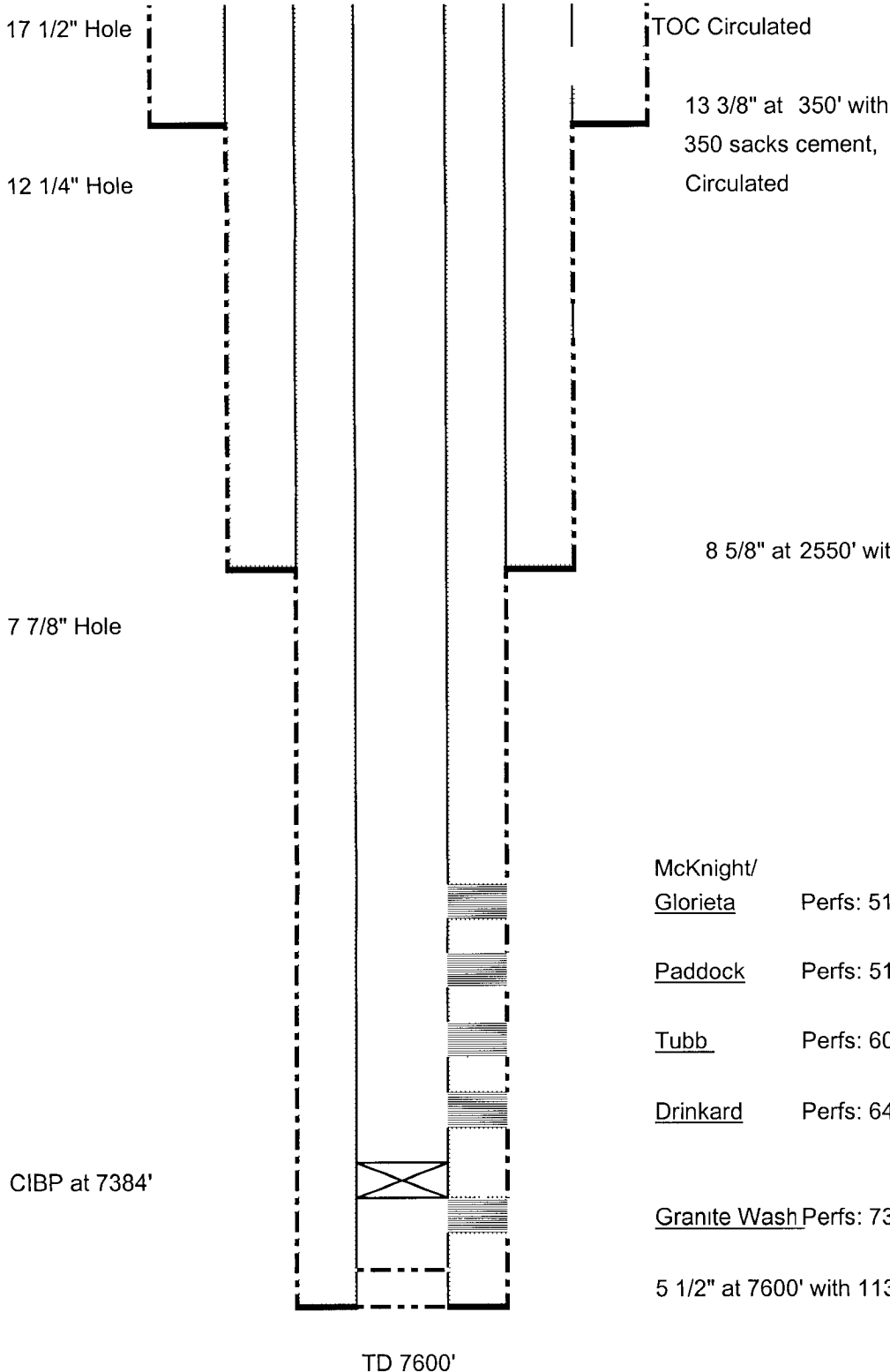
Granite Wash Perfs: 7390'-7526' 27 holes

5 1/2" at 7600' with 1130 sacks cement, Circulated

Not to Scale  
7/5/2007

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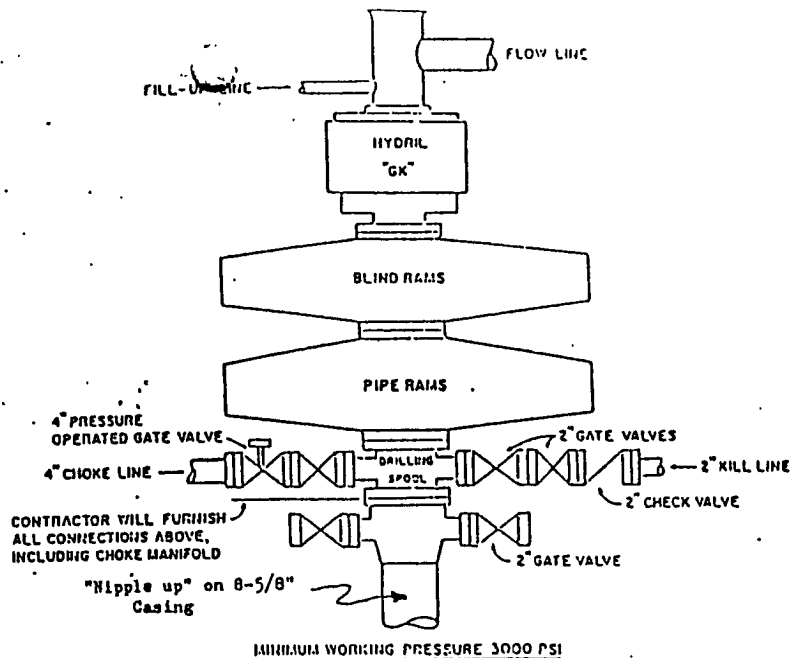


## CASING PROGRAM

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5 1/2" 17# N80 ST&C	7600'

## AFTER

Not to Scale  
7/5/2007



#### CONTRACTOR TO FURNISH

1. ALL EQUIPMENT ABOVE CASING HEAD HOUSING INCLUDING CHOKER 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.

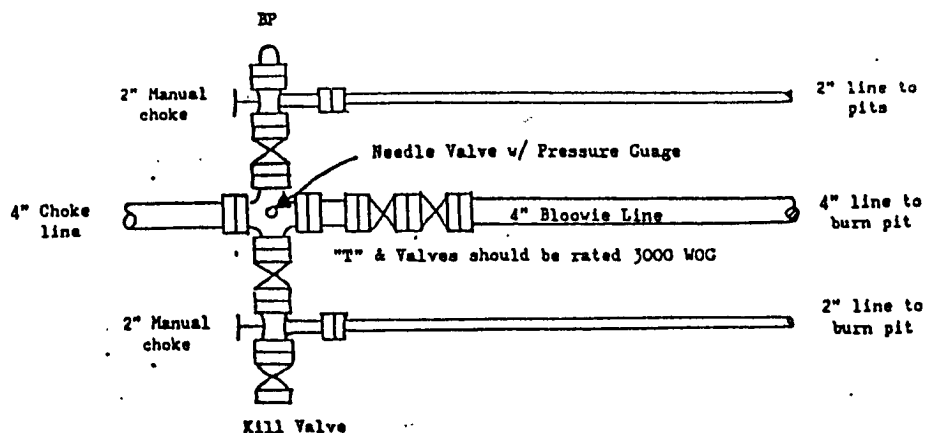
#### GENERAL NOTES

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. CHOKER MANIFOLD AS SHOWN IN APP. 11 AND 12 REPLACEABLE PARTS AND WRENCHES TO BE CONVENIENTLY LOCATED FOR IMMEDIATE USE.
4. ALL VALVES TO BE EQUIPPED WITH HANDWHEELS.
5. CHOKER 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

#### CHOKER 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.