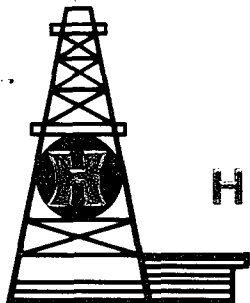


Release May 16, 1985

By DRC



HANSON OPERATING COMPANY, INC.

P.O. BOX 1515

ROSWELL, NEW MEXICO 88202-1515

PHONE AC 505-622-7330

April 22, 1985

Mr. David Catanach
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

*Received April
26, 1985*

RE: MAX GUTMAN #2
Unit L, Sec.19,T.22S,R.38E
Lea County, New Mexico

Dear Mr. Catanach:

Your administrative approval is requested to permit down-hole commingling of marginal Drinkard and Paddock production with the proposed Blinebry section, per Rule 303-C-2, on the above captioned well.

There is no evidence of fluid incompatibility and we do not expect any waste or reservoir damage due to down-hole commingling in the well bore. Ownership in the three (3) pools in common, and correlative rights will not be violated. Down-hole commingling will allow the recovery of additional hydrocarbons from this well. All zones will have to be pumped.

The subject well was drilled and completed in the Drinkard zone in December, 1966 and in the Paddock zone in July, 1966. Attached is a Well History Report of the Drinkard and Paddock zones.

Attached please find pertinent data regarding this application as outlined in Rule 303-C-2.

Your very truly,

HANSON OPERATING COMPANY, INC.

David Sweeney

David Sweeney
Drilling & Production Superintendent

DS/seh

Attachments

April 22, 1985

RULE: 303-C-2 INFORMATION:

- (A) OPERATOR: Hanson Operating Company, Inc.
P. O. Box 1515
Roswell, New Mexico 88202-1515
- (B) LEASE: Max Gutman Well #2
Unit L, Sec.19, T.22S, R.38E
Lea County, New Mexico
Pools to be commingled: Paddock Drinkard, Blinebry
- (C) See Attached Plat
- (D) Drinkard C-116 dated 4/22/85 and Paddock C-116 dated 4/22/85. (See attached C-116).
- (E) A production decline curve on both the Drinkard and Paddock zones from January 1984 through December 1984 is attached; also Well Completion Reports showing initial production from each zone.

(F) Bottom Hole Pressure Data:

Paddock: Datum - 1773' Pressure @ Datum 549 PSI*

Drinkard: Datum - 3002' Pressure @ Datum 990 PSI*

*Estimates based on most recent available average BHP data within vicinity of well.

(G) Fluid Characteristics:

There is no evidence of incompatibility in fluids.

(H) Value of Commingled Fluids:

	BOPD	API GRAVITY	\$/BBL.	REV./DAY
Drinkard Oil	5	37.6	\$26.60	\$133.00
Paddock Oil	12	36.4	\$26.60	\$319.20
TOTAL	17			\$452.20
COMMINGLED:	17	37.0	\$26.60	\$452.20

(I) FORMULA:

	OIL	GAS	WATER
Drinkard	30%	100%	30%
Paddock	70%	TSTM	70%

(J) All offset operators have been notified by copy of the attached letter:

American Petrofina Co., P. O. Box 2159, Dallas, Texas 75221
Marathon Oil Company, P. O. Box 552, Midland, Texas 79702
Texaco, Inc. P. O. Box 52332, Houston, Texas 77052

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

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5a. Indicate Type of Lease
State ☐ Fee ☒

5. 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. ☒ OIL WELL ☐ GAS WELL ☐ OTHER-	7. Unit Agreement Name
2. Name of Operator HANSON OPERATING COMPANY, INC.	8. Farm or Lease Name MAX GUTMAN
3. Address of Operator P. O. BOX 1515 ROSWELL, NEW MEXICO 88202-1515	9. Well No. 2
4. Location of Well UNIT LETTER <u>L</u> , <u>2080</u> FEET FROM THE <u>South</u> LINE AND <u>590</u> FEET FROM THE <u>West</u> LINE, SECTION <u>19</u> TOWNSHIP <u>22S</u> RANGE <u>38E</u> NMPM.	10. Field and Pool, or Wildcat Drinkard - Paddock - Blinebry
15. Elevation (Show whether DF, RT, GR, etc.) 3336' G.L.	12. County Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐
TEMPORARILY ABANDON ☐
PULL OR ALTER CASING ☐

PLUG AND ABANDON ☐
CHANGE PLANS ☐

OTHER Multiple Complete ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐
COMMENCE DRILLING OPNS. ☐
CASING TEST AND CEMENT JOB ☐
OTHER ☐

ALTERING CASING ☐
PLUG AND ABANDONMENT ☐

17. 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.

We propose to perforate the Blinebry section from 5830'-6003' and 5542'-5634' and acidize with 3500 gallons 15% NE Acid. If further stimulation is needed, we propose to Fracture Stimulate with 50,000 gallons Cross Link Gel carrying 90,000# 20/40 sand. We propose to Co-Mingle this formation with the existing Paddock and Drinkard formations in the well. (See attached application). If production exceeds the production limitations stated in 303-C, we plan to temporarily abandon the Drinkard Formation to comply with this ruling.

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

SIGNED David Sweeney TITLE Drilling & Production Super. DATE April 22, 1985

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

BLINEBRY XX

**NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS**

C-116
Revised 1-1-65

Operator HANSON OPERATING COMPANY, INC.		Pool DRINKARD		County LFA											
Address P. O. BOX 1515 ROSWELL, NEW MEXICO 88202-1515		TYPE OF TEST - (X) ☒ TEST - (X)		Completion ☐ Special ☒											
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT./BBL	
		U	S	T							R	WATER BBLs.	GRAV. OIL BBLs.		GAS M.C.F.
Gutman Permit DHC #307	2	L	19	22S	38E	4/10/85 PR			5	24	4		5	71	14200/1

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

Charles Hughes
(Signature)

Production Analyst

(Title)

April 22, 1985

(Date)

NEW MEXICO OIL CONSERVATION COMMISSION GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator		Pool		County	
HANSON OPERATING COMPANY, INC.		PADDOCK		LEA	
Address		P. O. BOX 1515		ROSWELL, NEW MEXICO 88202-1515	
LEASE NAME		WELL NO.		LOCATION	
		U		S T R	
Gutman Permit DHC #307		2		L 19 22S 38E	
		DATE OF TEST		4/10/85	
		STATUS		PR	
		CHOKE SIZE			
		TBG. PRESS.			
		DAILY ALLOW-ABLE		12	
		LENGTH OF TEST HOURS		24	
		WATER BBLs.		8	
		PROD. DURING TEST		12	
		GRAV. OIL BBLs.			
		GAS M.C.F.		TSTM	
		GAS - OIL RATIO CU.FT/BBL			

No well will be assigned an allowable greater than the amount of oil produced on the official test.
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.
Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through casing.
Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

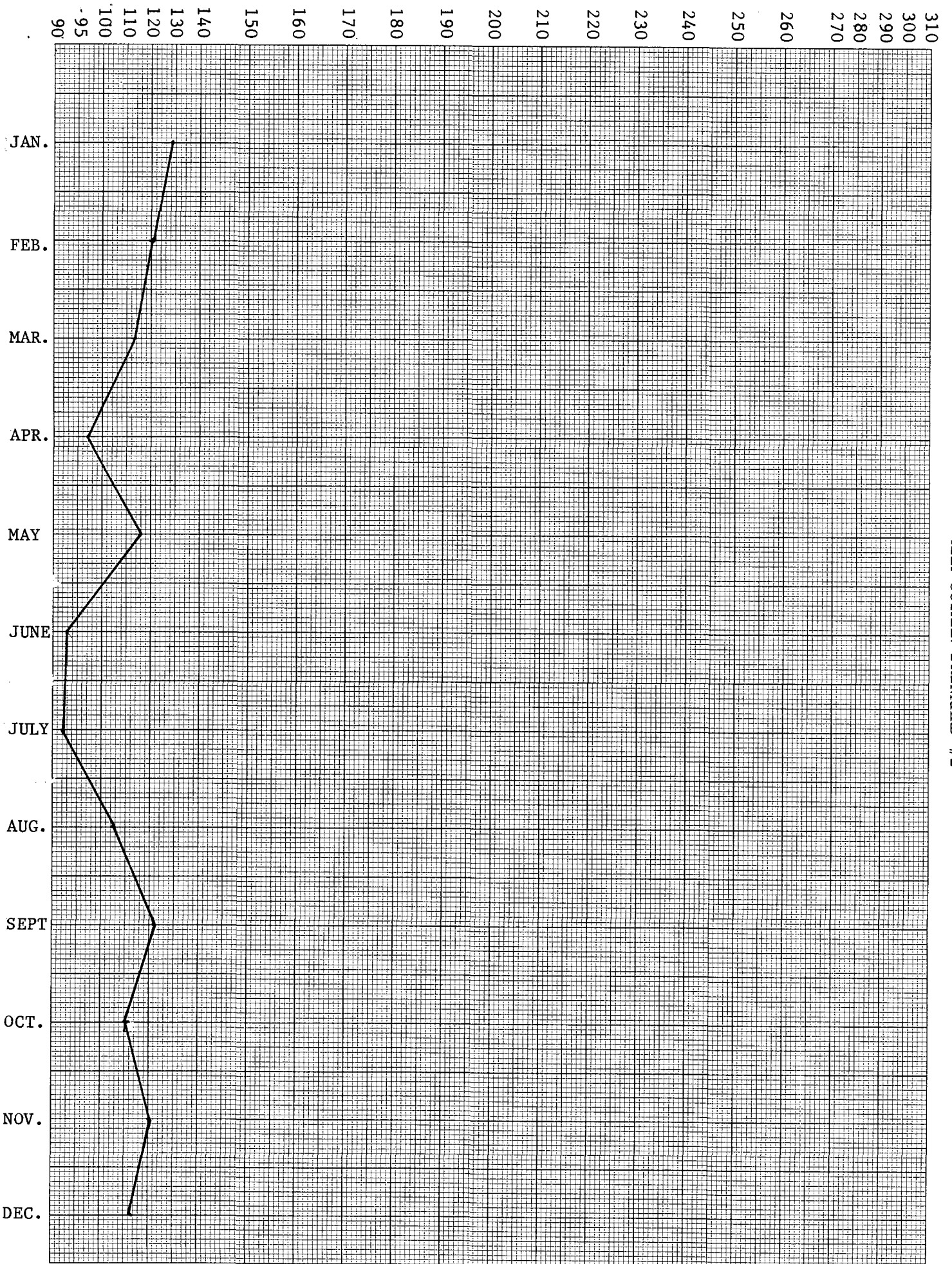
I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Henry Hughes
(Signature)

Production Analyst

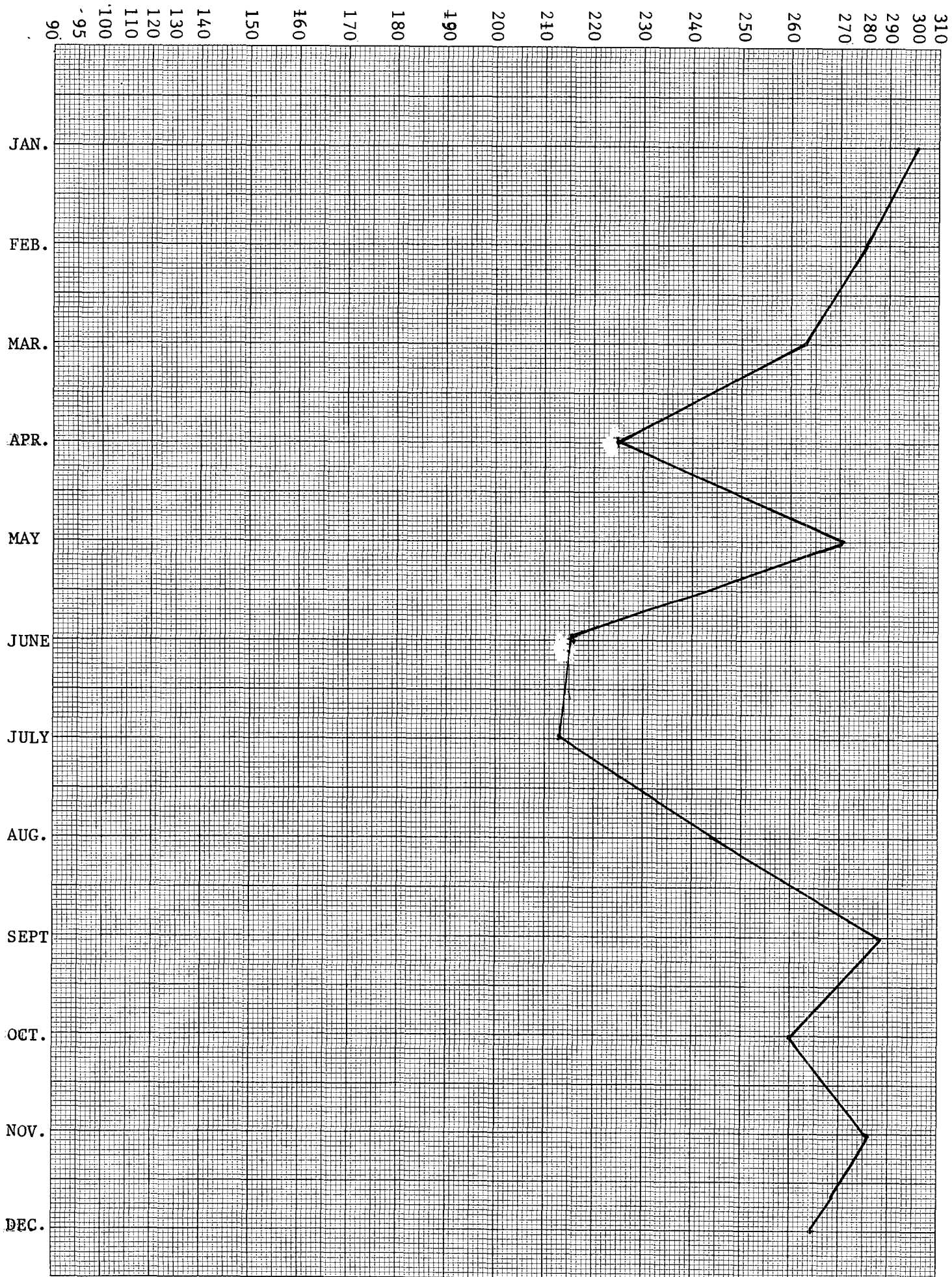
April 22, 1985
(Date)

MAX GUTMAN DRINKARD #2



MAX GUTMAN PADDOCK #2

46 1510



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OPERATOR	

Form C-105
Revised 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION C. C. C.
WELL COMPLETION OR RECOMPLETION REPORT AND LOG
JUL 25 11 57 AM '67

5a. Indicate Type of Lease
State ☐ Fee ☒
5. State Oil & Gas Lease No.

1a. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____						7. Unit Agreement Name	
b. TYPE OF COMPLETION NEW WELL ☐ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☒ OTHER Dual						8. Farm or Lease Name Max Gutman	
2. Name of Operator Ernest A. Hanson						9. Well No. 2	
3. Address of Operator P. O. Box 1515, Roswell, New Mexico						10. Field and Pool, or Wildcat Paddock	
4. Location of Well UNIT LETTER L LOCATED 2080 FEET FROM THE South LINE AND 590 FEET FROM THE West LINE OF SEC. 19 TWP. 22-S RGE. 38-E NMPM						12. County Lea	
15. Date Spudded 7-17-67		16. Date T.D. Reached		17. Date Compl. (Ready to Prod.) 7-20-67		18. Elevations (DF, RKB, RT, GR, etc.) 3336' GL	
19. Elev. Casinghead 3336'		20. Total Depth 7394'		21. Plug Back T.D. 7348'		22. If Multiple Compl., How Many 2	
23. Intervals Drilled By Rotary Tools 0 - 7394'						24. Producing Interval(s), of this completion - Top, Bottom, Name 5121-5122' Paddock Previous completion in Drinkard @ 6350-6938'	
25. Was Directional Survey Made No						26. Type Electric and Other Logs Run No additional logs run	
27. Was Well Cored No						28. CASING RECORD (Report all strings set in well)	
CASING SIZE		WEIGHT LB./FT.		DEPTH SET		HOLE SIZE	
						Same as previously reported	
29. LINER RECORD				30. TUBING RECORD			
SIZE		TOP		BOTTOM		SACKS CEMENT	
						SCREEN	
						SIZE	
						DEPTH SET	
						PACKER SET	
						2-1/16 6331' 5154'	
						2-1/16 5081'	
31. Perforation Record (Interval, size and number) 2 - 0.50" jets per ft. @ 5121-5122'				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL		AMOUNT AND KIND MATERIAL USED		5121-5122'		2500 gals. Spearhead acid	
33. PRODUCTION							
Date First Production 7-19-67		Production Method (Flowing, gas lift, pumping - Size and type pump) Flow				Well Status (Prod. or Shut-in) Shut-in	
Date of Test 7-20-67		Hours Tested 12		Choke Size 12/64"		Prod'n. For Test Period 51	
Flow Tubing Press.		Casing Pressure 620		Calculated 24-Hour Rate 102		Oil - Bbl. Gas - MCF Water - Bbl. Oil Gravity - API (Corr.) 40	
34. Disposition of Gas (Sold, used for fuel, vented, etc.) Vented. Connection available upon OCC approval of						Test Witnessed By Schram	
35. List of Attachments C-107 as filed with OCC at Santa Fe.							
36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.							
SIGNED <u>Harry P. Schram</u> TITLE <u>Exploration Manager</u> DATE <u>July 24, 1967</u>							

This form is to be filed with the appropriate District Office of the Commission not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy	1146	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	1232	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	2479	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	2523	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers		T. Devonian	T. Menefee	T. Madison
T. Queen	3350	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	3700	T. Montoya	T. Mancos	T. McCracken
T. San Andres	3920	T. Simpson	T. Gallup	T. Ignacio Qtzite
T. Glorieta	5086	T. McKee	Base Greenhorn	T. Granite
T. Paddock	5119	T. Ellenburger	T. Dakota	
T. Blinbry	5462	T. Gr. Wash	T. Morrison	
T. Tubb	6030	T. Granite	T. Todilto	
T. Drinkard	6254	T. Delaware Sand	T. Entrada	
T. Abo		T. Bone Springs	T. Wingate	
T. Wolfcamp		T. Granite	7388	
T. Penn.			T. Chinle	
T. Cisco (Bough C)			T. Permian	
			T. Penn. "A"	

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	1146	1146	Red beds				
1146	1232	86	Anhydrite				
1232	2479	1247	Salt				
2479	2523	44	Dolomite				
2523	3350	827	Anhy., dolo. & sand				
3350	3920	570	Sand & dolomite				
3920	7338	3418	Dolo. w/sh. stringers				
7338	7388	50	Granite wash				
7388	7394	6	Granite				

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NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

Form C-105
Revised 1-1-65

5a. Indicate Type of Lease
State ☐ Fee ☒
5. State Oil & Gas Lease No.

1a. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____						7. Unit Agreement Name	
b. TYPE OF COMPLETION NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER _____						8. Farm or Lease Name Max Gutman	
2. Name of Operator Ernest A. Hanson						9. Well No. 2	
3. Address of Operator P. O. Box 1515, Roswell, New Mexico						10. Field and Pool, or Wildcat Drinkard	
4. Location of Well UNIT LETTER L LOCATED 2080 FEET FROM THE South LINE AND 590 FEET FROM THE West LINE OF SEC. 19 TWP. 22-S RGE. 38-E NMPM						12. County Lea	
15. Date Spudded 10-31-66	16. Date T.D. Reached 11-28-66	17. Date Compl. (Ready to Prod.) 12-20-66	18. Elevations (DF, RKB, RT, GR, etc.) 3348' KB	19. Elev. Casinghead 3336'			
20. Total Depth 7394' Granite	21. Plug Back T.D. 7348'	22. If Multiple Compl., How Many	23. Intervals Drilled By 0 - 7394'	Rotary Tools Cable Tools			
24. Producing Interval(s), of this completion — Top, Bottom, Name 6839-6938', 6649-6768' & 6350-6510' Drinkard Fm.						25. Was Directional Survey Made No	
26. Type Electric and Other Logs Run GR-Acous., GR-Den-Cal, Foc, Mini-Foc & MOP						27. Was Well Cored Yes	
28. CASING RECORD (Report all strings set in well)							
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD		AMOUNT PULLED	
8-5/8"	24#	1157'	12-1/4"	450 sx. + 2% CaCl		None	
5-1/2"	15-1/2#	7394'	7-7/8"	800 sx.		None	
29. LINER RECORD							
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	30. TUBING RECORD		
					SIZE 2-3/8	DEPTH SET 6300'	PACKER SET
31. Perforation Record (Interval, size and number) 1 - 0.50" SPF 6350, 61, 68, 78, 89, 6401, 18, 27, 70, 78, 88, 6501, 10, 6649, 80, 6702, 25, 34, 47, 59, 68, 6839, 52, 67, 85, 6901, 08, 24 & 6938'				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL				AMOUNT AND KIND MATERIAL USED			
6350 - 6510				10,000 gals. acid			
6649 - 6768				3,000 gals. acid			
6839 - 6938				10,000 gals. acid			
33. PRODUCTION							
Date First Production 12-20-66		Production Method (Flowing, gas lift, pumping — Size and type pump) Flowing				Well Status (Prod. or Shut-in) Producing	
Date of Test 12-21-66	Hours Tested 24	Choke Size 14/64"	Prod'n. For Test Period 168	Oil — Bbl. 168	Gas — MCF 0	Water — Bbl. 0	Gas — Oil Ratio
Flow Tubing Press. 140	Casing Pressure	Calculated 24-Hour Rate 168	Oil — Bbl. 168	Gas — MCF 0	Water — Bbl. 0	Oil Gravity — API (Corr.) 41	
34. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold						Test Witnessed By H. F. Schram	
35. List of Attachments 1 - GR/Acous.							
36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.							
SIGNED <i>[Signature]</i>				TITLE Exploration Mgr.		DATE Dec. 21, 1966	

OPERATOR: HANSON OPERATING CO., INC LEASE: Max Gutman
 FIELD: PADDOCK
 LOCATION: SECTION 19
 COUNTY & STATE: LEA COUNTY, NEW MEXICO

Ser. No. FEE
 HOC W.I. 31.25%
 Net Lse Int. 78.125%
 HOC Net Int. 24.41406%

Date		Monthly Oil (Bbls.)	Cumulative Oil (Bbls.)	Monthly Gas (MCF)	Cumulative Gas (MCF)	Monthly Water (Bbls.)		Monthly GOR
	1982							
Jan.		216	216					
Feb.		214	430					
Mar.		349	779					
Apr.		315	1094					
May		309	1403					
June		262	1665					
July		262	1927					
Aug.		300	2227					
Sep.		276	2503					
Oct.		330	2833					
Nov.		307	3140					
Dec.		288	3428					
	1983							
Jan.		299	3727					
Feb.		258	3985					
Mar.		279	4264					
Apr.		279	4543					
May		316	4859					
June		269	5128					
July		290	5418					
Aug.		284	5702					
Sep.		283	5985					
Oct.		296	6281					
Nov.		212	6493					
Dec.		310	6803					
	1984							
Jan.		301	7104					
Feb.		280	7384					
Mar.		263	7647					
Apr.		225	7872					
May		271	8143					
June		216	8359					
July		213	8572					
Aug.		244	8816					
Sep.		286	9102					
Oct.		260	9362					
Nov.		281	9643					
Dec.		265	9908					
	1985							
Jan.		250	10158					
Feb.		220	10378					
Mar.								
Apr.								
May								
June								
July								
Aug.								
Sep.								
Oct.								
Nov.								
Dec.								

OPERATOR: HANSON OPERATING CO., INC. LEASE: Max Gutman
 FIELD: DRINKARD
 LOCATION: SECTION 19
 COUNTY & STATE: LEA COUNTY, NEW MEXICO

Ser. No. Fee
 HOC W.I. 31.25%
 Net Lse Int. 78.125%
 HOC Net Int. 24.41406%

Date		Monthly Oil (Bbls.)	Cumulative Oil (Bbls.)	Monthly Gas (MCF)	Cumulative Gas (MCF)	Monthly Water (Bbls.)		Monthly GOR
	1982							
Jan.		92	92					
Feb.		92	184					
Mar.		149	333					
Apr.		135	468					
May		133	601					
June		112	713					
July		112	825					
Aug.		128	953					
Sep.		119	1072					
Oct.		141	1213					
Nov.		132	1345					
Dec.		123	1468					
	1983							
Jan.		128	1596					
Feb.		111	1707					
Mar.		119	1826					
Apr.		120	1946					
May		135	2081					
June		115	2196					
July		124	2320					
Aug.		122	2442					
Sep.		121	2563					
Oct.		127	2690					
Nov.		127	2817					
Dec.		133	2950					
	1984							
Jan.		129	3079					
Feb.		120	3199					
Mar.		113	3312					
Apr.		97	3409					
May		116	3525					
June		93	3618					
July		92	3710					
Aug.		105	3815					
Sep.		122	3937					
Oct.		111	4048					
Nov.		120	4168					
Dec.		113	4281					
	1985							
Jan.		107	4388					
Feb.		94	4482					
Mar.								
Apr.								
May								
June								
July								
Aug.								
Sep.								
Oct.								
Nov.								
Dec.								

WELL HISTORY REPORT

OPERATOR: Ernest A. Hanson

NO. & LEASE: #2 Max Gutman

LOCATION: 2080' FSL & 590' FWL
Sec. 19, T-22-S, R-38-E, N.M.P.M.
Lea County, New Mexico

FIELD: Drinkard

ELEVATION: 3348' Kelly Bushing (logs measured from KB)
3336' Ground Level

DRILLING CONTRACTOR: Roy H. Smith Drilling Co.
Wichita Falls, Texas

TYPE RIG: Rotary - National "50"

DRILLING COMMENCED: October 31, 1966

DRILLING COMPLETED: November 28, 1966

WELL COMPLETED: December 20, 1966

CASING PROGRAM: 8-5/8" @ 1157' w/450 sx. reg. cmt. + 2% CaCl
(Cmt. circ. to surf.)
5-1/2" @ 7394' w/200 sx. 50-50 Pozmix w/2% gel
+ 600 sx. neat Incor w/sat. NaCl. (Top of
cement @ 2480' from temp. survey)

TOTAL DEPTH: 7394' granite

P.B. TOTAL DEPTH: 7348'

TOP OF CEMENT: 2480' (from temperature survey)

DRILL STEM TESTS: DST #1 @ 5050-5070': op. 1 hr. w/fair blow &
decreasing to weak in 8 min.; rec. 2515'
gas + 60' HO&GCDM + 60' SO&GCDM. 60 min.
ISIP 1483. FP 36-66. 120 min. FSIP 1651.

DST #2 @ 5100-5120': op. 2 hrs. w/GTS in 9 min.
@ 346 MCFGPD; rec. 2515' free oil & gas +
60' HO&GDM + 60' SO&GCDM. 90 min. ISIP
2117. FP 95-458. 120 min. FSIP 2006.

DST #3 @ 5520-5650': op. 120 mins. w/GTS in 14
mins. @ 286 MCF & decreasing to 101 MCFGPD
in 20 mins.; rec. 295' SO&GCDM + 270'
HO&GCDM + 60' DM. 45 min. ISIP 1678. FP
108-222. 90 min. FSIP 1848.

DST #4 @ 7335-7394': op. 90 mins. w/fair blow &
decreasing to weak in 10 mins.; rec. 140'
DM + 10' cuttings w/NS. 90 min. ISIP 245.
FP 127-130. 120 min. FSIP 202.

CORES: Core #1 @ 4324-4350': rec. 26' being dolomite w/
scattered shows of oil throughout.

LOGS: GR-Den-Cal (Lane Wells)
GR-Acoustic (Lane Wells)
Focused (Lane Wells)
Mini-Focused (Lane Wells)
Movable Oil Plot (Lane Wells)
Temperature Survey (West Engineering Co.)
Casing Collar Locator (Lane Wells)

PERFORATIONS:

DRINKARD Perforations:

1 - 0.50" jet per foot @ 6350', 6361', 6368', 6378', 6389', 6401', 6418', 6427', 6470', 6478', 6488', 6501' & 6510'.

VIVIAN Perforations:

1 - 0.50" jets per foot @ 6649', 6680', 6702', 6725', 6734', 6747', 6759' & 6768'.

ANDREWS Perforations:

1 - 0.50" jet per foot @ 6839', 6852', 6867', 6885', 6901', 6908', 6924' & 6938'.

TREATMENT:

Drinkard Perforations @ 6350-6510'.

Acidized w/10,000 gals. 15% DS-30 via 3-1/2" tbg. between HOWCO RTTS pkr. & ret. bridge plug. Formation broke @ 2300 psi. ISDP @ 3100 psi. 10 min. SIP @ 2600 psi.

Vivian Perforations @ 6649-6768'.

Acidized w/3,000 gals. 15% DS-30 via 3-1/2" tbg. between HOWCO HM straddle packers. Formation broke @ 3900 psi. ISDP 2600 psi. 10 min. SIP @ 2400 psi.

Andrews Perforations @ 6839-6938'.

Acidized w/10,000 gals. 15% DS-30 via 3-1/2" tbg. below HOWCO HM packer. Formation broke @ 2300 psi. ISDP @ 3100 psi. 10 min. SIP @ 2600 psi.

POTENTIAL:

All zones comingled for I.P.F. 168 BOPD on 14/64" choke.

OIL PURCHASER:

Texaco, Inc.
Midland, Texas

GAS PURCHASER:

Warren Petroleum Corp.
Tulsa, Oklahoma

WELL STATUS:

Producing Oil Well.

GEOLOGICAL FM. TOPS:

Top of Anhydrite	1146 = +2202
Top of Salt	1232 = +2116
Base of Salt	2479 = + 869
Top of Yates	2523 = + 825
Top of Queen	3350 = - 2
Top of Penrose	3501 = - 153
Top of Means sand	3657 = - 309
Top of Grayburg	3700 = - 352
Top of Premier sand	3872 = - 524
Top of San Andres	3920 = - 572
Top of McKnight	5060 = -1712
Top of Glorietta	5086 = -1738
Top of Paddock	5119 = -1771
Top of Blinebry	5462 = -2114
Top of Middle Blinebry	5540 = -2192
Top of Lower Blinebry	5827 = -2478
Top of Tubb	6030 = -2682
Top of Drinkard	6254 = -2906
Top of Abo	6549 = -3201
Top of Andrews	6867 = -3519
Top of Granite Wash	7338 = -3990
Top of Granite	7388 = -4040

ERNEST A. HANSON


Harry F. Schram
Exploration Manager

WELL HISTORY REPORT

PERFORATIONS:

Paddock Formation:
7-17-67

2 - 0.50" jets per foot at 5121'- 5122'
with 2500 gallons Acid.

Paddock Formation:
5-7-80

Re-completion - perf Paddock @ 5062',
5067', 5072', 5090', 5096', 5610', 5613',
5617', 5622', 5670', 5675', 5686', 5112'
and acidize with 10,000 gallons NeFe Acid.

Drinkard Formation:
5-7-80

Re-completion - perf Drinkard at 6422', 6423',
6431', 6448', 6467', 6468', 6494', 6499', 6700',
6707', 6708', 6709', 6766', 6849', 6873', 6913,
6921', 6935' and acidize with 18,000 gallons
of MOD-202 Acid.



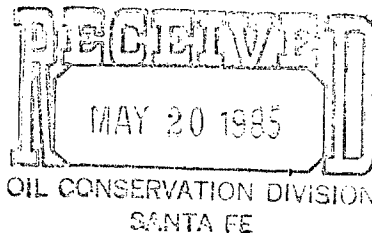
STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

TONY ANAYA
GOVERNOR

May 14, 1985

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501



RE: Proposed:

MC
DHC _____ X
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Hanson Operating Co., Inc.	Max Gutman #2-L	19-22-38
Operator	Lease & Well No.	Unit S-T-R

and my recommendations are as follows:

OK---JS

Yours very truly,

Jerry Sexton
Supervisor, District 1

/mc