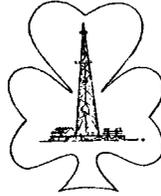


ROBERT G. HANAGAN  
PHONE 623-5053  
J. P. WHITE BUILDING



HUGH E. HANAGAN  
MAIN OFFICE 036  
P. O. BOX 1737  
ROSWELL, NEW MEXICO  
1963 DEC 4 AM 8:08

Hanagan & Hanagan

December 3, 1963

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Att: Mr. D. S. Nutter

Re: Unorthodox location due to topography as to the Cisco-Canyon gas pay - (Upper Penn) in the Indian Hills Gas Field. Robert G. Hanagan #1-D Tepee State, proposed 9700' Morrow Wildcat test 990'FWL and 940'FNL, Section 32, T-21-S, R-24-E, Eddy County, New Mexico.

Dear Mr. Nutter:

Based on our telephone conversation of a couple of weeks ago, and upon the request of Mr. M. L. Armstrong of your Artesia field office, I would like to submit the following to you relative to the captioned:

- (1) An ownership plat of the immediate area.
- (2) Copies and/or <sup>photo</sup>copies of letters obtained from the offset operators.
- (3) Photo copy of forms C 101 and C 128 as filed with your Artesia office.

Mr. Armstrong has verbally authorized the above location and we are proceeding to move in the rotary rig to commence the drilling of this test.

It is my understanding that since there is no Morrow production within a mile of the proposed test that there exists no field rules as to this formation, therefore there apparently would be no problem to the footage as to the Morrow, however, should we wish to complete this well in the Cisco-Canyon pay horizon where 1650' spacing from the outer boundary of a section has been established, we would need to secure administrative approval to the captioned location based on the above furnished information. Due to the local topography it is not economically feasible to drill a 1650' location on the proposed gas unit (that is at any location in Section 32).

*NS6 319  
upon verification of  
topo from Morse  
Authority - Order R-2516  
Indian Hills - upper Penn gas pool*

ROBERT G. HANAGAN

PHONE 623-5053

J. P. WHITE BUILDING



MAIN OFFICE 000

HUGH E. HANAGAN

P. O. BOX 1737  
ROSWELL, NEW MEXICO

1963 DEC 4 AM 6:08

## Hanagan & Hanagan

New Mexico Oil Conservation Commission

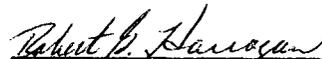
Page 2

The proposed location (990'FWL and 940'FNL) is just large enough for a pad of sufficient size to accommodate the rig and related equipment. Immediately east, west and north are located deep gulleys. On the south side is the highway which butts up against a hill (Rancher's Knoll approximately 700' high). A 1650' location would fall approximately half way up this hill, which is nearly straight up. The 940' footage from the north is necessary to locate the drill site off of the highway right-of-way. The remainder of the section is very rugged and broken terrain. This topographic situation was verified by your field representative Mr. W. A. Gressett who was taken to the area and location by us on 12/2/63. He concurred that it would be extremely costly and even difficult to attempt a location at 1650' from the north and west lines of said Section 32.

Due to the topographic situation and since there were no objections from the offset operators, we seek your approval of the subject location as it pertains to the Cisco-Canyon.

I would appreciate your earliest possible approval, and if there is anything further that we need to furnish in regard to this matter please do not hesitate to call me collect so that this matter can be expedited.

Yours very truly,  
HANAGAN & HANAGAN

  
Robert G. Hanagan

RGH/lm

cc to:  
New Mexico Oil Conservation  
Commission  
Drawer DD  
Artesia, New Mexico  
Att: Mr. M. L. Armstrong

**OIL CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

December 6, 1963

**Mr. M. L. Armstrong  
Supervisor, District 2  
Oil Conservation Commission  
Drawer DD  
Artesia, New Mexico**

**Re: Robert G. Hanagan, NSL**

**Dear Mose:**

We have received an application from Robert G. Hanagan for a non-standard Indian Hills-Upper Penn. gas location for his Tepee State Well No. 1-D to be located 940 feet from the North line and 990 feet from the West line of Section 32, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico. Will you please verify the topography as we have received waivers from all offset operators.

We will issue an NSL order upon receipt of your verification.

Very truly yours,

**J. M. DURRETT, Jr.  
Attorney**

JMD/esr

C  
O  
P  
Y

*Ralph Lowe*

Phone MU 4-7441

Box 832 Midland, Texas 79701  
MATH OFFICE 300  
November 14, 1963

1963 DEC 4 AM 8:09

Hanagan and Hanagan  
P. O. Box 1737  
Roswell, New Mexico

Attention: Mr. Robert G. Hanagan

Re: Your Proposed 9750' Mississippian Test  
990' FWL & 940' FNL Sec. 32-21S-24E  
Eddy County, New Mexico

Gentlemen:

This will acknowledge receipt of your letter dated November 12, 1963, concerning the above described unorthodox location. Please be advised that, due solely to topographic conditions, Ralph Lowe, as Operator of the Indian Hills Unit, has no objection to this location as proposed by you provided test is commenced within 90 days from this date.

A copy of this letter is being sent to the non-operators in the Indian Hills Unit, and they are asked to advise you if justified in making an objection to this location.

Yours very truly,

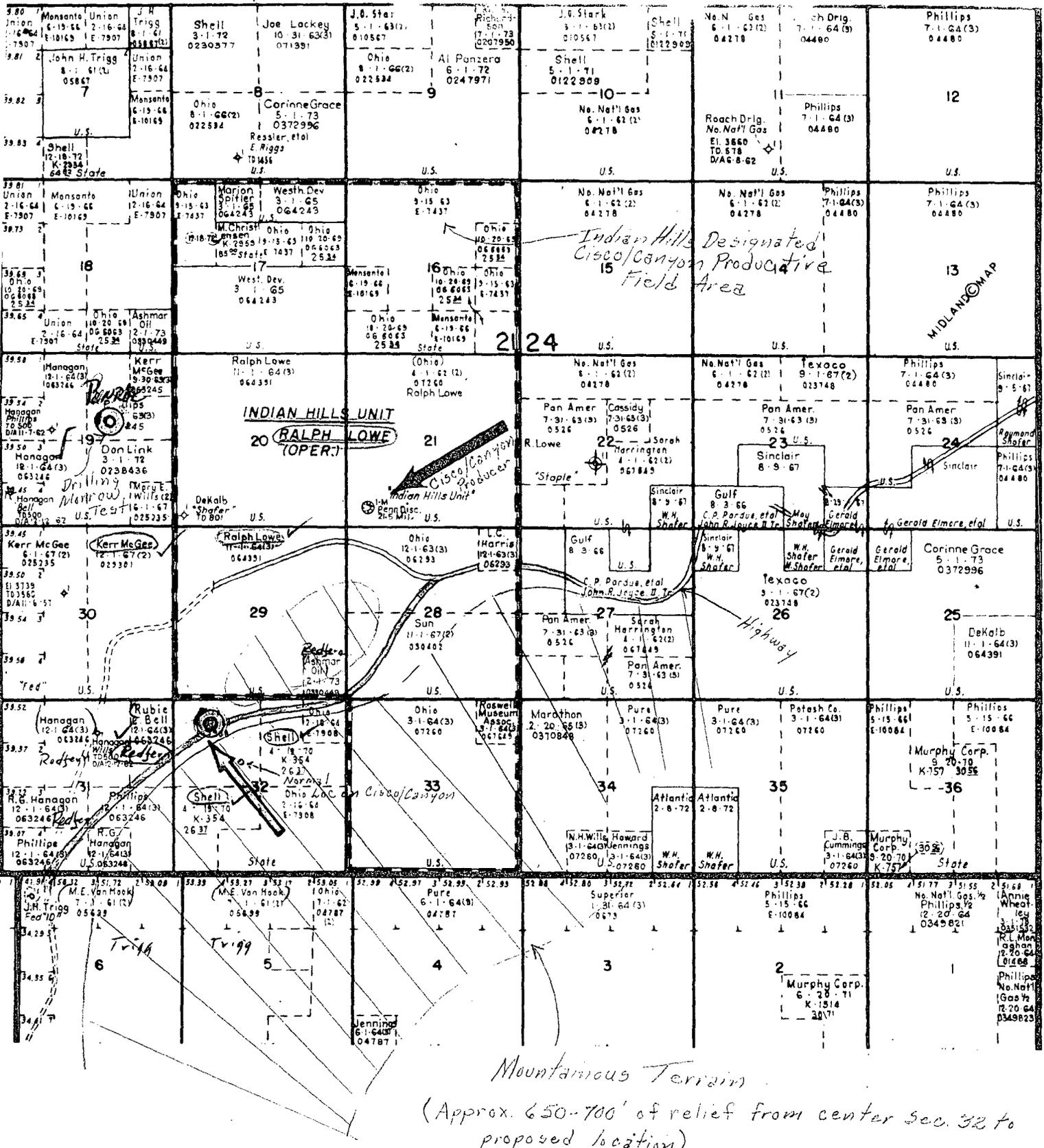
RALPH LOWE

By:

  
Fred G. Goodman

FGG:jl

- cc: (1) Marathon Oil Company, Box 552, Midland, Texas  
Attn: Mr. Charles L. Southard  
(2) Sun Oil Company, Box 2280, Dallas, Texas  
Attn: Mr. A. J. Viets  
(3) International Oil & Gas Corp., 825 Petroleum Club Bldg.,  
Denver, Colorado  
(4) Mr. Marion E. Spitler, 825 Petroleum Club Bldg., Denver, Colo.  
(5) Monsanto Chemical Co., 602 W. Missouri, Midland, Texas  
Attn: Mr. Norman Abbott



Mountainous Terrain

(Approx. 650-700' of relief from center sec. 32 to proposed location)



← Proposed Location, Section 32, T-21-S, R-24-E, Eddy County, New Mexico (990'FWL & 940'FNL)

} 9700 Marrow Wildcat



← Discovery Well, Ralph Lowe's Indian Hills Unit 1-M

**KERR-McGEE OIL INDUSTRIES, INC.**

Kerr-McGee Building • Oklahoma City 2, Oklahoma

MAIN OFFICE 000

1963 DEC 4

AM 8:09

November 20, 1963

Hanagan & Hanagan  
P. O. Box 1737  
Roswell, New Mexico

Attention: Mr. Robert G. Hanagan

Re: Proposed 9750' Mississippian Test  
990' FWL and 940' FNL of Section  
32-21S-24E, Eddy County, New Mexico

Gentlemen:

In your letter of November 12, 1963, you have advised that you are planning the drilling of subject well and that due entirely to topographical conditions you cannot drill the regularly permitted 1650' location as required by the Indian Hills Upper Pennsylvanian Gas Pool Rules; consequently you desire to drill the well at subject location.

Under the above circumstances, this is to advise that Kerr-McGee Oil Industries, Inc. does not object to your drilling such well at a location 990' FWL and 940' FNL of Section 32-21S-24E, Eddy County, New Mexico.

Yours very truly,

KERR-McGEE OIL INDUSTRIES, INC.

  
C. F. Miller, General Manager  
Production Department

CFM/pt

cc: Mr. Curtis Regan  
Kerr-McGee Oil Industries, Inc.  
Amarillo Globe News Building  
Amarillo, Texas

REDFERN DEVELOPMENT CORPORATION

1200 WILCO BUILDING

1963 DEC 4 AM 8:09 MIDLAND, TEXAS

POST OFFICE BOX 1747  
TELEPHONE MUTUAL 3-5184  
AREA CODE 815

November 14, 1963

IN REPLY REFER TO  
FILE: RS #70

Re: Proposed 9750' Mississippian Test  
990' FWL and 940' FNL, Section 32,  
T-21-S, R-24-E, Eddy County, New  
Mexico

Hanagan & Hanagan  
P. O. Box 1737  
Roswell, New Mexico

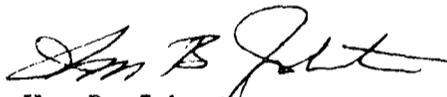
Gentlemen:

We have your letter dated November 12, 1963 requesting our approval of your unorthodox location of the above proposed test due to topographical conditions.

Since your proposed location is the only practical location on this section, you have our approval as offset owners. We are furnishing the other owners of interest in our acreage with a copy of this letter and requesting that they advise you immediately if they object to your proposed location.

Very truly yours,

REDFERN DEVELOPMENT CORPORATION

  
Wm. B. Johnston

WJ:lk

cc: Amarillo Oil Company  
Odessa Natural Gasoline Company  
Mr. Merl C. Kelce



# SHELL OIL COMPANY

P. O. Box 1858  
Roswell, New Mexico

MAIN OFFICE OCC  
1963 DEC 4 AM 8 09

November 19, 1963

Subject: Eddy County, New Mexico  
Condor Area  
NM-2596 - State

Hanagan and Hanagan  
P. O. Box 1737  
Roswell, New Mexico

Attention Mr. Robert G. Hanagan

Gentlemen:

Referring to your letter of November 12, 1963, requesting Shell's approval for an unorthodox location in Section 32, T-21-S, R-24-E, we advise that we have no objection to the proposed location.

As we advised you last week, however, we are unable at this time to give you an answer on your request for our joinder or for a farmout to you.

Yours very truly,

R. A. Clarke  
Roswell Division Land Department

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PROBATION OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

Form C-101  
Revised (12/1/55)

MAIN OFFICE 000

NOTICE OF INTENTION TO DRILL

1963 DEC 4

Notice must be given to the District Office of the Oil Conservation Commission and approval obtained before drilling or recompletion begins. If changes in the proposed plan are considered advisable, a copy of this notice showing such changes will be returned to the sender. Submit this notice in QUINTUPPLICATE. One copy will be returned following approval. See additional instructions in Rules and Regulations of the Commission. If State Land submit 6 Copies Attach Form G- 128 in triplicate to first 3 copies of form C-101

Roswell, New Mexico

12/2/63

(Place)

(Date)

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Gentlemen:

You are hereby notified that it is our intention to commence the Drilling of a well to be known as  
**Robert G. Hanagan**

(Company, or Operator)

**Tepee- State**

(Lease)

Well No. **1-D**, in **D** The well is

(Unit)

located **940** feet from the **North** line and **990** feet from the

**West**

line of Section **32**, T **21-S**, R **24-E**, NMPM.

(GIVE LOCATION FROM SECTION LINE)

**Wildcat**

Pool,

**Eddy**

County

**940' FNL & 990' FWL**

If State Land the Oil and Gas Lease is No. **E-7908**

If patented land the owner is.....

Address.....

We propose to drill well with drilling equipment as follows: **Rotary from surface to T.D.**

The status of plugging bond is **On file your Santa Fe, New Mexico office -\$10,000.00 statewide bond -Bond SY290372**

Drilling Contractor **Marlo Drilling Company**  
**Room 105-A Wilkinson-Foster Bldg.**  
**Midland, Texas**

We intend to complete this well in the **Morrow** formation at an approximate depth of **9700'** feet.

CASING PROGRAM

We propose to use the following strings of Casing and to cement them as indicated:

Size of Hole	Size of Casing	Weight per Foot	New or Second Hand	Depth	Sacks Cement
25"	20"	90#	New	30	Circulate to surf.
17 1/2"	13 3/8	48#	New	300	550 sxs.
11"	8 5/8	24# & 32#	New	3100	1275 sxs.
7 7/8"	4 1/2	11.6#	New	Total Depth	1500 sxs.

If changes in the above plans become advisable we will notify you immediately.

ADDITIONAL INFORMATION (If recompletion give full details of proposed plan of work.)

On above top 3 strings casing, cement circulated.

Approved....., 19.....  
Except as follows:

Sincerely yours,

*Robert G. Hanagan*  
(Company or Operator)

By *H. Hanagan & Hanagan*

Position..... Send Communications regarding well to

Name **Hanagan & Hanagan**

Address **P. O. Box 1737, Roswell, New Mexico**

OIL CONSERVATION COMMISSION

By.....

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FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAZ
PRODUCTION OFFICE	
OPERATOR	

**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL LOCATION AND ACREAGE DEDICATION PLATE 000**  
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

FORM C-128  
Revised 5/1/57

1963 DEC 4 AM 8:09

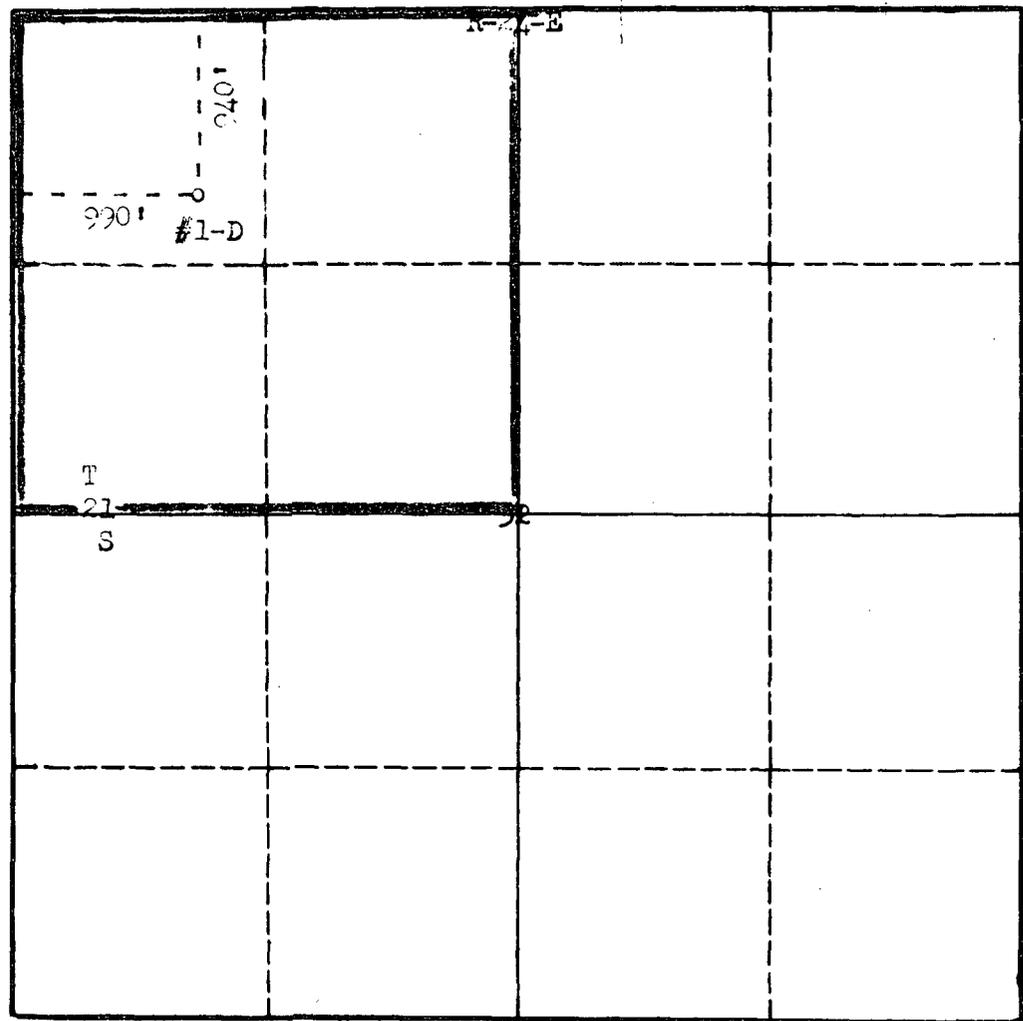
**SECTION A**

Operator Robert G. Hanagan		Lease Tepee - STATE		Well No. 1-D	
Unit Letter D	Section 32	Township T-21-S	Range R-24-E	County Eddy	
Actual Footage Location of Well: 240 feet from the North line and 990 feet from the West line					
Ground Level Elev. 3338	Producing Formation Morrow		Pool Wildcat	Dedicated Acreage: 160 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES  NO  . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES  NO  . If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

**SECTION B**



**CERTIFICATION**

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

Name	<i>Hugh C. Hanagan</i>
Position	
Company	Robert G. Hanagan
Date	November 22, 1963

I hereby certify that the well location shown on the plat in SECTION B 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	November 4, 1963
Registered Professional Engineer and/or Land Surveyor	

*James H. Brown*  
Certificate No. 542

