

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 811 South First, Alamogordo, NM 88210  
 District III  
 1000 Rio Grande Rd., Artes, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals & Natural Resources Department

**OIL CONSERVATION DIVISION**  
 2040 South Pacheco  
 Santa Fe, NM 87505

Form C-10  
 Revised October 18, 1999  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 5 Copies  
 Fee Lease - 5 Copies

AMENDED REPORT

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

<sup>1</sup> Operator Name and Address: Hallwood Petroleum, Inc., P. O. Box 378111, Denver, CO 80237 (303) 850-7373		<sup>1</sup> OGRID Number 009812
		<sup>1</sup> API Number 30 - 025-
<sup>1</sup> Property Code	<sup>1</sup> Property Name Bass	<sup>1</sup> Well No. 5

<sup>7</sup> Surface Location **POTASH AREA**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	30	20S	33E		660	South	2080	West	Lin.

<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
<sup>1</sup> Proposed Pool 1 Hat Mesa - Delaware					<sup>2</sup> Proposed Pool 2				

\* (straight hole - N/A)

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3393'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 8300'	<sup>18</sup> Formation Delaware	<sup>19</sup> Contractor Not yet selected	<sup>20</sup> Spud Date ASAP

<sup>21</sup> Proposed Casing and Cement Program

Well Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.50"	13 3/8" K-55	54.50#	1200'	600 sxs	Surface
11"	8 5/8" K-55	24 x 32#	3100'	1000sxs	Surface
7.875"	5 1/2" N-80 & J-55	15.5 x 17#	8300'	1 <sup>st</sup> 550 sxs 2 <sup>nd</sup> 540 sxs	3000'

<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.

Hallwood Petroleum, Inc. propose to drill this well with conventional rotary tools and mud systems to 8300'. Surface and intermediate (8 5/8") casing will be cemented to surface. The production casing will be 2-stage cemented back to approximately 3000'. The well will be perforated and fracture stimulated in the Upper and Lower Delaware zones and put on conventional beam pump. See attached plans and supporting information.

A 3000 psi BOP system will be utilized below 3100'.

*Casing OK  
for Potash*  
*[Signature]*

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL C	
Signature: <i>Kevin E. O'Connell</i>	Approved by:		
Printed name: Kevin E. O'Connell	Title:		
Title: Drilling & Production Manager	Approval Date:	Expiration Date:	
Date: 7/14/98	Phone: (303) 850-4303	Conditions of Approval: Attached <input type="checkbox"/>	

Hallwood Petroleum, Inc.  
 Before Examiner Catanach  
 NMOCD Cases 12,055 & 12,056  
 November 5, 1998  
 Exhibit No. **3**

District I  
PO Box 1988, Hobbs, NM 88241-1988  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Bravo Rd., Amos, NM 87418  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

APN Number		Pool Code	Pool Name
		30214	Hat Mesa - Delaware
Property Code	Property Name		Well Number
BASS			5
OCRID No.	Operator Name		Elevation
009812	HALLWOOD PETROLEUM, INC.		3593.

**18 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Eas	Feet from the	East/West Eas	County
H	30	20-S	33-E		660	SOUTH	2080	WEST	LEA

**19 Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Eas	Feet from the	East/West Eas	County
	(straight hole - N/A)								

Dedicated Acres	Joint or 1st/2d	Consolidation Code	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

	<p><b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kevin E. O'Connell</i> Signature Kevin E. O'Connell Title Drilling &amp; Production Mgr Date July 14, 1998</p>
	<p><b>18 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.</p> <p>JUNE 25 1998 R.E.D. O'Y Date of Survey Signature            Registered Professional Engineer          License No. 5412</p>