

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. APR - 7 2008  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

OCD-ARTESIA

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

<sup>1</sup> Operator Name and Address Nadel and Gussman HEYCO, LLC PO BOX 1936 ROSWELL NM 88202-1936		<sup>2</sup> OGRID Number 258462
<sup>3</sup> Property Code 305046		<sup>4</sup> API Number 30 - 015-29815
<sup>5</sup> Property Name PALMILLO 6 ST. COM		<sup>6</sup> Well No. 1
<sup>9</sup> Proposed Pool 1 Undesg. Turkey Track Bone Cisco		<sup>10</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
K	6	19S	29E		1,980	SOUTH	1,980	WEST	EDDY

<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>11</sup> Work Type Code P	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary na	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3,388'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth na	<sup>18</sup> Formation	<sup>19</sup> Contractor	<sup>20</sup> Spud Date ASAP
Depth to Groundwater 115'		Distance from nearest fresh water well		Distance from nearest surface water
Pit: <input type="checkbox"/> Liner: Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: <input type="checkbox"/> 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#	428'	524	circ
12 1/2"	8 5/8"	32#	1200'	750	circ
7 7/8"	5 1/2"	17#	11590'	2000	circ

<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.

Set CIBP +35' cement approximately 9450' perf the Wolfcamp Lm at 8794'-8804' (22) and acidize with 1500 gals. NE Fe 15% HCL.

When ready to abandon Wolfcamp, set CIBP + 35' cement at approximately 8750'. Will plug back with composite plug or RBP if decision made to commingle with zone(s) up hole. Perf the Bone Spring Dolo at 8301'-08', 8319'-29', 8334'-40', 8350'-58' (35) and acidize with 2400 gals. NE Fe 20% HCL.

Perf the 2nd Bone Spring Sd at 7645'-54' (30) and acidize with 750 gals. NE Fe 7.5% HCL. If decision made to frac, will pump 125,000 lbs 16/30 sand.

Perf the Bone Spring Lime at 7132'-36', 7146'-50' (30) and acidize with 2000 gals. NE Fe 15% HCL.

Perf the 1st Bone Spring Sd at 6631'-35' (15) and acidize with 500 gals. NE Fe 7.5% HCL. If decision made to frac, will pump 20,000 lbs 16/30 sand.

Perf the Upper Bone Spring Dolo at 4762'-74' (26) and acidize with 2000 gals. NE Fe 20% HCL.

<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 ☐.

OIL CONSERVATION DIVISION

Approved by:

Printed name: Tammy R. Link

Title: Production Analyst

E-mail Address:

Date: 4/4/08

Phone: (505)623-6601

Title:

Approval Date: 4/9/08

Expiration Date: 4/10/10

Conditions of Approval Attached ☐

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## State of New Mexico

Energy, Minerals &amp; 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 30-015-29815		<sup>2</sup> Pool Code 96854		<sup>3</sup> Pool Name Undeg. Turkey Track Cisco	
<sup>4</sup> Property Code 305046		<sup>5</sup> Property Name PALMILLO 6 ST. COM			<sup>6</sup> Well Number 1
<sup>7</sup> OGRID No. 258462		<sup>8</sup> Operator Name NADEL AND GUSSMAN HEYCO, LLC			<sup>9</sup> Elevation 3,388'

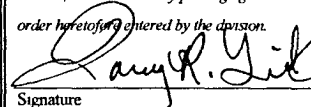
<sup>10</sup> Surface Location

UL or lot no. K	Section 6	Township 19S	Range 29E	Lot Ida	Feet from the 1,980	North/South line SOUTH	Feet from the 1,980	East/West line WEST	County EDDY
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 40	<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 heretofore entered by the division.  Signature _____ Date 4/4/08	
	Printed Name: Tammy R. Link	
	<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.	
	Date of Survey _____ Signature and Seal of Professional Surveyor _____ Certificate Number _____	