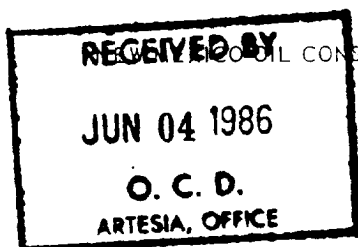


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LAND OFFICE	
OPERATOR	



30-009-62332  
Form C-101  
Revised 1-1-85

5A. Indicate Type of Lease	
STATE <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.	

### APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name Hams	
2. Name of Operator Hanson Operating Company, Inc. ✓		9. Well No. 1	
3. Address of Operator P. O. Box #1515, Roswell, New Mexico 88202-1515		10. Field and Pool, or Wildcat Wildcat - 1 well	
4. Location of Well UNIT LETTER E LOCATED 1980 FEET FROM THE North LINE AND 660 FEET FROM THE West LINE OF SEC. 22 TWP. 15S RGE. 26E NMPM		12. County Chaves	
19. Proposed Depth 7250'		19A. Formation Basil Penn	20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 3460' GR	21A. Kind & Status Plug. Bond Blanket ✓	21B. Drilling Contractor	22. Approx. Date Work will start 06-10-86

23.

### PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	54.5#	600'	630 sx Class C	Circulate.
12-1/4"	8-5/8"	32 #	1200'	150 sx Lite, 375	Class C - Circ.
7-7/8"	5-1/2"	17 #	7250'	760 sx 50/50 POZ,	450 sx Lite - Circulate or tie back to 8-5/8.

It is proposed to drill the above-captioned well to a depth of 7250', or sufficient depth to test all probable zones of interest in the Basil Penn formation.  
If commercial production is indicated, 5-1/2" casing will be set for completion.

REQUEST THIS BE HELD UNDER "TIGHT HOLE" REQUIREMENTS.

Posted API,  
NL, ID-1  
6-6-86

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 12-4-86  
UNLESS DRILLING UNDERWAY

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Brenda R. Godfrey Title Production Analyst Date 05/30/86

(This space for State Use)

Original Signed By  
Mike Williams

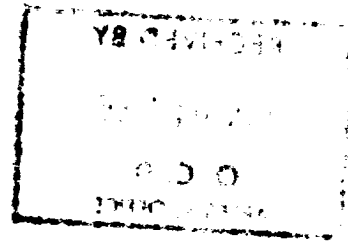
Oil & Gas Inspector

DATE **JUN 6 1986**

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

Notify N.P.C.C. in sufficient  
time to witness cementing



Form C-102  
Revised 10-1-78

**Certificate No.**

SOLSBERY & RICHARDS

Hanson Operating Corporation  
Drilling Opinion No. 1249  
West Lake Arthur Prospect

April 1. 1986

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TITLE TO THE OIL AND GAS LEASES

TRACT 1

S/2SW/4

LEASE 1.

FORM:	Producers 88 PAID-UP
DATE:	11-8-82
LESSOR:	John P. Nelson a/k/a John Phillip Nelson, and his wife, Marie Nelson; and Jerry E. Nelson, a/k/a Jerry Edward Nelson, and his wife, Barbara Nelson
LESSEE:	Donald E. Blackmar
DESCRIPTION:	<u>Township 15 South, Range 25 East</u> Section 22: SW/4SE/4 & S/2SW/4 Section 27: SE/4NE/4
TERM:	5 Years
ROYALTY:	3/16ths
OVERRIDING ROYALTY:	2% - Stuart D. Hanson
DELAY RENTALS:	Paid-up except shut-in royalty
DEPOSITORY BANK:	First National Bank, Artesia, N.M. 88210
POOLING CLAUSE:	Paragraph 5. of lease - SEE BELOW
MINERAL INTEREST COVERED:	100%

## C

1

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N/2SW/4

LEASE 2.

FORM: Producers 88  
DATE: 6-28-82  
LESSOR: William D. Fisk, a/k/a William Duane  
Fisk, a single man  
LESSEE: Mae V. Brown Johnson, as her  
separate property  
DESCRIPTION: Township 15 South, Range 25 East  
Section 22: N/2SW/4  
TERM: 5 Years  
ROYALTY: 3/16ths  
OVERRIDING ROYALTY: 2% - Stuart D. Hanson  
DELAY RENTALS: Paid-up except shut-in royalty  
DEPOSITORY BANK: Toy National Bank, Fourth and  
Nebraska Streets, Sioux City, Iowa  
51102  
POOLING CLAUSE: Paragraph 5. of lease - SEE BELOW  
MINERAL INTEREST  
COVERED: 100%

E/2NW/4

LEASE 3.

FORM: Producers 88  
DATE: 9-21-85  
LESSOR: Edward J. Lipscomb and wife, Viola  
B. Lipscomb as joint tenants  
LESSEE: Fred J. Schlicher  
DESCRIPTION: Township 15 South, Range 25 East  
Section 22: E/2NW/4  
TERM: 5 Years  
ROYALTY: 1/8th  
DELAY RENTALS: Paid-up except shut-in royalty  
DEPOSITORY BANK: Western Bank, Hatch, N.M. 87937

SOLSBERY & RICHARDS

Hanson Operating Corporation  
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West Lake Arthur Prospect

April 1, 1986

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POOLING CLAUSE: Paragraph 5. of lease - SEE BELOW  
MINERAL INTEREST  
COVERED: 100%

TRACT 4

W/2NW/4

LEASE 4.

FORM: Producers 88  
DATE: 4-6-83  
LESSOR: Betty Ross Callaway, dealing in her  
sole and separate property  
LESSEE: Fred J. Schlicher  
DESCRIPTION: Township 15 South, Range 25 East  
Section 22: W/2NW/4  
TERM: 10 Years  
ROYALTY: 3/16ths  
OVERRIDING ROYALTY: 2% - Stuart D. Hanson  
DELAY RENTALS: Paid-up except shut-in royalty  
DEPOSITORY BANK: Citizens Bank, 2500 Louisiana Blvd.  
NE, Albuquerque, N.M. 87110  
POOLING CLAUSE: Paragraph 5. of lease - SEE BELOW  
MINERAL INTEREST  
COVERED: 1/12th

LEASE 5.

FORM: Producers 88  
DATE: 4-6-83  
LESSOR: Ruth R. Ward, dealing in her sole  
and separate property  
LESSEE: Fred J. Schlicher  
DESCRIPTION: Township 15 South, Range 25 East  
Section 22: W/2NW/4  
TERM: 10 Years  
ROYALTY: 3/16ths  
OVERRIDING ROYALTY: 2% - Stuart D. Hanson  
DELAY RENTALS: Paid-up except shut-in royalty

SOLSBERY & RICHARDS

Hanson Operating Corporation  
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DEPOSITORY BANK: The American Bank at Clinton,  
Mississippi  
POOLING CLAUSE: Paragraph 5. of lease - SEE BELOW  
MINERAL INTEREST  
COVERED: 1/12th

LEASE 6.

FORM: Producers 88  
DATE: 4-6-83  
LESSOR: Mary Fowler Shurlds, a/k/a Mary Tom  
Shurlds; and Alma Sue Hays, dealing  
in their sole and separate property  
LESSEE: Fred J. Schlicher  
DESCRIPTION: Township 15 South, Range 25 East  
Section 22: W/2NW/4  
TERM: 10 Years  
ROYALTY: 3/16ths  
OVERRIDING ROYALTY: 2% - Stuart D. Hanson  
DELAY RENTALS: Paid-up except shut-in royalty  
DEPOSITORY BANK: First National Bank at Jackson,  
Mississippi 39205  
POOLING CLAUSE: Paragraph 5. of lease - SEE BELOW  
MINERAL INTEREST  
COVERED: 2/12ths

LEASE 7.

FORM: Producers 88  
DATE: 4-6-83  
LESSOR: Maxine Fowler Seal, dealing in her  
sole and separate property  
LESSEE: Fred J. Schlicher  
DESCRIPTION: Township 15 South, Range 25 East  
Section 22: W/2NW/4  
TERM: 10 Years  
ROYALTY: 3/16ths  
OVERRIDING ROYALTY: 2% - Stuart D. Hanson  
DELAY RENTALS: Paid-up except shut-in royalty  
DEPOSITORY BANK: Deposit Guaranty National Bank at  
Jackson, Mississippi, Meadowbrook

SOLSBERY & RICHARDS

Hanson Operating Corporation  
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POOLING CLAUSE:  
MINERAL INTEREST  
COVERED:

Branch  
Paragraph 5. of lease - SEE BELOW  
1/12th

LEASE 8.

FORM:  
DATE:  
LESSOR:  
  
LESSEE:  
DESCRIPTION:  
  
TERM:  
ROYALTY:  
DELAY RENTALS:  
DEPOSITORY BANK:  
  
POOLING CLAUSE:  
MINERAL INTEREST  
COVERED:

Producers 88  
9-24-85  
Jim Allan Hams, dealing in his sole  
and separate property  
Fred J. Schlicher  
Township 15 South, Range 25 East  
Section 22: W/2NW/4  
6 Years  
1/8th  
Paid-up except shut-in royalty  
Mesa United Bank at Grand Junction,  
Colorado  
Paragraph 5. of lease - SEE BELOW  
7/12ths