

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☐

OTHER

SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

H & S Oil Company ✓

FEB 28 1979

3. ADDRESS OF OPERATOR

216 American Home Building - Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State or Federal law)

At surface

1980' from South and 660' from West lines of Sec. 18-T17S-R28E

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

9 miles east of Artesia, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

1900'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR 3554.7

22. APPROX. DATE WORK WILL START*

March 1, 1979

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11 1/4"	8 5/8"	29#	530'	200 sacks circulated
7 7/8"	5 1/2"	15 1/2#	1900'	250 sacks

Estimated formation tops: Seven Rivers 500', Queen 1040', Grayburg 1420', San Andres 1825'. Drilling fluid will be water with small amounts of mud additive from 1700' to assist in sample clarity. Well will be logged open hole with Gamma Ray Neutron. No abnormal pressures or hazards have been encountered in this field.

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE

Partner

DATE 2/1/79

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

2-26-79

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side



EXHIBIT COPY

United States Department of the Interior

RECEIVED

GEOLOGICAL SURVEY
P. O. Drawer U
Artesia, New Mexico 88210

FEB 28 1979

O. C. C.
ARTESIA, OFFICE

FEB 26 1979

H & S Oil Company
216 American Home Security Bldg.
Artesia, New Mexico 88210

H & S OIL COMPANY
Hastie Federal No. 17
1980 FSL 660FWL Sec. 18, T17S, R28E
Eddy County Lease No. LC-045818(a)

Gentlemen:

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 1,900 feet to test the San Andres formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and this approval including the GENERAL REQUIREMENTS.
3. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
4. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate sandstone brown (Federal Standard Color #595A, color 20318 or 30318).

Sincerely yours,

(Orig. Sgn.) ALBERT R. STALL

Albert R. Stall
Acting District Engineer

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form O-100
Supersedes O-128
Effective 12-65

All distances must be from the outer boundaries of the Section

Operator H. & S. Oil Company			Lease Hastie		Well No. 17
Tract Letter L	Section 18	Township 17 South	Range 28 East	County Eddy	
Actual Surface Location of Well: 1980 feet from the South line and 660 feet from the West line					
Ground Level Elev. 3554.7	Producing Formation Queen, Grayburg, San Andres		Pool Red Lake		Dedicated Acreage 42.87

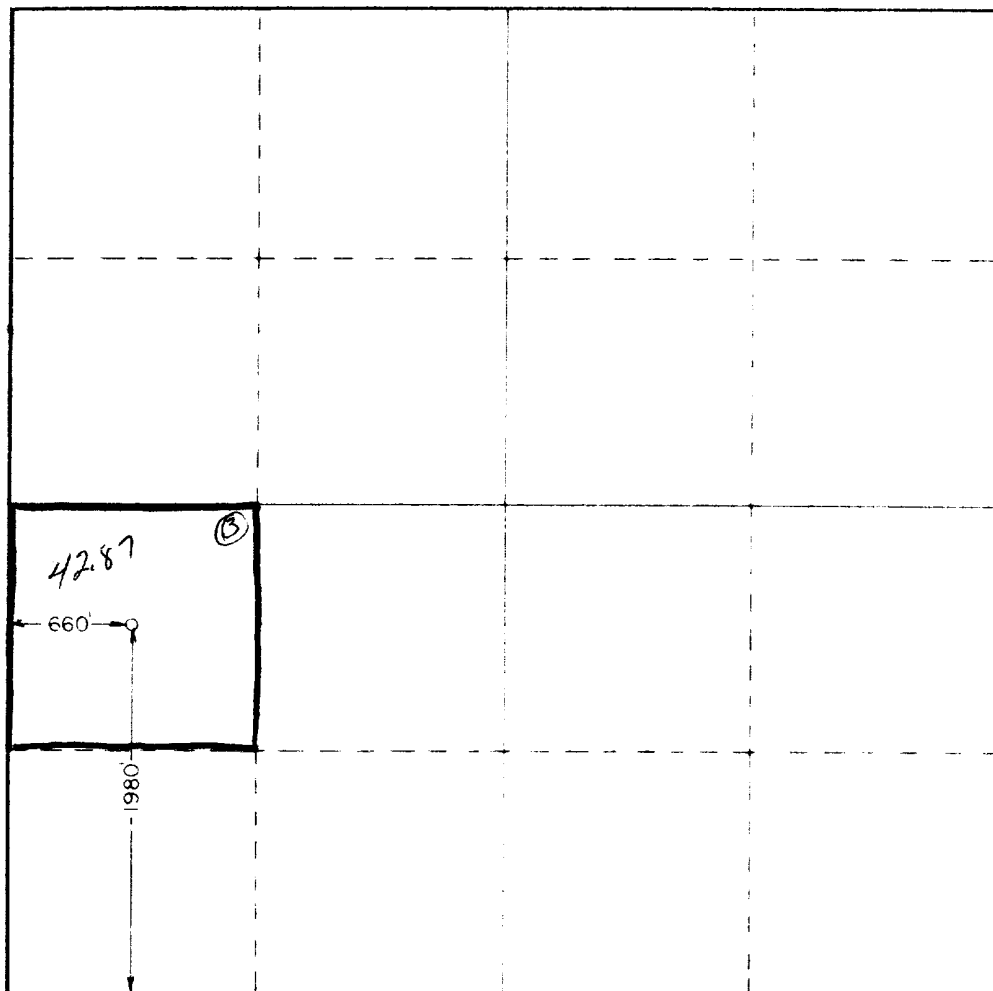
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

RECEIVED
FEB 5 1979
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO



CERTIFICATION

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

Name: R. L. Heinisch

Partner

H & S OIL COMPANY

2/1/79

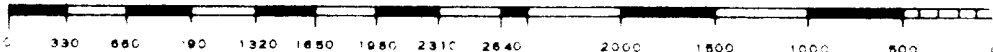
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief

Date: _____

January 27, 1978

Registered Professional Surveyor and State Surveyor

Certificate No. **John W. West 676**
Ronald J. Eidson 3239



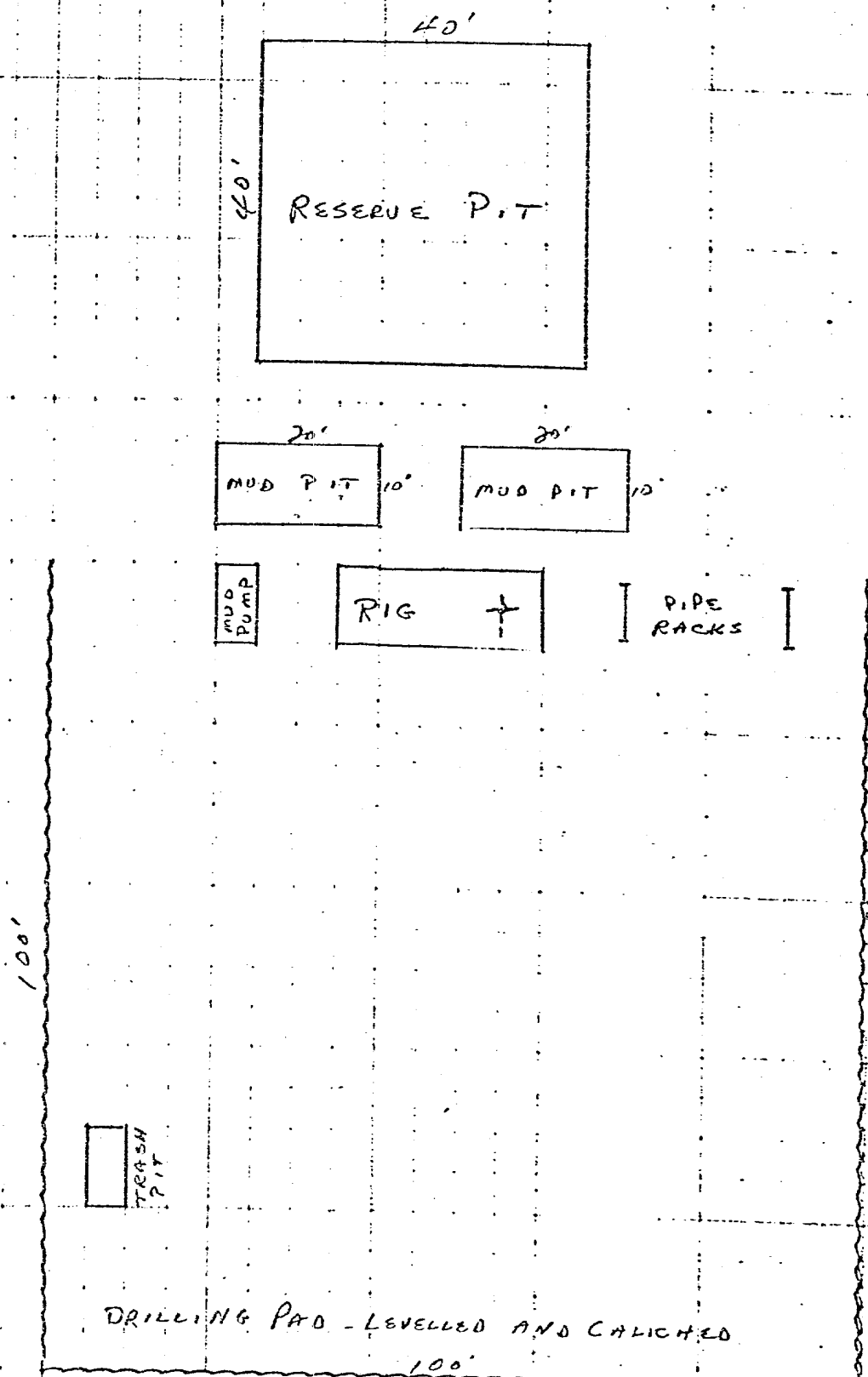
H & S OIL COMPANY
216 American Home Bldg.
Artesia, N. M. 88210

HASTE No. 17

NW/4 SW/4

Section 18-T17S-R28E,
Eddy County, N.M.

N - SCALE 1"=20'



PITS WILL BE DUG TO COVER GARBAGE AND TRASH, WHICH WILL BE KEPT IN CONTAINERS UNTIL WELL IS COMPLETED.

SURFACE USE PLAN

H & S OIL COMPANY

Hastie No. 17 - 1980' FSL 660' FWL, Section 18, T17S, R28E
Lease LC 045818(a), Eddy County, N.M.

Field Well

1. EXISTING ROADS: Attached are two maps showing drillsite location in relation to a town or known point, Exhibit B (land ownership map), Exhibit C (topographic map with roads). Ten miles east of Artesia on Highway 82 (orange) turn north on bladed maintained road for approximately 1/8 mile (blue) then turn northeast on a second bladed road for approximately 1 1/4 miles (green) then north 1/8 mile then northeast 1/8 mile then east to location (yellow).
2. PLANNED ACCESS ROADS: No new roads will be required.
3. LOCATION OF EXISTING WELLS: All existing wells within a one mile radius are shown on Exhibit B.
4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES: In the event production is established, surface lines will be laid to an existing tank battery located in the SW/4 SW/4 of Section 18-T17S-R28E, as shown on Exhibit C. No surface disturbance will be entailed.
5. LOCATION AND TYPE OF WATER SUPPLY: All drilling water will be trucked to location from Oasis Water Station, 4 miles east of Artesia by CLM Transportation over existing roads.
6. SOURCE OF CONSTRUCTION MATERIALS: Little surfacing will be required on any access road or pad as caliche is within a few inches of surface. What material is needed will be taken from mud pits when they are constructed, and from caliche pit noted on Exhibit C. All roads used to haul water or construction material will be on Federal lands.
7. METHODS OF HANDLING WASTE DISPOSAL:
 - (A). Drill cuttings will be disposed of in reserve pit.
 - (B). Drilling fluids will be allowed to evaporate in reserve pit until pit is dried up.
 - (C). Water produced during testing will be disposed of by allowing to evaporate in pit. Oil produced during testing will be stored in test tank until sold.
 - (D). Disposal of human wastes will be complied with as to current laws and regulations.
 - (E). Trash, garbage and junk will be kept and later buried in pit (labeled trash pit on Exhibit A) with a minimum of 24 inches of dirt. All waste materials will be contained to prevent scattering by the wind.
 - (F). All trash and debris will be buried or removed from the wellsite within 30 days after finishing operations and/or well completion.
8. ANCILLARY FACILITIES: None required.
9. WELLSITE LAYOUT:
 - (A). Exhibit A shows the relative location and dimensions of the drilling pad, reserve pit, trash and mud pits.
 - (B). Wellsite will require only grading, not cuts or fills will be necessary.
 - (C). Due to existing soil, no pit will have plastic lining.

10. PLANS FOR RESTORATION OF THE SURFACE:

- (A). If well is productive, pits will be filled and leveled as soon as fluid is dry.
- (B). Trash pit will be filled at completion of drilling.
- (C). If well is non-productive, pad and roads will be ripped and USGS or BLM stipulations will be complied with at time pits are dried and ready to cover.

11. OTHER INFORMATION: All surface is Federal ownership. Vegetation is very sparse, consisting of weeds in some areas, and nothing in most of total area. Area is fairly flat with almost no topsoil as caliche and rock surfaces on almost all the area. There are no surface waters within 4 miles and no windmills or water wells in the same distance. Two deserted buildings from previous oil production are located on the lease. Land has extremely limited grazing use and is in an extremely low environmental risk area with very minimal effect created by drilling and producing this and other wells on the lease.

12. OPERATORS REPRESENTATIVE: The representative responsible for assuring compliance with the surface and operation plan is:

H. R. Spencer
216 American Home Building
Artesia, New Mexico 88210
Office Telephone (505) 746-6658
Home Telephone (505) 746-2495

13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by H & S Oil Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

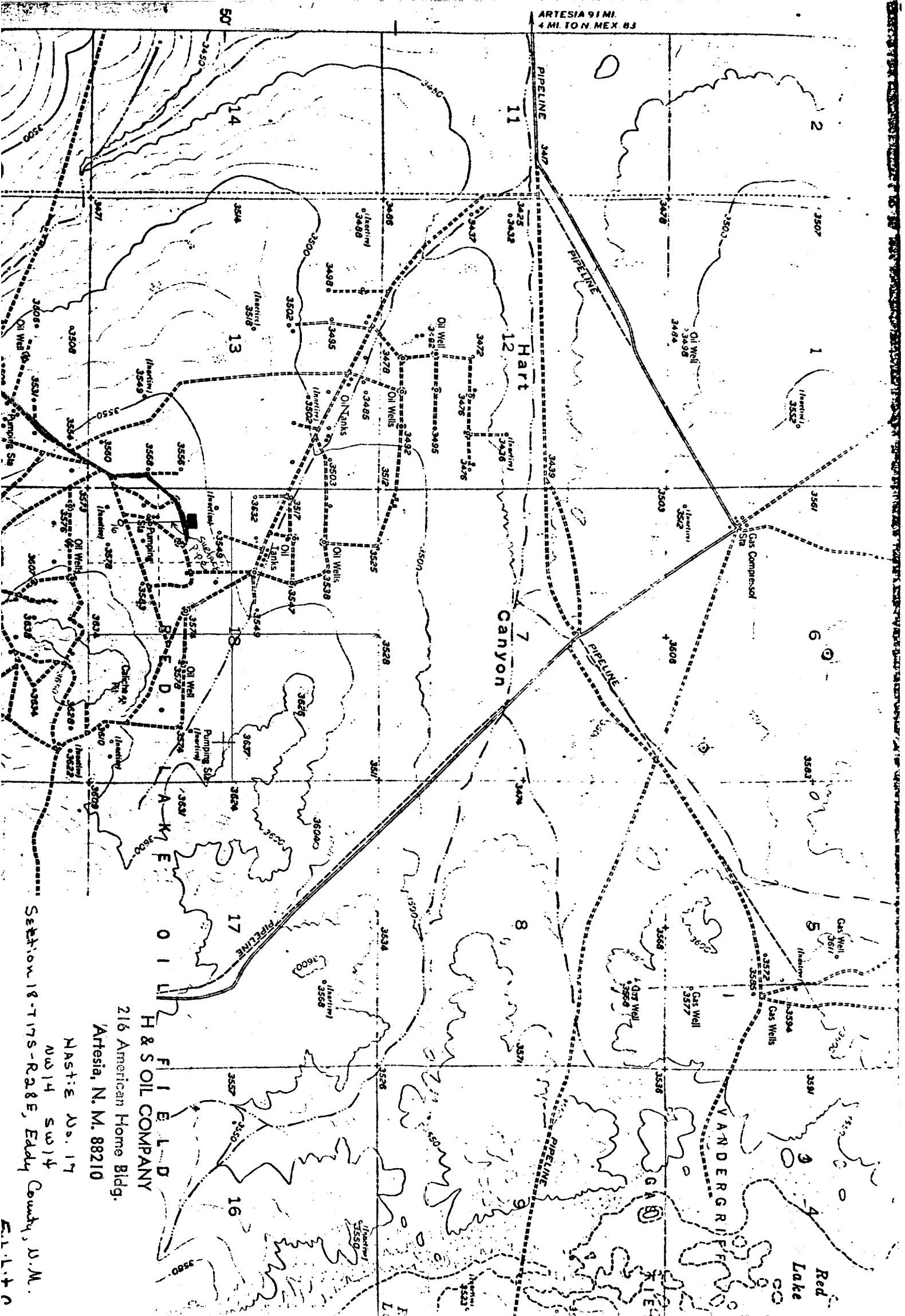
H & S OIL COMPANY

Date: 2/1/79

R. L. Heinisch
Partner

[illegible]

H & S OIL COMPANY
216 American Home Bldg
Arlington, N. M. 86210
Hastie No. 17
NW 1/4 SW 1/4
Section 18-T17S-R2
Eddy County, N.M.



ARTESIA 91 MI.
4 MI. TO N. MEX. 83

Section 18-T17S-R28E, Eddy County, N.M.
F. I. E. L. D.
H & S OIL COMPANY
216 American Home Bldg.
Artesia, N. M. 88210
MASTIE No. 17
NO. 14 SW 1/4
E. L. L. & C.