

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

Hondo Oil & Gas Company

3. ADDRESS OF OPERATOR

P. O. Box 2208, Roswell, NM 88202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At surface

1980' FSL & 1980' FEL  
At proposed prod. zone

OCT 26 '88

O. C. D.  
ARTESIA, OFFICE

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

11 miles northeast from Loco Hills, NM

10. DISTANCE FROM PROPOSED\*

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

1980'

16. NO. OF ACRES IN LEASE

1919.88

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

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

1320'

19. PROPOSED DEPTH

4200'

20. ROTARY OR CABLE TOOLS

Rotary

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

3960' GL

22. APPROX. DATE WORK WILL START\*

11/5/88

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	610'	300 sx. Class C w/2% CC
7 7/8"	5 1/2"	15.5#	4200'	200 sx. Class C + 600 sx. Lite

Mud Program

0 - 610' Drill with fresh water.  
610 - 4200' Drill with saturated brine.

BOP Program:

Will install on the 8 5/8" surface casing a 10" Series 900 Type "E" Shaffer  
Double Hydraulic BOP and will test before drilling into the Queen formation.

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

*Don Brown*

TITLE

Engineer

DATE

10/17/88

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

*Scott Adams*

TITLE

ACTING  
CHIEF OF BUREAU

DATE

10-25-88

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

All distances must be from the outer boundaries of the Section.

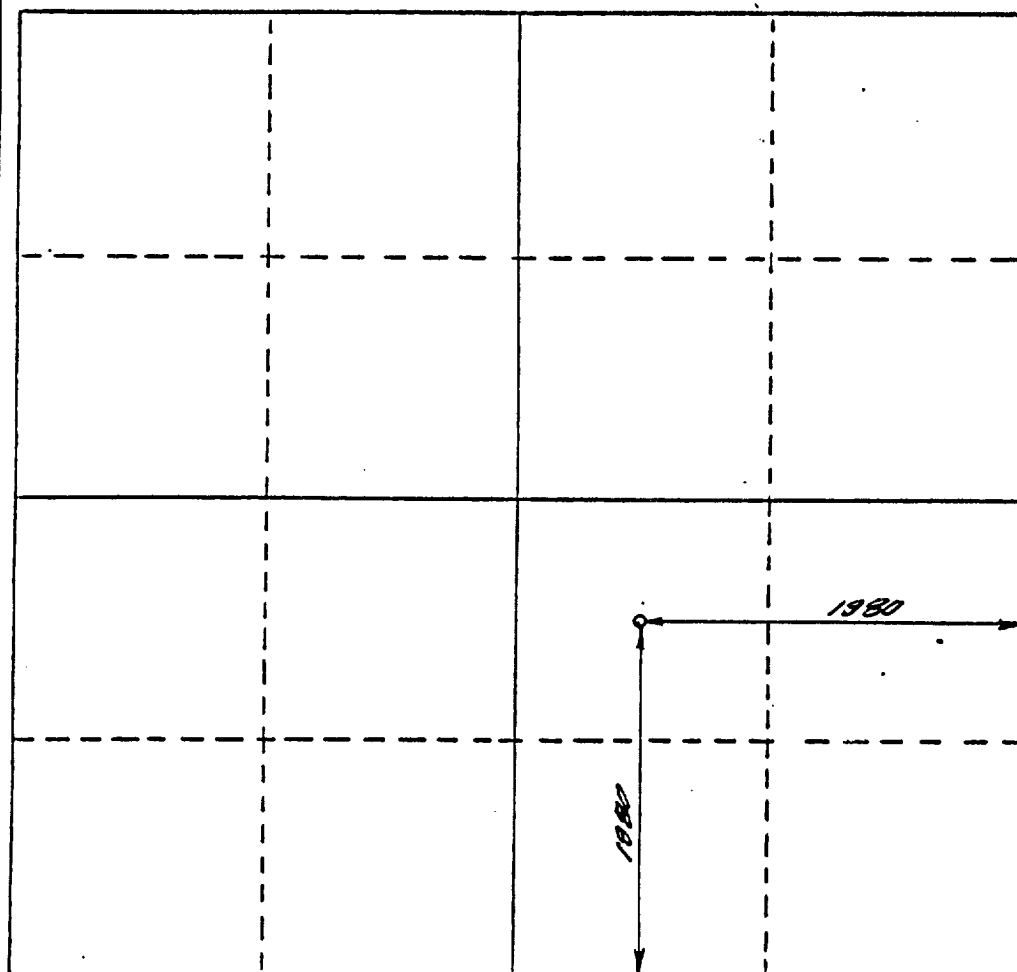
Operator <b>Hondo Oil &amp; Gas Company</b>			Lease <b>H.E. West "B"</b>			Well No. <b>37</b>		
Unit Letter <b>J</b>	Section <b>3</b>	Township <b>17 South</b>	Range <b>31 East</b>	County <b>Eddy</b>				
Actual Footage Location of Well: <b>1980</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>East</b> line								
Ground Level Elev. <b>3960</b>	Producing Formation <b>Grayburg</b>		Pool <b>Grayburg Jackson SR &amp; G-SA</b>			Dedicated Acreage: <b>40</b> Acres		

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 Division.



CERTIFICATION

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

*Ron Brown*

Name

Ron Brown

Position

Engineer

Company

Hondo Oil & Gas Company

Date

10/17/88

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.

22 September 1988

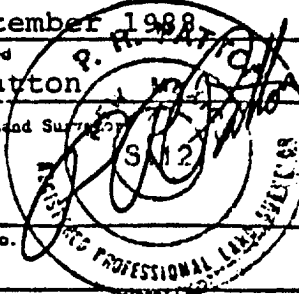
Date Surveyed

P.R. Patton

Registered Land Surveyor

8112

Certificate No.



# BLOWOUT PREVENTER

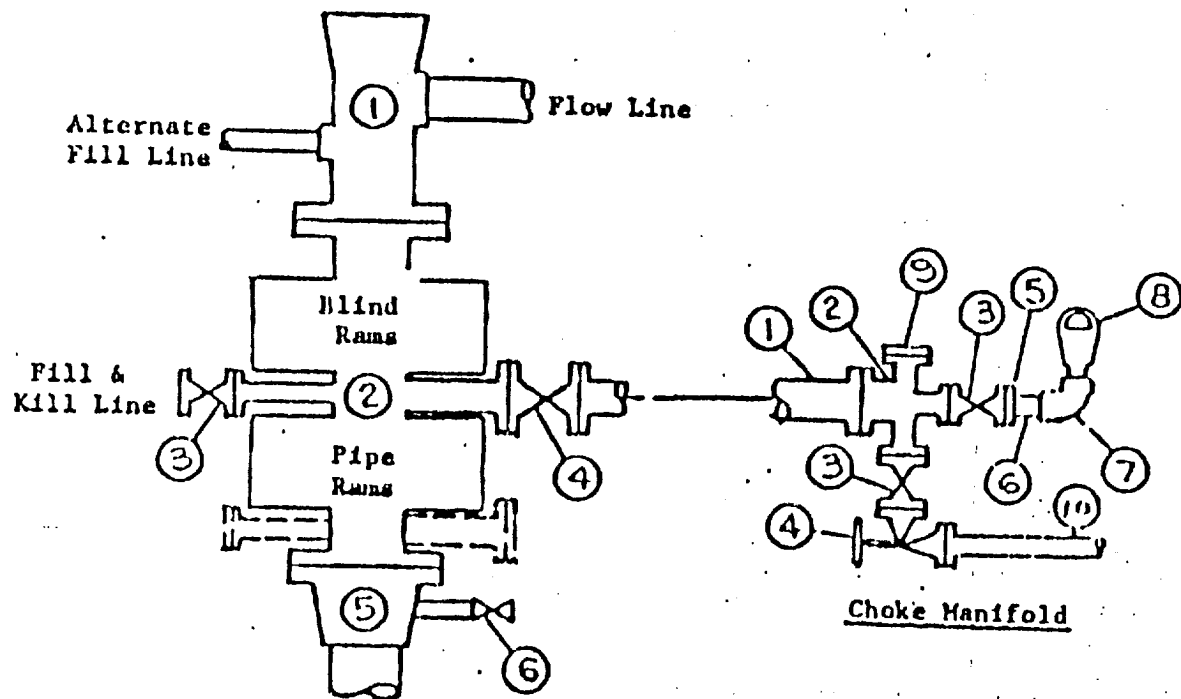


EXHIBIT "E"  
Hondo Oil & Gas Company  
H. E. West "B" #37  
BOP Diagram

# APPLICATION FOR DRILLING

HONDO OIL & GAS COMPANY  
H. E. WEST "B", Well No. 37  
1980' FSL & 1980' FEL, Sec.3-T17S-R31E  
Eddy County, New Mexico  
Lease No.: LC-029426-B  
(Development Well)

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Hondo Oil & Gas Company submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

Rustler Anhydrite	610'	Grayburg	3260'
Top of Salt	785'	Premier Sand	3430'
Base of Salt	1770'	San Andres	3560'
Yates	1930'	Lovington Sand	3700'
Seven Rivers	2235'	S.A. "M"	3760'
Queen	2850'	T. D.	4200'
3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Random fresh water from surface to 300' +/-, and water flow from injection wells possible at around 2790'.

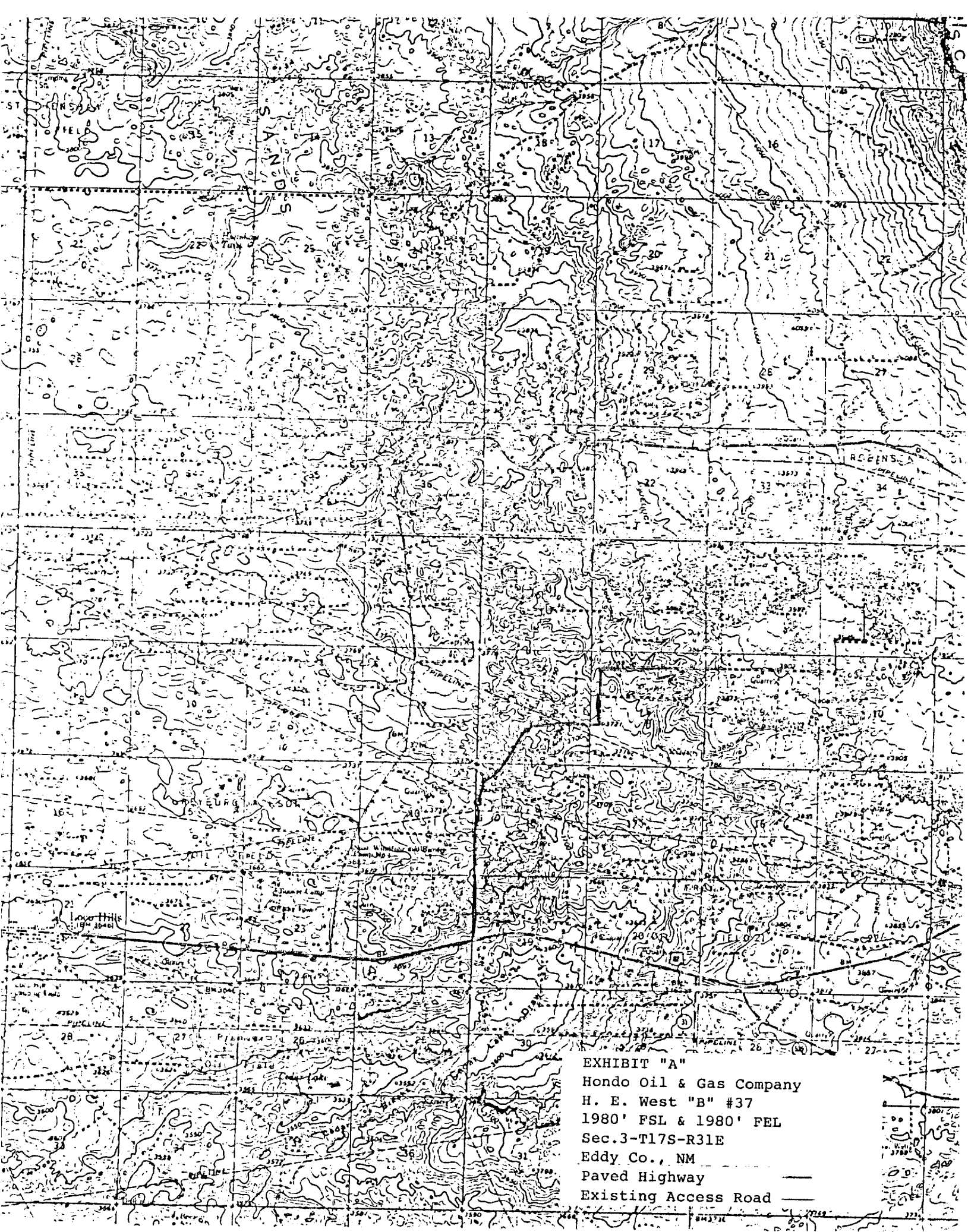
Oil: Grayburg at approximately 3260' or below.

Gas: None anticipated.
4. Proposed Casing Program: See Form 9-331C.
5. Proposed Control Equipment: See Form 9-331C and Exhibit "E".
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Blowout preventer, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging and Coring Program:

Drill Stem Tests: None planned.

Logging: LDT/CNL T.D. - 1770'  
DLL RXO NGT. T.D. - 1770'  
GRN T.D. - Surface

Coring: None planned.
9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered, the proposed mud program will be modified to increase the mud weight.
10. Anticipated starting date: 11/5/88  
Anticipated completion of drilling operations: approximately 20 days



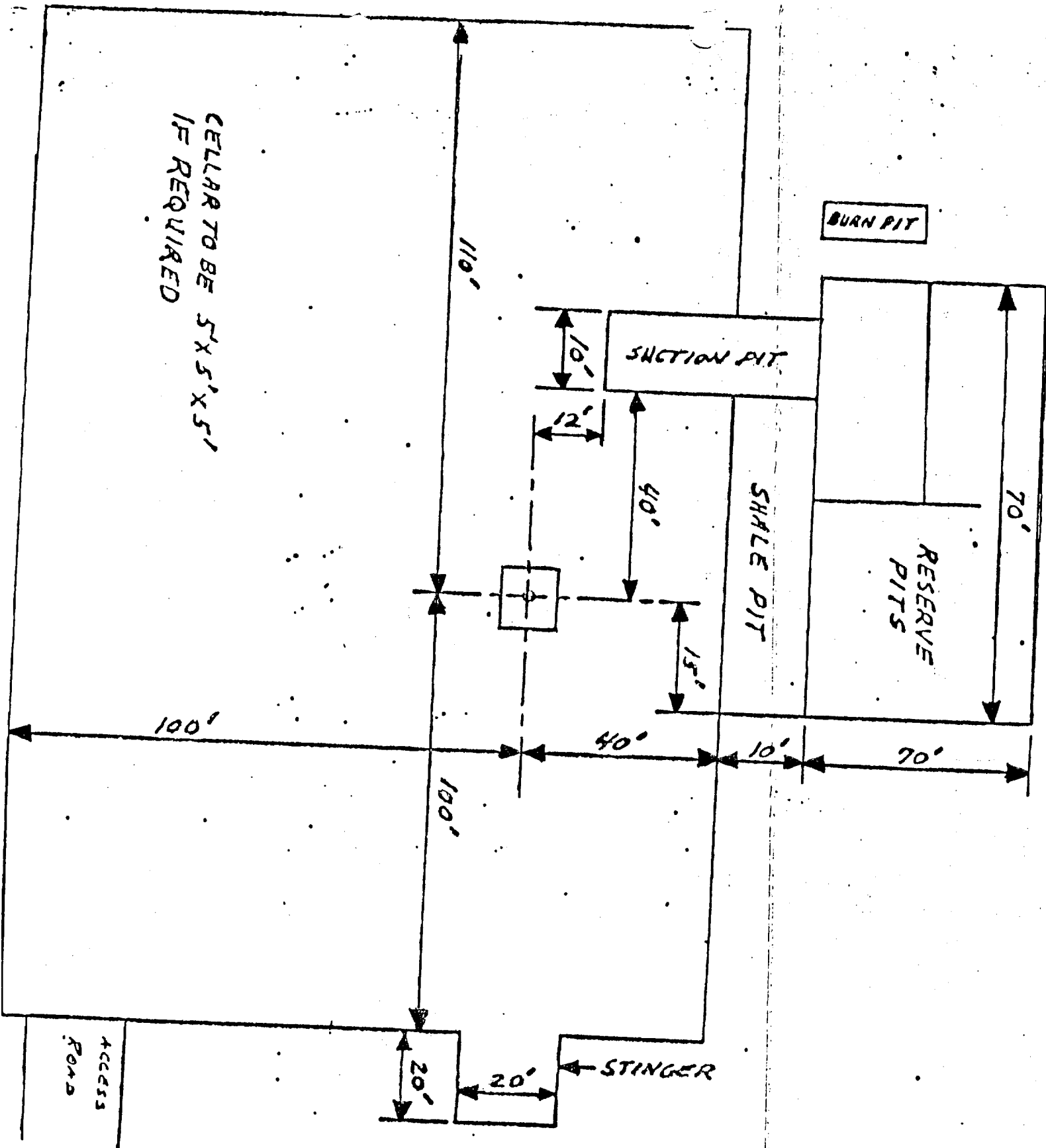


EXHIBIT "D"  
Hondo Oil & Gas Company  
H. E. West "B" #37  
Rig Layout