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RECEIVED
NEW MEXICO OIL CONSERVATION COMMISSION
FEB 6 1979
O. C. C.
ARTESIA, OFFICE

30-015-22825
Form C-101
Revised 1-1-65

| |
|--|
| 5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 5. State Oil & Gas Lease No. B-11535 |

| | |
|--|---|
| APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK | |
| 1a. Type of Work b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> 2. Name of Operator Hondo Oil & Gas Company ✓ 3. Address of Operator Box 1710, Hobbs, New Mexico 88240 4. Location of Well UNIT LETTER K LOCATED 1900 FEET FROM THE South LINE AND 1980 FEET FROM THE West LINE OF SEC. 9 TWP. 18S RGE. 28E NMPM | 7. Unit Agreement Name 8. Farm or Lease Name Exxon State 9. Well No. 1 10. Field and Pool, or Wildcat Wildcat Morrow Gas 12. County Eddy 19. Proposed Depth 10,800' 19A. Formation Morrow Gas 20. Rotary or C.T. Rotary 21. Elevations (Show whether DI, RT, etc.) 3632.4' GR 21A. Kind & Status Plug. Bond GCA #8 21B. Drilling Contractor Not selected 22. Approx. Date Work will start 2/10/79 |

| 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" OD | 54.5# K-55 | 400' | 250 | Circ to surf |
| 12-1/4" | 8-5/8" OD | 28# S-80 | 2800 | 1250 | Circ to surf |
| 7-7/8" | 4-1/2" OD | 11.6# N-80 | 1060' | | 6800' |
| | | 11.6# K-55 | 8980' | | |
| | | 11.6# N-80 | 10800' | 1050 | |

Propose to drill a wildcat well to test the Morrow Gas producing capabilities.

Blowout Preventer Program attached.

gas is not dedicated

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMPLETION
5-8-99

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 [Signature] Title Dist. Drlg. Supt. Date 2/5/79

(This space for State Use)

APPROVED BY W. A. Gressett TITLE SUPERVISOR, DISTRICT II DATE FEB 8 1979

CONDITIONS OF APPROVAL, IF ANY: