

Form 3160-3
(July 1989)
(formerly 9-331C)

U. S. M. DEPT. OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NEW MEXICO
Artesia, NM 88210 88240

CONTACT LIVING
OFFICE FOR NUMBER
OF COPIES REQUIRED
(Other instructions on
reverse side)

28-015-05512
BLM Roswell District
Modified Form No.
NM60-3160-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

E 25

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒ Re-entry ☐ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

William A. & Edward R. Hudson

3a. Area Code & Phone No.

505/676-2266

3. ADDRESS OF OPERATOR

P.O. Box 9, Maljamar, New Mexico 88264

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

At surface

660' FSL, 660' FWL of Sec. 10, T18S, R31E

At proposed prod. zone

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

O.C.D.
ARTESIA, OFFICE

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

4037'

20. ROTARY OR CABLE TOOLS

Reverse circulating unit

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

3694' GL

22. APPROX. DATE WORK WILL START*

May, 1991

23. ~~EXISTING~~ ~~PROPOSED~~ CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
11"	8-5/8"	24#	J-55	8rd	740'	200 sx.
7-7/8"	5-1/2"	15.50#	J-55	8rd	4039'	1200 sx.

It is proposed to re-enter the well by drilling out all existing plugs in the 5-1/2" casing, squeeze perforations at 3288-3301' with cement, acidize and frac perforations at 4016 to 4026'.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

(same as)
OTD 4048
P4A 10-15-88

RECEIVED
FEB 20 11 45 AM '91

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

William A. Hudson

TITLE

Prod. Supt.

DATE

2/14/91

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

3-8-91

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 with intent to defraud, to execute any scheme or artifice to obtain property or money by false or fraudulent means.

SURFACE USE PLAN

FOR!

WILLIAM A. & EDWARD R. HUDSON
NO. 5, SHUGART A
660' FSL, 660' FWL, Sec. 10, T18S, R31E
EDDY COUNTY, NEW MEXICO

LOCATED: 9.5 air miles southwest of Maljamar, New Mexico

FEDERAL LEASE NUMBER: LC-029388-A

LEASE ISSUED: August 14, 1945

RECORD LESSEE: Hudson & Hudson

ACRES IN LEASE: 320

SURFACE OWNERSHIP: Federal

GRAZING PERMITTEE: Virgil Linam Estates
P.O. Box 1503
Hobbs, New Mexico 88240

POOL: Yates, Seven Rivers, Queen, GR-SA

POOL RULES: 40 acre spacing for oil

EXHIBITS: A. Road Map

B. Topography Map

C. County Map

D. Location Access Plat

E. Location Dimensions, Pit and Access Road

F. Pressure Control Equipment

MULTI-POINT SURFACE USE & OPERATION PLAN
William A. & Edward R. Hudson
Shugart -A- Lease
Well No. 5

1. Existing Roads

- A. Exhibit -A- is a portion of a road map showing the location of the well site as staked. Take U.S. Highway 62/180 east from Carlsbad to State Road 360, take State Road 360 north to County Road 222, take County Road 222 north to County Road 249, take County Road 249 east 1.5 miles, turn left on lease road, go 1.4 miles, turn west, go 3/4 mile to an earthen barricade. The well site is located 1/4 mile west of the earthen barricade.
- B. Exhibit -B- show existing roads in the vicinity of the well site.

2. Planned Access Road

- A. One-quarter of a mile of access road located from the earthen barricade west to the well site was plowed and re-seeded when this well was plugged and abandoned on Oct. 25, 1988. This portion of the road will be re-built.
- B. Construction: The new road will be constructed by grading and topping with compacted caliche. The surface will be properly drained.
- C. Turnouts: One turn out will be constructed approximately 660' east of the well site.
- D. Culverts: None
- E. Cuts and Fills: None required
- F. Gates and Cattleguards: None Required

3. Existing Wells:

- A. Existing wells are shown on Exhibit -C-.
- B. Hudson and Hudson operates one well in this 1/4 section.

4. Location of Existing and/or Proposed Facilities

- A. The existing facilities for this lease are located 1980' FWL, 1380' FSL, Sec. 10, T18S, R31E. The oil and water produced from this well will be transported to the facilities through a 3" flowline that will be laid from the well site using the original right-of-way to the production facilities. It is proposed to build new facilities located adjacent to the north side of the old facilities. When the new facilities are completed the old facilities will be removed.

Shugart -A-, Well No. 5

4. A.(Con't)

- . The two power line poles located from the well site east to the primary power lines were removed in 1989. It is proposed to re-install these two power line poles and power line.

5. Location and Type of Water Supply

- A. Water needed for drilling operations will be purchased and trucked to the well site.

6. Source of Construction Materials;

- A. Caliche needed for onstruction work will be obtained from an existing quarry on Federal Land in Section 11 just to the east of our location and will be trucked to the well site over existing roads.

7. Waste Disposal

- A. Drill cuttings will be disposed of in the temporary workover pit.
- B. Remaining fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for backfilling.
- C. Water produced during tests will be disposed of in the temporary workover pit.
- D. Oil produced during test will be stored in test tanks until transferred to the tank battery and sold.
- E. Trash, waste paper, garbage and junk will be transported from the location and disposed of in a legal trash dump.
- F. All trash and debris will be buried or removed from the wellsite within 30 days after drilling and/or completion operations are finished.

8. Ancillary Facilities

- A. None Required.

9. Well site Layout

- A. Exhibit -E- shows the dimensions of the well pad, the pit and the road.
- B. The temporary workover pit will be unlined, a four strand barbed wire fence will be built around the pit to keep livestock out. The pit will be covered with a net to keep birds out of any hydro-carbons that may accumulate in the pit.

Shugart -A-, Well No. 5

10. Plans For Restoration of Surface

- A. Following re-entry and/or completion operations, all equipment and material not needed for further operations will be removed. Pits will be filled and location will be cleaned of all trash and junk to leave the well site in an aesthetically pleasing condition as reasonably possible.
- B. After abandonment, all equipment, trash and junk will be removed and the well site cleaned. Any special rehabilitation and/or special revegetation requirements of the surface management agency will be complied with and will be accomplished as rapidly as is reasonable possible.

11. Other Information

- A. Topography: The surface is gently undulating with numerous dunes.
- B. Soil: Top soil in the area of the well site is fine sand.
- C. Flora and Fauna: Vegetation cover is moderate and include mesquite, shinnery oak, sand sage, yucca, weeds and range grasses. Wildlife consists of coyotes, rabbits, rodents, reptiles, dove and quail.
- D. Ponds and Streams: There are no rivers, lakes, ponds, or streams in the area.
- E. Residences and Other Structures: There are no inhabited dwellings or other structures within one mile of the proposed well site.
- F. Archaeological, Historical, and Cultural: None observed in the area.
- G. Land Use: Oil and gas production, grazing, and wildlife habitat.
- H. Surface Ownership: Federal

Shugart -A-, Well No. 5

12. Operator's Representative

- A. The field representatives that are responsible for assuring compliance with the approved surface use plan are:

Dwaine Howard - Production Superintendent
P.O. Box 9, Maljamar, New Mexico 88264
Phone: 505/676-2266 (Office)
505/676-3338 (Mobile)
505/676-4311 (Home)

Jimmy Smith - Field Foreman
#25 Halftrack Lane, Artesia, New Mexico 88210
Phone: 505/676-3339 (Mobile)
505/746-6263 (Home)

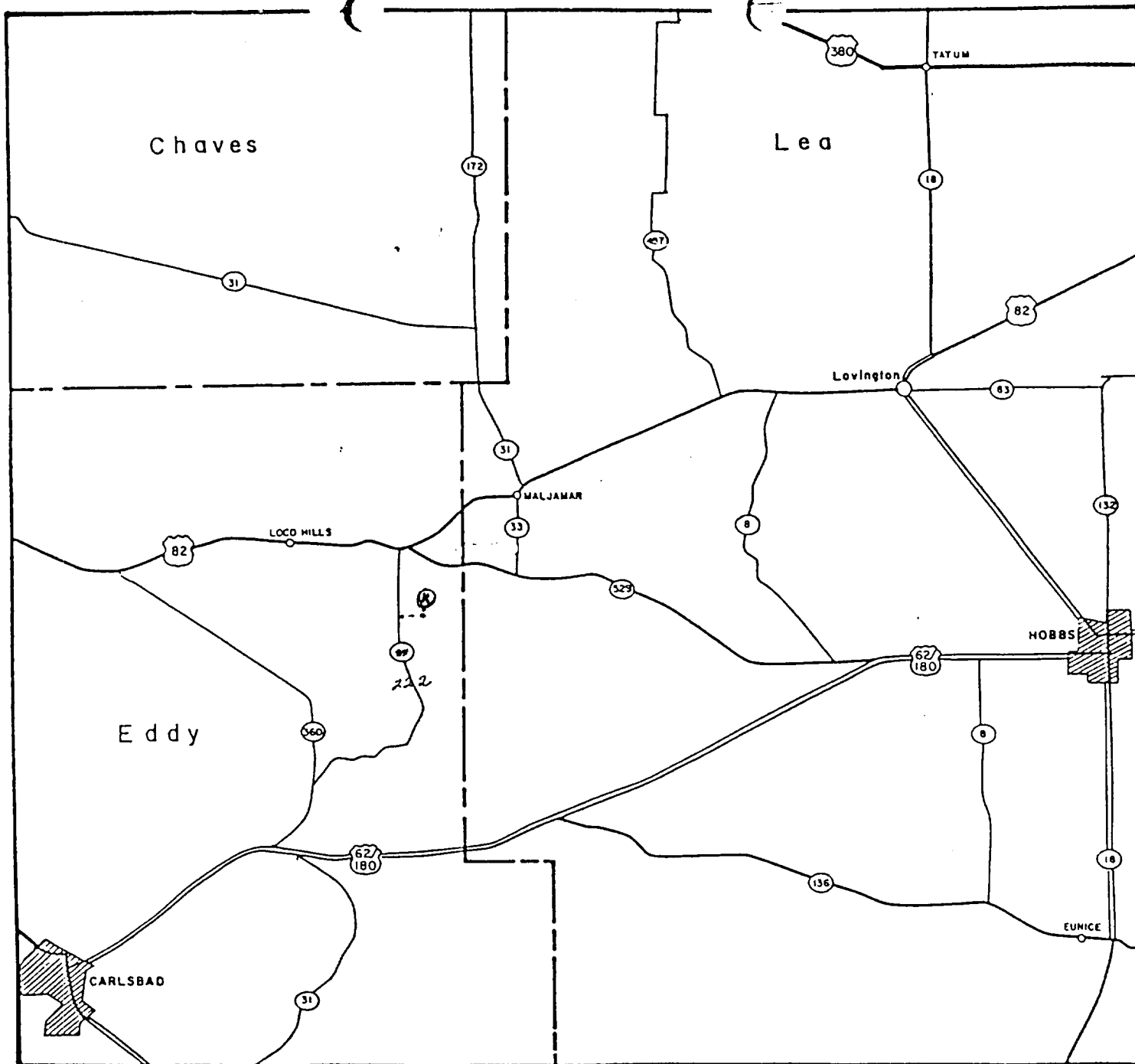


Figure 1

WILLIAM A. & EDWARD R. HUDSON

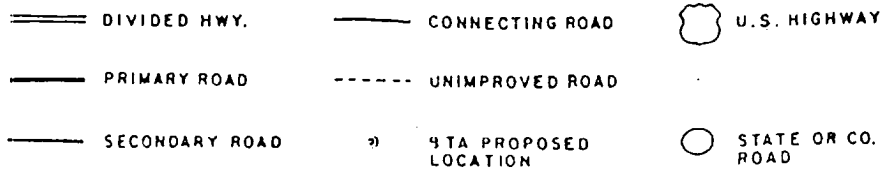
SHUGART - A -, Well No. 5

EDDY CO., NEW MEXICO

OIL & GAS FIELDS

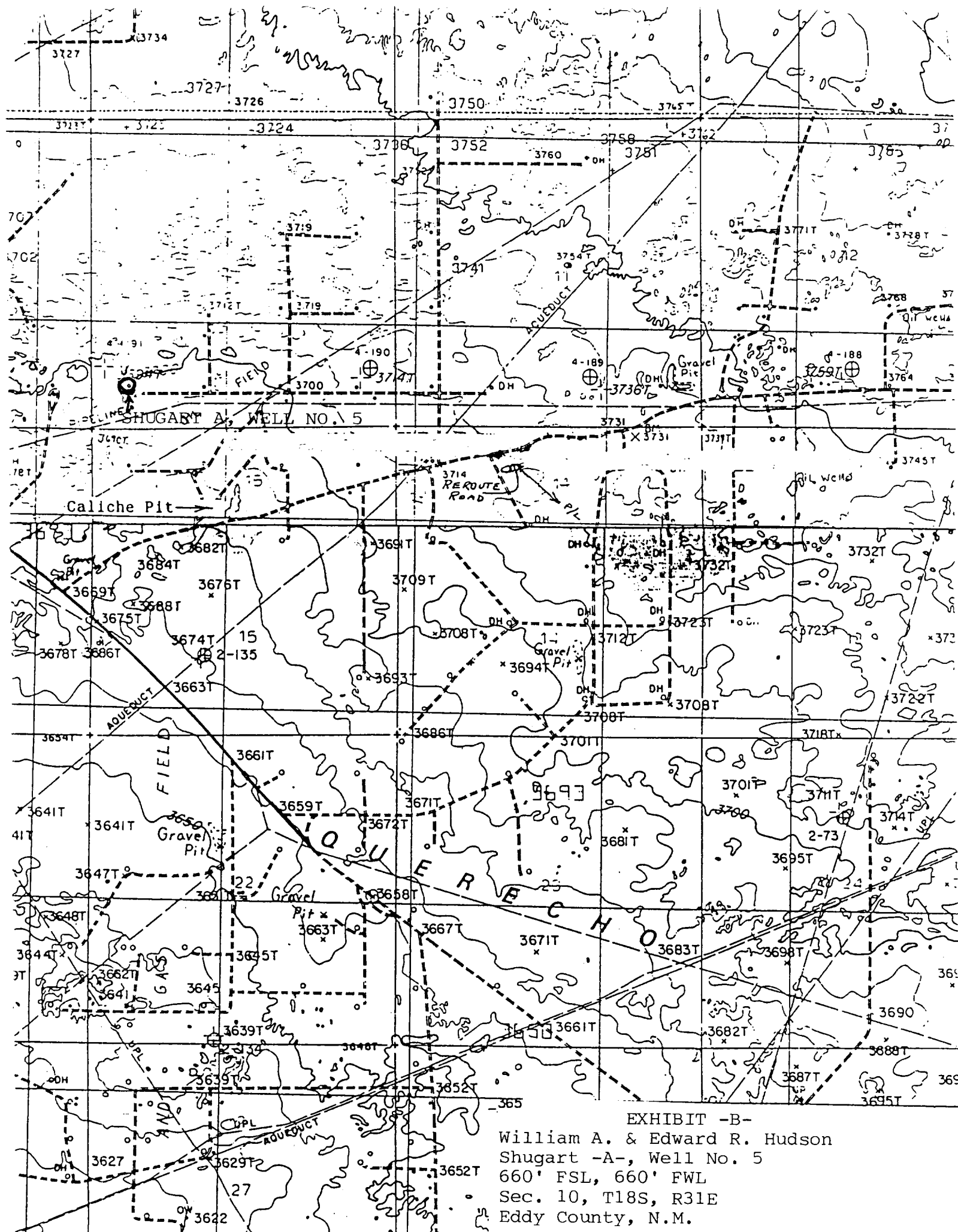
EXHIBIT -A-

660' FSL, 660' FWL
Sec. 10, T18S, R31E
Eddy County, N.M.



Date:

Scale: 1" = Approx. 9 mi.



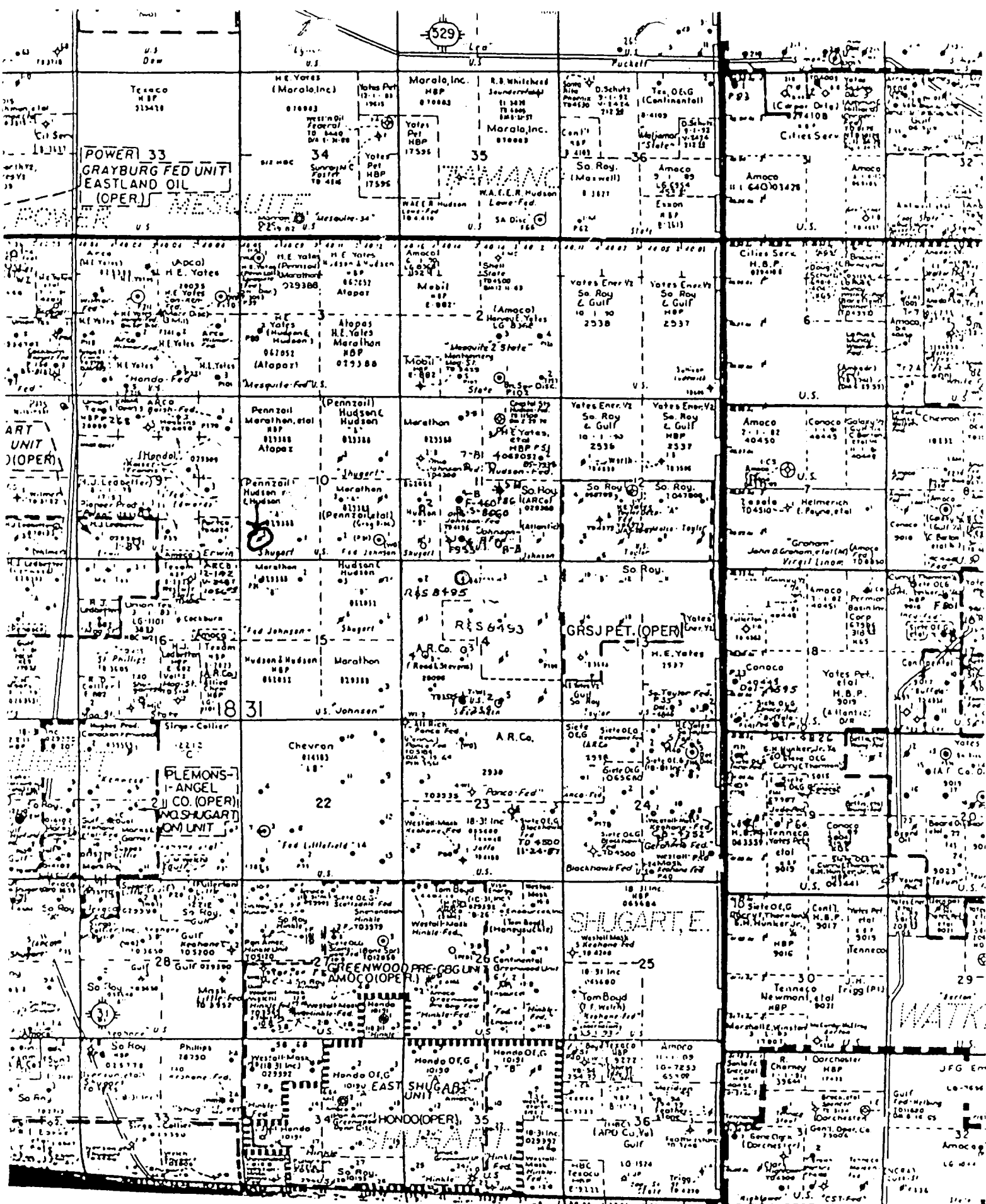


EXHIBIT -C-

William A. & Edward R. Hudson
Shugart A Lease, Well No. 5
660' FSL, 660' FWL, Sec. 10, T18S, R31E
Eddy County, N.M.

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-128
Revised 5/1/57

Well Location and Acreage Dedication Plat

Section A.

Date 9-3-57

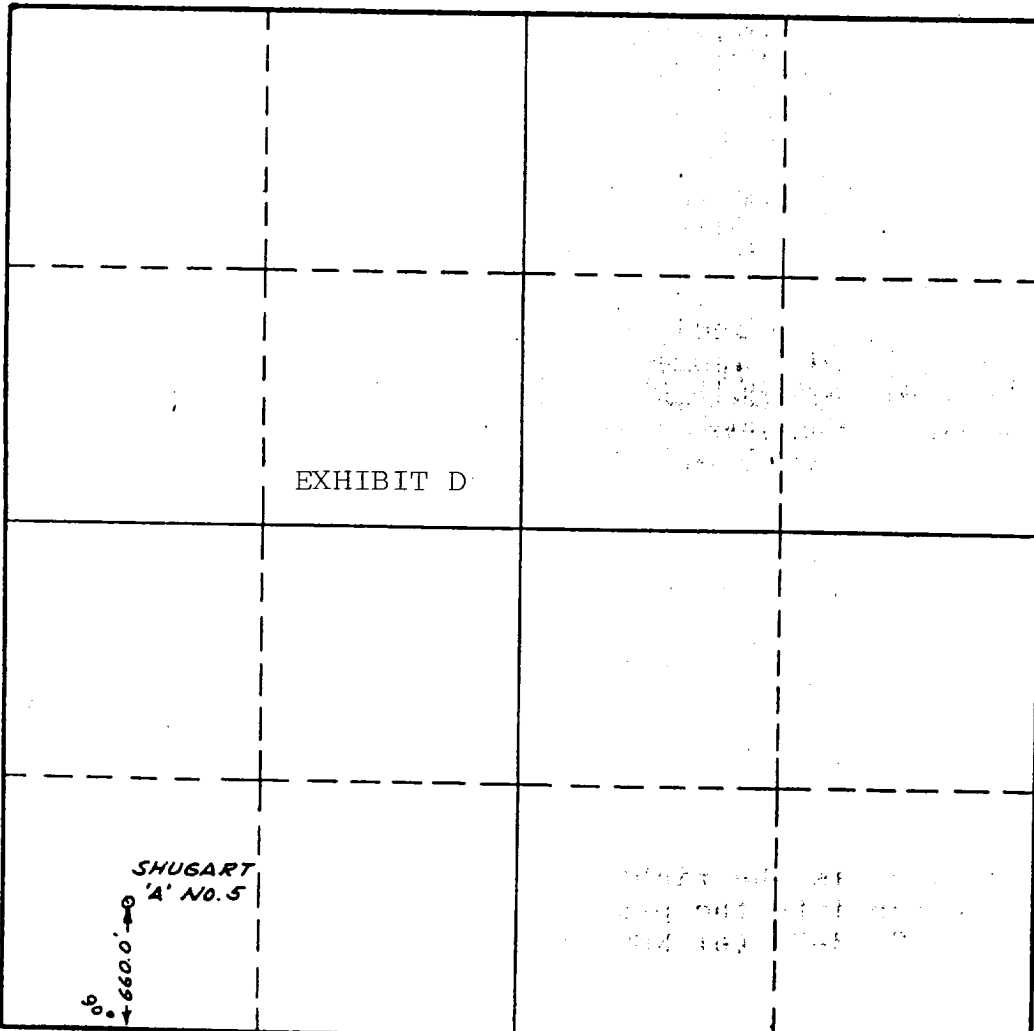
Operator HUDSON AND HUDSON, INC. Lease SHUGART
Well No. 5 Unit Letter A Section 10 Township T18S Range R31E NMPM
Located 660 Feet From South Line, 660 Feet From West Line
County Eddy G. L. Elevation _____ Dedicated Acreage 40 Acres
Name of Producing Formation Queen Pool North Shugart

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes X No _____.
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

HUDSON & HUDSON, INC.

(Operator)

[Signature]

(Representative) Sec-Treas

1810 Electric Building
Fort Worth, Texas
Address

This is to certify that the well location shown on the plat in Section B 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 Surveyed 9-2-57

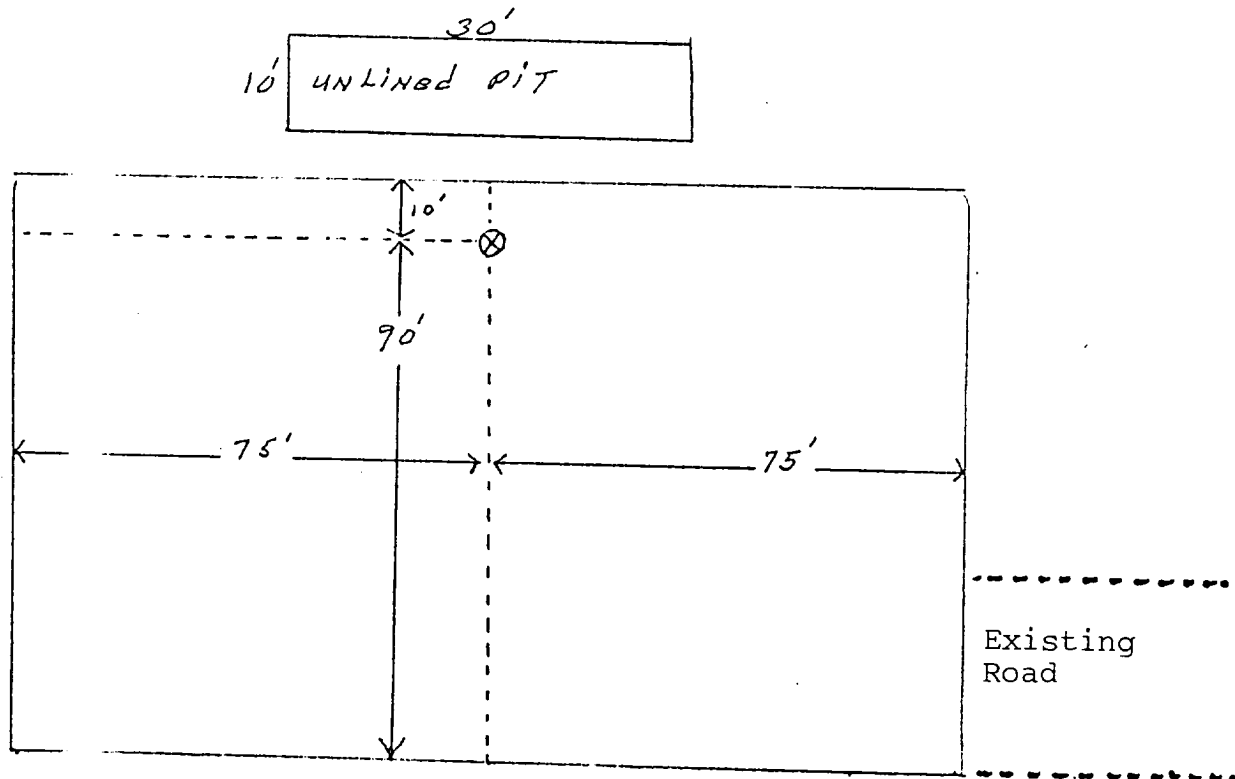
[Signature]
Registered Professional
Engineer and/or Land Surveyor.

Certificate No. 1558 L.S.

WILLIAM A. & EDWARD R. HUDSON
Shugart A Lease
Well No. 5
Sec. 10, T18S, R31E
Eddy County, N.M.

EXHIBIT -E-

LC-029388-A



WILLIAM A. & EDWARD R. HUDSON

6" 400-900 Double w/ Rams & Blinds
3000 P.S.I. Test

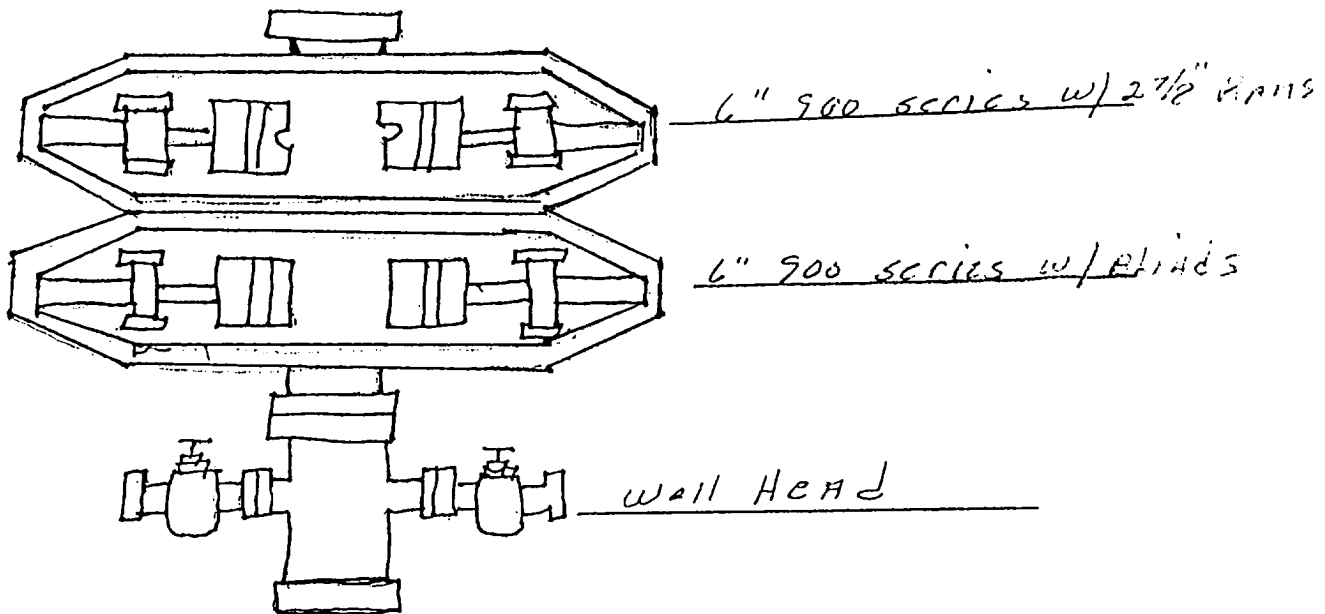


EXHIBIT -F-

Shugart, A., Well No. 5
660' FSL, 660' FWL
Sec. 10, T18S, R31E
Eddy County, New Mexico