

NM OIL CONG. COMMISSION
Drawer DD
Artesia, NM 88210

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

RECEIVED
30-015-05552
MAR 11 1991
BLM Roswell District
Mod. and Form No.
NMTSIA OFFICE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK DRILL <input type="checkbox"/> <u>Re-entry</u> <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. LC-062052	
B. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR William A. & Edward R. Hudson		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Box 9, Maljamar, New Mexico 88264		8. FARM OR LEASE NAME Shugart "B"	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980' FNL, 1980' FEL of Sec. 15, T18S, R31E At proposed prod. zone		9. WELL NO. 6	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 9 miles southwest of Maljamar, N.M.		10. FIELD AND POOL, OR WILDCAT Shugart	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 15, T18S, R31E	
16. NO. OF ACRES IN LEASE 720		12. COUNTY OR PARISH Eddy	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE N.M.	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 4142'		20. ROTARY OR CABLE TOOLS Reverse circulating unit	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3698 DF		22. APPROX. DATE WORK WILL START April 1991	

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	739	200 sx.
7-7/8"	5-1/2"	15.50#	J-55	8rd	4146	1200 SX.

It is proposed to re-enter this well by drilling out all existing plugs in the 5-1/2" casing from the surface to T.D., squeeze the perforations 3365' to 3379' with cement, perforate the 5-1/2" casing from approximately 4130' to 4140', stimulate using acid frac.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

(same sp.)
P+ A 11-7-89
OTD 4/49

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 Dwaine Howard TITLE Prod. Supt. DATE 2/13/91
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY Dwaine Howard TITLE Prod. Supt. DATE 3-8-91
CONDITIONS OF APPROVAL, IF ANY: _____

*See Instructions On Reverse Side

SURFACE USE PLAN

FOR:

WILLIAM A. & EDWARD R. HUDSON

NO. 6, SHUGART B
1980' FNL, 1980' FEL, SEC. 15, T18S, R31E
EDDY COUNTY, NEW MEXICO

LOCATED: 9 .0 air miles southwest of Maljamar, New Mexico

FEDERAL LEASE NUMBER: LC-062052

LEASE ISSUED: August 14, 1945

RECORD LESSEE: Hudson & Hudson

ACRES IN LEASE: 720

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 & OPERATIONS PLAN

William A. & Edward R. Hudson
Shugart B
Well No. 6

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, turn right on County Road 249 and go 1.5 miles, turn left on existing lease road, go 1 mile, turn west on lease road, go .3 mile, turn south. An earthen barricade is across the road at that point. The well location is 600' south of the earthen barricade.
- B. Exhibit -B- shows existing roads in the vicinity of the well site.

2. Planned Access Road

- A. The 600' of existing access road into the location was plowed and re-seeded when this well was plugged and abandoned November 7, 1989. It is proposed to rebuild this portion of the access road. The road will intersect with the northeast corner of the well pad.
- B. Construction: Approximately 600' of old road will be rebuilt.

3. Location of Existing Wells

- A. Existing wells are shown on Exhibit -C-.
- B. No other wells are operating in the 1/4 section.

4. Location of Existing and/or Proposed Facilities

- A. The existing production facilities for this well were abandoned and moved off the lease in 1989. The old facilities were located in the center of the NE 1/4 of section 15, T18S, R31E. It is proposed to rebuild the production facilities on the same site. Oil will be moved from the well to the production facilities through a 3" flowline to be layed on the old right-of-way.

5. Location and Type of Water Supply

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

Shugart B, Well No. 6

6. Source of Construction Materials

- A. Caliche needed for construction work will be obtained from an existing quarry on Federal Land in Sec. 11, just to the northeast 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. Wellsite 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.

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 the location will be cleaned of all trash and junk to leave the well site in an aesthetically pleasing condition as reasonably possible.

Shugart B, Well No. 6

- 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 and.
- 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

12. Operator's Representative

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

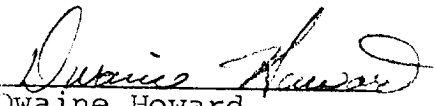
Dwaine Howard - Production Superintendent
P.O. Box 9, Maljamar, New Mexico 88264
Phone: 505/676-2266 (Office)
505/676/3338 (Mobile)
505/676/4311 (Home)

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

Shugart -B-, Well No.6.

13. Certification: I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site 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 and proposed herein will be performed by Hudson & Hudson Oil Producers and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. A well location sign showing operators name, well no., section range and township will be installed at the well site prior to operations beginning.

February 12, 1991
Date


Dwaine Howard
Production Superintendent
Hudson & Hudson

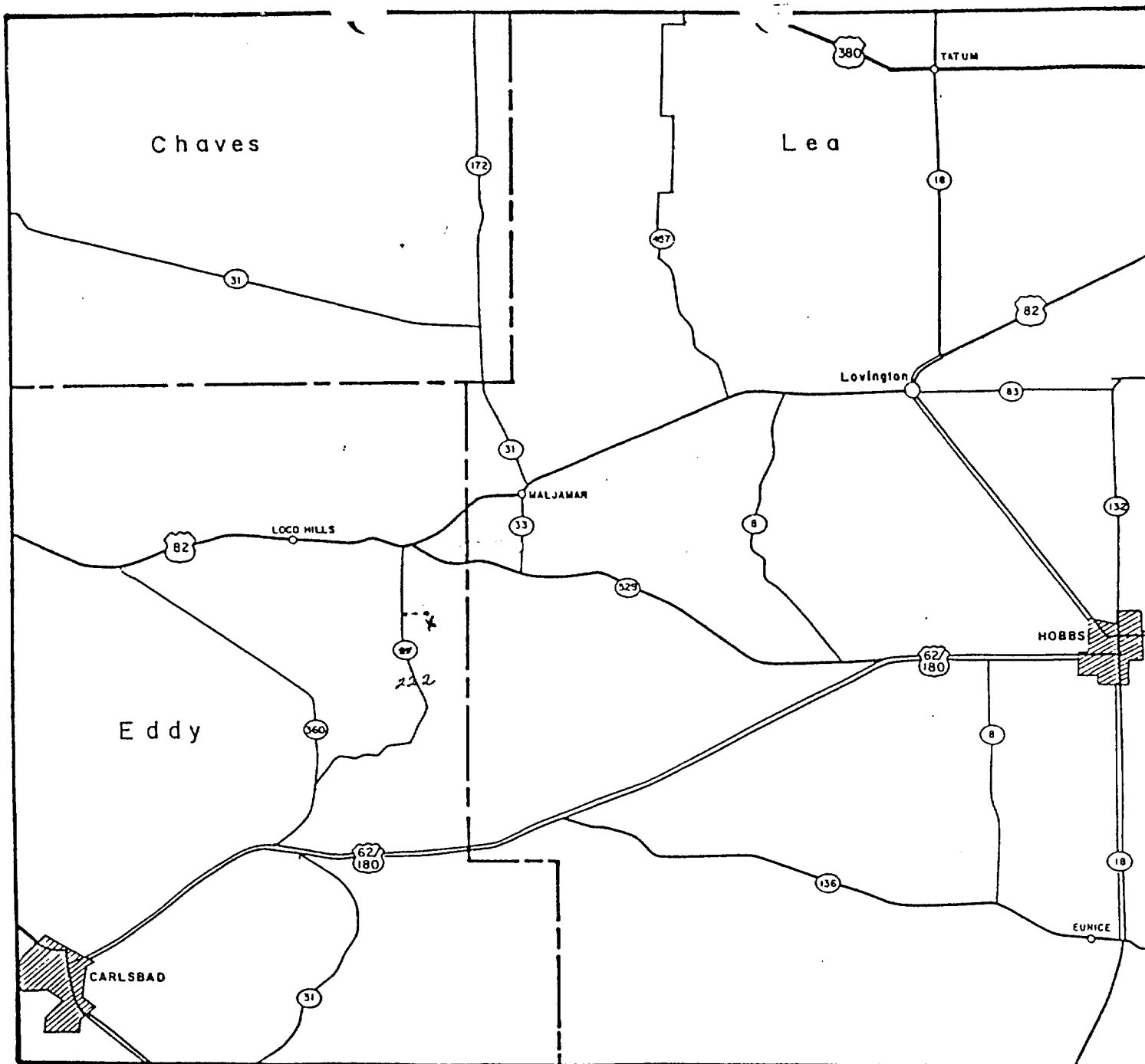


Figure 1

WILLIAM A. & EDWARD R. HUDSON

SHUGART "B" WELL NO. 6

EDDY CO., NEW MEXICO

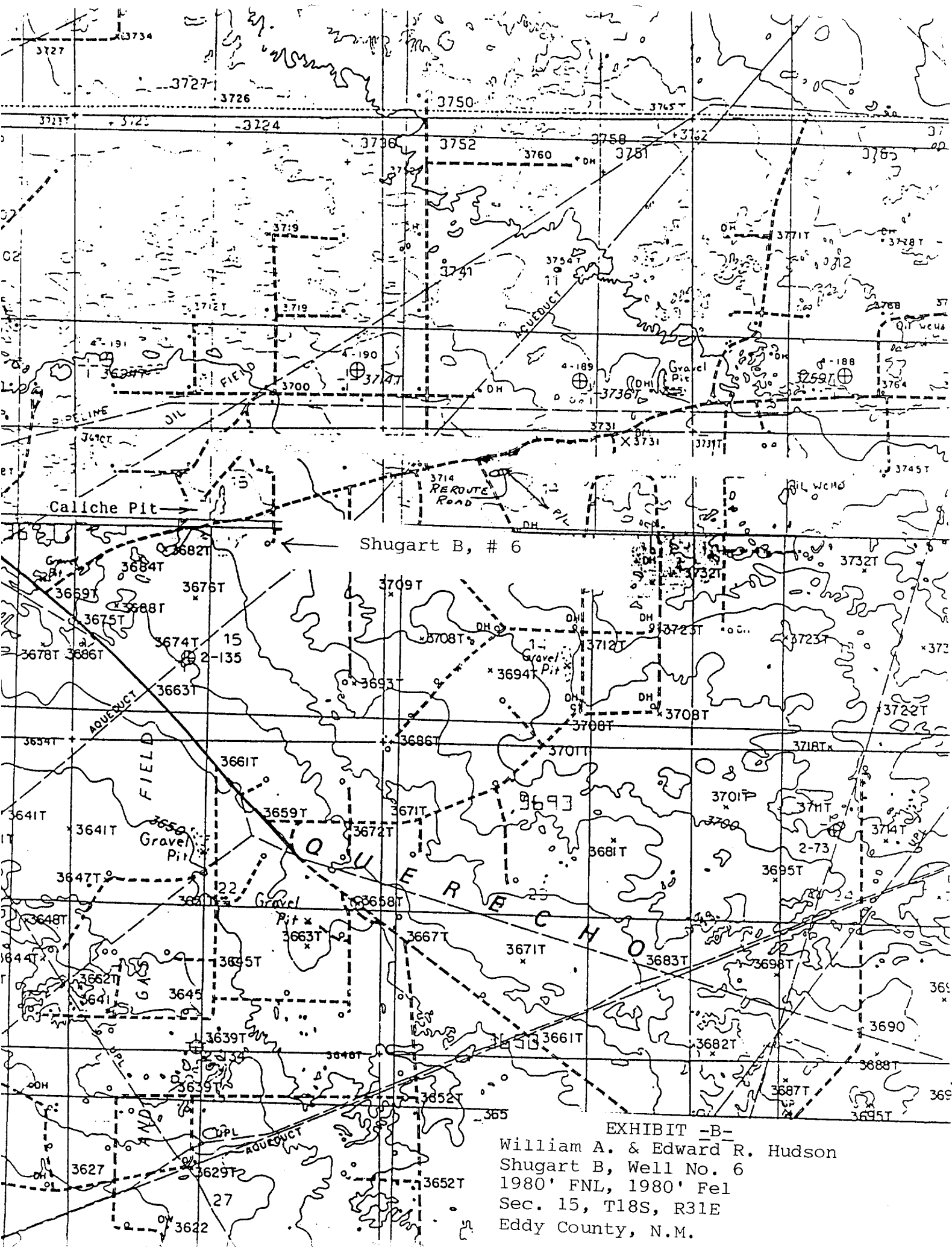
OIL & GAS FIELDS

EXHIBIT -A-
1980' FNL, 1980' FEL.
Sec. 15, T18S, R31E
Eddy County, N.M.

- | | | |
|------------------|--------------------------|---------------------|
| == DIVIDED HWY. | — CONNECTING ROAD | ⬡ U.S. HIGHWAY |
| — PRIMARY ROAD | - - - UNIMPROVED ROAD | |
| — SECONDARY ROAD | ⦿ 4 TA PROPOSED LOCATION | ○ STATE OR CO. ROAD |

Date:

Scale: 1" = Appox. 9 mi.



NEW MEXICO OIL CONSERVATION COMMISSION
Well Location and Acreage Dedication Plat

Section A.

Date June 6th, 1957
Operator Hudson & Hudson, Inc. Lease Shugart "B"
Well No. 6 Unit Letter A Section 15 Township 18S Range 31E NMPM
Located 1980 Feet From North Line, 1980 Feet From East 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:

<u>Owner</u>	<u>Land Description</u>
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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)

Ben T. Phillips, Jr.
(Representative) Secy-Treas
1810 Electric Building
Fort Worth, Texas

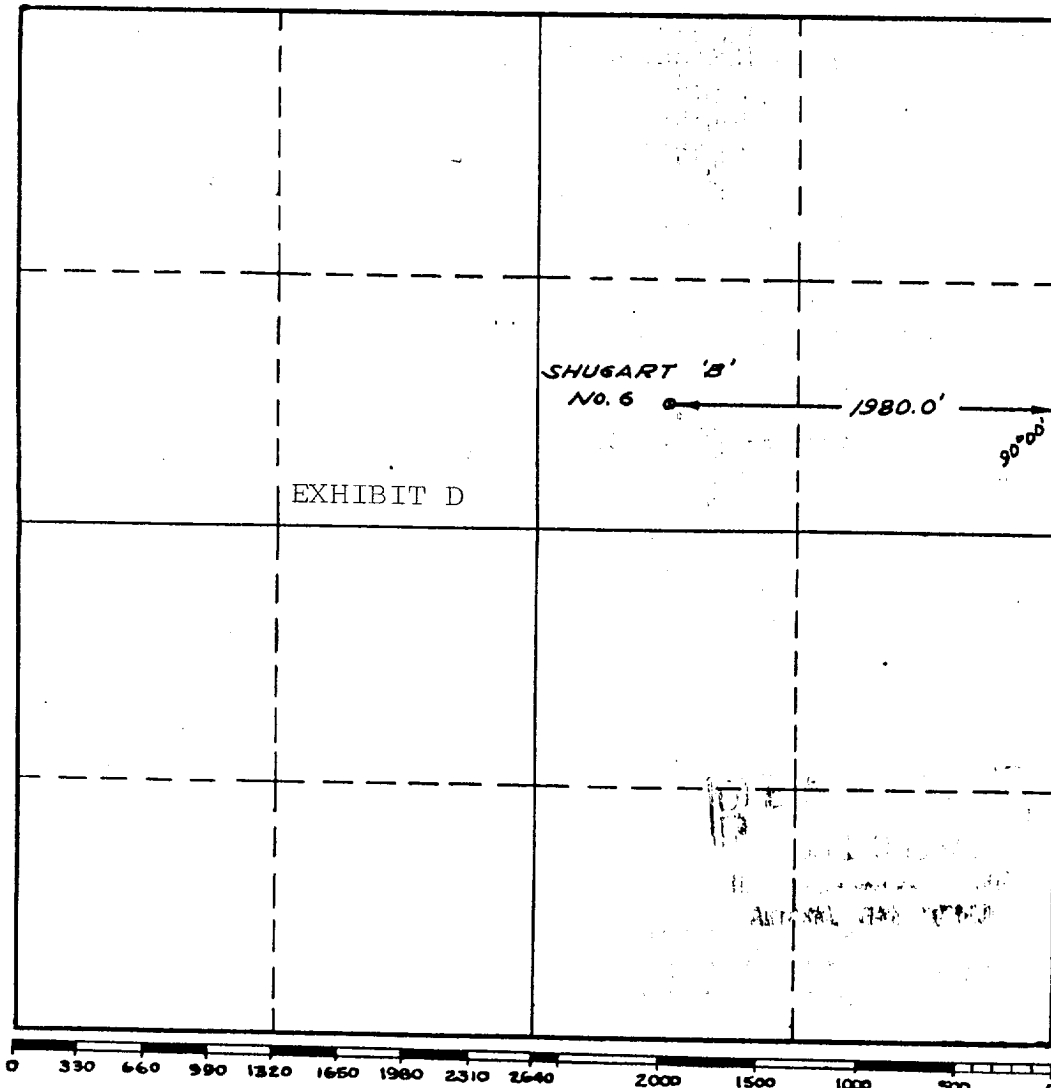
Address

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 6-8-57

Ben T. Phillips, Jr.
Registered Professional
Engineer and/or Land Surveyor.

Certificate No. 1558 L.S.

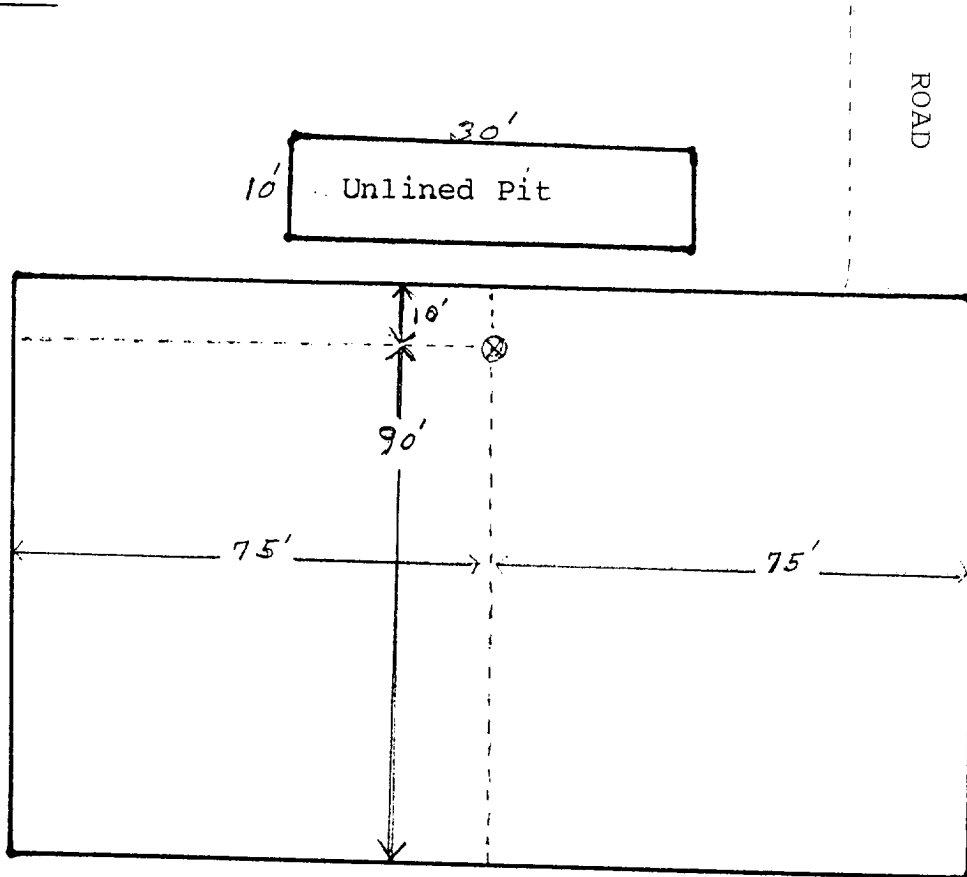


(See instructions for completion of this form)

WILLIAM A. & EDWARD R. HUDSON
Shugart B Lease
Well No. 6
Sec. 15, T18S, R31E

EXHIBIT -E-

LC-062052



WILLIAM A. & EDWARD R. HUDSON

6" 400-900 Double w/ Rams & Blinds
3000 PSI. TEST

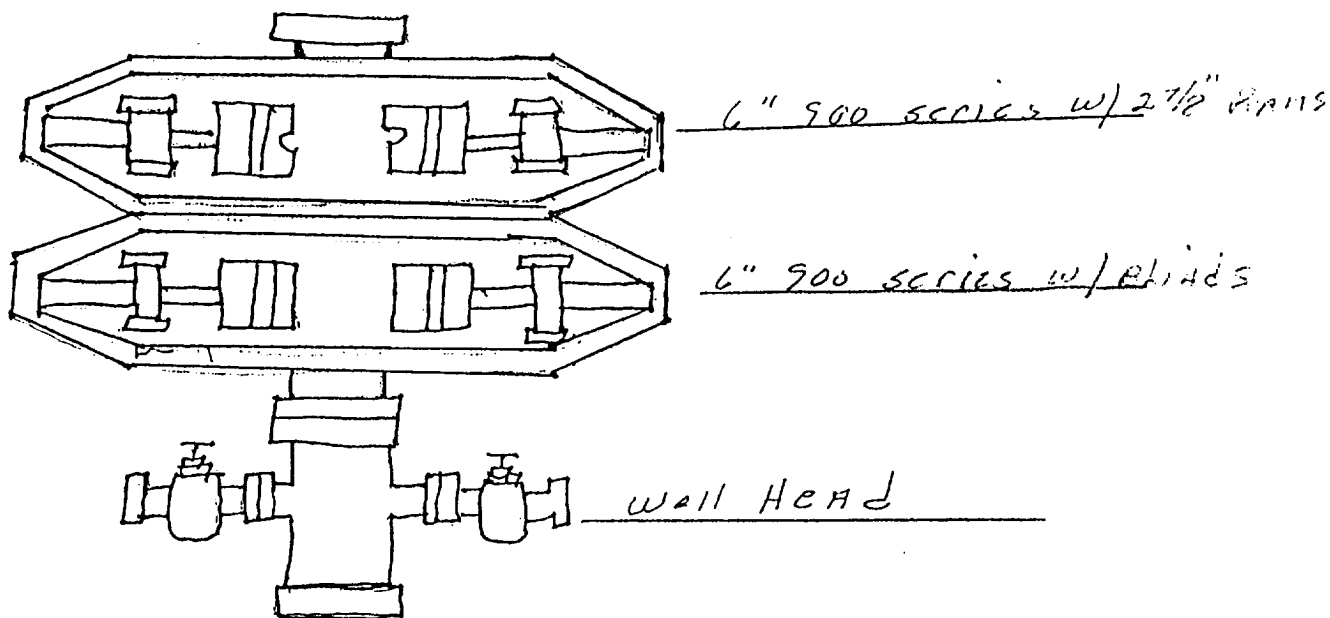


EXHIBIT -F-

Shugart B, Well No. 6
1980' FNL, 1980' FEL
Sec. 15, T18S, R31E
Eddy County, N.M.