

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL CATION AND ACREAGE DEDICATION AT

Form C-102  
Supersedes C-128  
Effective 1-1-65

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

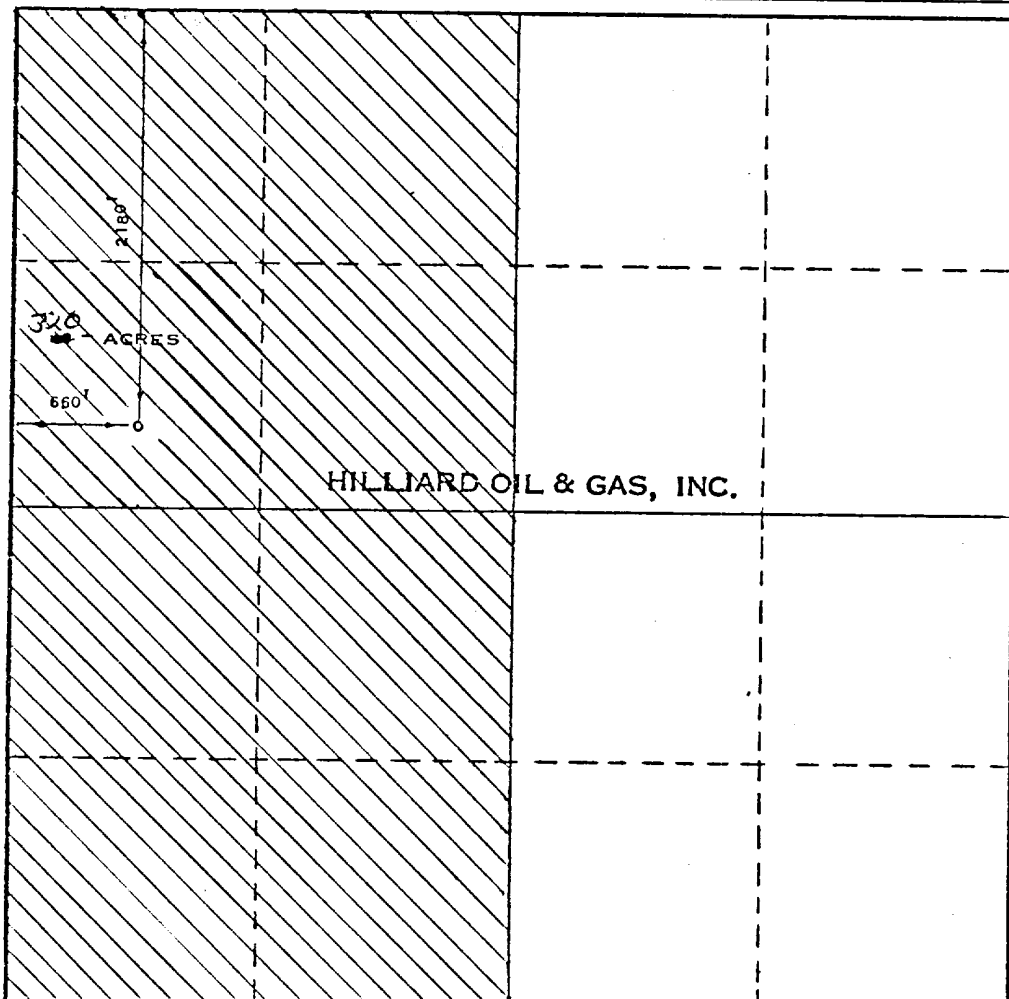
Operator <b>HILLIARD OIL &amp; GAS, INC.</b>		Lease <b>DEER CANYON UNIT</b>		Well No. <b>I</b>
Unit Letter <b>"E"</b>	Section <b>14</b>	Township <b>20-S</b>	Range <b>21-E</b>	County <b>EDDY</b>
Actual Footage Location of Well: <b>2180</b> feet from the <b>NORTH</b> line and <b>660</b> feet from the <b>WEST</b> line				
Ground Level Elev. <b>4293</b>	Producing Formation <b>MORROW</b>	Pool <i>Willcat</i> <b>UNDESIGNATED</b>	Dedicated Acreage: <b>320</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.



CERTIFICATION

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

*Darol K. Ramey*  
Name

Darol K. Ramey

Position

Manager of Operations

Company

Hilliard Oil & Gas, Inc.

Date

September 24, 1973

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.

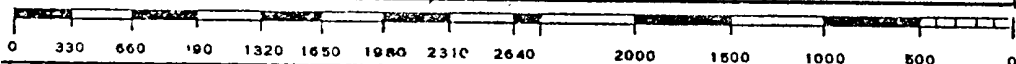
Date Surveyed

AUGUST 29, 1973

Registered Professional Engineer and/or Land Surveyor

*Max A. Schumann Jr.*  
MAX A. SCHUMANN JR.

Certificate No. 1510



HILLIARD OIL & GAS, INC.

906 X00 Building of the Southwest, Midland, Texas 79701 • (915) 684-8271

September 24, 1973

United States Department of the Interior  
Geological Survey  
P. O. Drawer U  
Artesia, New Mexico 88210

Re: Development Plan for Surface Use  
Hilliard Oil & Gas, Inc.  
Deer Canyon Unit #1 (8800' Wildcat)  
Lease Ser. No. NM-0452402  
Eddy County, New Mexico

Gentlemen:

In compliance with your requirement that each application for permit to drill be accompanied by a Development Plan for Surface Use, we submit the following information regarding our plans for the subject well:

1. Existing roads, including location of the exit from the main highway:

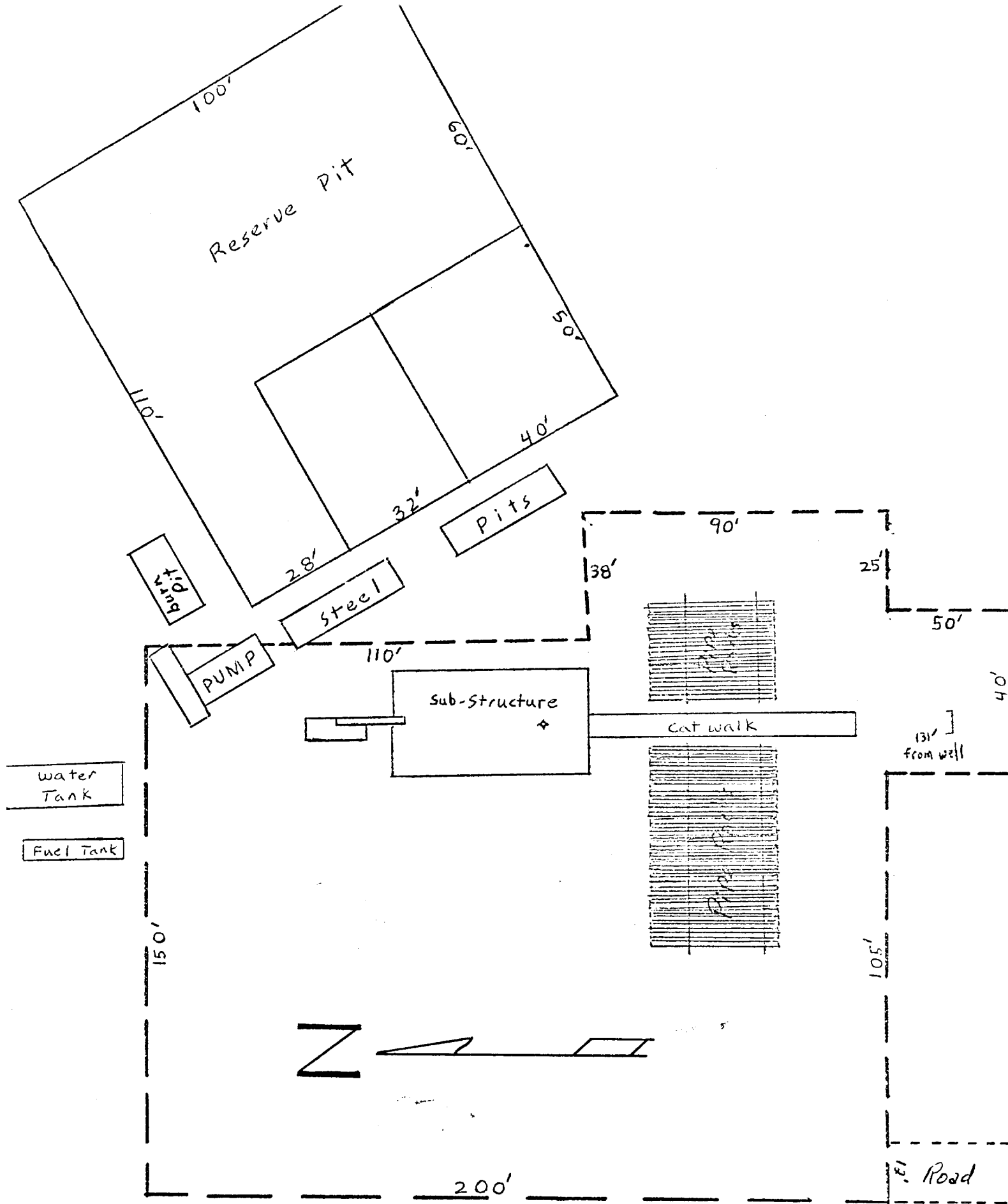
See Plat No. 1 - All existing roads are indicated on this plat. The main access road is shaded in yellow. The exit from the main highway is off US 82 at Hope, New Mexico, just west of the Shell Oil Company service station.

2. Planned access roads:

See Plat No. 1 and Plat No. 2 - The main access road that will be used is shown shaded in yellow on Plat No. 1. This road is presently in existence. On Plat No. 2, the existing road is indicated in yellow in approximate location. New road construction is indicated in red. The new road will be approximately 220' in length and 12' wide. The road will have to be surfaced with caliche.

3. Location of existing wells:

To our knowledge, no wells have been drilled within 2 miles of this proposed well.



Plot No. 3

HILLIARD OIL & GAS, INC.  
906 Building of the Southwest  
Midland, Texas 79701

MUD PROGRAM

WELL: Deer Canyon Unit #1

LOCATION: 2180' FNL & 660' FWL, Section 14, T-20-S, R-21-E  
Eddy County, New Mexico

MUD SUPPLIER & SERVICE CO.: Baroid Division of National Lead Company

PROGRAM:

0 - 300'	Spud Mud - Bentonite-Lime. Adequate to clean hole and set casing.
300 - 1800'	Fresh Water & Flocculant. Load hole w/viscous mud to run casing.
1800 - 5000'	Fresh Water & Flocculant.
5000 - 6000'	Cut Brine & Flocculant. To fresh water system, add 3-5% KCl & brine water. Weight - 9.2 to 9.3#/gal. No viscosity or water loss control.
6000 - 8800'	Dextrid/Drispac - Salt Polymer System. Weight - 9.2 - 9.3#/gal., viscosity 32-33 sec/1000 cc, water loss 10 cc or less.

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
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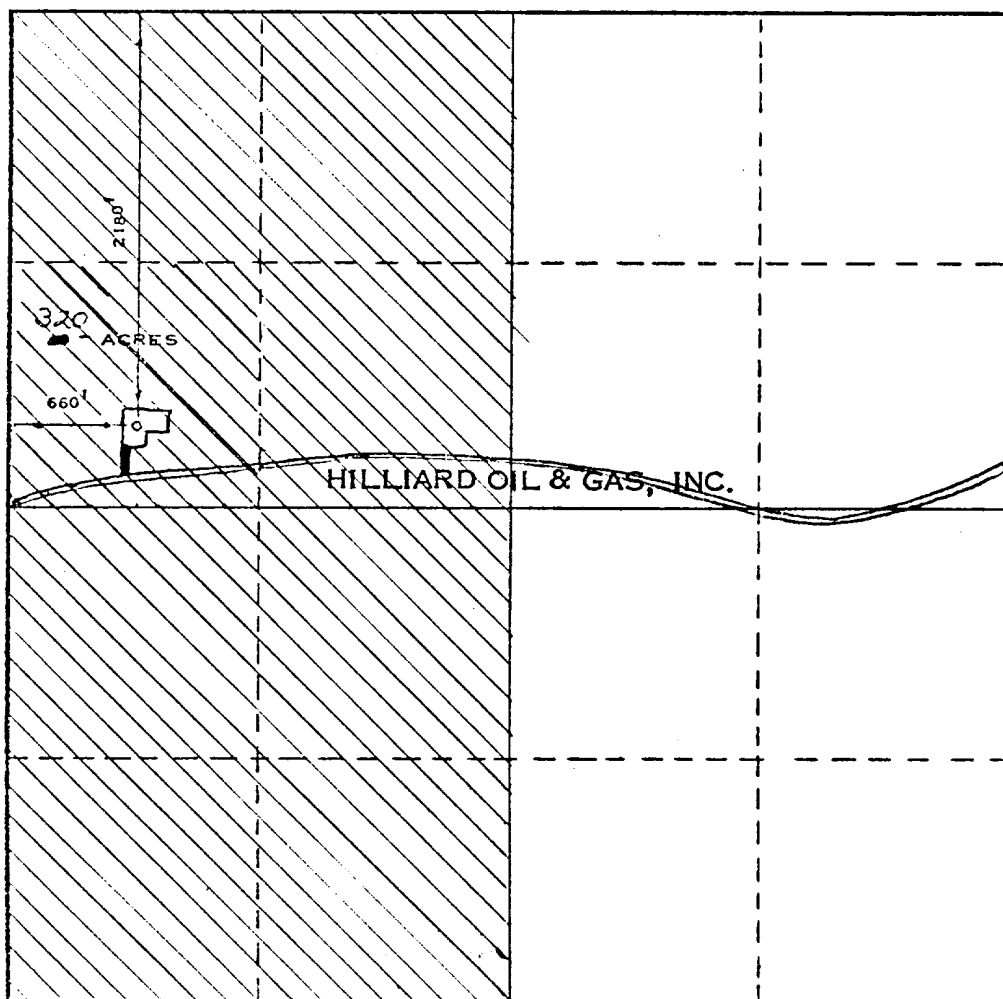
Operator <b>HILLIARD OIL &amp; GAS, INC.</b>			Lease <b>DEER CANYON UNIT</b>		Well No. <b>1</b>
Unit Letter <b>"E"</b>	Section <b>14</b>	Township <b>20-S</b>	Range <b>21-E</b>	County <b>EDDY</b>	
Actual Footage Location of Well: <b>2180</b> feet from the <b>NORTH</b> line and <b>660</b> feet from the <b>WEST</b> line					
Ground Level Elev. <b>4293</b>	Producing Formation <b>MORROW</b>		Pool <b>UNDESIGNATED</b>		Dedicated Acreage: <b>320</b> Acres

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*Darol K. Ramey*  
Name

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Hilliard Oil & Gas, Inc.

Date

September 24, 1973

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Date Surveyed

AUGUST 29, 1973

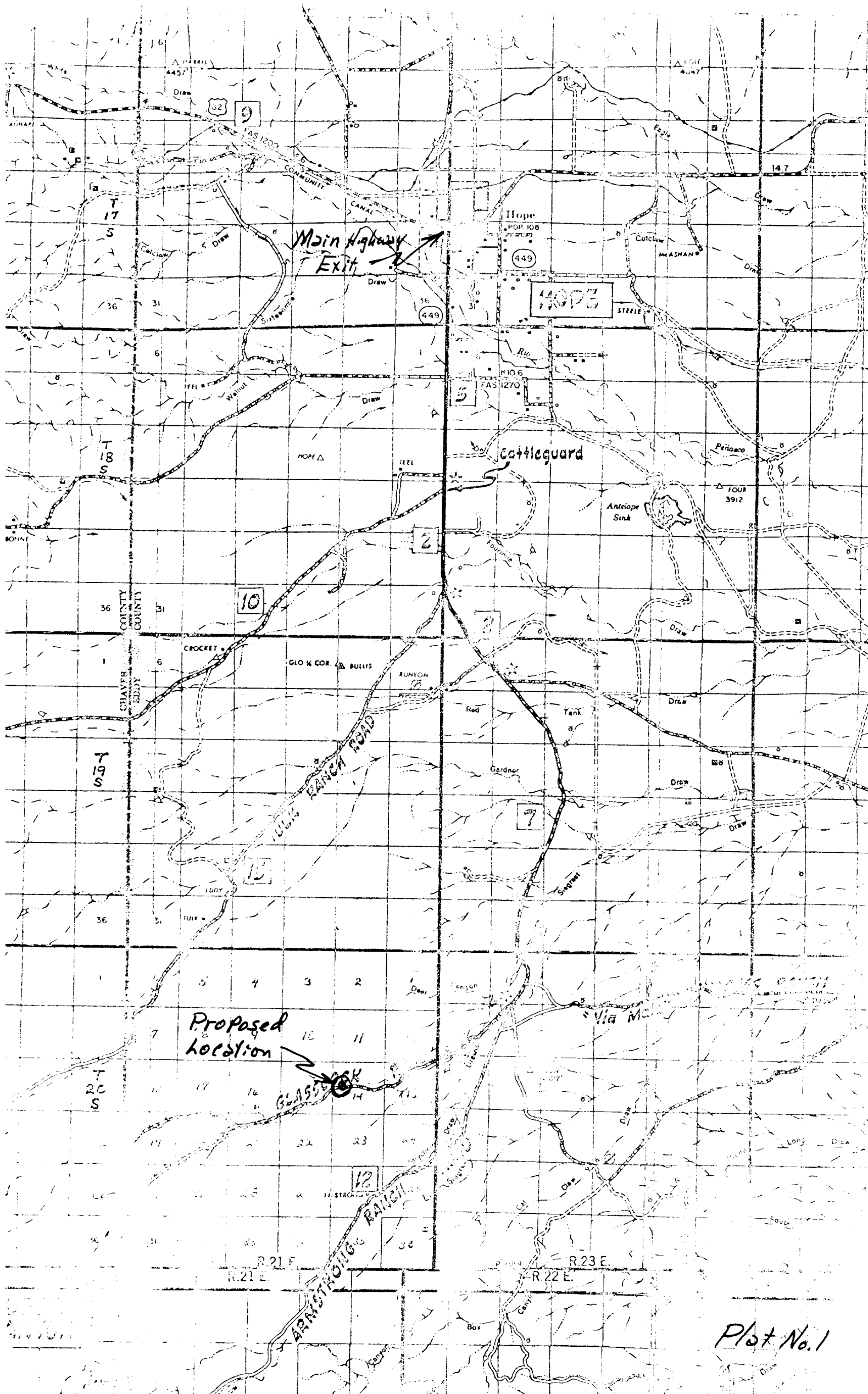
Registered Professional Engineer  
and/or Land Surveyor

*Max A. Schumann Jr.*  
MAX A. SCHUMANN JR.

Certificate No.

1510

Plat No. 2



Plat No. 1

United States Department of the Interior  
Geological Survey  
September 24, 1973  
Page 3

11. Plans for restoration of the surface:

In preparing the site, top soil will be stock piled at 2 or 3 places around the location. If the well makes a producer, the reserve pits will be leveled and top soil spread back over the pit area. In the event of a dry hole, the entire area will be returned as closely as possible to grade. If required, we will remove any caliche used for surfacing. Top soil will be spread back over the area and re-seeded with a seed mixture as specified by the surface management agency.


12. Any other information that may be used in evaluating the impact on environment:

The general area is gently rolling, cut by many draws flowing generally east. The well site is in a relatively flat area just south of a sharp gully. Vegetation in the area is primarily native grass and short brush. Leveling the location will require a 1 to 2 foot cut on the north edge of the location and 1 to 2 foot fill on the south edge of the location. Due to the nature of the soil, we feel it will be necessary to surface the location with caliche to avoid equipment bogging down in dust or mud.

If you need any additional information, please advise.

Very truly yours,

HILLIARD OIL & GAS, INC.

  
Darol K. Ramey

DKR: 1b

4. Lateral roads to well locations:

No other wells exist within 2 miles of the subject well.

5. Location of tank batteries and flow lines:

This well is a wildcat. No other wells exist in this immediate area. If the well is completed as a producer, a subsequent development plan will be submitted regarding this point.

6. Location and type of water supply:

Water will be trucked to location over the main access road from Hope, New Mexico.

7. Methods for handling waste disposal:

See Plat No. 3 - Cuttings and liquid waste will be disposed of in the reserve pit. A burn pit will be dug about 6'X12'X6' in the vicinity of the mud storage and reserve pit. All trash, garbage, and scrap will be disposed of in this burn pit. All combustible material will be burned in this pit. This pit will be within the area designated for the location.

8. Location of camps:

None anticipated.

9. Location of Airstrips:

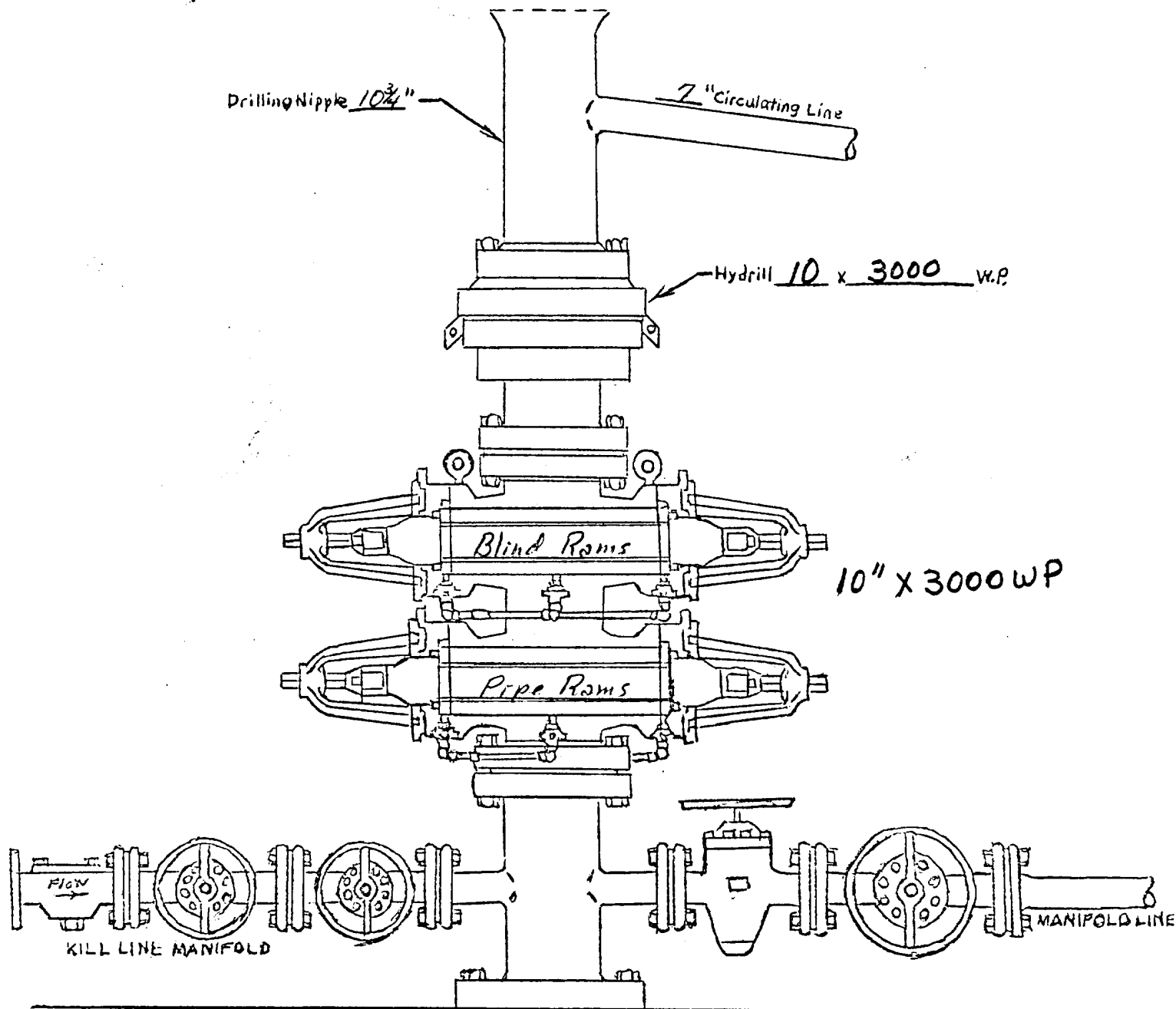
None anticipated.

10. Location of Layout to include position of the rig, mud tanks, reserve pits, burn pits, pipe racks, etc.:

See Plat No. 3 - Drilling pad will be leveled and surface with caliche. The immediate area is relatively flat with a gentle slope to the east and south. A sharp gully runs east and west just 120' to the north of the location. Because of this gully, the rig will be set up with the V-Door to the south, putting the reserve pits to the east. This will eliminate any hazard of drilling waste being lost into the gully from the reserve pit.

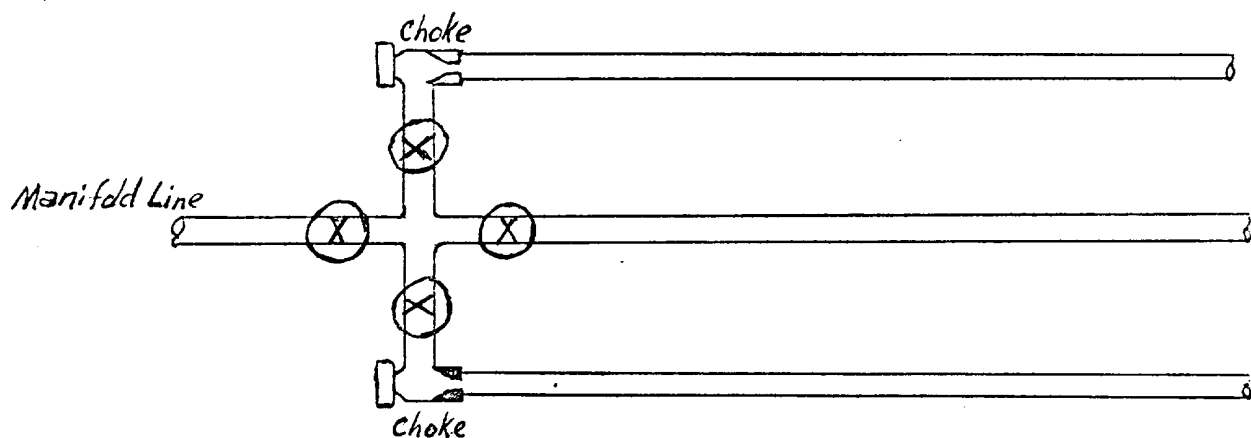


WELL NAME: Hilliard Oil & Gas, Inc, #1 Deer Canyon Unit  
LOCATION: 2180' FWH + 660' FWH, Sec 14, T-20-S, R-21-E  
Eddy County, New Mexico



WELL HEAD B.O.P.  
3000 W.P.

☐ Manual  
☒ Hydraulic



**CHOKE MANIFOLD**