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NEW MEXICO OIL CONSERVATION COMMISSION

RECEIVED

JUN 23 1975

O. C. C.

30-015-21573

Form C-101  
Revised 1-1-65

|  |
|--|
| 5A. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 5. State Oil & Gas Lease No.<br><b>K-4193</b>  |
| 7. Unit Agreement Name   |
| 8. Farm or Lease Name<br><b>Ocotillo Hills</b>   |
| 9. Well No.<br><b>2</b>  |
| 10. Field and Pool, or Wildcat<br><b>Avalon Morrow</b>   |
| 12. County<br><b>Eddy</b>  |
| 19. Proposed Depth<br><b>11,200</b>  |
| 19A. Formation<br><b>Morrow</b>  |
| 20. Rotary or C.T.<br><b>Rotary</b>  |
| 21. Elevations (Show whether DF, RT, etc.)<br><b>3255GR-3271KB</b>                                   |
| 21A. Kind & Status Plug. Bond<br><b>Statewide, Santa Fe</b>  |
| 21B. Drilling Contractor<br><b>Moran Co</b>  |
| 22. Approx. Date Work will start<br><b>Immediately</b>   |

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|  |  |
|--|--|
| 1a. Type of Work<br>b. Type of Well<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>   | DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> |
| 2. Name of Operator<br><b>Hanagan Petroleum Corporation</b>  |  |
| 3. Address of Operator<br><b>P.O. Box 1737 Roswell, New Mexico 88201</b>   |  |
| 4. Location of Well<br>UNIT LETTER <b>G</b> LOCATED <b>2310</b> FEET FROM THE <b>North</b> LINE<br>AND <b>1980</b> FEET FROM THE <b>East</b> LINE OF SEC. <b>21</b> TWP. <b>21S</b> RGE. <b>26E</b> NMPM |  |
| 21. Elevations (Show whether DF, RT, etc.)<br><b>3255GR-3271KB</b>   | 21A. Kind & Status Plug. Bond<br><b>Statewide, Santa Fe</b>        |
| 21B. Drilling Contractor<br><b>Moran Co</b>  | 22. Approx. Date Work will start<br><b>Immediately</b>             |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE    | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|-----------------|----------------|-----------------|---------------|-----------------|----------|
| 20              | 16             | 65              | 150 to 200    | Circ.           |          |
| 14 3/4 x 12 1/2 | 9 5/8          | 36 x 40         | 2500          | Circ.           |          |
| 8 1/2 x 7 7/8   | 5 1/2          | 17 x 20         | 11200         | 400             |          |

Plan use 10"-1500 Series BOP & Hydrill. Dlg. head, flow sensor, pit leveler & gas separator will be installed & tested @ top Wolfcamp est. @ 8200'. Plain drill w/ fresh water & native mud from surface to 8200'; from 8200 to T.D. low solids fresh water mud 8.9 to 9.5 mud unless higher than anticipated pressures are encountered (Vis. 38 to 45, wk 20 or below)

APPROVAL VALID  
FOR 90 DAYS UNLESS  
DRILLING COMMENCED,

EXPIRES

9-23-75

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 Hugh C. Hanagan Title Vice President Date 6/20/75  
(This space for State Use)

APPROVED BY W. A. Grissett TITLE SUPERVISOR, DISTRICT II DATE JUN 23 1975

CONDITIONS OF APPROVAL, IF ANY:

Cement must be circulated to  
surface behind 16" 9 7/8" casing

Notify N.M.O.C.C. in sufficient  
time to witness cementing  
the 9 7/8" casing