

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-015-22177

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

## b. TYPE OF WELL

OIL  
WELL ☒GAS  
WELL ☐OTHER ☐SINGLE  
ZONE ☐MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

Hanagan Petroleum Corporation

## 3. ADDRESS OF OPERATOR

P. O. Box 1737, Roswell, New Mexico 88201

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

At surface

1980' FSL &amp; 990' FWL

At proposed prod. zone

1980' FSL &amp; 990' FWL

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

5 Miles Southwest of Carlsbad, New Mexico

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drilg. unit line, if any)

990'

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

None

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

3491 GR

Surface formation Tansil (Perm.)

## 23.

PROPOSED CASING AND CEMENTING PROGRAM Est. 40 Days Operations

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	20" H-40 ST&C	94#	25	Conductor Csg. Circ. w/Ready Mix
8"	4½ J55 ST&C	9.5# New	600	Cement Circ.

Plan to drill 25 feet of 24" and then 15' of 12¼" w/rathole machine, run 25' of 20" conductor pipe and circ. ready mix cement, then move-in cable tools (Clyde Tidwell, contractor) and drill 8" hole to total depth into Capitan Reef. Possible oil zone in Yates/Seven Rivers, in case production run 4½" casing w/cement circulated. No water anticipated until entering Capitan Reef. No abnormal high pressures or hydrogen sulphide gas anticipated. Will bail test any shows encountered. Est. tops: Yates 250', Seven Rivers 350', Capitan Reef 550'.

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ARTESIA, NEW MEXICO

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.

Hugh E. Hanagan

SIGNED

*Hugh E. Hanagan*

TITLE

Vice President

DATE May 6, 1977

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

MAY 27 1977

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

*Joe D. Lara*

TITLE

ACTING DISTRICT ENGINEER

DATE MAY 27 1977

\*See Instructions On Reverse Side

THIS APPROVAL IS RESCINDED IF OPERATIONS  
ARE NOT COMMENCED WITHIN 3 MONTHS.

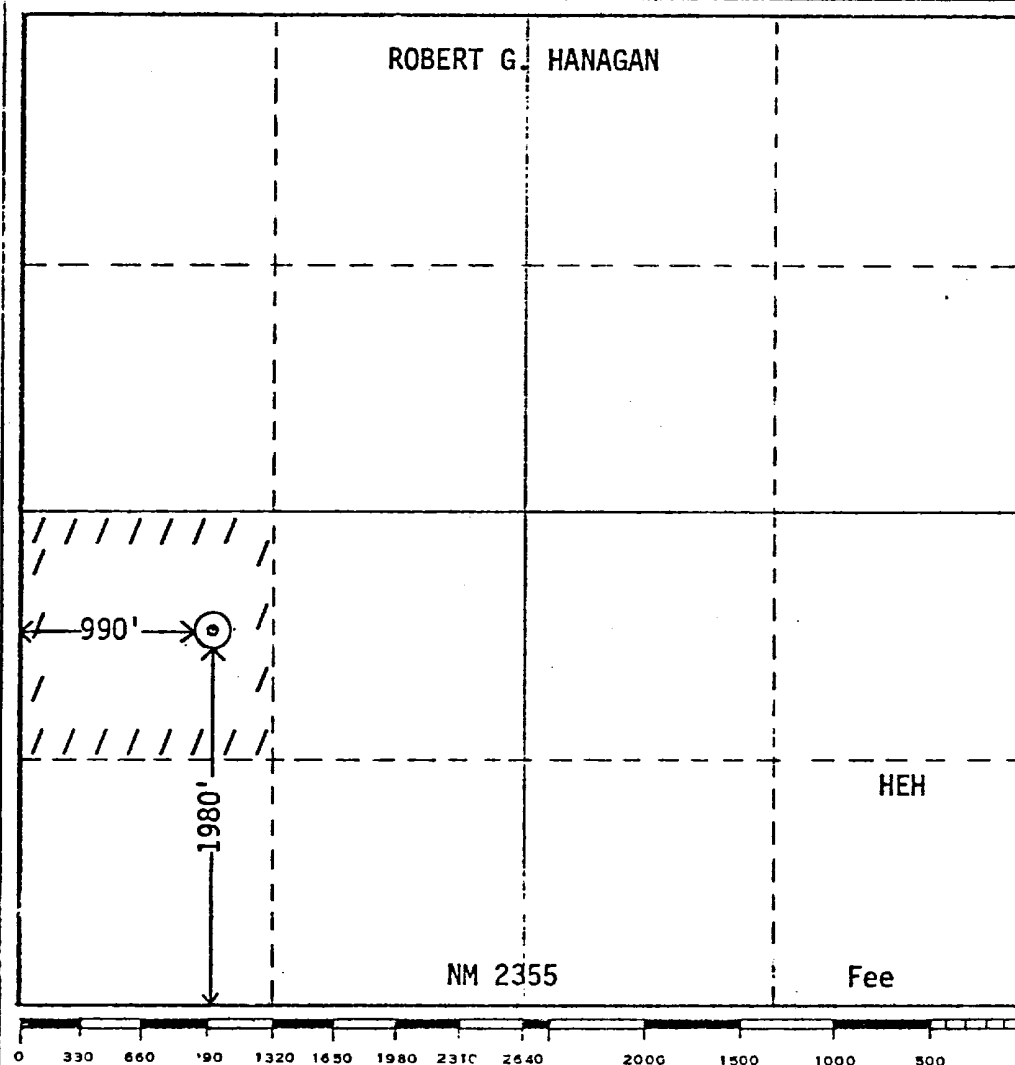
AUG 27 1977

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-123  
Effective 1-1-55

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

Operator <b>Hanagan Petroleum Corporation</b>			Lease <b>McKittrick</b>		Well No. <b>1</b>
Unit Letter <b>L</b>	Section <b>30</b>	Township <b>22 South</b>	Range <b>26 East</b>	County <b>Eddy</b>	
Actual Footage Location of Well:					
1980 feet from the <b>South</b>		line and <b>990</b> feet from the <b>West</b>		line	
Ground Level Elev. <b>3491</b>	Producing Formation <b>Yates/Seven Rivers</b>	Pool <b>Wildcat</b>		Dedicated Acreage: <b>40</b> Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.</p> <p>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).</p> <p>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?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes," type of consolidation <u>MAY 09 1977</u></p> <p>If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) <u>U.S. GEOLOGICAL SURVEY, ARTESIA, NEW MEXICO</u></p> <p>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.</p>					



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	<i>Hugh E. Hanagan</i>
Position	<b>Hugh E. Hanagan</b>
Company	<b>Vice President</b>
Date	<b>Hanagan Petroleum Corporation</b>
Date	<b>May 6, 1977</b>
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	<i>April 28, 1977</i>
Registered Professional Engineer and/or Land Surveyor	<i>John W. Lewis</i>
Certificate No.	<b>N. M. 220</b>



PHONE 505 - 623-5053  
J. P. WHITE BUILDING  
POST OFFICE BOX 1737  
ROSWELL, NEW MEXICO

May 6, 1977

MULTI-POINT SURFACE USE & OPERATIONS PLAN

Hanagan Petroleum Corporation

No. 1 McKittrick

1980' FSL & 990' FWL - Sec. 30-T22S-R26E

Eddy County, New Mexico

Lease: New Mexico 2355

(Wildcat Well)

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**MAY 09 1977**

**U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO**

- I. EXISTING ROADS: Exhibit "A" is a U.S.G.S. topographic map with existing roads and other pertinent information in the general area of the subject drillsite. The existing roads are color coded. The main road (colored orange) coming south out of Carlsbad is paved and locally called the "Stand Pipe" road, at least for a couple of miles south, then it trends in a southwesterly direction toward Dark Canyon. As can be seen on the map, you go approximately 2½ miles in this southwesterly direction, and then turn off to the right onto a good graveled county road (colored yellow) in a northwesterly direction for about 2 miles, then due west for about 1½ miles (still on the same road) where you turn due south on an old lease road (colored green) for about 1 mile to an abandoned deep dry hole (Section 25) and a water well a few hundred feet southwest of the dry hole. The access road would begin at the water well location. None of the existing roads to be used would require any repairs.
- II. PLANNED ACCESS ROAD:
- (A.) Length & Width - New road will be 8 feet wide (width of bulldozer blade) and about 4000 feet in length (colored purple on Exhibit "A"). Route of the proposed new road has been flagged.
  - (B.) Turnouts - None required.
  - (C.) Culverts - None required.
  - (D.) Cuts & Fills - None required; plan to just scrape off the surface lightly to get rid of the rocks mostly. We have a limited amount of equipment to haul in since it is only a small cable tool rig, so a good road is not needed. No caliche will be used.
  - (E.) Gates; Cattleguards - Two fences to cross, plan to install two temporary gates, no cattleguards. The first fence to cross runs roughly north-south along the west section line of Section 30 (see arrow labeled "New Gate" on Exhibit "A") belonging to Mr. Laurie Kincaid. The second fence is not far away and runs roughly east-west, again noted by arrow on exhibit, and belongs to Mr. Jesse Rayroux.
- III. LOCATION OF EXISTING WELLS: All existing wells to our knowledge are noted on Exhibit "A" around the drillsite area. Deep wells are double circled, shallow wells are single circled, and water well located in Section 25 noted.
- IV. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:
- (A.) Hanagan Petroleum Corporation operates two deep gas wells about 3 miles south of drillsite (noted on Exhibit "A") and all surface facilities on these wells located at the well site.
  - (B.) If the proposed well is a producer, all surface facilities will be located at the well site and will consist of a wellhead, probable pumping equipment, a small separator about 100 feet west of wellhead and a tank battery about 75 feet north of separator with all flowlines above ground.
- V. LOCATION & TYPE WATER SUPPLY: Very little water will be needed to drill this cable tool hole, contractor has a small truck mounted water tank and will haul water into the location from Carlsbad.
- VI. SOURCE OF CONSTRUCTION MATERIALS:
- (A.) Do not anticipate needing any outside materials. No caliche will be used on road, no pad outside a small area leveled under and around the cable tool unit will be needed and only one small reserve pit will be dug.

VII. METHODS OF HANDLING WASTE DISPOSAL:

- (A.) Drill cuttings will be disposed of in reserve pit.
- (B.) Drilling fluids will be allowed to evaporate in reserve pit until pit is dried out.
- (C.) Water produced during testing allowed to dry up in reserve pit, oil produced stored in tank.
- (D.) Disposal of human wastes will be complied with as to current laws and regulations.
- (E.) Trash, garbage and junk will be kept and hauled away from location; on this type operation, this should involve a minimum amount.
- (F.) All trash and debris will be removed from drillsite within 30 days after completion of drilling operations.

VIII. ANCILLARY FACILITIES: None required.

IX. WELL SITE LAYOUT:

- (A.) Exhibit "B" of the well site layout shows position of cable tool rig, reserve pit and road from the north. No burn pit shown, all debris will be hauled off.
- (B.) There will be no pad, just leveling off under and around the cable tool rig itself.
- (C.) The reserve pit will not be lined unless it appears necessary. On Exhibit "B", the dimensions of the reserve pit are 25'L X 8'W X 5'D. Should it be too rocky to dig it 5' deep, plan to increase its width to obtain about the same volume.

X. PLANS FOR RESTORATION OF THE SURFACE:

- (A.) After drilling operations completed, all equipment and materials not needed will be removed from the wellsite. Locations will be cleaned of all trash and junk. Reserve pit will be filled and leveled after drying out. After final cleanup, gates will be removed, unless otherwise requested by BLM or rancher, and fence replaced in its original condition. Pit containing fluid will be fenced until dried up, estimated to take about 60 days after abandonment.
- (B.) After abandonment, surface restoration will be in accordance with the program outlined above and/or other requirements of BLM. Operator does request the road remain as is for possible additional drilling during the remaining duration of its lease.

XI. OTHER INFORMATION:

- (A.) Topography - Wellsite is fairly flat on south flank of hill, as can be seen from Exhibit "A", the general area is very hilly. Slope is south to southeast at location. The access road starts at water well in Section 25 and goes uphill in an easterly direction, then drops off in a southerly direction not far from the location. The area is very rocky, steep inclines in places, some canyons. After looking over the area, the proposed route for the road appears to be by far the best and shortest in length. A four wheel vehicle is highly recommended.
- (B.) Soil - The surface is covered by caliche rocks and boulders (very rocky).
- (C.) Flora & Fauna - Surface sparsely covered with grass, but rather heavily covered with various types of cactus. Possible wildlife are coyotes, rabbits, rodents, quail, dove, and deer.
- (D.) Ponds & Streams - There are no rivers, streams, lakes, ponds in the area.
- (E.) Residences & Other Structures - The nearest occupied dwelling is two miles northeast, the ranch house where Mr. Rayroux (pink circle on topographic map) lives. No other nearby structures known.
- (F.) Land Use: Grazing and hunting in season.
- (G.) Surface Ownership: Wellsite and proposed new road is on Federal owned surface. The majority of the proposed road will be in Section 25 under grazing lease to Mr. Laurie Kincaid, who was present when route was flagged.

XII. OPERATOR'S REPRESENTATIVES:

M. L. (Sonny) Southerland  
P.O. Box 1737  
Roswell, New Mexico 88201  
Phone: Office 623-5053, Home 622-2812

Hugh E. Hanagan  
P. O. Box 1737  
Roswell, New Mexico 88201  
Phone: Office 623-5053  
Home 623-3846

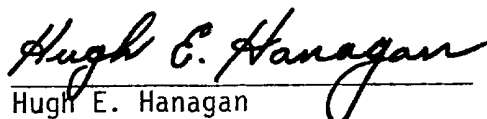
XIII.

CERTIFICATION:

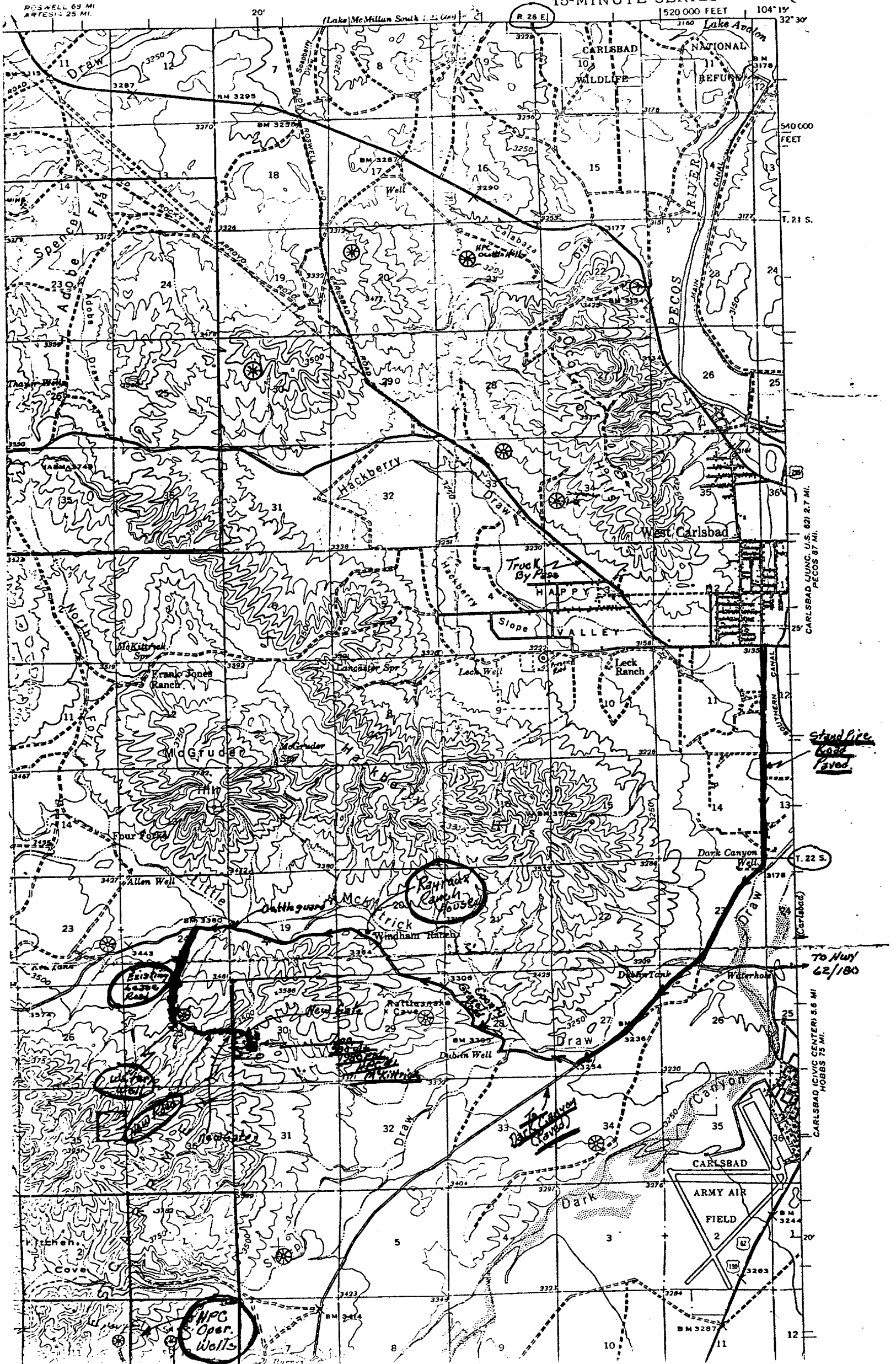
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Hanagan Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: May 6, 1977

HANAGAN PETROLEUM CORPORATION

  
\_\_\_\_\_  
Hugh E. Hanagan  
Vice -President

NEW MEXICO  
ODDY COUNTY)  
WEST CARLSBAD QUADRANGLE  
15-MINUTE SERIES



New Road

North

8'

18'

8'

Cable Tool Rig

6'

8'

Reserve Pit 5' Deep

25'

EXHIBIT "B" - WELL SITE LAYOUT

Hanagan Petroleum Corporation  
No. 1 McKittrick  
Eddy County, New Mexico