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NEW MEXICO OIL CONSERVATION COMMISSION
MAR 17 1978
O. C. C.
ARTESIA, OFFICE

30-015-22518
Form C-101
Revised 1-1-65

5A. Indicate Type of Lease	
STATE <input checked="" type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No.	
B-2386-4 & 112092	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK			
1a. Type of Work			
b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			
OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			
2. Name of Operator			
Texas International Petroleum Corp.			
3. Address of Operator			
Suite 300, 3535 N.W. 58th St., Oklahoma City, Okla. 73112			
4. Location of Well			
UNIT LETTER J LOCATED 1650 FEET FROM THE South LINE			
AND 1800 FEET FROM THE East LINE OF SEC. 29 TWP. 20S RGE. 30E NMPM			
7. Unit Agreement Name			
8. Farm or Lease Name			
Hudson State			
9. Well No.			
1			
10. Field and Pool, or Wildcat			
Golden Lane			
12. County			
Eddy			
19. Proposed Depth		19A. Formation	20. Rotary or C.T.
12,600 TVD		Strawn/Morrow	Rotary
21. Elevations (Show whether DF, RT, etc.)		21A. Kind & Status Plug. Bond	21B. Drilling Contractor
3375' GR		Blanket	Forster
		22. Approx. Date Work will start	
		April 15, 1978	

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
26"	20"	94#	± 500*	Vol. necessary	Circ. to Surf.
17-1/2"	13-3/8"	54.5#	± 1,700*	" "	" " "
12-1/4"	8-5/8"	24#	± 4,700	" "	" " "
7-7/8"	5-1/2"	17#	± 12,600 TVD	" "	Fill to 8000'

*To be set in accordance w/NMOCC Order No. R-111-A, as amended.

BOP SIZE API SERIES NO. & STYLE BOP PRESSURE TESTS

10" 900 Hydraulic Db1. U.S. 1000 psi

This well is to be drilled in conformation w/all regulations pertaining to drilling in the Potash area, as set forth by the NMOCC and other appropriate agencies. A Drilling Prognosis is attached. Gas for this well is not dedicated.

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,

EXPIRES 7-28-78

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTION 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.

igned Scott Sander Title Drilling Engineer Date 3-9-78

(This space for State Use)

APPROVED BY W. A. Grossett TITLE SUPERVISOR, DISTRICT II DATE APR 28 1978

CONDITIONS OF APPROVAL, IF ANY:

Cement must be circulated to
surface behind 20" 13 3/8" 48 5/8" casing

Notify N.M.O.C.C. in sufficient
time to witness cementing
13 3/8" 48 5/8"

**MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-1
Supersedes C-124
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Lessee Texas International Pet. Corp.			State Hudson State		Well No. 1
Section J	Range 29	Meridian 20 South	Block 30 East	County Eddy	
Distance from Section Corner 1800		Direction East	Distance from Section Corner 1650		Direction South
Acres 3375.0	Producing Formation STRAWN / Morrow		Pool GOLDEN LANE / DOS HERMANOS		Dedicated Acreage 320 / 640

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 been consolidated by communitization, unitization, force-pooling, etc?

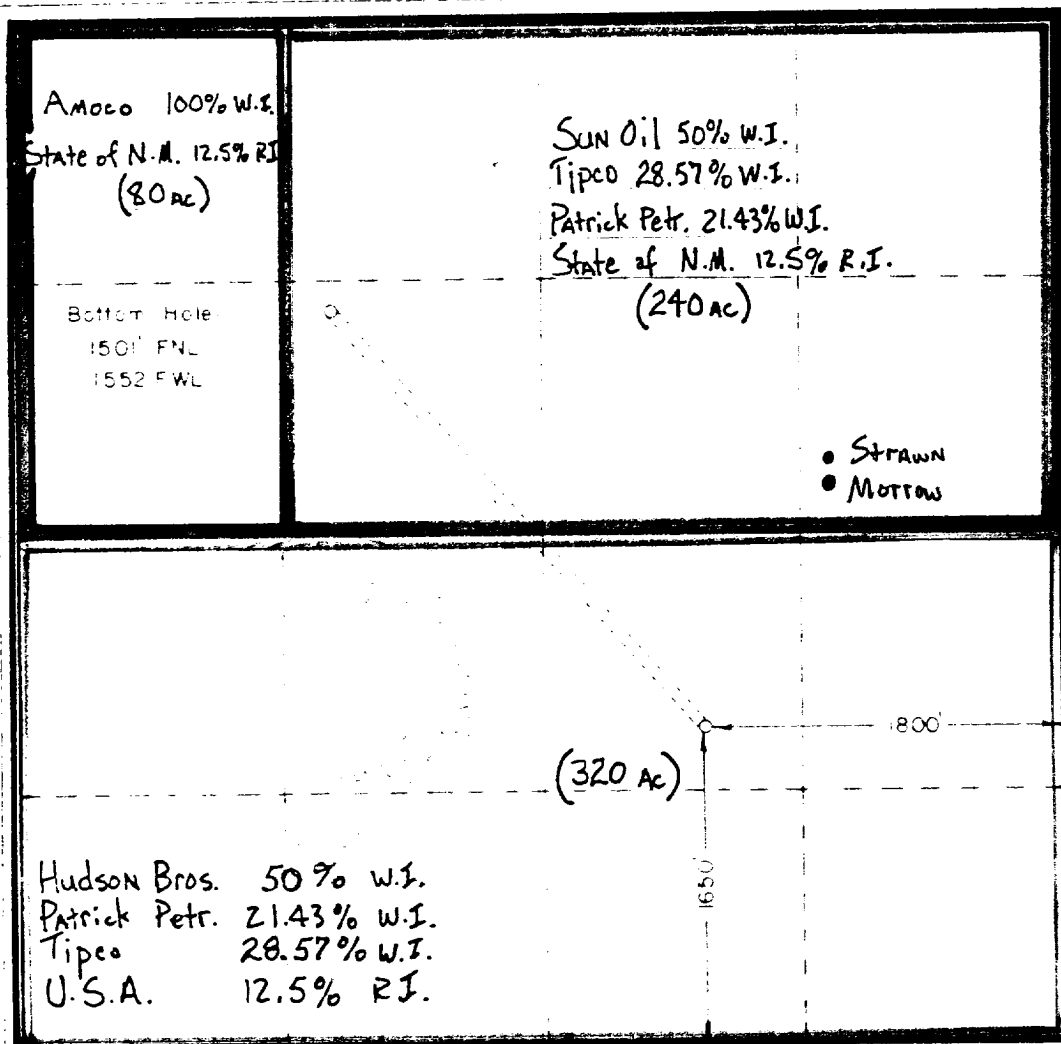
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☐ Yes ☒ No If answer is "yes" type of consolidation _____

**O. C. C.
ARTESIA, OFFICE**

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) NONE

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-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.

Scott Sanders
Name

Drig. Engr.
Position

TIPCO
Company

3-14-78
Date

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

3/9/78

Registered Professional Engineer
and Licensed Surveyor

John W. West
Certificate No.

John W. West 676

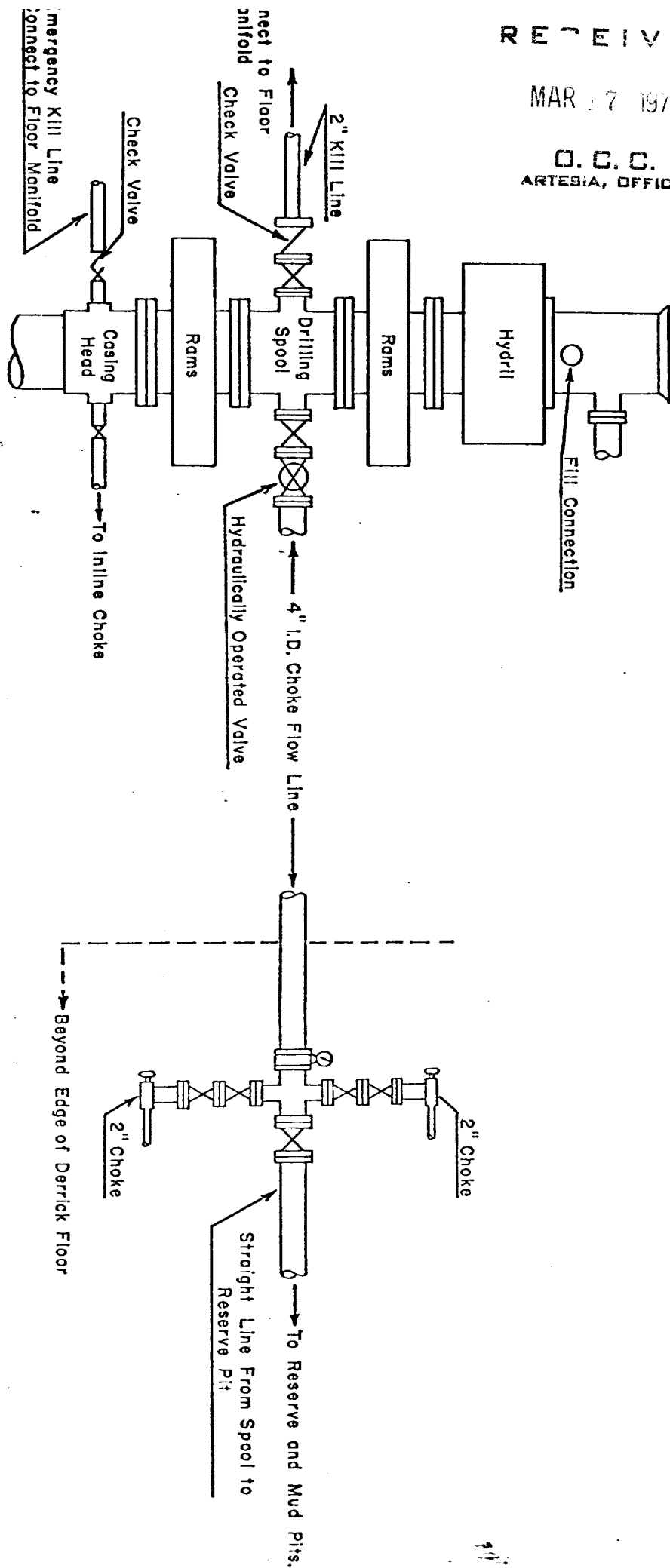
Ronald J. Eidson 3239

PROPOSED BLOW-OUT PREVENTER
 HOOKUP FOR USE ON:
 TEXAS INTERNATIONAL PETR. CORP.'S
 HUDSON STATE #1
 Sec. 29 T20S & R30E
 EDDY COUNTY, NEW MEXICO

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O. C. C.
 ARTESIA, OFFICE



5000 PSI WORKING PRESSURE
 DRILLING CONTROL HOOK-UP

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O. C. C.
ARTESIA, OFFICE

DRILLING PROGNOSIS & MUD PROGRAM

Operator: Texas International Petroleum Corporation
Lease and Well No.: Hudson State #1
Location: 1800' FEL & 1650' FSL of Section 29, T20S & R30E,
Eddy County, New Mexico

Surface Casing: 26" surface hole is to be drilled to an approximate depth of 500' using a fresh water gel-lime spud mud. A caliper survey will be run to determine the volume of cement required. 20" OD casing will be set at approximately 500'.

Salt Protection Casing: 17-1/2" hole is to be drilled below the surface casing using saturated salt water. 13-3/8" OD casing is to be set not less than 100' nor more than 600' below the base of the salt. Anticipated setting depth is approximately 1700'. Cement will be brought back to the surface.

Intermediate Casing: 12-1/4" ~~and 11"~~ hole is to be drilled below the salt protection casing to approximately 4000' using fresh water. Lost circulation is anticipated while drilling through the Capitan Reef. The hole will of necessity be dry-drilled to casing point, if lost circulation is severe. Cementing of the 8-5/8" OD casing back to the surface will be accomplished through stage cementing procedures.

Production Casing: In order to reach the bottom hole location, it will be necessary to deviate at a depth of 4100' in a direction of NW to reach the bottom hole location. A 7-7/8" hole will be drilled to 12,600 TVD using fresh water with flo-sal and 2-4% potassium chloride. Before drilling the Strawn zone, brine will be used. Cementing of the 5-1/2" OD oil string will be accomplished after evaluating open hole logs and caliper.

Mud Program Summary:

Surface: Fresh water gel-lime spud mud.

Salt Protection: Saturated salt water

Intermediate: Fresh water with required lost circulation materials.

Oil String: Fresh water, 2% KCL with Flo-sal followed by brine of sufficient weight to control encountered hole conditions. The following products will be used with the above program: bentonite, lime, potassium chloride, caustic soda, starch, salt gel, formaldehyde, barite (possibly), asbestos and inert lost circulation materials.

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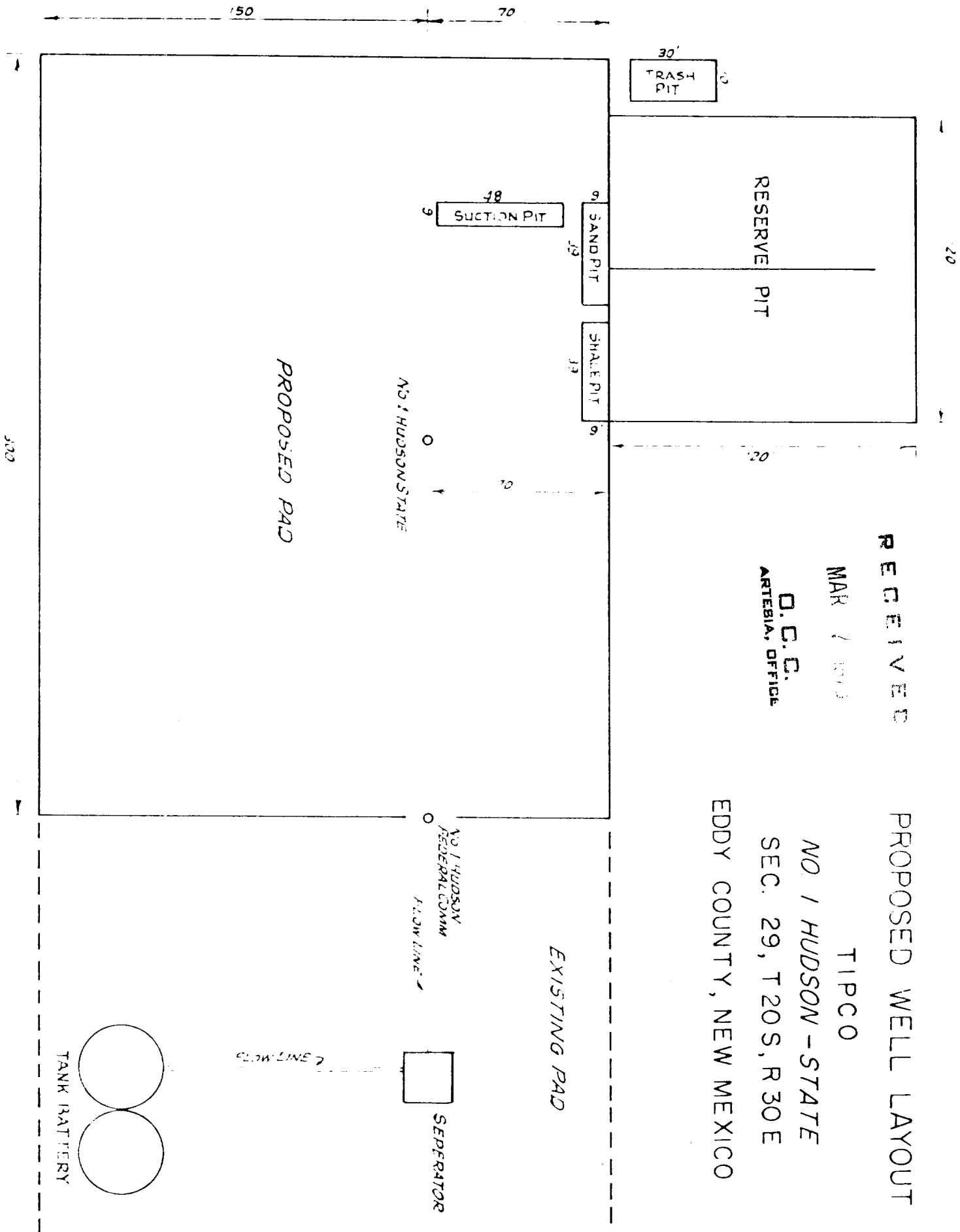
MAR 7 1973

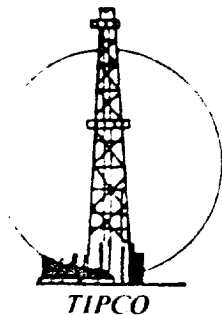
O.C.C.
ARTESIA, OFFICE

PROPOSED WELL LAYOUT

TIPCO

NO. 1 HUDSON - STATE
SEC. 29, T20S, R30E
EDDY COUNTY, NEW MEXICO





RECEIVED
TEXAS INTERNATIONAL PETROLEUM CORPORATION
1978 FEB 27 PM 12:18

February 20, 1978

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MAR 17 1978

Potash Company of America
P.O. Box 31
Carlsbad, New Mexico 88220

O. C. C.
ARTESIA, OFFICE

Attn: Roy Renshaw
Sr. Geologist

RE: Hudson State #1
Eddy County, New Mexico
Section 29, T20S, R30E

Dear Sirs:

In accordance with R-111-A, as amended, we are hereby putting your company on notice that Texas International Petroleum Corporation has made application to drill a 12,600' TVD Strawn/Morrow test to be located in Section 29, T20S, R30E, Eddy County, New Mexico.

We have been advised that your company is the owner of record of certain Potash leases that are within one mile of our proposed location. We respectfully request that you waive any objections which you might have to our proposed test and ask that you so indicate by signing and returning one copy of this letter to this office within the allotted ten day period. As discussed previously, TIPCO will provide you with a copy of the Gamma Ray log and will notify your company prior to the cementing of the casing through the salt.

Your favorable consideration of this request would be appreciated.

Yours very truly,

Scott Sanders

Scott Sanders
Drilling Engineer

Approved: *W. Renshaw, Sr. Geol.* Date: *2-22-78*

SS:jr

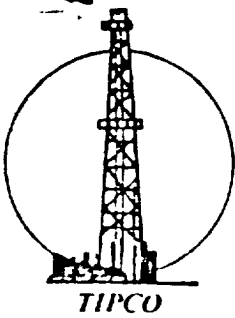
Potash Co. of America

*Location to be 1650' FSL
1600' FEL 29 20S 30E*

as per correspondence 10-7-77 with Terry Foster

EWL

SUITE 300 • 3535 NORTHWEST FIFTY-EIGHTH STREET • OKLAHOMA CITY, OKLAHOMA 73112



TEXAS INTERNATIONAL PETROLEUM CORPORATION

RECEIVED

October 7, 1977

MAR 17 1978

Roy Renshaw
Pottash Company of America
Box 31
Carlsbad, NM 88220

O. C. C.
ARTESIA, OFFICE

Dear Mr. Renshaw:

As per our telephone conversation on 10-7-77, please find the following information concerning TIPCO's proposed drilling location in Eddy County, New Mexico.

	<u>FSL</u>	<u>FEL</u>	<u>SEC-TS-RG</u>
Hudson Federal #1	1650	1650	29 20S 30E
Federal State #1	1650	1800	29 20S 30E
Bottom Hole Target	3145	3295	29 20S 30E

TIPCO plans to drill the proposed test vertically to a depth of 4000' and set 8 5/8" casing at that depth. In order to reach the proposed bottom hole location, it will then be necessary to deviate at a depth of 4100' in a direction of NW to get to the proposed bottom hole location. The additional 150' location from Hudson Federal #1 should present no drilling problems to us and we will submit all of the necessary forms and data should this preliminary request for a location be approved by your company.

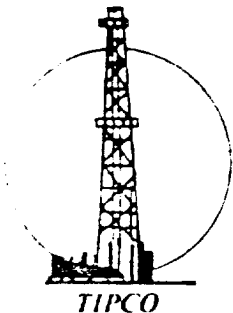
Yours very truly,

Terry Felter
Drilling Engineer

TF:ts

Enclosure

cc: Jim Gaskill
Truett Guy



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TEXAS INTERNATIONAL PETROLEUM CORPORATION
1978 FEB 27 PM 12:25

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MAR 17 1978

February 20, 1978

O. C. C.
ARTESIA, OFFICE

Mississippi Chemical Corporation
Box 101
Carlsbad, New Mexico 88220

Attn: Mr. J.R. Walls
General Manager

RE: Hudson State #1
Eddy County, New Mexico
Section 29, T20S, R30E

Dear Sirs:

In accordance with R-111-A, as amended, we are hereby putting your company on notice that Texas International Petroleum Corporation has made application to drill a 12,600' TVD Strawn/Morrow test to be located in Section 29, T20S, R30E, Eddy County, New Mexico.

We have been advised that your company is the owner of record of certain Potash leases that are within one mile of our proposed location. We respectfully request that you waive any objections which you might have to our proposed test and ask that you so indicate by signing and returning one copy of this letter to this office within the allotted ten day period. As discussed previously, TIPCO will provide you with a copy of the Gamma Ray log and will notify your company prior to the cementing of the casing through the salt.

Your favorable consideration of this request would be appreciated.

Yours very truly,

Scott Sanders

Approval of the above is applicable for the location referred to in your

Scott Sanders
Drilling Engineer

Approved: letter of October 7, 1977 Date: 2/23/78

SS:jr

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6177
Order No. R-5706

APPLICATION OF TEXAS INTERNATIONAL
PETROLEUM CORPORATION FOR DIRECTIONAL
DRILLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 5, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of April, 1978, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texas International Petroleum Corporation, seeks approval for the directional drilling of a proposed gas well in Section 29, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico.

(3) That the applicant seeks approval for the directional drilling of said well, the surface location of which would be 1650 feet from the South line and 1800 feet from the East line of said Section 29, in such a manner as to penetrate the Strawn formation within 100 feet of a point 1980 feet from the North line and 1985 feet from the West line of said Section 29, and to bottom said well in the Morrow formation within 100 feet of a point 1501 feet from the North line and 1552 feet from the West line of said Section 29.

(4) That the N/2 of said Section 29 would be dedicated to the Strawn formation, Golden Lane-Strawn Gas Pool, and all of Section 29 would then be dedicated to the Morrow formation, Dos Hermanos-Morrow Gas Pool.

(5) That the applicant should be required to determine the subsurface location of the bottom of the hole by means of a continuous multi-shot directional survey conducted subsequent to said directional drilling, if said well is to be completed as a producing well.

(6) That approval of the subject application will permit the drilling of the proposed well without undue interference to potash mining operations in the area, and will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texas International Petroleum Corporation, is hereby authorized to directionally drill its proposed gas well, the surface location of which would be 1650 feet from the South line and 1800 feet from the East line of Section 29, Township 20 South, Range 30 East, Eddy County, New Mexico, in such a manner as to penetrate the Strawn formation within 100 feet of a point 1980 feet from the North line and 1985 feet from the West line of said Section 29, and to bottom said well in the Morrow formation within 100 feet of a point 1501 feet from the North line and 1552 feet from the West line of said Section 29.

PROVIDED HOWEVER, that subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to the surface with shot points not more than 100 feet apart; that the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe Office of the Division, Box 2088, Santa Fe, New Mexico, and that the operator shall notify the Division's Artesia District Office of the date and time said survey is to be commenced.

(2) That Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depths in addition to measured depths.

(3) That the N/2 of said Section 29 shall be dedicated to the Strawn formation, Golden Lane-Strawn Gas Pool, and all of Section 29 shall be dedicated to the Morrow formation, Dos Hermanos-Morrow Gas Pool.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

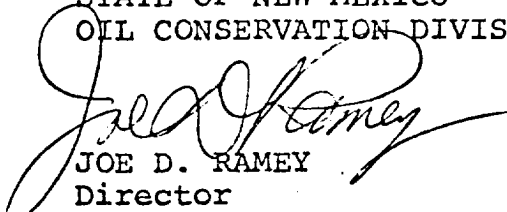
-3-

Case No. 6177

Order No. R-5706

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

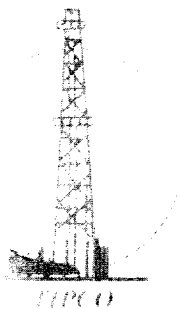
STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

S E A L

jr/



TEXAS INTERNATIONAL PETROLEUM CORPORATION

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MAR 17 1978

**O. C. C.
ARTESIA, OFFICE**

March 13, 1978

New Mexico Oil Conservation Commission
Drawer DD
Artesia, New Mexico 88210

Attention: Mr. W.A. Gressett

RE: Texas International Petroleum Corp.
Hudson State #1
1650' FSL & 1800' FEL
Section 29, T20S, R30E
Eddy County, New Mexico

Gentlemen:

Relative to TIPCO's request to drill a 12,600' well at the captioned location, please find in attachment the following:

1. Form C-101, application to drill.
2. Form C-102, location plat.
3. Plat of location layout.
4. Mud and casing summary.
5. A diagram of the proposed BOP.
6. Waivers from the Potash owners within one mile.

In addition, please be advised of the following:

1. Mud pits will be steel.
2. No campsite or airstrip is proposed.
3. Tank battery will be located near or adjacent to corner of location pad.
4. Water supply to be trucked in.
5. Land surface will be restored to as near original condition as possible and to satisfaction of NMOCC following the cessation of all drilling and completion operations.
6. All detrimental waste will be disposed of observing all good disposal practices.

New Mexico Oil Conservation Commission
Page two
March 13, 1978

7. A pit volume totalizer will be used while drilling through any suspected abnormally high pressure zone.

Please contact me if any additional information is required.

Yours very truly,

A handwritten signature in cursive script that reads "Scott Sanders".

Scott Sanders
Drilling Engineer

SS:jr

Attachments