

|                        |   |
|------------------------|---|
| NO. OF COPIES RECEIVED |   |
| DISTRIBUTION           |   |
| SANTA FE               | 1 |
| FILE                   | 1 |
| U.S.S.                 | 1 |
| LAND OFFICE            | 1 |
| OPERATOR               | 1 |

NEW MEXICO OIL CONSERVATION COMMISSION

MAR 30 1981

ASTORIA OFFICE

30-015-23729  
Form C-101  
Revised 11-75

1A. Indicate Type of Lease  
STATE ☒ FEDERAL ☐

1B. State Oil & Gas Lease No.  
LG 23

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|                                                                                                                                                                                                              |  |                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------|
| 1a. Type of Work<br>DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>                                                                             |  | 7. Unit Agreement Name                              |
| b. Type of Well<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> |  | 8. Name of Lease Name<br>Loving 1 State             |
| 2. Name of Operator<br>HNG Oil Company ✓                                                                                                                                                                     |  | 9. Well No.<br>1                                    |
| 3. Address of Operator<br>P. O. Box 2267, Midland, Texas 79702                                                                                                                                               |  | 10. Field and Pool, or Wellbore<br>Wildcat Morrow   |
| 4. Location of Well<br>UNIT LETTER B LOCATED 990 FEET FROM THE North LINE<br>APR 1980 FEET FROM THE East LINE OF SEC. 1 TWP. 24S RGE. 27E N34E                                                               |  | 11. County<br>Eddy                                  |
| 19. Proposed Depth<br>13,100                                                                                                                                                                                 |  | 19A. Perforation<br>Morrow                          |
| 20. Kind & Status Plug. Bond<br>Blanket-Active                                                                                                                                                               |  | 20A. Rotary or C.T.R.<br>Rotary                     |
| 21A. Kind & Status Plug. Bond<br>Blanket-Active                                                                                                                                                              |  | 21B. Drilling Contractor<br>Parker Drilling Company |
| 22. Approx. Date Work will start<br>4/6/81                                                                                                                                                                   |  |                                                     |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|----------|
| 17-1/2"      | 13-3/8"        | 48#             | 650           | 600             | Surface  |
| 12-1/4"      | 9-5/8"         | 36#             | 2450          | 2000            | Surface  |
| 8-3/4"       | 7"             | 26 & 23#        | 10250         | 700             | 5000'    |
| 6-1/8"       | 4-1/2" Liner   | 13.5#           | 13100         | 250             | 10040'   |

BOP - Install at 2450' w/3000# cap. & 2450# annular preventer.  
At 10,250' increase to 5000# cap. w/3000# annular preventer.  
Will use standard surface controlled BOP installation.

Acresage is not dedicated.

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 9-30-81  
UNLESS DRILLING UNDERWAY

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 Betty A. Gildon Title Regulatory Clerk Date 3/27/81  
(This space for State Use)

APPROVED BY W. A. Gressett TITLE SUPERVISOR, DISTRICT II DATE 3-31-81  
CONDITIONS OF APPROVAL, IF ANY: