

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MAR 28 1977

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK DRILL <input checked="" type="checkbox"/>		1B. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		1C. UNIT AGREEMENT NAME NA	
2. NAME OF OPERATOR Leland A. Hodges, Trustee		3. ADDRESS OF OPERATOR P. O. Box 3400, Albuquerque, New Mexico 87110		4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1980' F&L & 990' F&L of Section 17, T. 26 S., R. 25 E. At proposed prod. zone same	
5. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		6. NO. OF ACRES IN LEASE		7. NO. OF ACRES ASSIGNED TO THIS WELL	
330		1400.31		40	
8. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		9. PROPOSED DEPTH		10. ROTARY OR CABLE TOOLS	
NA		1350		Rotary	
11. ELEVATIONS (Show whether DF, RT, GR, etc.) GR 3741		12. APPROX. DATE WORK WILL START*		13. FIELD AND POOL, OR WILDCAT	
				Wildcat	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*		15. COUNTY OR PARISH		16. SEC., T., R., M., OR BLK. AND SURVEY OR AREA	
Ten miles southwest of White City New Mexico		Eddy		17-26 S.-25 E.	
17. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		19. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	
NA		NA		NA	
20. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		21. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		22. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	
NA		NA		NA	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
6 7/8" 11"	8 5/8" used	24	100'	Must be <i>circulots</i>
5 1/4"	4 1/2" used	9.5	1350'	25 50 sacks standard

Surface Formation: Castile gypsum

Drilling contractor and tools: Pennsylvanian Drilling Co. trailer mounted Joy 225 rotary drilling rig with 58' mast and 5' x 8" Gardner Denver mud pump
Proposed drilling depth: 1350' to test for oil

Proposed drilling depth: 1350' to test Delaware Formation. Anticipated formation tops are Base of Castile-Top of Delaware Lime=1175'. Top of Delaware Sand=1225' Pressure control equipment: 8" casing.

Pressure control equipment: 9" manually operated Guiberson blowout preventer to be tested in manner and at such intervals as recommended by U.S.G.S.
Drilling fluid: Clear water (fresh) with 1000 ppm

Drilling fluid: Clear water (fresh) with drilling mud and weighting material to be added as needed.

test formation fluid unless drill stem test is necessary. Propose gamma ray sonic logs. Abnormal pressures or temperatures or hazards suspected. "

starting date and duration of operation: Propose to commence drilling immediately upon receiving approval. Expected duration of drilling operation is two weeks.

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. SIGNED Ben Waregan TITLE Geologist DATE March 4, 1977
(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

DATE _____

***See Instructions On Reverse Side**

CASING MUST BE CIRCULATED

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION

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

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

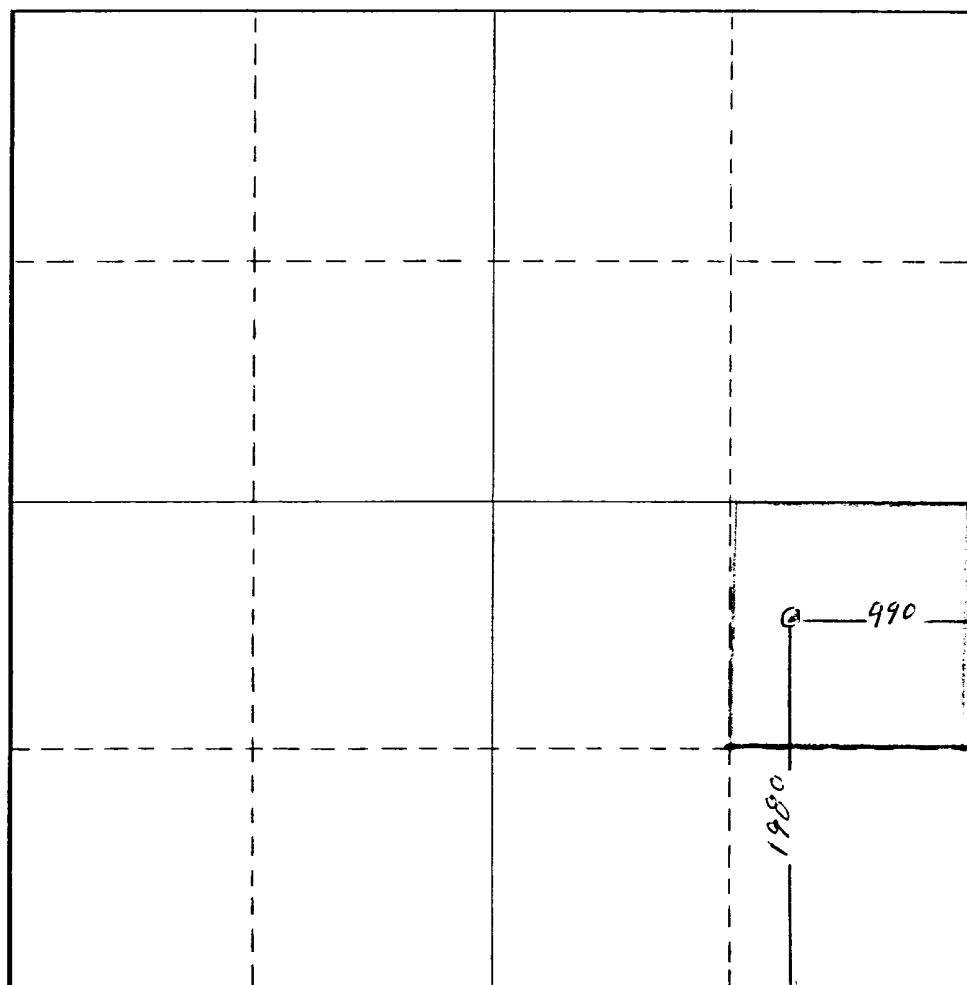
Operator Leland A. Hodges, Trustee		Lease Hudson Federal N. M. 0556850		Well No. 1
Unit Letter 19X I	Section 17	Township 26 S.	Range 25 E	County Eddy
Actual Footage Location of Well: 1980 feet from the South line and 990 feet from the East line of Section 17				
Ground Level Elev. 3741	Producing Formation Delaware	Pool Wildcat	Dedicated Acreage: 40 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). **NO**
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.

Name

Ben Donegan

Position

Geologist

Company

Leland A. Hodges, Trustee

Date

March 5, 1977

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.

March 4, 1977

Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

N. M. 220

Certificate No.

RECEIVED

SURFACE USE PLAN

MAR 07 1977

U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

LELAND A. HODGES, TRUSTEE NO. 1 HUDSON FEDERAL
1980' FSL & 990' FEL, Sec. 17, T. 26 S., R. 25 E.
Lease NM 0556850, Eddy County, New Mexico
(Exploratory Well)

1. EXISTING ROADS. A detailed map showing the proposed drillsite location in relation to a town or known point and all existing roads within three miles of the proposed wellsite are shown on Exhibit "A" attached hereto. The proposed route to the vicinity of the drillsite location by use of existing roads is from Whites City, New Mexico southwest 10.3 miles on U. S. 180, thence southeast through a cattle guard on an existing graded road 2.5 miles, thence northwest on an existing pipeline road 0.2 miles, and thence northeast on an existing bladed road 0.7 miles. From this point 0.9 miles of new road is planned northeast to the proposed drillsite location.
2. PLANNED ROADS. Refer to Exhibit "B" attached hereto for location of fences, cattle guard, and proposed access road. We propose to blade 0.9 miles of new twelve-foot wide road. No culverts or special drainage features are necessary for this road. This proposed new road is colored orange on Exhibit "B". The center line of the proposed road has been marked with red flags each visible from one flag to the next. The proposed route will not require the crossing of any fences other than at the existing cattle guard in the fence along the southeastern margin of the right of way of U. S. 180.
3. LOCATION OF EXISTING WELLS. The nearest oil or gas production is in the SE NE $\frac{1}{4}$ of Section 12, T. 26 S., R. 24 E. about 2 $\frac{1}{4}$ miles northwest of the proposed drillsite. Wells drilled and plugged and abandoned within a 2 mile radius of the proposed location are shown on Exhibit "C" attached hereto. No wells are currently being drilled within a 2 mile radius of the proposed location.
4. TANK BATTERIES, PRODUCTION FACILITIES AND LEASE PIPELINES. There are no tank batteries, production facilities or lease pipelines on the lease. If production is encountered, tank battery and production equipment will be located at the south edge of the well mat and fenced. All lease lines are to be constructed on the well mat, on top of the ground. Refer to Exhibit "D".
5. WATER SUPPLY. Water for drilling purposes will be purchased and hauled to the drillsite location over existing roads.
6. CONSTRUCTION MATERIAL. No construction materials will be required for the proposed access road and drillsite location.

SURFACE USE PLAN

Leland A. Hodges, Trustee No. 1 Hudson Federal

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7. WASTE DISPOSAL. Well cuttings will be disposed in reserve pit. Barrel trash container will be in accessible location within drillsite area during drilling and completion procedures. All detrimental waste will be hauled away, burned or buried with a minimum cover of 24" of dirt. See Exhibit "D" for location of pits. If well is productive, maintenance waste will be placed in a special trash can and hauled away periodically. Any produced water will be collected in tanks until hauled away to an approved disposal system. No waste water pits will be constructed without prior approval from the U.S.G.S.
8. ANCILLARY FACILITIES. No camps, airstrips, etc. will be constructed.
9. WELLSITE LAYOUT. Refer to Exhibit "D" for direction orientation, access, and plan of the proposed drillsite location.
 - a. Mat Size. 100' x 100'
 - b. Cut and Fill. Location is level to the extent that no cut and fill will be necessary.
 - c. Surface. Surfacing material will not be necessary for location
 - d. Reserve Pit. A 35' x 16' reserve pit with a depth of 4' will be located on the north side of the mat.
 - e. Drill Site Layout. Exhibit "D" shows position of mat, reserve pit, burn and trash pit, and mud pit in relation to well bore site. The drill rig will be erected west of the well bore site.
10. RESTORATION OF SURFACE. If well is productive, pits will be backfilled and leveled as soon as practical. All plastic lining and other waste material will be removed or buried with at least 24" of cover. At the time of final abandonment, other U.S.G.S. and B.L.M. restoration stipulations will be complied with.
11. OTHER INFORMATION.
 - SETTING AND ENVIRONMENT.
 - TERRAIN. Low rolling gypsum hills. See Exhibits "A" and "B" for topography of area.
 - SOIL. Gypsiferous soil.
 - VEGETATION. Sparse vegetation, being mostly grease wood, yucca, and other semi-desert plants with very little grass.
 - DISTANCE TO NEAREST:
 - PONDS AND STREAMS. There are no surface waters within 2 miles.
 - WATER WELLS. There is only one windmill within a 2 mile radius and it is located $\frac{1}{4}$ mile to the north.
 - RESIDENCES AND BUILDINGS. There are no houses or buildings within 2 miles except an abandoned ranch house located $\frac{1}{4}$ mile to the north.
 - ARROYOS, CANYONS, HILLS, ETC. A three-quarter mile wide valley is located $\frac{1}{4}$ mile north of the proposed drillsite. Other than this valley the area consists mainly of low rolling gypsum hills.

SURFACE USE PLAN

Leland A. Hodges, Trustee No. 1 Hudson Federal

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SURFACE USE. Grazing and hunting.

EFFECT ON ENVIRONMENT. The proposed drillsite is in a low environmental risk area of rolling semi-arid desert country. The total effect of drilling and producing this and other wells in this area would be minimal.

SURFACE OWNERSHIP. The proposed drillsite is on federal surface with a grazing permit issued by the B.L.M. to William D. Colwell. All new and reconstructed roads are also on federal surface.

OPEN PITS. All unattended pits containing mud or other liquids will be fenced.

WELL SIGN. A sign identifying and locating well will be maintained at the drillsite commencing with the spudding of the well.

12. OPERATOR'S REPRESENTATIVES. Field personnel who can be contacted concerning compliance of this Surface Use Plan are as follows:

Ben Donegan
3202 Candelaria N. E.
Albuquerque, New Mexico 87107
Office phone: (505) 345 5553
Home phone: (505) 883 0950

Ron Geitgey
3202 Candelaria N. E.
Albuquerque, New Mexico 87107
Office phone: (505) 345 5553
Motel phone: (505) 887 2851

13. 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 Leland A. Hodges, Trustee and his contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. A copy of this plan will be posted at the wellsite during the drilling of the well for reference by all contractors and subcontractors.

March 5, 1977
Date



Ben Donegan, Geologist

EXHIBIT "C"

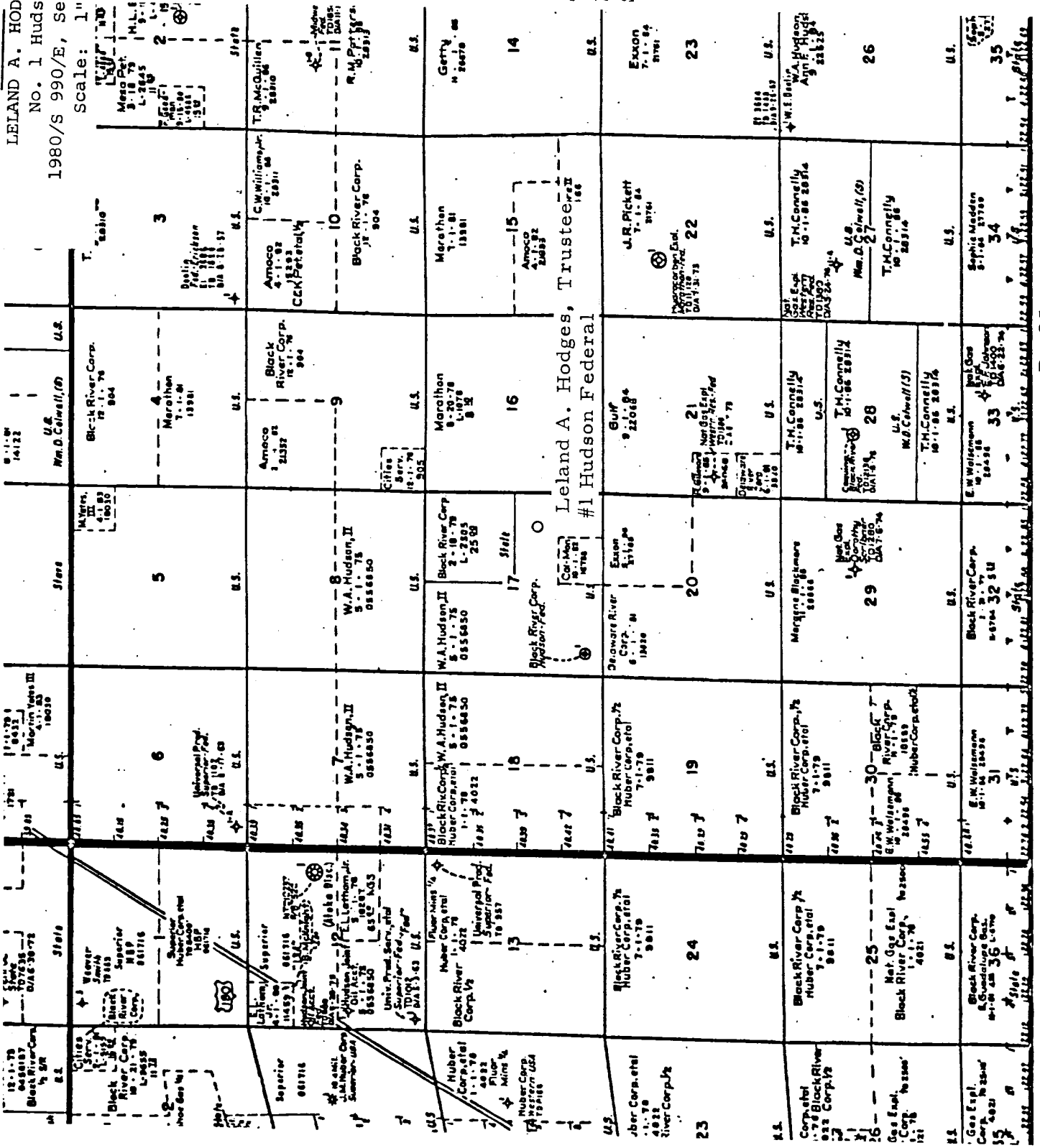
SURFACE USE PLAN

LELAND A. HODGES, TRUSTEE

No. 1 Hudson Federal

1980/S 990/E, Sec. 17, 26 S., 25 E.

Scale: 1" = 4000'



R. 25 E.

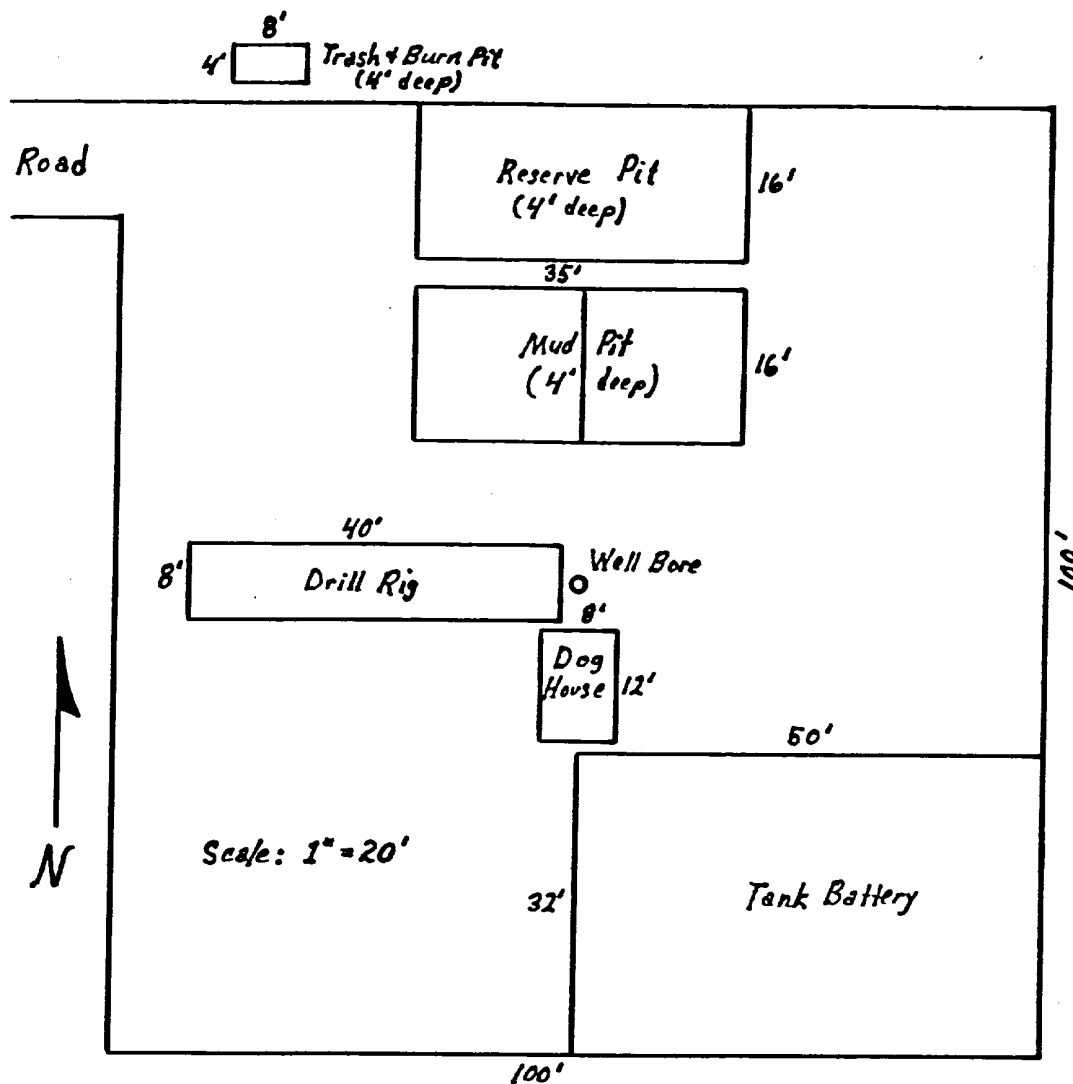
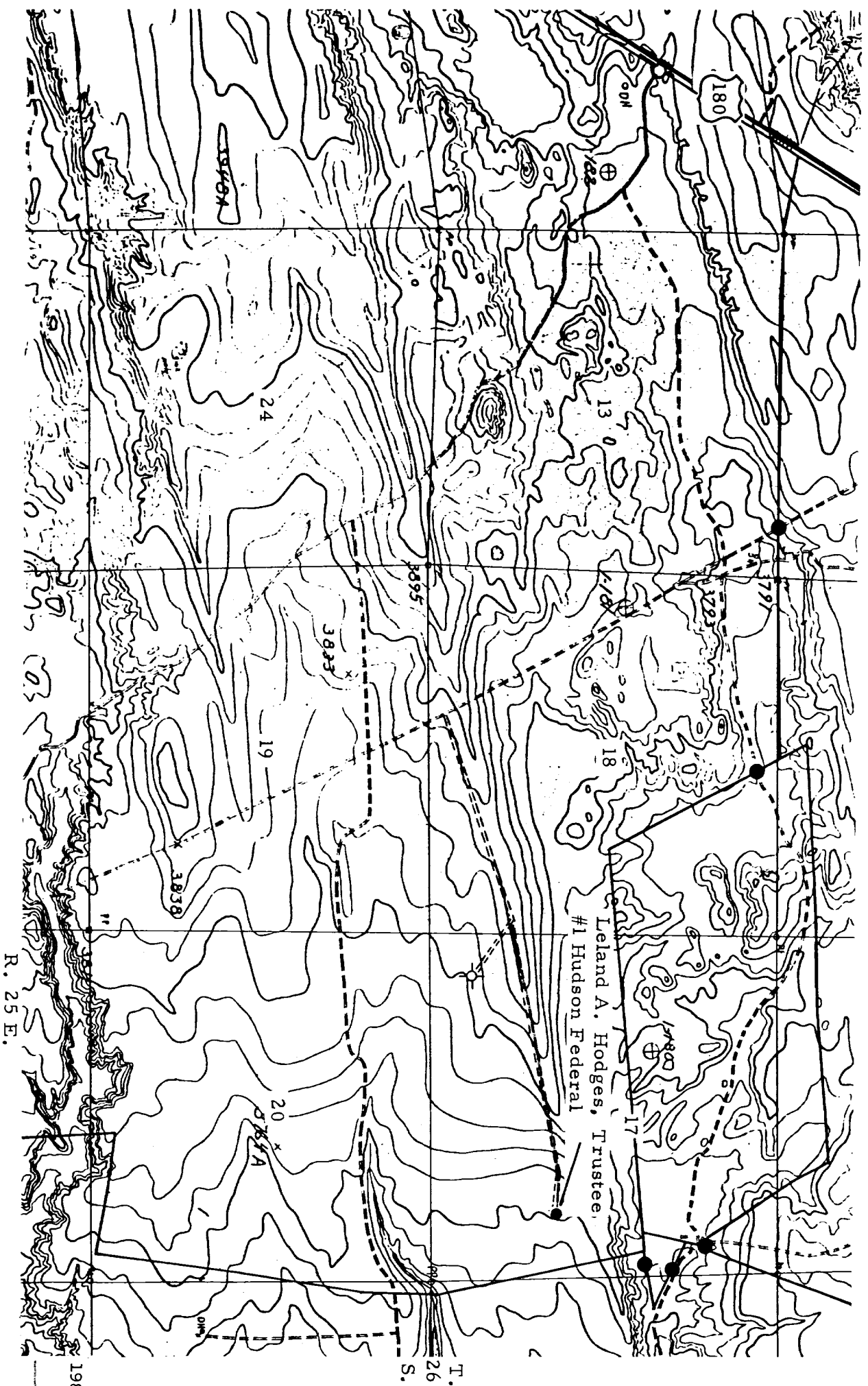


EXHIBIT "D"
SURFACE USE PLAN
 LELAND A. HODGES, TRUSTEE
 No. 1 Hudson Federal
 1980/S 990/E, Sec. 17, 26 S., 25 E.



R. 25 E.

Leland A. Hodges, Trustee,
#1 Hudson Federal

T.
26
S.

- EXHIBIT "B"
- SURFACE USE PLAN
- LELAND A. HODGES, TRUSTEE
- No. 1 Hudson Federal
- 1980/S 990/E, Sec. 17, 26 S., 25
- Scale: 1" = 2000'
- = proposed new road
 - = access route
 - = fence
 - = gate
 - = cattle guard
 - = proposed drillsite