

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Santa Fe, New Mexico
SERIAL NO.: NM-21169

and hereby designates

NAME: HCW Exploration, Inc.
ADDRESS: P. O. Box 10585, Midland, Texas 79702

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

T-26-S, R-30-E, N.M.P.M.

Section 6: Lots 1, 2, 3, 4, E/2 W/2 from the surface to
the base of the Delaware formation only.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

Amoco Production Company

By: William T. Hale
WILLIAM T. HALE (Signature of lessee)
Attorney-in-fact



P. O. Box 3092, Houston, Texas 77253
(Address)

(Date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

RECEIVED BY

JUL 11 1984

O. C. D.

Form Approved.
Budget Bureau No. 42-R1424

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil ☒ well gas ☐ well other ☐

2. NAME OF OPERATOR
Lyco Energy Corporation

3. ADDRESS OF OPERATOR
c/o P. O. Box 10585 Midland, Texas 79702

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 464' FSL & 1817' FWL of Sec.
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF ☐
FRACTURE TREAT ☐
SHOOT OR ACIDIZE ☐
REPAIR WELL ☐
PULL OR ALTER CASING ☐
MULTIPLE COMPLETE ☐
CHANGE ZONES ☐
ABANDON* ☐

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(other) Report of Setting Surface Casing

5. LEASE
NM-21169

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Amoco A Federal

9. WELL NO.
1

10. FIELD OR WILDCAT NAME
Wildcat - Delaware

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 6-26S-30E

12. COUNTY OR PARISH
Eddy

13. STATE
NM

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)
3067' G.L.

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)
Taylor Drilling Company spudded well at 5:44 PM on 5-31-84. Rig was drilling at 52' at midnight 5-31-84. The 10-year primary term of NM-21169 expired at midnight on 5-31-84, but Lyco Energy Corporation was drilling on the last day of the 10 year lease and should earn a 2 year lease extension. A 7" hole was drilled with cable tool rig to 235'. The 7" hole was then reamed out to 15 1/8". The 15 1/8" hole was then drilled to 350'. Total depth of 350' was reached on 6-28-84. On the original well program submitted to the U.S.G.S., Lyco Energy indicated that 13 3/8" casing was to be set at 350'. However, the cable tool rig that was used to drill the surface hole could not find a 17 1/2" bit which was the necessary hole size for 13 3/8" casing. Lyco Energy contacted Mr. John Wade with the U.S.G.S. and received approval to drill a 15 1/8" hole and set 12 3/4" surface casing. On 7-2-84, Lyco Energy ran 10 jts of 12 3/4", 43#, J-55, ST&C new casing. The casing was set at 350' G.L. and cemented with 270 sx "HE" cement containing 1/4# D29 flakes + 2% CaCl + 4% D20 (Bentonite).
Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED Steve A. Douglas Agent

DATE 7-6-84

(This space for Federal or State office use)

APPROVED BY JUL 9 1984 TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO

*See Instructions on Reverse Side