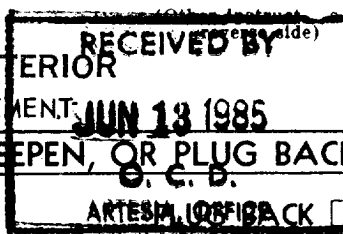


Drawer DD

Artesia, NM UNITED STATES

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT



APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

ARTESIA, NM PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

HAMON OIL COMPANY

(Bill Cozart)

(915-682-5218)

3. ADDRESS OF OPERATOR

611 Petroleum Building, Midland, Texas 79701

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

At surface 2310' FNL & 660' FEL of Section

At proposed prod. zone same

(Unit H)

(SE 1/4 NE 1/4)

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

6 air miles southeast of Malaga, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

2310'

(660')

16. NO. OF ACRES IN LEASE

1917.02

17. NO. OF ACRES ASSIGNED TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

10250'

19. PROPOSED DEPTH

13000'

20. ROTARY OR CABLE TOOLS

Rotary

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

2926' G. L.

22. APPROX. DATE WORK WILL START*

June 17, 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|-----------------|----------------|-----------------|---------------|-------------------------|
| 20" 17 1/2" | 16 " | 65.4# | 600' | Sufficient to circulate |
| 14 1/2" 12 1/4" | 10 3/4" | 40.5# | 2650' | Sufficient to circulate |
| 9 1/2" | 7 5/8" | 26.4 & 29.7# | 9800' | 650 sacks |
| 6 1/2" | 5" liner | 18.0# | 9500-13000' | Circulate liner |

Pay zone will be selectively perforated and stimulated as needed for optimum production.

Attached are: 1. Well Location & Acreage Dedication Plat
2. Supplemental Drilling Data
3. Surface Use Plan

Gas is not dedicated.

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

James A. Knaut

TITLE Agent

DATE June 6, 1985

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

CANISBND RESOURCE AREA

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

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

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

All distances must be from the outer boundaries of the Section

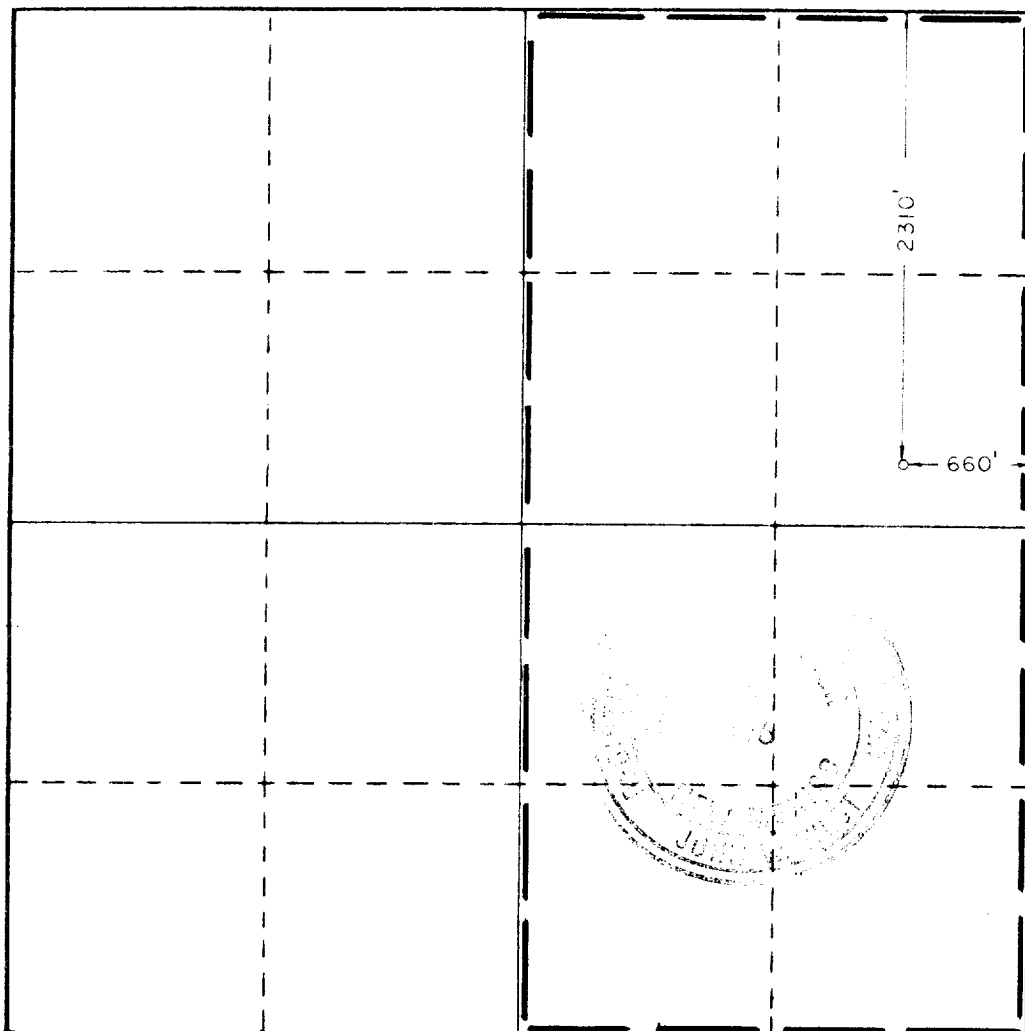
| | | | | | |
|---|---|-----------------------------|--|-----------------------|----------------------|
| Operator HAMON OIL COMPANY | | | Lease GULF FED. | | Well No. 1 |
| Unit Letter H | Section 5 | Township 25 SOUTH | Range 29 EAST | County EDDY | |
| Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 2310 feet from the NORTH line and 660 feet from the EAST line </div> | | | | | |
| Ground Level Elev. 2925.5 | Producing Formation Pennsylvanian | Pool Wildcat | Dedicated Acreage: 320 Acres | | |

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 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

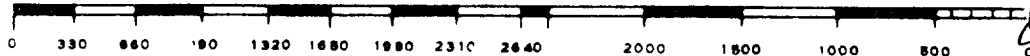
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name James A. Knauf
 Position Agent
 Company JAKE L. HAMON
 Date June 6, 1985

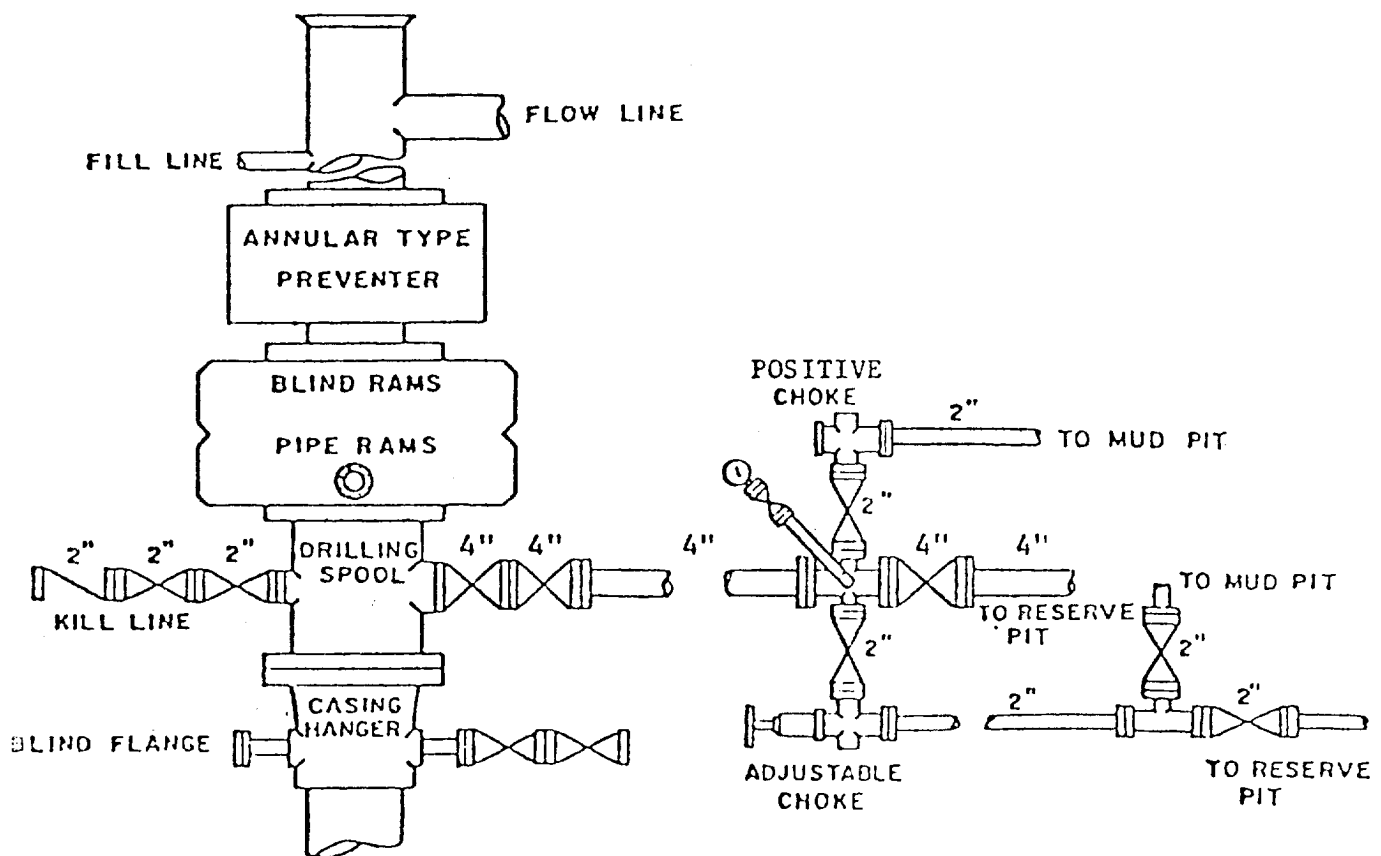
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed MAY 31, 1985
 Registered Professional Engineer and/or Land Surveyor

John W. West
 Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



Jake L. Hamon
Well #1 Gulf Federal
SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 5-25S-29E

SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 5-25S-29E

5000 lb. WP BOP

SUPPLEMENTAL DRILLING DATA

JAKE L. HAMON
WELL #1 GULF FEDERAL
2310' FNL & 660' FEL SEC. 5-25S-29E
EDDY COUNTY, NEW MEXICO

1. SURFACE FORMATION: Silty sands of Quaternary Age.
2. ESTIMATED GEOLOGIC TOPS: (Ground Elevation 3926')

| | | | |
|-------------------|-------|-------------|--------|
| Base Castile Salt | 2600' | Bone Spring | 6600' |
| Delaware Lime | 2800' | Wolfcamp | 9800' |
| Delaware Sand | 2840' | Atoka | 12150' |
| Cherry Canyon | 3900' | Morrow | 12500' |

3. POSSIBLE WATER AND HYDROCARBON BEARING ZONES:

Water: Above 200'
Oil: Delaware, Bone Spring
Gas: Wolfcamp, Atoka, Morrow

4. CASING DESIGN:

| <u>Size</u> | <u>Interval</u> | <u>Weight</u> | <u>Grade</u> | <u>Joint</u> |
|-------------|-----------------|---------------|--------------|--------------|
| 16 " | 0 - 600' | 65.4# | H-40 | STC |
| 10 3/4" | 0 - 2650' | 40.5# | K-55 | STC |
| 7 5/8" | 0 - 6350' | 26.4# | S-95 | LTC |
| | 6350 - 9800' | 29.7# | S-95 | LTC |
| 5" | 9500 - 13000' | 18.0# | N-80 | LTC |

5. PRESSURE CONTROL EQUIPMENT: Blowout preventer stack will consist of an annular-type preventer and a dual ram-type preventer with 5000 psi working pressure. A sketch of BOP is attached.

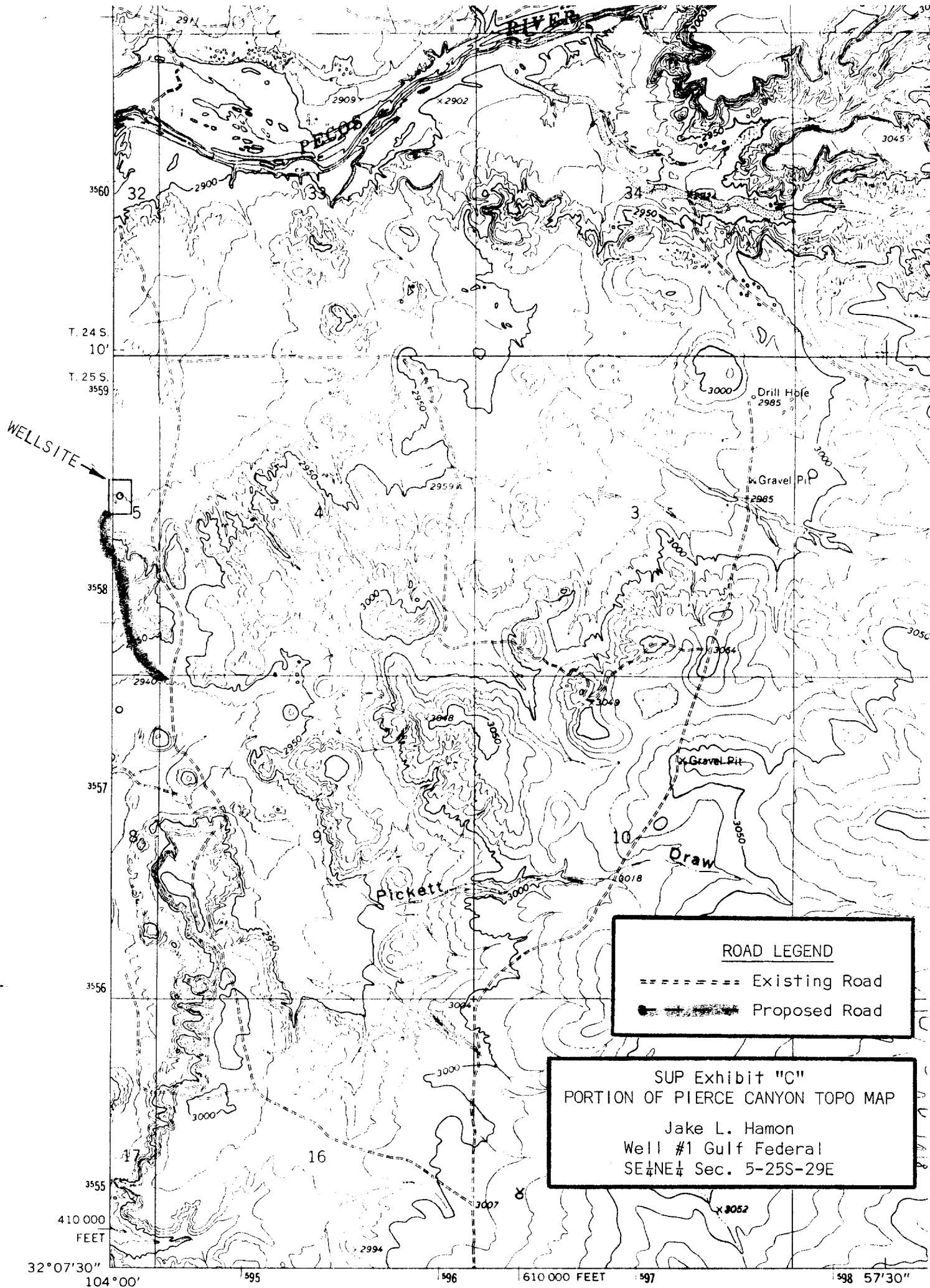
6. PROPOSED MUD PROGRAM:

0 - 600' Fresh water with gel or lime as needed for viscosity control.

600 - 2650' Drill below surface casing with brine.

2650 - 9800' Drill below intermediate casing with cut brine with additives as needed for control of pH, viscosity and water loss.

9800 - 13000' Increase weight as needed.

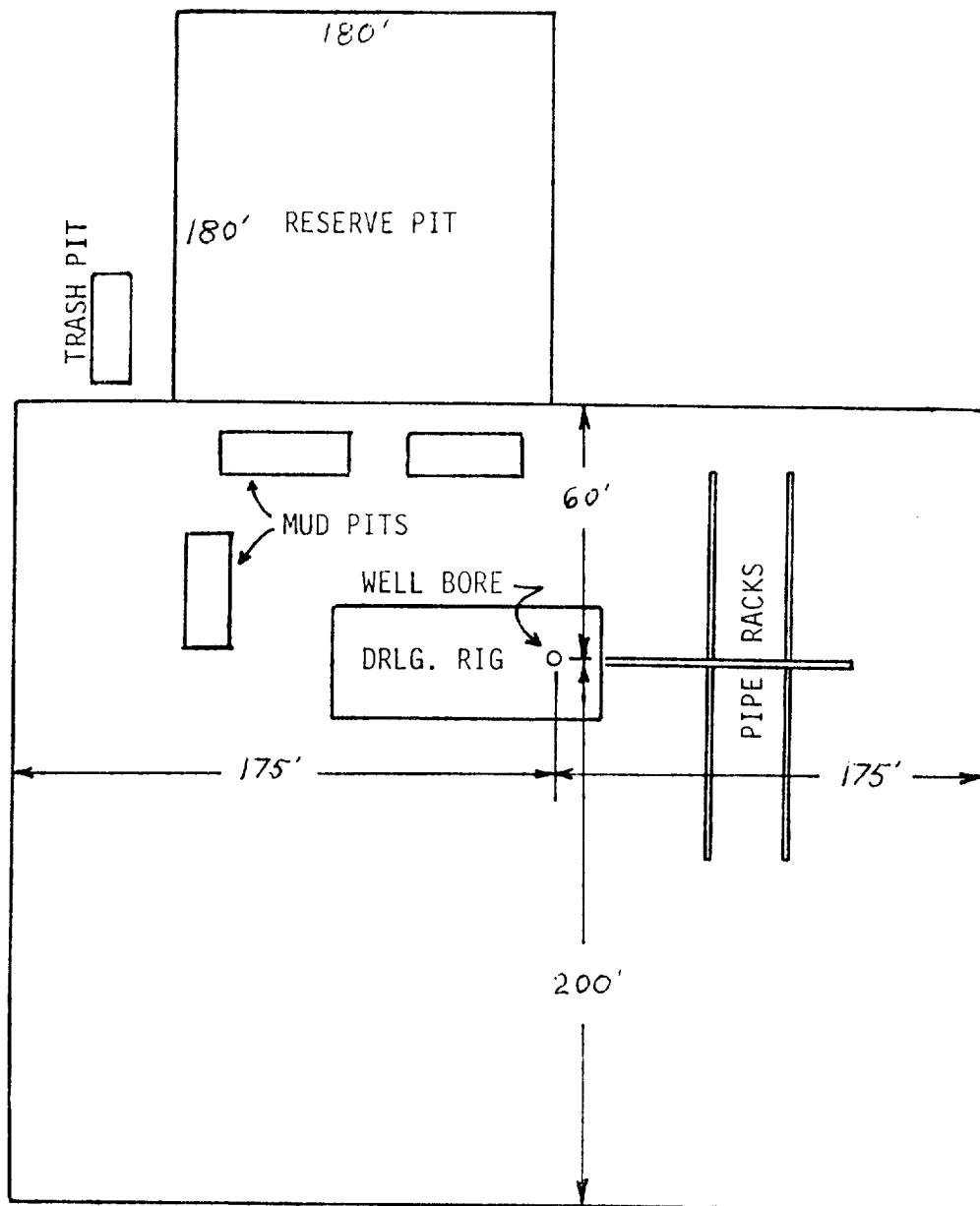


ROAD LEGEND

- Existing Road
- Proposed Road

SUP Exhibit "C"
PORTION OF PIERCE CANYON TOPO MAP

Jake L. Hamon
Well #1 Gulf Federal
SE 1/4 NE 1/4 Sec. 5-25S-29E



SUP Exhibit "E"
SKETCH OF WELL PAD

Jake L. Hamon
Well #1 Gulf Federal
SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 5-25S-29E