



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

December 14, 1999

Home-Stake Oil & Gas Company  
15 E. 5<sup>th</sup> Street, Suite 2800  
Tulsa, Oklahoma 74103

Attention: Larry Tarwater

RE: C-142 Application for New Well Status  
HSOG No. 1, API No. 30-025-10402

Dear Mr. Tarwater:

Division Rule 34, New Well Tax Incentive, states:

34.B. Definitions

"New well" means a crude oil or natural gas producing well for which drilling commenced after January 1, 1999 and before July 1, 2000, or a horizontal crude oil or natural gas well that was recompleted from a vertical well by drilling operations that commenced after January 1, 1999 and before July 1, 2000, that has been approved and certified as such by the Division.

Pursuant to Division Rule 34.B, vertical recompletions/reentries do not qualify as new wells, therefore your application is hereby denied.

If you have any questions, please contact me at (505) 827-8183.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Ashley".

Mark Ashley  
Petroleum Engineering Specialist



Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 87240  
 District II  
 811 South First, Artesia, NM 87210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised March 25, 1999

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

WELL API NO.	30 - 025 - 10402
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name:	HSOG
8. Well No.	1
9. Pool name or Wildcat	Drinkard
10. Elevation (Show whether DR, RKB, RT, GR, etc.)	3340' GR 3348' KB

**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 "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
 Oil Well  Gas Well  Other

2. Name of Operator  HOME-STAKE OIL & GAS COMPANY

3. Address of Operator 15 E. 5<sup>th</sup> Street Suite 2800 Tulsa, OK 74103

4. Well Location  
 Unit Letter I: 2194 feet from the SOUTH line and 479 feet from the EAST line  
 Section 22 Township 22S Range 37E NMPM County LEA

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Re-enter & complete as a Drinkard oil well <input checked="" type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Dec 1948: Well spud by Exxon.  
 March 1949: Completed as an Ellenberger oil well (open hole 7883-7940') by Exxon.  
 Dec 1949: Well plugged & abandoned by Exxon.  
 Jan 1955: Exxon re-entered well & completed in Blinebry (5435-5690').  
 June 1980: Exxon plugged & abandoned the well for a second time.

8/21/99: Home-Stake re-entered well intending to complete as a Drinkard well.  
 10/25/99: Well ready to produce as a pumping Drinkard (6326-6486') oil well.  
 Property name is being changed by from W. B. Ferrell #2 to HSOG #1.

NOTE: NO CASING WAS PULLED & NO ADDITIONAL CASING WAS RUN.  
 NO DEVIATION SURVEY WAS RUN. SEE ATTACHED WELLBORE DIAGRAM.

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

SIGNATURE Larry Tarwater TITLE Production Engineer DATE 10/27/99  
 Type or print name Larry Tarwater Telephone No. (918) 583-0178

(This space for State use) ORIGINAL SIGNED BY GARY WINK DATE OCT 29 1999  
 APPROVED BY FIELD REP. II TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 Conditions of approval, if any:

District I  
 1625 N. French Dr., Hobbs, NM 87240  
 District II  
 811 South First, Artesia, NM 87210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

WELL API NO.  
 30 - 025 - 10402

5. Indicate Type of Lease  
 STATE  X FEE

State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:  
 OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

b. Type of Completion:  
 NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DIFF. RESVR.  OTHER Re-entry

2. Name of Operator  HOME-STAKE OIL & GAS COMPANY

3. Address of Operator 15 E. 5<sup>th</sup> Street Suite 2800  
 Tulsa, OK 74135

7. Lease Name or Unit Agreement Name  
 Change from W. B. Ferrell to HSOG

8. Well No. Change from #2 to #1

9. Pool name or Wildcat  
 Drinkard

4. Well Location  
 Unit Letter : I 2194' Feet From The South Line and 479 Feet From The East Line

Section 22 Township 22 S Range 37E NMPM Lea County

10. Date Spudded 8/21/99	11. Date T.D. Reached 9/5/99	12. Date Compl. (Ready to Prod.) 10/22/99	13. Elevations (DF& RKB, RT, GR, etc.) 3340' GR 3348' KB	14. Elev. Casinghead
15. Total Depth 7940'	16. Plug Back T.D. 6555'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools Re-entry	14. Elev. Casinghead
19. Producing Interval(s), of this completion - Top, Bottom, Name DRINKARD: 6326 - 6486'			20. Was Directional Survey Made NO	
21. Type Electric and Other Logs Run Dual Spaced Neutron/GR/CCL			21. Was Well Cored NO	

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
10 - 3/4"	40#	322'	15"	275 sks	None
7-5/8"	26.4#	2780'	9-7/8"	1500 sks	None
5-1/2"	14#, 15.5#, 17#	7883'	6-3/4"	775 sks	None

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
None					2-7/8"	6530'	None

26. Perforation record (interval, size, and number)  
 6326', 6336', 6338', 6344', 6351', 6362', 6366', 6368', 6372', 6378', 6380', 6386', 6398', 6400', 6403', 6427', 6453', 6463', 6482', 6486'

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.  
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED  
 6326-6486' 3500 gals 15% HCl acid  
 6326-6486' Frac w/ 44,300 gals gel + 37,600# 20/40 sd

28. PRODUCTION

Date First Production 10/22/99	Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping	Well Status (Prod. or Shut-in) Producing					
Date of Test 10/26/99	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 37	Gas - MCF 160	Water - Bbl. 60	Gas - Oil Ratio 4324
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl. 37	Gas - MCF 160	Water - Bbl. 60	Oil Gravity - API - (Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)  
 Vented - pending gas line connection

Test Witnessed By  
 K. Mozingo

30. List Attachments  
 C-103, C-104, E log, Wellbore Diagram

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature Larry Tarwater Printed Name Larry Tarwater Title Production Engineer Date 10/27/99

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____ 7130'	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____ 7350'	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____ 5020'	T. McKee _____ 7525'	Base Greenhorn _____	T. Granite _____
T. Paddock _____ 5222'	T. Ellenburger _____ 7880'	T. Dakota _____	T. _____
T. Blinebry _____ 5430'	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____ 6005'	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____ 6190'	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

### OIL OR GAS SANDS OR ZONES

No. 1, from.....5430' .....to.....5690' ..... No. 3, from.....7880' .....to.....7940' .....  
 No. 2, from.....6190' .....to.....6486' ..... No. 4, from..... .....to.....

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....  
 No. 2, from.....to.....feet.....  
 No. 3, from.....to.....feet.....

## LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology
0	344	344	Red bed & caliche
344	935	591	Red bed & shale
935	1982	1047	Anhydrite & salt
1982	2555	573	Anhydrite & gyp
2555	3505	950	Anhydrite
3505	3680	175	Anhydrite & lime
3680	7180	3500	Lime
7180	7429	249	Lime & shale
7429	7555	126	Shale
7555	7642	87	Shale & sand
7642	7758	116	Lime & shale
7758	7855	97	Shale
7855	7883	28	Lime & shale
7883	7940	57	Lime





# HOME-STAKE OIL & GAS COMPANY

## APPLICATION FOR TAX REFUND

Well: HSOG #1 (Formerly Exxon Ferrell #2)  
Location: UL "I" Section 22 - T22S - R37E  
County, State: Lea County, New Mexico  
API Number: 30-025-10402  
Pool: Drinkard Pool No.: 19190  
Operator: Home-Stake Oil & Gas Company OGRID: 163123  
15 E. 5th Street Suite 2800  
Tulsa, OK 74103

### WORKING INTEREST OWNERS

### PERCENTAGE INTEREST

- |   |     |
|---|-----|
| 1. Home-Stake Oil & Gas Company<br>15 E. 5th Street Suite 2800<br>Tulsa, OK 74103 | 53% |
| 2. John H. Hendrix Corporation<br>P.O. Box 3040<br>Midland, TX 79702              | 47% |