

DOYLE HARTMAN

Oil Operator

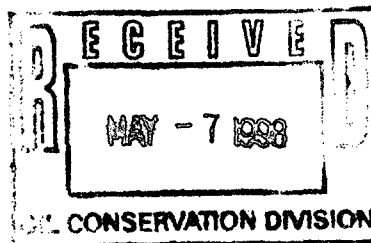
500 NORTH MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

(915) 682-7616 FAX



May 4, 1998

Mr. Michael Stogner
State of New Mexico
Energy, Minerals & Natural Resources Department
Oil Conservation Division
P. O. Box 2088
Midland, TX 87504-2088

Re: Hanson State Lease
NE/4 Section 16, T-20-S, R-37-E
Lea County, New Mexico

Dear Mr. Stogner:

Attached please find the revised Administrative application for a 120-acre non-standard gas spacing and proration unit within the Eumont Gas Pool to comprise the N/2 NE/4 and SW/4 NE/4 of Section 16, T-20-S, R-37-E, NMPM, Lea County, New Mexico. Also enclosed is a plat identifying all offset operators. We have notified those operators by certified mail.

Should you have any questions concerning this matter or require additional information, please let me know.

Yours very truly,

Doyle Hartman, Oil Operator

A handwritten signature in cursive script, appearing to read "Don L. Mashburn".

Don L. Mashburn
Engineer

Att'd
DLM/skr

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Oil Operator

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State of New Mexico
Energy, Minerals & Natural Resources Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: Hanson State Lease
NE/4 Section 16, T-20-S, R-37-E
Lea County, New Mexico

Dear Mr. Stogner:

Enclosed please find the following State of New Mexico OCD forms pertaining to the afore mentioned lease.

1. NMOCD form C-102 pertaining to our Hanson State #4 (H) dedicating the 40-acre SE/4 NE/4 Section 16, to the No. 4 as a Eumont (Y-7R-Q) oil producer.
2. NMOCD form C-102 for the Hanson State #7 (B) well, outlining the reduced 120-acre Eumont (gas) proration unit to which it is dedicated.
3. NMOCD form C-116 Gas-Oil Ratio test pertaining to the Hanson State #4 (H).

As based upon the enclosed form C-116, the gas-oil ratio on the Hanson State #4 (H-16-20S-R37E) establishes the well as a Eumont (Y-7R-Q) oil producer. This well was previously a shut-in well and simultaneously dedicated along with our Hanson State #7 (B-16-20S-R37E) to the 160 acre Eumont (gas) proration unit, consisting of the NE/4 of Section 16, T-20-S, R-37-E, Lea County, New Mexico.

However, we are now producing the #4 well and forced to allocate the 40-acres in the SE/4 NE/4 of Section 16 to the Hanson State #4 well. The 120 acre (160 acre - 40 acre) balance of the approved proration unit will remain dedicated to the Hanson State #7 well. The reduced proration unit will consist of the N/2 NE/4 & SW/4 NE/4 Section 16, T-20-S, R-37-E, Lea County, New Mexico as outlined on the enclosed NMOCD C-102 forms.

Complete copies of this application have also been sent by certified mail to all offset operators owning Jalmat (gas) rights as described on the enclosed plat and table. Listed below are the offset operators.

Thank you for your consideration of this matter. Should you have any questions concerning this matter or require additional information, please let me know.

Yours very truly,

Doyle Hartman, Oil Operator



Don L. Mashburn
Engineer

Enclosure
DLM/skr

cc: Chris Williams
NMOCD
P. O. Box 1980
Hobbs, NM 88240

Texaco Exploration & Production, Inc.
Attn: Norma Zambrano
P. O. Box 3109
Midland, TX 79702

Amerada Hess Corporation
Attn: S. W. Small
P. O. Box 840
Seminole, TX 79360

John Hendrix Corporation
P. O. Box 3040
Midland, TX 79701

Conoco, Inc.
10 Desta Dr. Ste 500
Midland, TX 79705-4500

Titan Resources
500 W. Texas Ste. 500
Midland, TX 79701

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

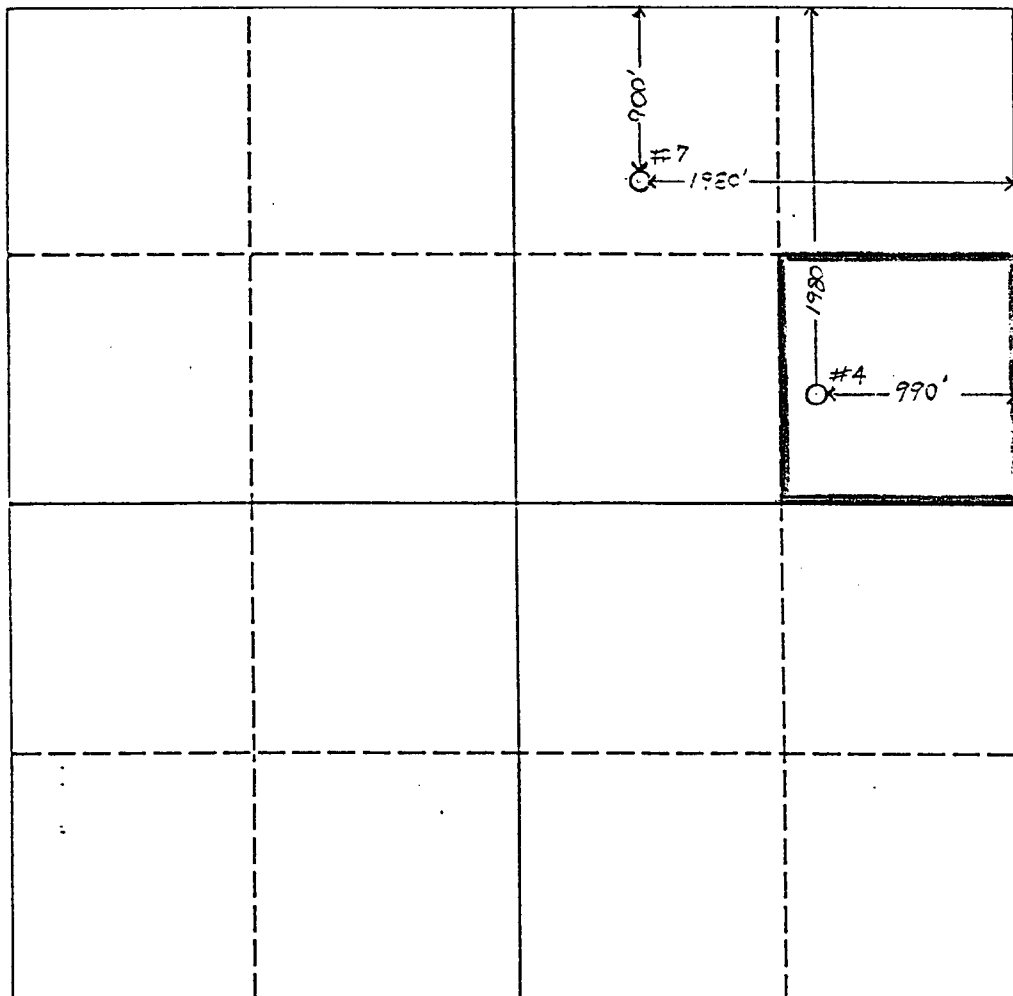
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Doyle Hartman			Lease Hanson State		Well No. 4
Unit Letter H	Section 16	Township 20S	Range 37E	County NMPM Lea	
Actual Footage Location of Well: 1980 feet from the North line and 990 feet from the East line					
Ground level Elev.	Producing Formation		Pool Eumont Yates 7 Rvrs Queen	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
Printed Name
Don L. Mashburn
Position
Engineer
Company
Doyle Hartman
Date
4/27/98

SURVEYOR CERTIFICATION

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
Signature & Seal of Professional Surveyor
Certificate No.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

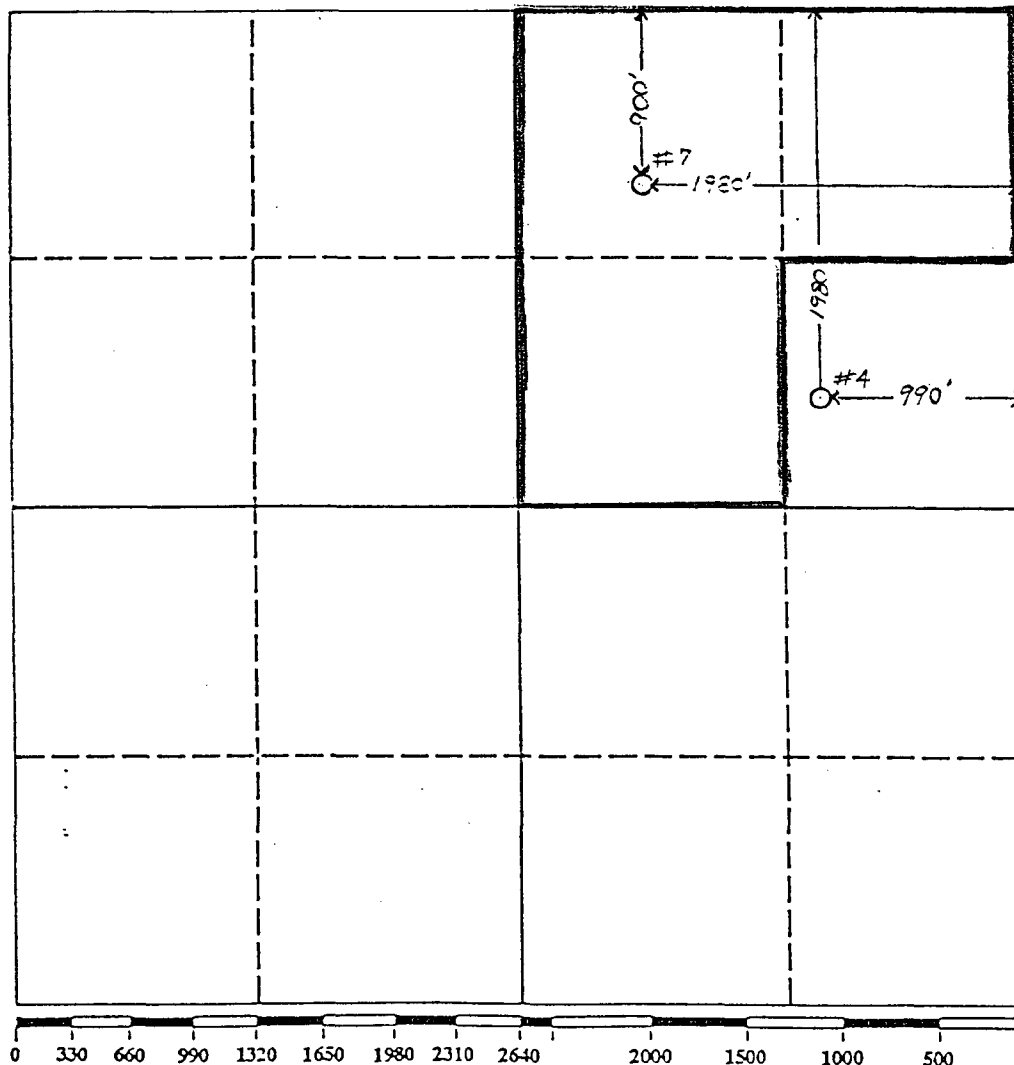
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Doyle Hartman			Lease Hanson State		Well No. 7
Unit Letter B	Section 16	Township 20S	Range 37E	NMPM	County Lea
Actual Footage Location of Well: 900 feet from the North line and 1980 feet from the East line					
Ground level Elev.		Producing Formation Eumont Yates 7 Rvrs Queen		Dedicated Acreage: 120 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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
Don L. Mashburn
Printed Name
Don L. Mashburn
Position
Engineer
Company
Doyle Hartman
Date
4/27/98

SURVEYOR CERTIFICATION

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

Signature & Seal of
Professional Surveyor

Certificate No.

Submit 2 copies to Appropriate District Office.
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

GAS-OIL RATIO TEST

Operator Doyle Hartman, Oil Operator		Pool Eumont Yates 7 Rvrs Queen		County Lea												
Address P. O. Box 10426, Midland, TX 79702		TYPE OF TEST - (X)		Scheduled <input type="checkbox"/> Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>												
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	SIZE OF TEST	CHOKESIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT/BBL.	
		U	S	T	R							WATER BBL.	GRAV. OIL	OIL BBL.		GAS M.C.F.
Hanson State	4	H	16	20S	37E	04/26/98	P	64			23.5	45		5	8	1,600

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.
Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F.
Specific gravity base will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through casing.

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

Signature

Stella Russell

Printed name and title

Stella Russell, Production Analyst

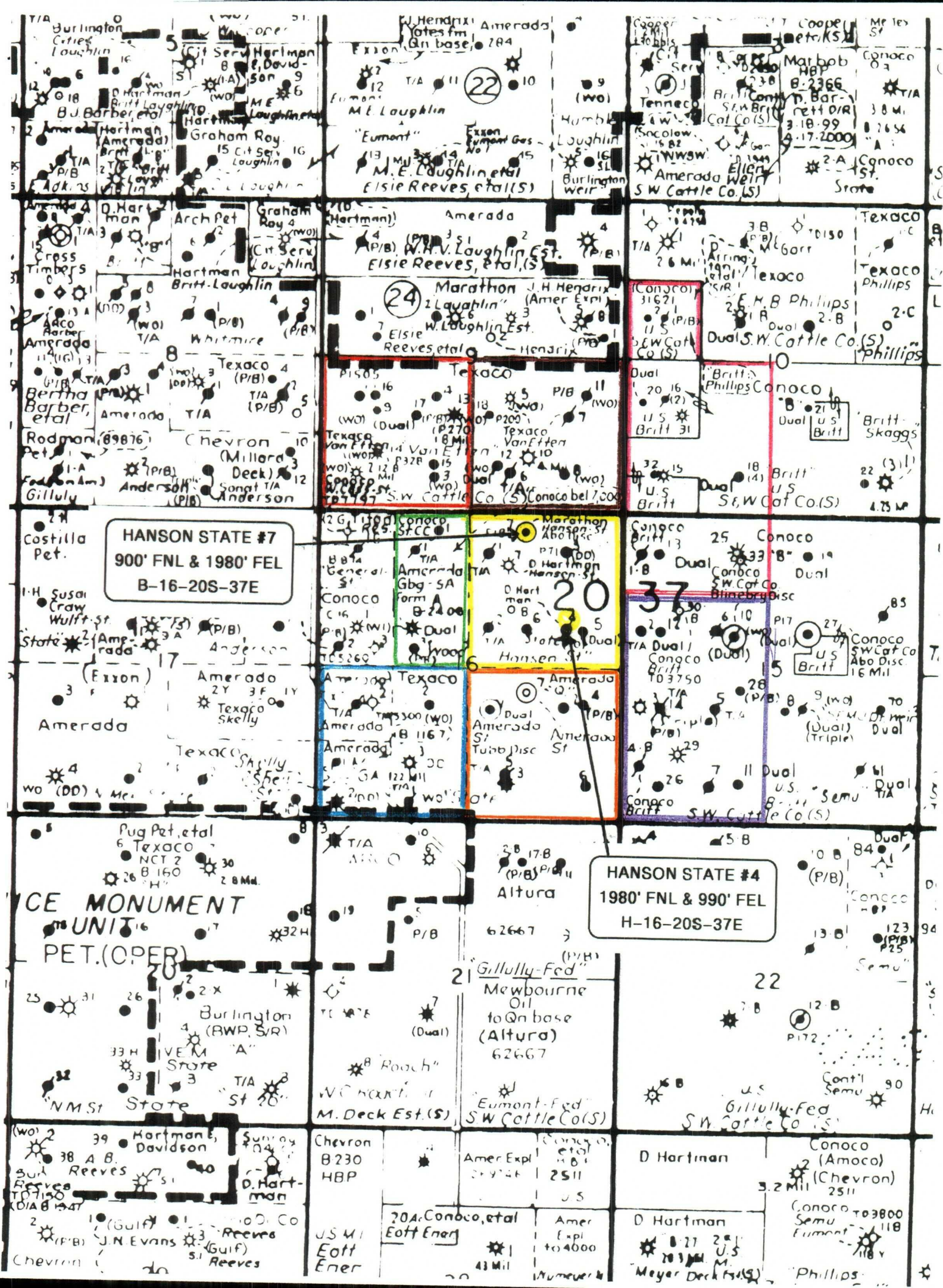
Date

04/27/98

915-684-4011

Telephone No.

(See Rule 301, Rule 1116 & appropriate pool rules.)



District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-104
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Doyle Hartman, Oil Operator P. O. Box 10426 Midland, TX 79702		² OGRID Number 6473
		³ Reason for Filing Code AO & AG (Effective 4-27-98)
⁴ API Number 30 - 025-06127	⁵ Pool Name Eumont Yates (7RQ)	⁶ Pool Code 22800
⁷ Property Code	⁸ Property Name Hanson State	⁹ Well Number 4

II. ¹⁰ Surface Location

UL or lot no. H	Section 16	Township 20S	Range 37E	Lot.Idn	Feet from the 1980	North/South Line North	Feet from the 990	East/West line East	County Lea
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¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Lse Code	¹³ Producing Method Code	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
138648	Amoco Pipe Line Intercompany Trucking P. O. Box 1725, Midland, TX 79707		O	Unit H, Section 16, T20S, R37E
	Warren Petroleum 1000 Louisiana, Ste. 5800, Houston, TX 77002-5050		G	Unit H, Section 16, T20S, R37E

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description
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V. Well Completion Data

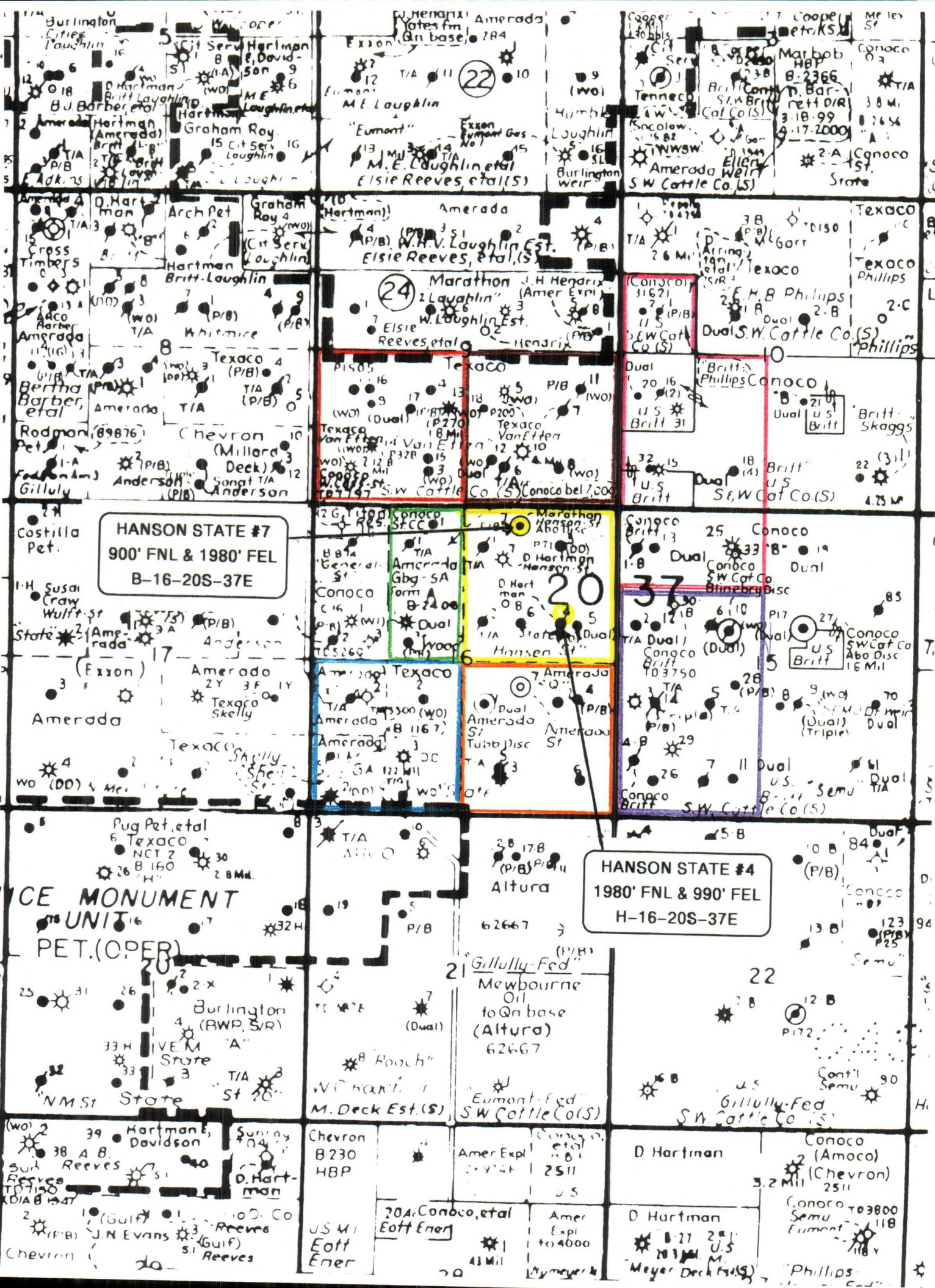
²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBDT	²⁹ Perforations	³⁰ DHC, DC, MC
³¹ Hole Size	³² Casing & Tubing Size	³³ Depth Set	³⁴ Sacks Cement		

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date	³⁸ Test Length	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
⁴¹ Choke Size	⁴² Oil	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method
⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Starla Russell</i>			OIL CONSERVATION DIVISION		
Printed name: Starla Russell			Approved by:		
Title: Production Analyst			Title:		
Date: 4-27-98			Approval Date:		
Phone: 915-684-4011					

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date
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HANSON STATE #7
900' FNL & 1980' FEL
B-16-20S-37E

HANSON STATE #4
1980' FNL & 990' FEL
H-16-20S-37E

CE MONUMENT
UNIT
PET.(OPER)

Gillully-Fed
Mewbourne
Oil
to Qn base
(Altura)
62667

Eumont-Fed
SW Cattle Co(S)

Gillully-Fed
SW Cattle Co(S)

39 Hartman, Davidson
38 A.B. Reeves
37 J.N. Evans
36 Reeves
35 Chevron

Chevron
B230
HBP
70A. Conoco, et al
Eott Ener

Amer Expl
2511
U.S.
to 4000
Meyer Deck

D Hartman
B-27
U.S.
Meyer Deck

Conoco
(Amoco)
2511
3.2 Mil
Conoco
Semu
Eumont
118
Phillips