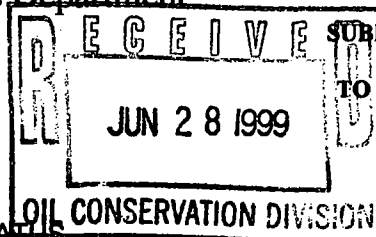


District I - (505) 393-6161
1025 E. French Dr.
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-142
Date 06/99



APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Hanagan Petroleum Corporation P.O. Box 1737 Roswell, NM 88202							OGRID Number 009911	
Contact Party Mike Hanagan							Phone 505-623-5053	
Property Name Twin Lakes San Andres Unit						Well Number 319	API Number 30-005-63187	
UL J	Section 31	Township 8S	Range 29E	Feet From The 2310	North/South Line South	Feet From The 1650	East/West Line East	County Chaves

II. Date/Time Information

Spud Date 1/2/99	Spud Time 4:30 PM	Date Completed 1/28/99	Pool Twin Lakes San Andres (Associated)
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- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
- IV. Attach a list of all working interest owners with their percentage interests.
- V. AFFIDAVIT:

State of New Mexico)
ss.
County of Chaves)

Michael G. Hanagan, being first duly sworn, upon oath states:

1. I am the Operator, or authorized representative of the Operator, of the above-referenced well.
2. To the best of my knowledge, this application is complete and correct.

Signature [Signature] Title President Date 6/24/99

SUBSCRIBED AND SWORN TO before me this 24th day of June, 1999.

[Signature]
Notary Public

My Commission expires: 8/12/2001

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>[Signature]</u>	Title <u>DE. Spec.</u>	Date <u>7-1-99</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 7/6/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVZV2005848251

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies
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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

Form C-105
Revised 1-1-89

WELL API NO.
30-005-63187

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Twin Lakes San Andres Unit

8. Well No.
319

9. Pool name or Wildcat
Twin Lakes San Andres (Associated)

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 _____

2. Name of Operator
Hanagan Petroleum Corporation

3. Address of Operator
P.O. Box 1737 - Roswell, NM 88202-1737

4. Well Location
Unit Letter J : 2310 Feet From The South Line and 1650 Feet From The East Line

Section 31 Township 8s Range 29e NMPM Chaves County

10. Date Spudded 01/02/99 11. Date T.D. Reached 01/08/99 12. Date Compl. (Ready to Prod.) 01/28/99 13. Elevations (DF & RKB, RT, GR, etc.) 4009'kb 14. Elev. Casinghead 4003'

15. Total Depth 2903' 16. Plug Back T.D. 2876' 17. If Multiple Compl. How Many Zones? _____ 18. Intervals Drilled By _____ Rotary Tools ☒ Cable Tools _____

19. Producing Interval(s), of this completion - Top, Bottom, Name
2746' - 2796' (San Andres)

20. Was Directional Survey Made
No

21. Type Electric and Other Logs Run
Cased hole gamma ray/comp. neutron/CCL

22. Was Well Cored
No

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8.625"	24	116'	12.25"	3yds - Redi-Mix	0
5.5"	15.50	2900'	7.875"	975sx - circulated 60sx	0

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2.375"	2781	

26. Perforation record (Interval, size, and number)
2746'-52', 2756'-60', 2766'-86', 2790-96' w/40 holes

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
2746'-2796' 10,000gl 20% acid

28. PRODUCTION

Date First Production 01/15/99 Production Method (Flowing, gas lift, pumping - Size and type pump) pumping Well Status (Prod. or Shut-in) producing

Date of Test <u>01/28/99</u>	Hours Tested <u>24</u>	Choke Size	Prod'n For Test Period	Oil - BbL <u>17</u>	Gas - MCF <u>tstrn</u>	Water - BbL <u>220</u>	Gas - Oil Ratio
Flow Tubing Press.	Casing Pressure <u>Opsi</u>	Calculated 24-Hour Rate	Oil - BbL <u>17</u>	Gas - MCF <u>tstrn</u>	Water - BbL <u>220</u>	Oil Gravity - API - (Corr.) <u>24</u>	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Test Witnessed By
M. Hanagan

30. List Attachments

2 copies of logs, deviation survey record

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

Signature

Printed Name

Michael G. Hanagan

Title

President

Date

02/01/99

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 specific 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 _____ 850.0	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____ 974.0	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____ 1052.0	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____ 1614.0	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 2107.0	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	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 2735' to 2795' No. 3, from to
No. 2, from to 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

From	To	Thickness in Feet	Lithology

WELL NAME AND NUMBER Twin Lakes San Andres Unit 319
LOCATION 2310' FWL & 1650 FEL, Section 31, T8S, R29E, Chaves County NM
OPERATOR Hanagan Petroleum Corporation
DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1/2° 556'</u>	<u> </u>	<u> </u>
<u>3/4° 1023'</u>	<u> </u>	<u> </u>
<u>3/4° 1551'</u>	<u> </u>	<u> </u>
<u>1/2° 2019'</u>	<u> </u>	<u> </u>
<u>3/4° 2545'</u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

Drilling Contractor United Drilling, Inc.

By: *Darryl A. Cho*

Title: Business Manager

Subscribed and sworn to before me this 8th day of January, 1999.

Kenneth L. Lankford
Notary Public

My Commission Expires: 9-25-99

Chaves NM
County State

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
30-005-63187

Indicate Type of Lease

STATE ☐

FEE ☒

State Oil & Gas Lease No.

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.)

Type of Well:

OIL
WELL ☒

GAS
WELL ☐

OTHER

Name of Operator
HANAGAN PETROLEUM CORPORATION

Address of Operator
P.O. BOX 1737 - ROSWELL, NM - 88202-1737

Lease Name or Unit Agreement Name
Twin Lakes San Andres Unit

Well No.
319

Pool name or Wildcat
Twin Lakes San Andres (Associated)

Well Location

Unit Letter J : 2310 Feet From The SOUTH Line and 1650 Feet From The EAST Line

31 Section 8s Township 29s Range NMPM CHAVES County

Elevation (Show whether DF, RKB, RT, GR, etc.)

4009'KB

11

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ANBANDONMENT ☐

CASING TEST AND CEMENT JOB ☒

OTHER: ☐

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.

1/2/89 - MIRU United Drilling Co. Rig #10 - drill 12.25" hole to 116' w/air - run 3jts 8.625" 24#/ft casing to TD - RU Valley Concrete & cement w/3yds Red-Mix to surface - RD Rig #10

1/8/89 - TD 7.875" hole @ 2903' - Run 66jts of 5.5", 15.50#/ft 8rd J55 casing w/shoe @ 2900' (KB) -RU BJ Services & cement w/750sx 50% "C"/50% Poz w/5#-sk salt + 10% bentonite lead cement(weight=11.80#/gl / yield = 2.39), tailed in w/225sx Class "C" cement (weight=14.80#/gl / yield=1.33), circulate 60sx cement to pits - Release rig

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

SIGNATURE Michael G. Hanagan TITLE President

DATE 11/12/99
12-14-98

TYPE OR PRINT NAME Michael G. Hanagan

TELEPHONE NO. 623-5053

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

2-2-99 - XC To partners

Attachment to Form C-142**WORKING INTEREST OWNERS**

*Hanagan Petroleum Corporation
Twin Lakes San Andres Unit Well #319*

Weeks & Stroecker Twin Lakes, LLC
P.O. Box 1230
Fairbanks, AK 99707-1230

Mr. Rick Winther
3175 College Rd., Suite 1
Fairbanks, AK 99709

Nabob Production Company
P.O. Box 9598
Amarillo, TX 79105-9598

Entech Enterprises
4900 Woodway, Suite 800
Houston, TX 77056-1809

United Drilling Company
P.O. Box 2488
Roswell, NM 88202-0310

Elk Oil Company
P.O. Box 310
Roswell, NM 88202-0310

Tres Featherstone
1801 West Second Street
Roswell, NM 88201

Olen Featherstone, II
1801 West Second Street
Roswell, NM 88201

Aceite Associates, LLC
1801 West Second Street
Roswell, NM 88201

Manzano Oil Corporation
P.O. Box 2107
Roswell, NM 88202-2107

Reynolds Family Trust
P.O. Box 1498
Roswell, NM 88202-1498

Western Oil Producers
P.O. Box 2055
Roswell, NM 88202-2055

W.E.K. Drilling Co., Inc.
P.O. Box 1498
Roswell, NM 88202-1498

TJ & 4K Partnership
Route 1, 2904 Ave. De Amigos
Roswell, NM 88201

Richard J. Forrest, Jr.
208 Dickson Lane
Carlsbad, NM 88220

New Mexico Western Minerals, Inc.
P.O. Box 1738
Roswell, NM 88202-1738

Mikens, LLC
P.O. Box 1737
Roswell, NM 88202-1737

Hanagan Petroleum Corporation
P.O. Box 1737
Roswell, NM 88202-1737