

# Hallwood Energy Companies

4582 South Ulster Street Parkway • Stanford Place III • Suite 1700 • Post Office Box 378111  
Denver, Colorado 80237 • (303) 850-7373

OIL CONSERVATION DIVISION  
RECEIVED  
91 FEB 26 AM 11:07

FEDERAL EXPRESS

February 25, 1991

Mr. Mike Stogner  
New Mexico Oil Conservation Division  
310 Old Santa Fe Trail  
State Land Office Building, Room 206  
Santa Fe, NM 87501

Re: Harroun #1  
Application for Permit To Drill  
Exception Location

Dear Mr. Stogner:

Hallwood hereby requests administrative approval for the above exception location. Regarding this application, enclosed please find the following:

1. Form C101 - APD
2. Form C102 - Plat
3. Topography map
4. Proposed pad, location layout
5. Land map
6. Copies of certified return receipts

This exception location is due to a cement lined irrigation canal, a high pressure gas line and topography. The proposed location is 220 feet west of a legal location and is being moved closer to a lease also owned by Hallwood and will not affect any offset operators' correlative rights. Hallwood did not receive return receipts from two individuals who have operating rights with Texaco in the E/2 of the SE/4 of Section 7. However, all other offset operators were contacted.

If you have any questions, please give me a call.

Sincerely,

HALLWOOD PETROLEUM, INC.



Steve Bausch  
Petroleum Engineer  
Western Region

Enclosures  
SB/#16.jp

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
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

APPL NO. (Assigned by OGD to New Wells)

RECEIVED

5. Indicate Type of Lease  
DATE 91 FEB 26 AM 11:07 FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒ RE-ENTER ☐ DEEPEN ☐ PLUG BACK ☐

b. Type of Well:

OIL WELL ☐ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. Name of Operator

Hallwood Petroleum, Inc.

7. Lease Name or Unit Agreement Name

Harroun

3. Address of Operator

P. O. Box 378111, Denver, CO 80237

8. Well No.

1

9. Pool name or Wildcat

Malaga Delaware

4. Well Location

Unit Letter 0 : 787 Feet From The South Line and 2530 Feet From The East Line

Section 7 Township 24S Range 29E NMPM Eddy County

10. Proposed Depth

3200'

11. Formation

Delaware

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

2946.1' GL

14. Kind & Status Plug. Bond

National Blanket

15. Drilling Contractor

--

16. Approx. Date Work will start

March 20, 1991

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	24#	400'	240 sx	Surf.
7-7/8"	4-1/2"	11.6#	3200'	310 sx	2450'

Hallwood Petroleum, Inc. wishes to advise that we intend to drill a 12-1/4" hole with spud mud to 400' and set 8-5/8", 24#, J-55 ST&C casing to 400', cementing to surface with 240 sx (350 cu ft) Class "H" cement. Wait on cement 12 hours, nipple up and test BOP. Drill 7-7/8" hole out of surface to 3200' with brine water and sweeps. Log well. Set 4-1/2", 11.6#, K-55 LT&C production casing to 3200' cementing up to 2450' with 310 sx (340 cu ft) of Class "H" cement.

Perforate pay section in the Delaware, acidize perforations and frac with approximately 4000 gallons of crosslinked gelled KCl water and 12,000 lbs of 20/40 Ottawa sand. Clean up well and install standard production equipment. Test well for a period not to exceed 30 days. (3000 psi-rated BOP's will be utilized)

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE Holly S. Richardson TITLE Sr. Ops. Eng. Tech. DATE 2/19/91

TYPE OR PRINT NAME Holly S. Richardson (303) 850-6322 TELEPHONE NO.

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

SECTION 7, TOWNSHIP 24 SOUTH, RANGE 29 EAST, N.M.P.M.,

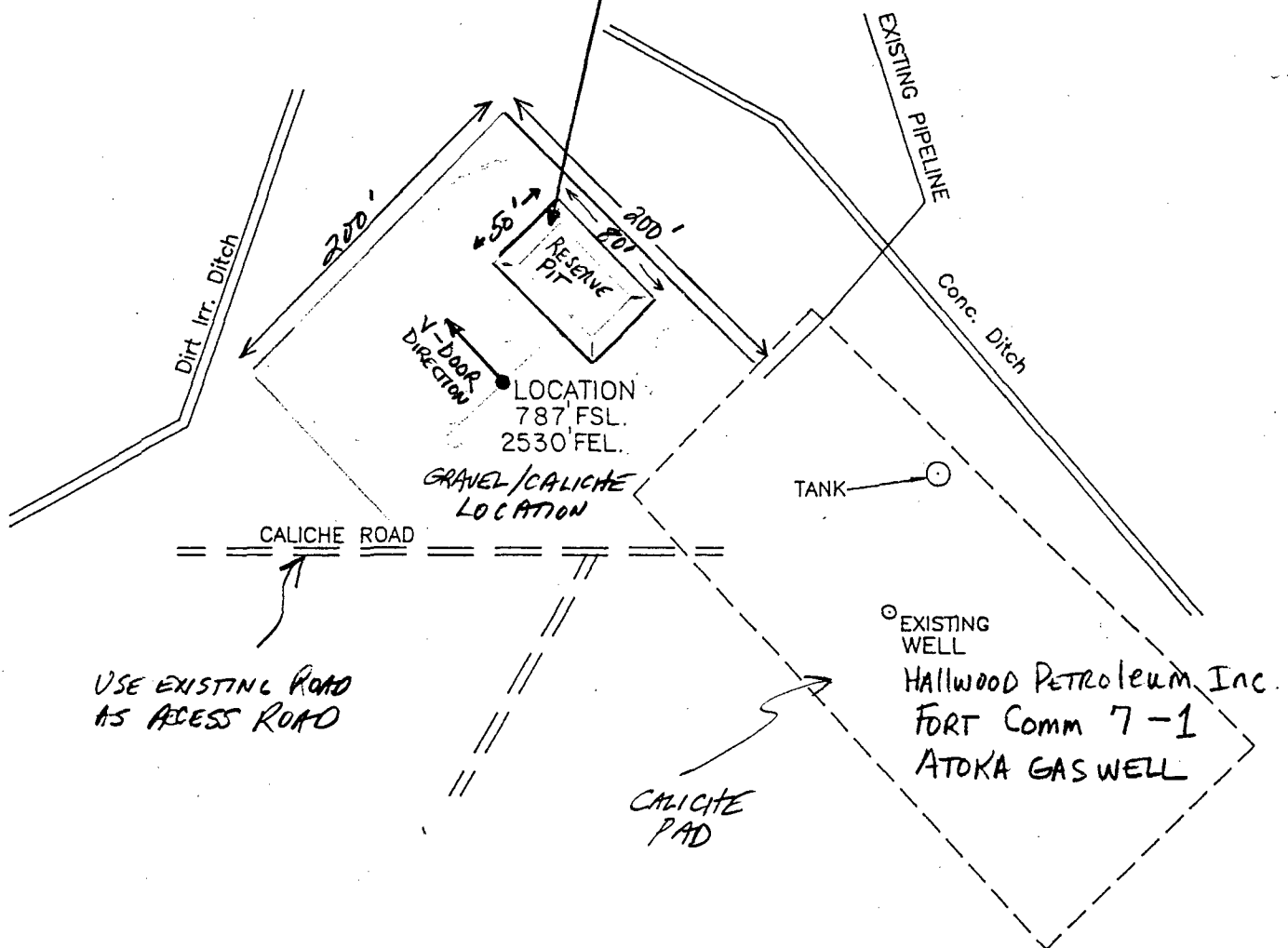
EDDY COUNTY

NEW MEXICO

HALLWOOD PETROLEUM  
HARROUN #1

PROPOSED PAD & LOCATION LAYOUT

PROPOSED RESERVE PIT  
50' X 80' X 7' DEEP  
LINED WITH 12 ML.  
PLASTIC LINER



ADDITIONS TO LOCATION  
PLAT MADE BY:

Kevin E. O'Connell 4/22/91  
KEVIN E. O'CONNELL  
HALLWOOD PETROLEUM, INC.  
WESTERN DISTRICT DRILLING  
& PRODUCTION SUPERVISOR



I HEREBY CERTIFY THAT THIS PLAT WAS MADE  
FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE  
SURVEY MADE UNDER MY SUPERVISION, AND THAT  
THE SAME IS TRUE AND CORRECT TO THE BEST  
OF MY KNOWLEDGE AND BELIEF.

NOTE: LITTLE OR NO CONTOUR  
VARIATION ACROSS PROPOSED  
LOCATION, SEE ATTACHED  
CONTOUR MAP. EXISTING SITE  
IS LEVEL WITH NO RELIEF

HALLWOOD PETROLEUM, INC.

TOPO AROUND THE HARROUN WELL No. 1,  
LOCATED IN SECTION 7, TOWNSHIP 24 SOUTH,  
RANGE 29 EAST, N.M.P.M., EDDY COUNTY,  
NEW MEXICO.

JOHN W. WEST ENGINEERING COMPANY

CONSULTING ENGINEERS HOBBS, NEW MEXICO

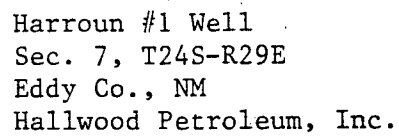
Scale 1"=100' Drawn By: PRESLEY Disk: JLP-1

Date: 1/25/91 CK. Sheet 1 of 1 Sheets

Project Number 91-01-045 File Name HPIHAW1

JOHN W. WEST, N.M. P.E. & L.S. No. 676  
TEXAS R.P.S. No. 1138

E  
O.  
GRAPHIC)



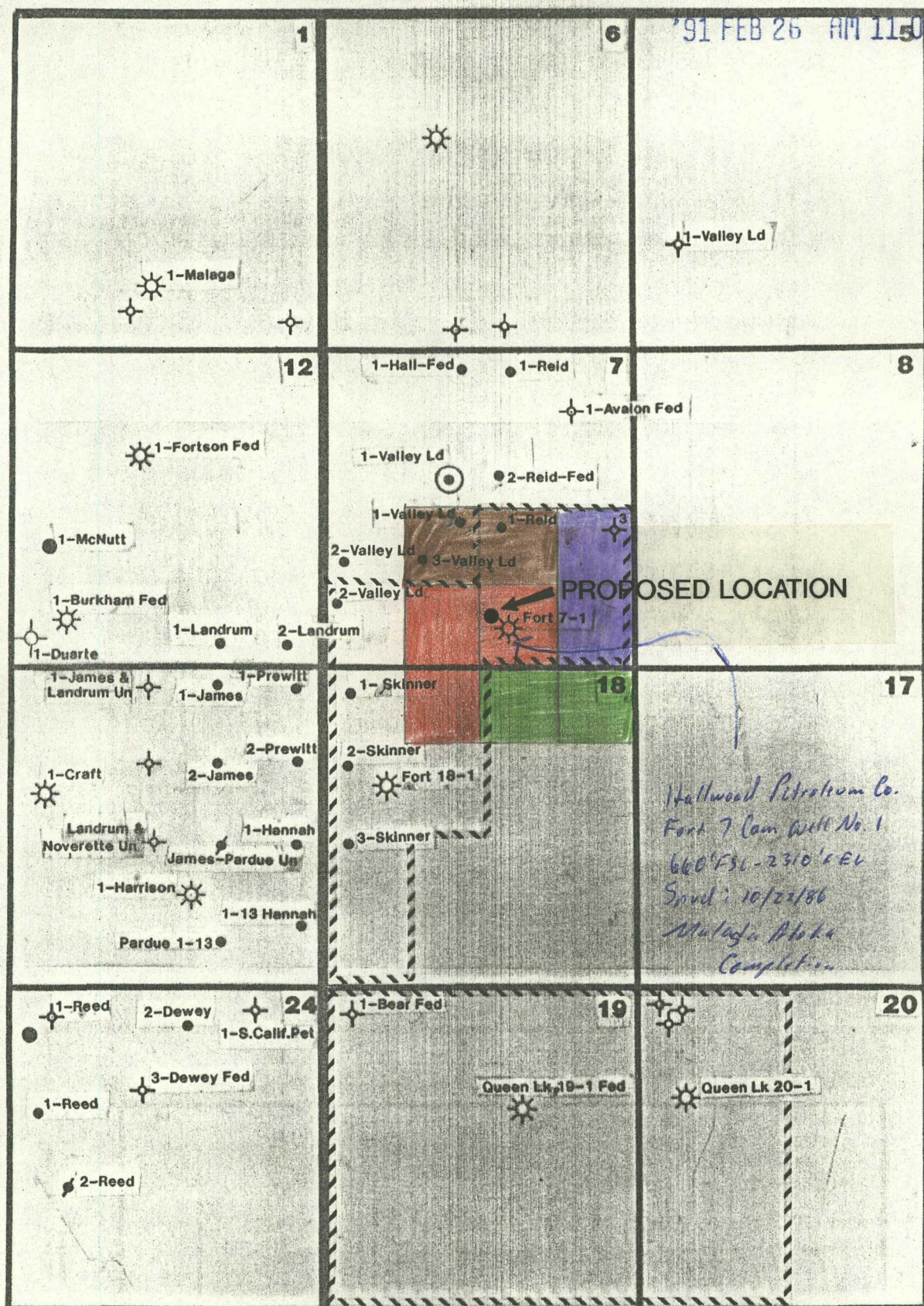


R 28 E

R 29 E

OIL CONSERVATION DIVISION  
RECEIVED

'91 FEB 26 AM 11:07

T  
24  
S

## LEGEND

- ☉ DELAWARE DISCOVERY
- DELAWARE PRODUCER
- ✦ DELAWARE DRY HOLE
- ✦ DELAWARE TEMPORARILY ABANDONED
- BONE SPRING
- ✦ BONE SPRING DRY HOLE
- ☼ DEEP GAS WELL

## HALLWOOD PETROLEUM, INC.

Revisions		
No.	Date	By
1		
2		
3		
4		
5		

## MALAGA (DELAWARE) FIELD

EDDY CO., NEW MEXICO

## LAND MAP

Designed By AK By: SB Scale 1:2000' Date 10/90



HALLWOOD



TEXACO



EASTLAND



ENRON



# Hallwood Energy Companies

4582 South Ulster Street Parkway Stanford Place III Suite 1700 Post Office Box 378111  
Denver, Colorado 80237 (303) 850-7373

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

January 31, 1991

Eastland Oil Company  
Attn: Robin Donnelly  
P. O. Box 3488  
Midland, TX 79702

Re: Harroun #1  
Exception Location  
SW SE Section 7-T24S-R29E  
787' FSL, 2530' FEL  
Eddy County, New Mexico

Gentlemen:

Upon receipt of this letter, you are notified that Hallwood Petroleum is applying for administrative approval of the exception location described above to drill a Delaware test. This exception location is due to: 1) a cement lined irrigation canal, 2) a high pressure gas line, and 3) topography (please see attached plat). This location is 220 feet west of a legal location and is being moved closer to a lease also owned by Hallwood and will not effect any offset operators' correlative rights.

If you have any questions, please call the  
(303)850-6237 or Mike Boling at (505)746-

Very truly yours,

HALLWOOD PETROLEUM

*Steve Bausch*  
Steve Bausch  
Petroleum Engineer  
Western Region

Attachment

SB/#14.jp

P 358 775 470  
RECEIPT FOR CERTIFIED MAIL  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address (Extra charge)	2. <input type="checkbox"/> Restricted Delivery (Extra charge)
3. Article Addressed to: Eastland Oil Co. P.O. Box 3488 Midland, TX 79702	4. Article Number: P 358 775 470
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid) <i>[Signature]</i>
6. Signature - Agent <i>[Signature]</i>	
7. Date of Delivery 2-4-91	

PS Form 3811, Apr. 1989 \* U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

# Hallwood Energy Companies

4582 South Ulster Street Parkway - Stanford Place III - Suite 1700 - Post Office Box 37811  
Denver, Colorado 80237 (303) 850-7373

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

January 31, 1991

TEXACO  
Attn: R. S. Lane  
P. O. Box 3109  
Midland, TX 79702

Re: Harroun #1  
Exception Location  
SW SE Section 7-T24S-R29E  
787' FSL, 2530' FEL  
Eddy County, New Mexico

Gentlemen:

Upon receipt of this letter, you are notified that Hallwood Petroleum is applying for administrative approval of the exception location described above to drill a Delaware test. This exception location is due to: 1) a cement lined irrigation canal, 2) a high pressure gas line, and 3) topography (please see attached plat). This location is 220 feet west of a legal location and is being moved closer to a lease also owned by Hallwood and will not effect any offset operators' correlative rights.

If you have any questions, please call t  
(303)850-6237 or Mike Boling at (505)746

Very truly yours,

HALLWOOD PETRO

*Steve Bausch*  
Steve Bausch  
Petroleum Engineer  
Western Region

Attachment

SB/#14.jp

P 358 775 484  
**RECEIPT FOR CERTIFIED MAIL**  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)	2. <input type="checkbox"/> Restricted Delivery (Extra charge)
3. Article Addressed to: <i>Delaco Attn: R.S. Lane P.O. Box 3109 Midland, TX 79702</i>	4. Article Number <i>P 358 775 484</i>
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee: <i>X</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent: <i>X</i>	
7. Date of Delivery: <i>FEB 5 1991</i>	

# Hallwood Energy Companies

4582 South Ulster Street Parkway Stanford Place III Suite 1700 Post Office Box 378111  
Denver, Colorado 80237 (303) 850-7373

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

January 31, 1991

Enron Oil and Gas  
Attn: Patrick J. Tower  
P. O. Box 2267  
Midland, TX 79702

Re: Harroun #1  
Exception Location  
SW SE Section 7-T24S-R29E  
787' FSL, 2530' FEL  
Eddy County, New Mexico

Gentlemen:

Upon receipt of this letter, you are notified that Hallwood Petroleum is applying for administrative approval of the exception location described above to drill a Delaware test. This exception location is due to: 1) a cement lined irrigation canal, 2) a high pressure gas line, and 3) topography (please see attached plat). This location is 220 feet west of a legal location and is being moved closer to a lease also owned by Hallwood and will not offset operators' correlative rights.

If you have any questions, please call  
(303)850-6237 or Mike Boling at (505)74

Very truly yours,

HALLWOOD PETRO

*Steve Bausch*

Steve Bausch  
Petroleum Engin  
Western Region

Attachment

SB/#14.jp

P 358 775 471  
RECEIPT FOR CERTIFIED MAIL  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)	2. <input type="checkbox"/> Restricted Delivery (Extra charge)
3. Article Addressed to: <i>Enron Oil &amp; Gas P.O. Box 2267 Midland, TX 79702</i>	4. Article Number <i>P 358 775 471</i>
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED	
5. Signature - Addressee <i>X [Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <i>X [Signature]</i>	
7. Date of Delivery <i>FEB 5 1991</i>	

PS Form 3811, Apr. 1989 U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT



# Hallwood Energy Companies

4582 South Ulster Street Parkway Stanford Place III Suite 1700 Post Office Box 378111  
Denver, Colorado 80237 (303) 850-7373

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

January 31, 1991

Eastland Oil Company  
Attn: Robin Donnelly  
P. O. Box 3488  
Midland, TX 79702

Re: Harroun #1  
Exception Location  
SW SE Section 7-T24S-R29E  
787' FSL, 2530' FEL  
Eddy County, New Mexico

Gentlemen:

Upon receipt of this letter, you are notified that Hallwood Petroleum is applying for administrative approval of the exception location described above to drill a Delaware test. This exception location is due to: 1) a cement lined irrigation canal, 2) a high pressure gas line, and 3) topography (please see attached plat). This location is 220 feet west of a legal location and is being moved closer to a lease also owned by Hallwood and will not effect any offset operators' correlative rights.

If you have any questions, please call the  
(303)850-6237 or Mike Boling at (505)746-9

Very truly yours,

HALLWOOD PETROLEUM

*Steve Bausch*

Steve Bausch  
Petroleum Engineer  
Western Region

Attachment

SB/#14.jp

P 358 775 470  
RECEIPT FOR CERTIFIED MAIL  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

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3. Article Addressed to: <i>Eastland Oil Co. P.O. Box 3488 Midland, TX 79702</i>	4. Article Number: <i>P 358 775 470</i>
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee: <i>X</i>	8. Addressee's Address (ONLY if requested and fee paid) <i>1103</i>
6. Signature - Agent: <i>[Signature]</i>	
7. Date of Delivery: <i>2-4-91</i>	

# Hallwood Energy Companies

4582 South Elster Street Parkway • Stanford Place III • Suite 1700 • Post Office Box 37811  
Denver, Colorado 80237 (303) 850-7373

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

January 31, 1991

J. D. Anderson  
420 N. Olive Steet  
Dallas, TX 75201

Re: Harroun #1  
Exception Location  
SW SE Section 7-T24S-R29E  
787' FSL, 2530' FEL  
Eddy County, New Mexico

Dear Mr. Anderson:

Upon receipt of this letter, you are notified that Hallwood Petroleum is applying for administrative approval of the exception location described above to drill a Delaware test. This exception location is due to: 1) a cement lined irrigation canal, 2) a high pressure gas line, and 3) topography (please see attached plat). This location is 220 feet west of a legal location and is being moved closer to a lease also owned by Hallwood and will not effect any offset operators' correlative rights.

If you have any questions, please call  
(303)850-6237 or Mike Boling at (505)74

Very truly yours,

HALLWOOD PETROLEUM, INC.



Steve Bausch  
Petroleum Engineer  
Western Region

Attachment

SB/#14.jp

P 358 775 487

## RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to	J. D. Anderson
Street and No.	420 N. Olive St.
P.O. State and ZIP Code	Dallas, TX 75201
Postage	\$ .25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark of Date	JAN 31 1991

PS Form 3800, June 1985  
U.S.G.P.O. 1989-234-555

# Hallwood Energy Companies

4582 South Ulster Street Parkway Stamford, Place III Suite 1700 Post Office Box 378111  
Denver, Colorado 80237 (303) 850-7373

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

January 31, 1991

Glenna Anderson  
2329 East Live Oak Drive  
Los Angeles, CA 90069

Re: Harroun #1  
Exception Location  
SW SE Section 7-T24S-R29E  
787' FSL, 2530' FEL  
Eddy County, New Mexico

Dear Ms. Anderson:

Upon receipt of this letter, you are notified that Hallwood Petroleum is applying for administrative approval of the exception location described above to drill a Delaware test. This exception location is due to: 1) a cement lined irrigation canal, 2) a high pressure gas line, and 3) topography (please see attached plat). This location is 220 feet west of a legal location and is being moved closer to a lease also owned by Hallwood and will not effect any offset operators' correlative rights.

If you have any questions, please call t  
(303)850-6237 or Mike Boling at (505)746

Very truly yours,

HALLWOOD PETROLEUM, INC.

*Steve Bausch*

Steve Bausch  
Petroleum Engineer  
Western Region

Attachment

SB/#14.jp

P 358 775 486

## RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to	Glenna Anderson
Street and No.	2329 E. Live Oak Dr
P.O., State and ZIP Code	Los Angeles, CA 90069
Postage	\$ 25
Certified Fee	.85
Special Delivery Fee	1
Restricted Delivery Fee	1
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark or Date	FEB 1 1991 DENVER CO

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985



COUNTY *Eddy*

POOL

*Malaga - Delaware*TOWNSHIP *24 South*

RANGE

*29 East*

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: *All Sec 7 (R-112, 11-20-51)*  
Ext: *W 1/2 Sec 18 (R-197)*