

APPLICATION FOR EXTENSION OF TIME FOR COMMENCEMENT OF TEST WELL

TO: THE DIRECTOR OF THE UNITED STATES GEOLOGICAL SURVEY
COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION, STATE OF NEW MEXICO

Stanolind Oil and Gas Company, as Unit Operator of the Unit Agreement for the Development and Operation of the Guadalupe Foothills Unit, County of Eddy, State of New Mexico, has heretofore completed the first test well referred to in Article 9 of said Unit Agreement, such well being a dry hole. Pertinent information on this well is as follows:

Well Designation: Guadalupe Foothills Unit Well No. 1

Location: 660' from the south line and 2160' from the east line of Section 20, T-22-S, R-25-E, Eddy County, New Mexico.

Elevation: 3964 feet, derrick floor

Spudding Date: November 29, 1952.

Formations Tested: Delaware Sand Top 2050' - 2 Tests; no show of gas or oil.
Bone Springs Top 4445' - 4 Tests; est. 50 MCFD 4500-4567'.
Wolfcamp Top 7935' - 1 Test; gas volume too small to measure.
Pennsylvanian Top 8700' - 3 Tests; est. 8 MCFD 10,680-10,742'.
Siluro-Devonian (Fusselman) Top 11,325' - 2 Tests; No show oil or gas.
Ellenburger Top 12,535' - 3 Tests; no show oil or gas.
13,034

Total Depth: ~~13,000~~ feet.

Casing Program: 13-3/8" casing set at 938' with cement circulated to surface; 9-5/8" casing set at 4499' with 200 sacks at 981' and 175 sacks at shoe.

Completion Data: Plugged back to 4600' to Bone Springs. Acidfrac 4499-4600' with 4000 gallons plus 2# sand per gallon. Swabbed in maximum flow 50 MCFD decreased to 20.3 MCFD in four days.

Completion Date: August 10, 1953, dry and abandoned.

According to Article 9 of the Unit Agreement, a second well was to have been commenced by February 10, 1954. On January 4, 1954, a six month extension of time to August 10, 1954, within which to commence drilling the second test well was approved by the acting director of the Geological Survey. Since Well No. 1 was drilled to a depth of 13,000 feet, the total costs were extremely high. For that reason, additional time was considered necessary to re-evaluate the geological data in the area prior to the commencement of the second test. Based on this re-evaluation, we now consider it advisable to attempt to make a suitable farmout of Stanolind acreage in this unit. We anticipate that the present extension period will expire before such a farmout can be consummated. Accordingly, we believe that a reasonable extension of time beyond August 10, 1954, for the commencement of such additional test well would be proper.

Accordingly, Stanolind Oil and Gas Company, Unit Operator under the Guadalupe Foothills Unit Agreement, hereby makes application to the Director, the Commissioner, and the Commission pursuant to Article 9 of said Unit Agreement for an extension of six months from August 10, 1954, for the commencement of the additional test well herein above referred to so that said test well shall be commenced on or before February 10, 1955.

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IN WITNESS WHEREOF, this application is hereby made this _____ day
of _____, 1954.

ATTEST:

STANOLIND OIL AND GAS COMPANY
Unit Operator of the Guadalupe
Foothills Unit Agreement

Assistant Secretary

BY _____
Attorney-In-Fact

The foregoing application is hereby approved this _____ day of _____, 1954,
and the time for the commencement of the test well referred to in the foregoing
application is hereby extended to February 10, 1955.

DIRECTOR OF THE UNITED STATES
GEOLOGICAL SURVEY

BY _____

The foregoing application is hereby approved this _____ day of _____, 1954,
and the time for the commencement of the test well referred to in the foregoing
application is hereby extended to February 10, 1955.

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO

BY _____

The foregoing application is hereby approved this 2nd day of August, 1954,
and the time for the commencement of the test well referred to in the foregoing
application is hereby extended to February 10, 1955.

OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

BY W B. Macey