

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-101
Revised 10-1-78

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SANTA FE	<input checked="" type="checkbox"/>
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LAND OFFICE	<input checked="" type="checkbox"/>
OPERATOR	<input checked="" type="checkbox"/>

API # 30-037-20040

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name ---	
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		8. Farm or Lease Name Stoner Unit	
2. Name of Operator MURRAY HILL OIL & GAS COMPANY		9. Well No. #1	
3. Address of Operator c/o Premier Operating Company, Agent 4500 Thanksgiving Tower Dallas, Texas 75201		10. Field and Pool, or Wildcat Wildcat	
4. Location of Well UNIT LETTER <u>H</u> LOCATED <u>330</u> FEET FROM THE <u>East</u> LINE AND <u>2310</u> FEET FROM THE <u>North</u> LINE OF SEC. <u>10</u> TWP. <u>10N</u> RGE. <u>34E</u> NMPM		12. County Quay	
19. Proposed Depth 6500'		19A. Formation Penn	20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 4022 GR	21A. Kind & Status Plug. Bond Blanket, Active	21B. Drilling Contractor Service Drilling Co.	22. Approx. Date Work will start March 1, 1985

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#	700'	350	Ground Level
7-7/8"	5-1/2"	15.5#	6500'	315	5000'

Propose to drill 12-1/4" surface hole to 700'. Run API 8-5/8", 24#, J surface casing to 700' and cement to ground level with 3% CaCl cement. WOC 12 hours. Test casing and BOP to 1000# for 30 minutes. Drill 7-7/8" hole with salt gel mud system to 6500'. Deviation slope tests will be run every 500'. Any shows in the Penn section will be evaluated by open hole drill stem tests. Will have mud-logger on location below 1500'. Will run dual lateralog-spherically focused log, density-neutron log and sonic log. If production is indicated, will run 5-1/2", 15.5# API casing to 6500' and cement behind casing some 1500'.

Service Drilling Company Rig #5 is equipped with 10", 3000# Cameron Type SS Space-Saver Blowout Preventer. This BOP will be tested upon installation on surface pipe and periodically thereafter as needed.

CONSERVATION COMMISSION TO BE NOTIFIED
WITHIN 24 HOURS OF BEGINNING OPERATIONS

APPROVAL VALID FOR 10 DAYS
PERMIT EXPIRES 6-3-85
UNLESS DRILLING UNDERWAY

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.
Signed Tony Smith Vice President, Premier Operating Co.
Title Agent for Murray Hill Oil & Gas Date 2-28-85

(This space to be used)
Roy Johnson

DISTRICT SUPERVISOR

APPROVED BY _____ TITLE _____ DATE 3-4-85

CONDITIONS OF APPROVAL, IF ANY:
COLLECT AND BACK SAMPLES FOR
NEW MEXICO BUREAU OF MINES, SOCORRO

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
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SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-79

All distances must be from the outer boundaries of the Section.

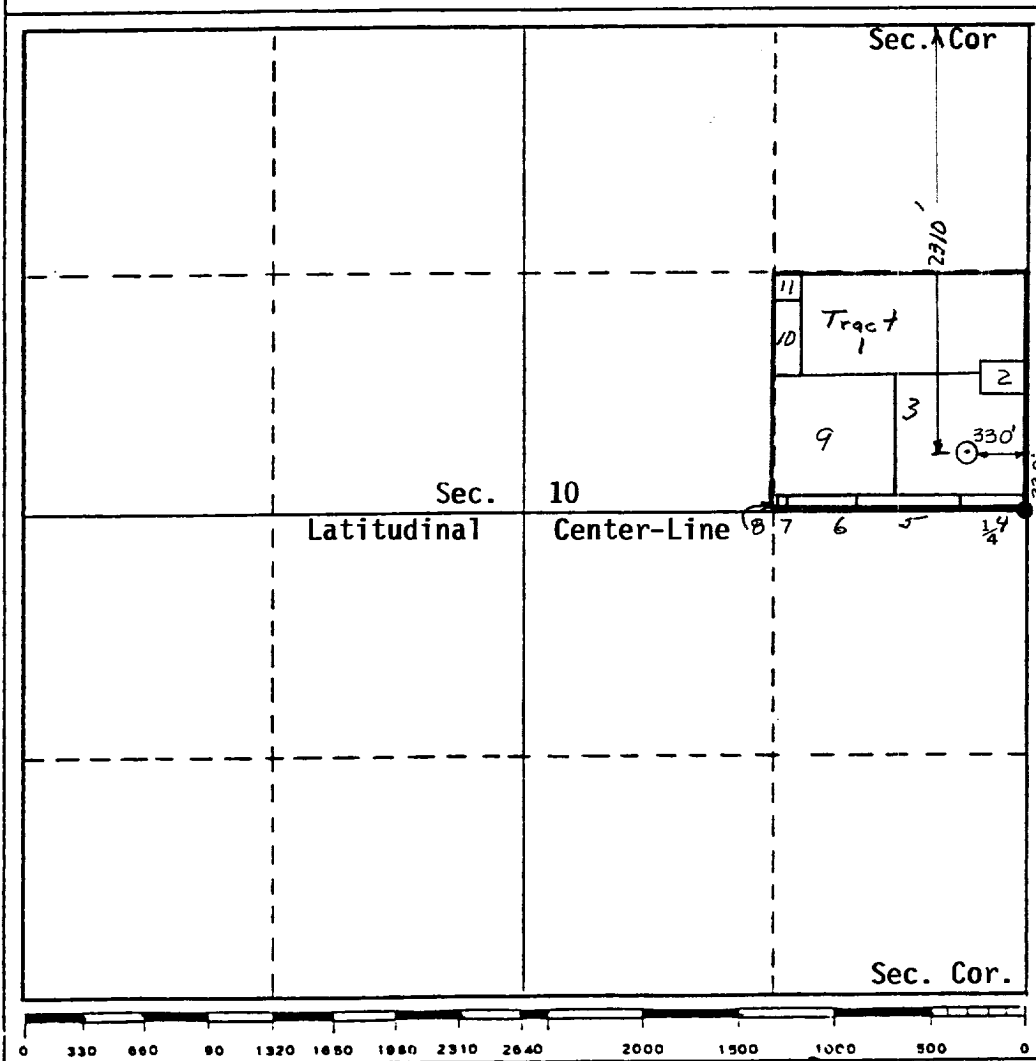
Operator Murray Hill Oil & Gas Company, Premier Operating Co. - Agent			Lease Stoner		Well No. Unit #1
Unit Letter H	Section 10	Township 10 N	Range 34 E	County Quay, New Mexico	
Actual Footage Location of Well: Latitudinal North 330-N 2310 feet from the Center-Line / line and 330 W feet from the East line					
Ground Level Elev. 4022	Producing Formation Penn	Pool Wildcat	Dedicated Acreage: 40 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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). See Attached Sheet.
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 interests, has been approved by the Division.



CERTIFICATION

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

Terry T. Smith
Name
Joe H. Sisneros Terry T. Smith
Position
Owner Vice President
Company Premier Operating Company,
Geometron Survey Systems
Date Agent for Murray Hill Oil & Gas
February 26, 1985
February 28, 1985

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.

February 25, 1985
Date Surveyed
Joe H. Sisneros
Registered Professional Engineer
and/or Land Surveyor
N11 6847
Certificate No.

LIST OF OWNERS AND SIZES OF TRACTS
 Comprising the SE/4 of the NE/4 of Section 10
 T 10 N, R 34 E

<u>Tract</u>	<u>Owners</u>		<u>Acres</u>
Tract 1	Leo Carden and wife Lois	53/56	
	Heirs of Josie Carden Hartley	3/56	14.00
Tract 2	Ronald E. Stoner and wife Bonnie		1.00
Tract 3	Ronald E. Stoner and wife Bonnie		9.43
Tract 4	Frances Ellen Holman		0.99
Tract 5	Hershell W. Irving and wife Leona		1.62
Tract 6	Hershell W. Irving and wife Leona		1.06
Tract 7	State of New Mexico		0.21
Tract 8	San Jon Recreation Committee		0.07
Tract 9	Melvin Walker and wife Julia		10.00
Tract 10	J. C. Butler and wife Loree		1.13
Tract 11	Heirs of R. L. Jacobs	1/2	
	Ellen H. Jacobs	1/2	<u>0.49</u>
	Total		40.00