

## District I

1625 N. French Dr., Hobbs, NM 88240

## District II

1301 W. Grand Avenue, Artesia, NM 88210

## District III

1000 Rio Brazos Road, Aztec, NM 87410

## District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101

May 27, 2004

## Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Submit to appropriate District Office

JUN 09 2008

☐ AMENDED REPORT

OCD-ARTESIA

## APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address Nadel and Gussman HEYCO, LLC PO BOX 1936 ROSWELL NM 88202-1936		<sup>2</sup> OGRID Number 258462
<sup>3</sup> Property Code 012958	<sup>5</sup> Property Name LOCO HILLS WELCH	<sup>4</sup> API Number 30-015-23001
<sup>9</sup> Proposed Pool 1 MORROW		<sup>10</sup> Proposed Pool 2 SEE ATTACHED PLATS

<sup>7</sup> Surface Location

UL or lot no N	Section 4	Township 18S	Range 29E	Lot Idn	Feet from the 660'	North/South line SOUTH	Feet from the 1,980	East/West line WEST	County EDDY
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<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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## Additional Well Information

<sup>11</sup> Work Type Code RE IP	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary na	<sup>14</sup> Lease Type Code FEE	<sup>15</sup> Ground Level Elevation 3,521.2'
<sup>16</sup> Multiple	<sup>17</sup> Proposed Depth	<sup>18</sup> Formation	<sup>19</sup> Contractor	<sup>20</sup> Spud Date N/A
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <u>n/a</u> miles thick Clay <input type="checkbox"/> Pit Volume: <u>n/a</u> bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> Fresh Water Brine Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
Pre-existing	(will not change)	Casino			

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Set CIBP +10' cement at approximately 10750'.

Perf the Upper Morrow 10673-77' (30) and acidize with 500 gals. NE Fe 7.5% HCL Morrow acid. If decision made to frac, frac using 60Q CO2 foam carrying 10,000 lbs 18/40 versaprop. Flow test. If Morrow to be permanently abandoned, set CIBP +35' cement at approximately 10650'.

Perf the Atoka 10488-90' (18) and acidize with 250 gals. NE Fe 7.5% HCL Morrow acid. Flow test. If Atoka to be permanently abandoned set CIBP +35' cement at approximately 10450'.

Perf the Strawn 10275-79' (10) and acidize with 1000 gals. NE Fe 15% HCL acid. Flow Test. If Strawn to be permanently abandoned, set CIBP + 35' cement at approximately 10250'.

Perf the Canyon 9968-72' (10) and acidize with 1000 gals. NE Fe 15% HCL acid. Flow test. If Canyon to be permanently abandoned, set CIBP + 35' cement at approximately 9950'.

Perf the Wolfcamp 8888-90', 8898-8902', 8906-08' (22) and acidize with 2000 gals. NE Fe 15% HCL acid. Flow Test.

**NOTE:** New Pit Rule  
NMAC 19-15-17

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

OIL CONS

Approved by:

Printed name: Tammy R. Link

Title: Production Analyst

E-mail Address:

Date: 6/6/08

Phone: (505)623-6601

Title:

Approval Date:

Expiration Date:

Conditions of Approval Attached ☐

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-015-23001	<sup>2</sup> Pool Code 76400 ✓	<sup>3</sup> Pool Name Empire Morrow South (Gas)
<sup>4</sup> Property Code 012958	<sup>5</sup> Property Name LOCO HILLS WELCH	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 258462	<sup>8</sup> Operator Name NADEL AND GUSSMAN HEYCO, LLC	<sup>9</sup> Elevation 3521.2

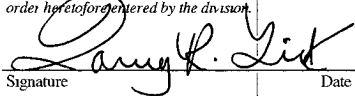
**<sup>10</sup> Surface Location**

UL or lot no. N	Section 4	Township 18S	Range 29E	Lot Idn	Feet from the 660'	North/South line SOUTH	Feet from the 1,980	East/West line WEST	County EDDY
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**<sup>11</sup> Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup>				<b><sup>17</sup> OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Signature _____ Date 6/6/08 Printed Name: Tammy R. Link
				<b><sup>18</sup> SURVEYOR CERTIFICATION</b> <i>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 belief.</i> Date of Survey _____ Signature and Seal of Professional Surveyor _____ Certificate Number _____
	Loco Hills Welch #2			