

Subm. ... Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Encl. Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088 RECEIVED
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

JAN 23 '91

API NO. (assigned by OCD on New Wells) <u>30-005-62828</u>	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. <u>L-794</u>	
7. Lease Name or Unit Agreement Name <u>Hanlad State 16 State</u>	
8. Well No. <u>16-1</u>	
9. Pool name or Wildcat <u>Diablo San Andres</u>	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			ARTESIA, OFFICE		
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		
2. Name of Operator <u>Hanson Operating Company, Inc.</u>			8. Well No. <u>16-1</u>		
3. Address of Operator <u>P. O. Box 1515, Roswell, New Mexico 88202-1515</u>			9. Pool name or Wildcat <u>Diablo San Andres</u>		
4. Well Location Unit Letter <u>K</u> : <u>2005</u> Feet From The <u>South</u> Line and <u>2310</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>10-S</u> Range <u>27-E</u> NMPM <u>Chaves</u> County					
10. Proposed Depth <u>2150'</u>		11. Formation <u>San Andres</u>		12. Rotary or C.T. <u>Air & C.T.</u>	
13. Elevations (Show whether DF, RT, GR, etc.) <u>3889' GR</u>		14. Kind & Status Plug. Bond <u>Statewide</u>		15. Drilling Contractor <u>United Drilling</u>	
16. Approx. Date Work will start <u>February 20, 1991</u>					
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
<u>12-1/4"</u>	<u>8-5/8"</u>	<u>24#</u>	<u>500'</u>	<u>150</u>	<u>Circulate</u>
<u>8"</u>	<u>5-1/2"</u>	<u>15#</u>	<u>2150'</u>	<u>450</u>	<u>Circulate</u>

It is proposed to drill this well with air to an approximate depth of 1950'.
A cable tool rig will be moved onto location and will drill to a depth sufficient
to test the San Andres formation. If commercial production is indicated, pipe
would be set and the well will be perforated and stimulated as needed.

Post ID-1
2-1-91
New Doc &
API

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 7/25/91
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.

SIGNATURE Brenda R. Godfrey TITLE Production Analyst DATE 01/22/91
TYPE OR PRINT NAME TELEPHONE NO.

(This space for State Use) ORIGINAL SIGNED BY
MIKE WILLIAMS
SUPERVISOR, DISTRICT II

APPROVED BY _____ TITLE _____ DATE JAN 25 1991

CONDITIONS OF APPROVAL, IF ANY:

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WELL LOCATION AND ACREAGE DEDICATION PLAT

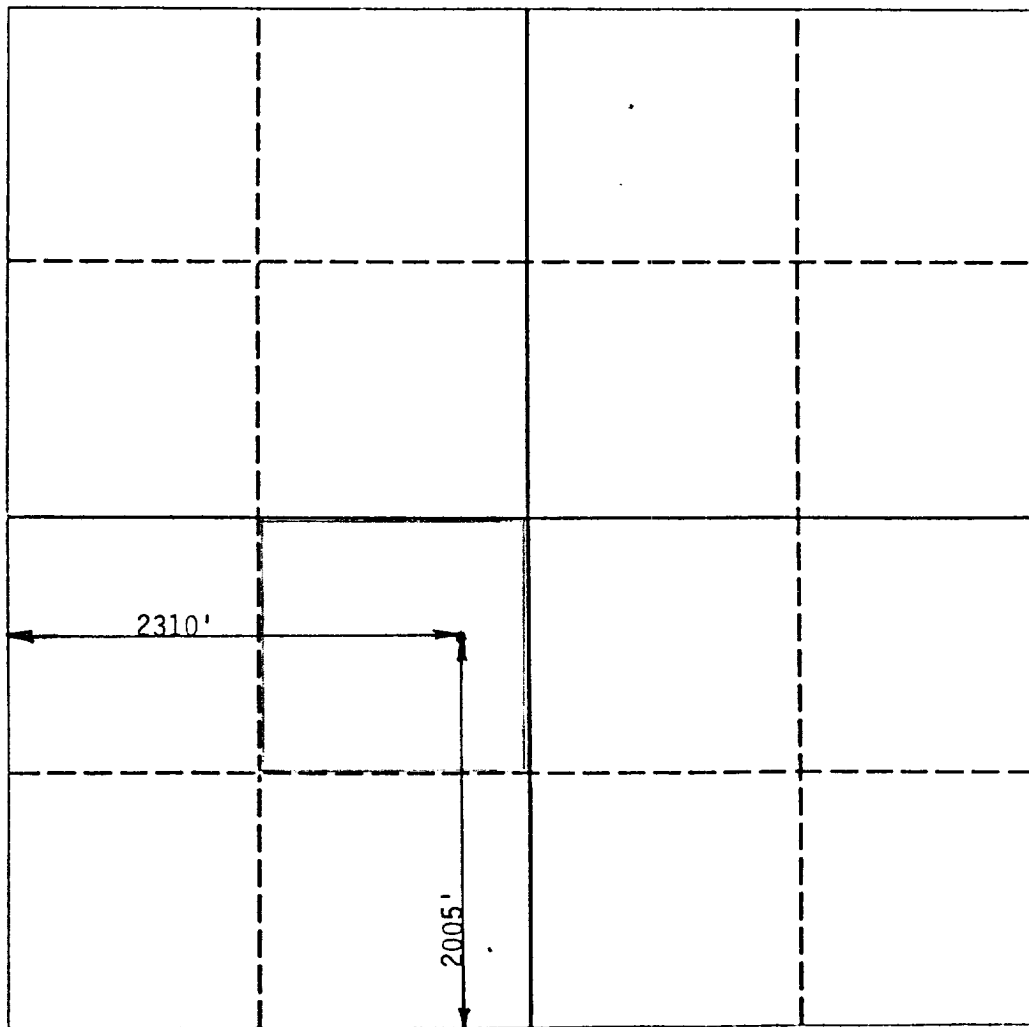
All Distances must be from the outer boundaries of the section

Operator Hanson Operating Company			Lease Hanlad State		Well No. 16-1
Unit Letter K	Section 16	Township 10 South	Range 27 East	County Chaves	
Actual Footage Location of Well: 2005 feet from the South line and 2310 feet from the West line					
Ground level Elev. 3889	Producing Formation San Andres		Pool Diablo	Dedicated Acreage: 40 Acres	

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



OPERATOR CERTIFICATION

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

Signature

Brenda R. Godfrey

Printed Name

Brenda R. Godfrey

Position

Production Analyst

Company

Hanson Operating Co., Inc.

Date

January 22, 1991

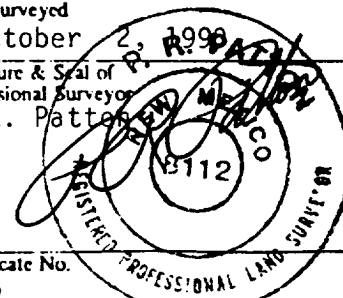
SURVEYOR CERTIFICATION

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.

Date Surveyed

October 2, 1990

Signature & Seal of
Professional Surveyor
P. R. Patton



Certificate No.

8112