Form 9-331 C (May 1965) FORM 9-331 C (May 1965) May 1965) Martes 14N INTED® STLATES DEPARTMENT OF THE INTERIOR C/SF GEOLOGICAL SURVEY					MIT IN TR	tions on le)	5. LEASE DESIGNATION NM-33659	d. No. 42-R1425.
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK								
1a. TYPE OF WORK		deepen []	PL	UG BAC	К 🗆 🛛	7. UNIT AGREEMENT N	
b. TYPE OF WELL OIL GA WELL WI	SELL X OTHER		SING		MULTIPI Zone	· •	S. FARM OR LEASE NAM	
2. NAME OF OPERATOR			Hoffman F 9. WELL NO.	ederal				
Estoril Pro	ducing Corpor		7					
3. ADDRESS OF OPERATOR			-				10. FIELD AND POOL, OR WILDCAT	
llth Floor,	Vaughn Bldg	Midland	<u>, 'l'X</u>	79701	ents *)		Wildcat	Abo
IT CIT F1001; Value III Didge III di dige III di dige IIII di didge III didge IIII didge III didge III								
14. DISTANCE IN MILES A			T OFFICE					
35 miles no	orth of Roswe	11, N.M.					Chaves	<u>N.M.</u>
15. DISTANCE FROM PROPOSED [®] LOCATION TO NEAREST PROPERTY OR LEARE LINE FT. 660 FEL					N LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL 160		
19 DIGTINOV PROM PROPOSED LOCATION Z()/// E NUL				OSED DEPTH	I	20. ROTA	RY OR CABLE TOOLS	
TO NEAREST WELL, DRILLING, COMPLETED, 2960 NL OB APPLIED FOR, ON THIS LEASE, FT. Hoff #2				5000 ' Ro			tary	
21. ELEVATIONS (Show whe							22. APPROX. DATE WO	BK WILL START*
4064.2' GR 3/22/82								
23. PROPOSED CASING AND CEMENTING PROGRAM								
SIZE OF HOLE	BIZE OF CASING	WEIGHT PER F	00T	SETTING	DEPTH		QUANTITY OF CEME	NT
	10 3/4"	32.75#		900) !	550 sx (Circulat		Circulate)
<u>+4)/4</u> * 9 7/8"	7 5/8"	24.00#		1600				<u>Circulate</u>)
7 7/8"	4 1/2"	10.50#		5000) '	900 sx		

Blowout Prevention:

Cameron 10", 900 series BOP with 3400 psi working pressure with 4 1/2" pipe rams.

* Intermediate string will not be set if there is no problems encountered through this section of the hole. If intermediate status is set, will drill out with a 6 1/2" bit under intermediate casing to total depth.

GAS 15 DEDICATED.

OIL & GAS U.S. GEOLOGICAL SURVEY ROSWELL, NEW MEXICO

MAR

5 1982

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

prevenuer program =		
24. BIGNED	14 W. Franklin IIILE Age	
(This space for F	eleral or Astate of OWED	1 D ID Cove
PERMIT NO	Jeis. Sad.) GEORGE H. STEWART APPROVA	Now Ne
APPROVED BY CONDITIONS OF APP	MAR 1 3 1982 TITLE	DATE APT 82
	JAMES A. GILLHAM DISTRICT SUPERVISOR	

N MEXICO OIL CONSERVATION COMMISS. V WELL LOCATION AND ACREAGE DEDICATION PLAT

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Form C-10. Supersedes C-128 - denive 1-1-65

All distances must be from the outer boundaries of the Section								
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Estoril Produciny Corp.	Hoffman Lederal	3						
	oith 23 East Ch	aves County						
990 North	Fr alit	Ldat						
40 <u>64</u> .2 ABO	WILDCAT Abr	160						
i obtaine the acreage dedicated to the sul	ject well by colored pencil or hachur	e marks of the plat below.						
2. If core than one lease is dedicated to interest and rivalty?	the well, outline each and identify the	ownership there of thoth us to working						
: C. If pure than one lease of different ownership is dedicated to the well, have the interests of a conversible dated by computation, unitization, force-pooling, etc?								
tes								
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this form if decessary (
		CERTIFICATION						
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	3- 660'-	i i i i i i i i i i i i i i i i i i i						
	! 							
		Terry M. Franklin						
	!	AGENT						
	:	ESTORIL PRODUCING CORP.						
		3/1/82						
	CHGINEER & LAND	c hereby certity 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						
j 2 5 −5 1	TAM MEXICO	February 18, 1982						
	OHN IN NES	ne winn minster Engineer Dit in in work						
· · · · · · · · · · · · · · · · · · ·		Coffitiate N. JOHN W. WEST 676 PATRICK A. ROMERO 6663						
330 MSC 91 1320 1980 2310 2640	2000 1500 1000 500 0	PATRICK A ROMERO 6663 Ronald J. Eidson 3239						

APPLICATION TO DRILL

ESTORIL PRODUCING CORPORATION Hoffman Federal No. 3 990' FNL & 660' FEL Section 11, T-45, R-23E Chaves County, New Mexico

The following answers are provided for your consideration in response to your outlin under Section II of Bulletin NTL-6:

- 1. Location: 990' FNL & 660' FEL, Section 11, T-4S, R-23E, Chaves County, New Mexico.
- 2. Location Above Sea Level: 4064.2'
- 3. Geologic Name of Surface Formation: Alluvium
- 4. <u>Drilling Tools and Associated Equipment</u>: Conventional rotary drilling tools using mud for the circulation medium.
- 5. Proposed Drilling Depth: 5000+or-
- 6. <u>Estimated Geological Marker Tops</u>: San Andres 590'; Glorietta 1580'; Abo 3395'; Wolfcamp 3857'; Pennsylvanian 4046'; Granite Wash 4760'.
- 7. Mineral Bearing Formation: Gas Bearing at 3550'.
- 8. <u>Casing Program</u>: (A) Surface Casing: 10 3/4", 32.75# new casing. (B)*Intermediate Casing: 7 5/8", 24.0# new casing. (C) Production Casing: 4 1/2", 10.5# new casing.
- 9. Setting Depth of Casing and Cement for Same: (A) 10 3/4" casing set at 900". Cement will be circulated to surface using 550 sacks of class 'C', 3% CaCl. (B) *7 5/8" casing set at 1600" +or-. Cement will be circulated to surface using 300 sacks of class 'C' cement. This string of casing will be run only if there are problems encountered in this section of the hole. (C) 4 1/2" casing set at 5000"+or-. Cement will be brought up to cover the Abo section using 700 sacks of Pacesetter 'C', 1# Perma Check/sk, 1/4# Cello-Seal/sk, 2% KCl, followed by 200 sacks of 50-50 Pozmix, .6% CF-9, .3% TF-4, 3% KCl.
- 10. <u>Pressure Control Equipment</u>: After surface casing is set, blowout preventers will be installed. They will be Cameron 10" 900 series BOP with 3400 psi working pressure with $4 \ 1/2$ " pipe rams. The blowout preventers will be tested to 1000 psi after they are installed.
- 11. <u>Proposed Circulation Medium</u>: Surface hole: 14 3/4" to 900'. Spud mud containing the following properties- viscosity 32-35 with a mud weight of 9.5 ppg. Intermediate hole: 9 7/8" hole to 1600'. Drill out under surface casing with brine water. Add paper for seepage

Application to Drill Estoril Producing Cor_P. Hoffman Federal No. 3 Page 2

> Production hole: 7 7/8" hole to 5000' +or-. Brine water. 3400'-TD: Salt mud with 3-6% oil content with a water loss of 10cc to get through the Abo shale. *If intermediate casing is set, reduce the hole size to 6 1/2" to total depth and run 4 1/2" casing as planned.

- <u>Testing, Logging, and Coring Program:</u> (A) Testing: All testing will be commenced after the well has been drilled and casing set and cemented. (B) Logging: At total depth the following logs will be run: 1. Compensated Neutron Formation Density with Gamma Ray and Caliper. 2. Dual Laterolog-RXO. (C) No coring is anticipated.
- 13. <u>Potential Hazards</u>: No abnormal pressure or temperature zones are anticipated.
- 14. <u>Anticipated Starting Date and Duration of Operations</u>: March 22nd-April 3rd for drilling operations. Completion to begin with availability of completion unit.
- 15. <u>Other Facets of Operation</u>: After running 4 1/2" casing, cased hole gamma ray correlation logs will be run from total depth over and above the pay zones. The zones of interest will then be tested for commercial production.



TEX MEX DRLG. RIG #1 DERRICK- 95' SUBSTRUCTURE- .8' DRAWORKS U-34

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EXHIBIT 'D' Estoril Producing Corp. Hoffman Federal No. 3 Section 11, T-4S, R-23E Chaves County N.M.

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