

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

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

¹ Operator Name and Address Hanson Operating Company, Inc. P. O. Box 1515 Roswell, NM 88202-1515		² OGRID Number 9974
		³ API Number 30 - 025-28845
⁴ Property Code 4979	⁵ Property Name Max Gutman	⁶ Well No #9
⁹ Proposed Pool 1 Paddock		¹⁰ Proposed Pool 2 McKnight, Glorieta

⁷ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	19	22S	38E		1980'	South	1980'	West	Lea

⁸ 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

Additional Well Information

¹¹ Work Type Code A	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3352' GL
¹⁶ Multiple N	¹⁷ Proposed Depth 7318'	¹⁸ Formation Granite Wash	¹⁹ Contractor	²⁰ Spud Date 8/6/2007
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
²¹ Pit. Liner Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 25 bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

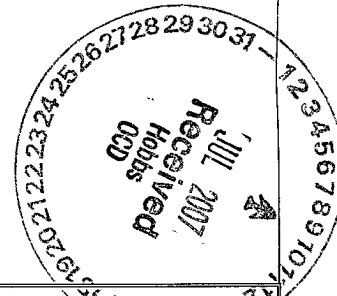
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	86#	354'	375	Surface
10 3/4"	8 5/8"	24# & 32#	2562'	550	
7 7/8"	5 1/2"	17#	7688'	1750	Surface

²² 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

Propose to complete and test the Paddock, McKnight and Glorieta formations as follows:

1. RU pulling unit. Pull rods and pump. Install BOP. Pull out of hole with tubing.
2. Set RBP at 5300'. Circulate hole clean.
3. Perforate Paddock formation at 5160' - 5240'.
4. Perforate McKnight/Glorieta formation at 5102' - 5124'.
5. Acidize perms with 10,000 gallons 20% acid.
6. Flow back, swab and evaluate.
7. Place on production.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Adding



²³ 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 ☐.

Signature: Carol J. Smith

Printed name: Carol J. Smith

Title: Production Analyst

E-mail Address: hanson@dfn.com

Date: 7/5/2007

Phone: 505-622-7330

OIL CONSERVATION DIVISION

Approved by:

Chris Williams

Title:

OC DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date:

JUL 16 2007

Expiration Date:

Oil Conservation Division

Conditions of approval: Approval for drilling ONLY
-- CANNOT produce Downhole Commingled until
DHC is approved in Santa Fe.

dm

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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

¹ API Number 30-025-28845		² Pool Code 49210	³ Pool Name Paddock, McKnight, Glorieta, Blinebry, Drinkard
⁴ Property Code 4979	⁵ Property Name Max Gutman		⁶ Well Number #9
⁷ OGRID No. 009974	⁸ Operator Name Hanson Operating Company, Inc.		⁹ Elevation 3352' GL

¹⁰ Surface Location

UL or lot no. K	Section 19	Township 22 South	Range 38 East	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1980	East/West line West	County Lea
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¹¹ Bottom Hole Location If Different From Surface

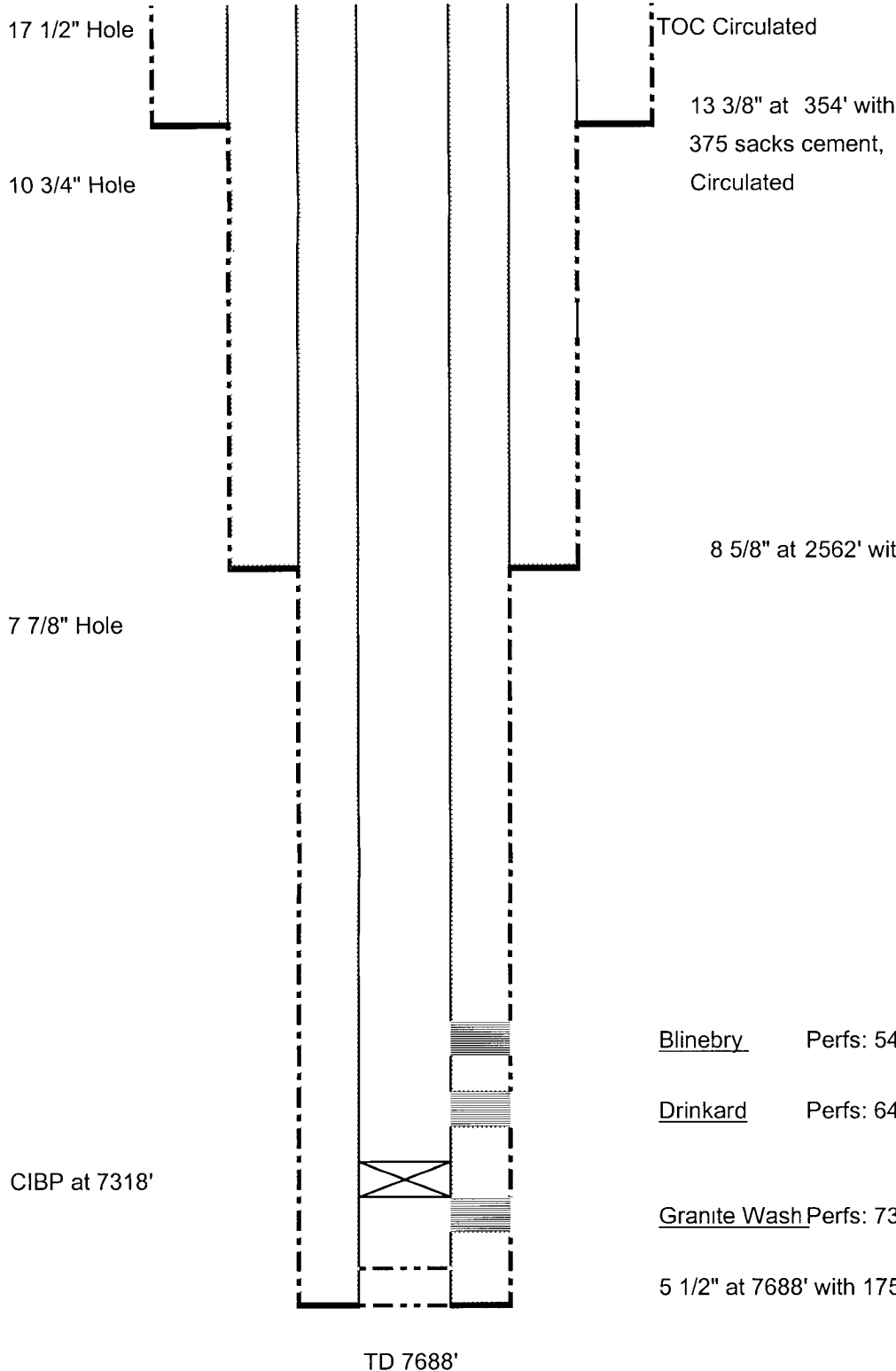
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION 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. Signature 7/5/2007 Date Carol J. Smith Printed Name			
	¹⁸ 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 belief. July 18, 1984 Date of Survey Signature and Seal of Professional Surveyor Refer to Original Plat 676 Certificate Number			

WELLBORE DIAGRAM

WELL NAME	Max Gutman #9	FIELD	Blinebry, Drinkard
LOCATION	1980' FSL & 1980' FWL, K-Section 19-22S-38E, Lea County, NM		
GL	3352'	ZERO	KB 3363'
SPUD DATE	10/2/1984	COMPLETION DATE	3/15/1985
COMMENTS:	API #30-025-28845		



CASING PROGRAM

13 3/8" 86# K55 ST&C	354'
8 5/8" 24#, 32# K55 ST&C	2562'
5 1/2" 17# N80 ST&C	7688'

BEFORE

8 5/8" at 2562' with 550 sacks cement

Blinebry Perfs: 5470'-5986' 63 holes

Drinkard Perfs: 6462'-7301' 57 holes

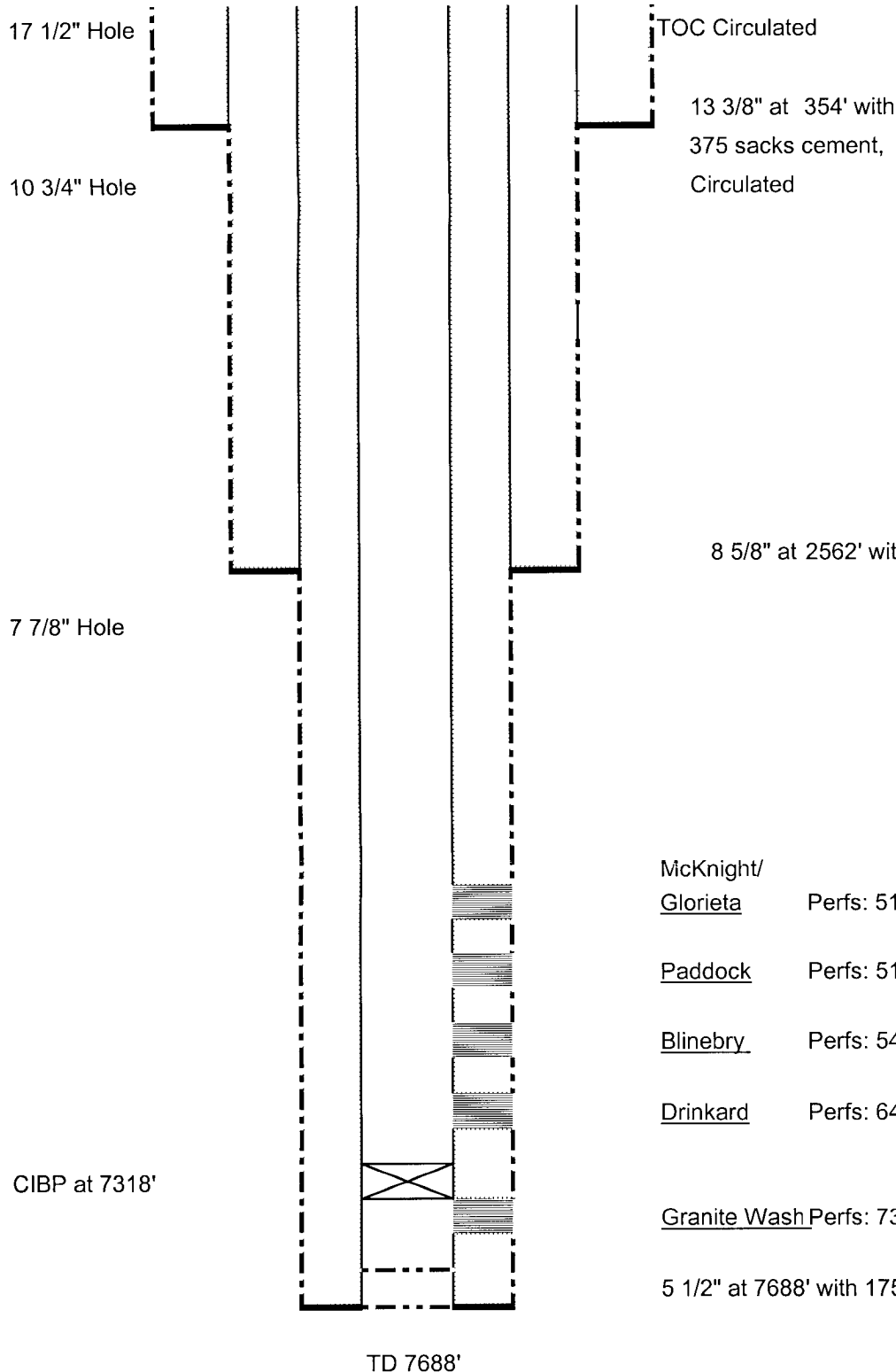
Granite Wash Perfs: 7324'-7653' 65 holes

5 1/2" at 7688' with 1750 sacks cement, Circulated

Not to Scale
7/5/2007

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13 3/8" 86# K55 ST&C	354'
8 5/8" 24#, 32# K55 ST&C	2562'
5 1/2" 17# N80 ST&C	7688'

AFTER

8 5/8" at 2562' with 550 sacks cement

McKnight/

Glorieta

Perfs: 5102'-5124' 23 holes

Paddock

Perfs: 5160'-5240' 35 holes

Blinebry

Perfs: 5470'-5986' 63 holes

Drinkard

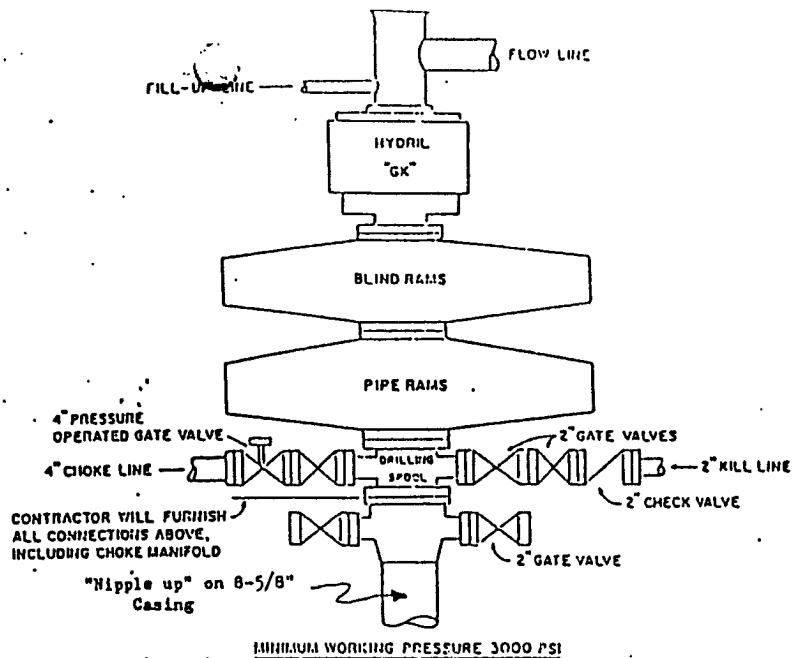
Perfs: 6462'-7301' 57 holes

Granite Wash Perfs: 7324'-7653' 65 holes

5 1/2" at 7688' with 1750 sacks cement, Circulated

Not to Scale

7/5/2007



CONTRACTOR TO FURNISH

1. ALL EQUIPMENT ABOVE CASING HEAD HOUSING INCLUDING CHOKE MANIFOLD.
2. INDEPENDENT AUTOMATIC ACCUMULATOR 3000 PSI WP.
3. B.O.P. CONTROLS TO BE LOCATED NEAR DRILLER'S POSITION AND AT SAFE DISTANCE FROM THE WELL.
4. SPARE SET PIPE RAMS TO FIT PIPE IN USE.

COMPANY TO FURNISH

1. WELLHEAD EQUIPMENT.
2. WEAR BUSHING, IF REQUIRED.

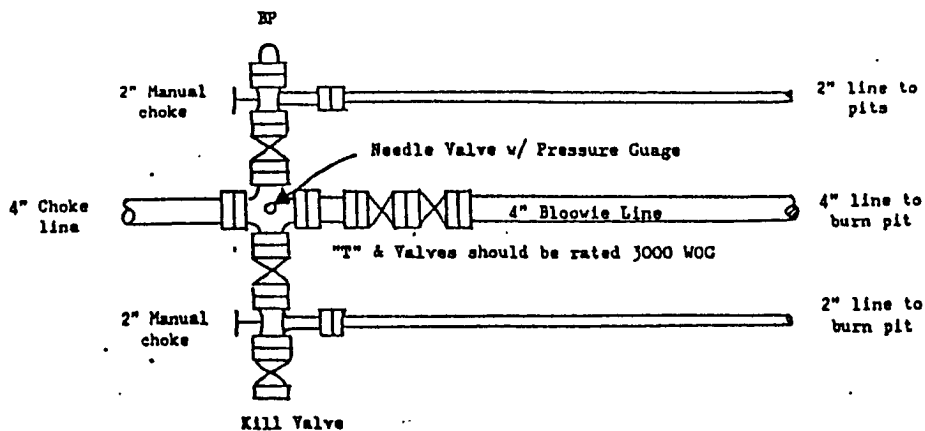
GENERAL NOTES

1. ALL VALVES, PIPING, FLANGES ETC. MUST HAVE MINIMUM WORKING PRESSURE EQUAL TO WORKING PRESSURE OF PREVENTERS. VALVES MUST BE OF THE FULL OPENING TYPE.
2. CONTROLS TO BE OF STANDARD DESIGN AND EACH MARKED SHOWING OPEN AND CLOSED POSITION.
3. CHOKE MANIFOLD AS SHOWN IN APP. 18 AND 19 REPLACEABLE PARTS AND WRENCHES TO BE CONVENIENTLY LOCATED FOR IMMEDIATE USE.
4. ALL VALVES TO BE EQUIPPED WITH HANDWHEELS.
5. CHOKE LINES MUST BE SUITABLY ANCHORED.
6. DEVIATIONS FROM THIS DRAWING MAY BE MADE ONLY WITH THE PERMISSION OF THE COMPANY.

MINIMUM BLOWOUT PREVENTER REQUIREMENTS

NORMAL PRESSURE SERVICE

CHOKE MANIFOLD SETUP



The above Manifold Hookup Design will meet minimum requirement by the Operator. Drilling Contractor to supply choke line and choke manifold. Operator to supply downstream lines from manifold assembly to pits.