

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
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ 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, New Mexico 88202-1515		² OGRID Number 009974
		³ API Number 30 - 005 - 20495
³ Property Code 33277	⁵ Property Name Robert H. Hannifin	⁶ Well No. #1

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
C	31	9S	30E		660	North	1980	West	Chaves

⁸ Proposed Bottom Hole Location If Different From Surface

Proposed Bottom Hole Location At Different Pool Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Wildcat ⁹ Proposed Pool 1 Many Gates San Andres						¹⁰ Proposed Pool 2			

¹¹ Work Type Code E	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 4010'
¹⁶ Multiple N	¹⁷ Proposed Depth 4100'	¹⁸ Formation San Andres	¹⁹ Contractor	²⁰ Spud Date January 15, 2004

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
13 3/4"	10 3/4"	40.5#	1437'	750	Circulated Surface
7 7/8"	4 1/2"	9.5, 10.5, 11.6#	7407'	1025	2500' +/-

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.

Hanson Operating Company, Inc. proposes to re-enter the well and drill out the cement plugs to a depth sufficient to test the San Andres formation in a manner consistent with State of New Mexico Regulations. Attachments are as follows:
Form C-102 Well Location and Acreage Dedication
Exhibit "A" Equipment Description

Permit Expires 1 Year From Approval Date Unless Drilling Underway

Re-Entry

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Carol J. Garcia</i> Printed name: Carol J. Garcia Title: Production Analyst E-mail Address: hanson@dfn.com Date: 1/9/2004		OIL CONSERVATION DIVISION Approved by: <i>[Signature]</i> Title: PETROLEUM ENGINEER Approval Date: JAN 15 2004 Expiration Date: Conditions of Approval: Attached <input type="checkbox"/>	
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NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

State Lse.No. _____

Federal Lse.No. _____

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

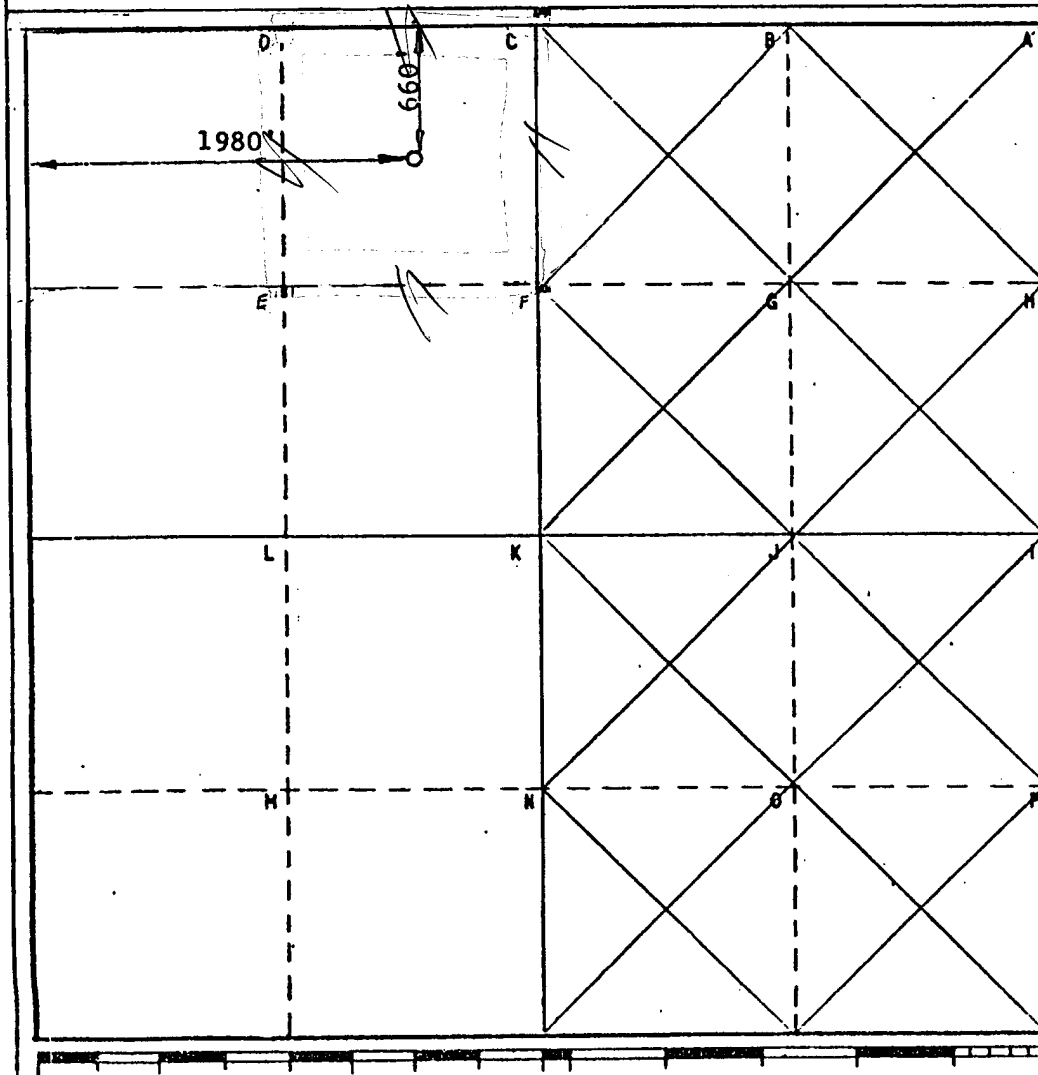
Operator Hanson Operating Company, Inc		Lease Robert H. Hannifin		Well No. 1
Unit Letter C	Section 31	Township 9S	Range 30E	County Chaves
Actual Footage Location of Well: 660' feet from the north line and 1980 feet from the west line				
Ground Level Elev: 4010'	Producing Formation San Andres	Pool Wildcat Many Gates	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).
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 Commission.



CERTIFICATION

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

Carol J. Garcia
Name

Carol J. Garcia

Position

Production Analyst

Company

Hanson Operating Co., Inc

Date

1/9/2004

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

9-30-75

Registered Professional Engineer and/or Land Surveyor

W. L. H. H. H.

Certificate No.

1382

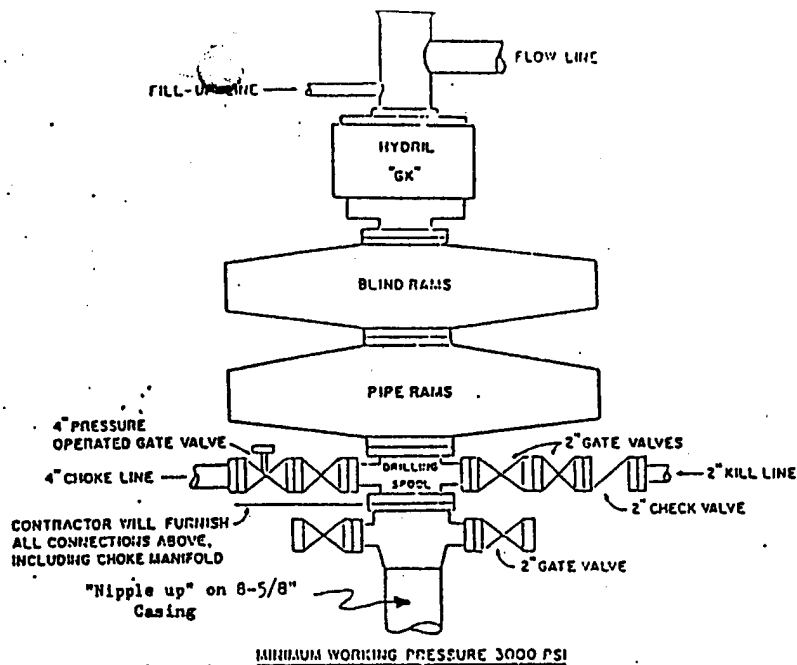


EXHIBIT "A"
Hanson Operating Company, Inc.
Robert H. Hannifin #1
660' FNL & 1980' FWL
Section 31-9S-30E
Chaves County, New Mexico

- CONTRACTED 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.

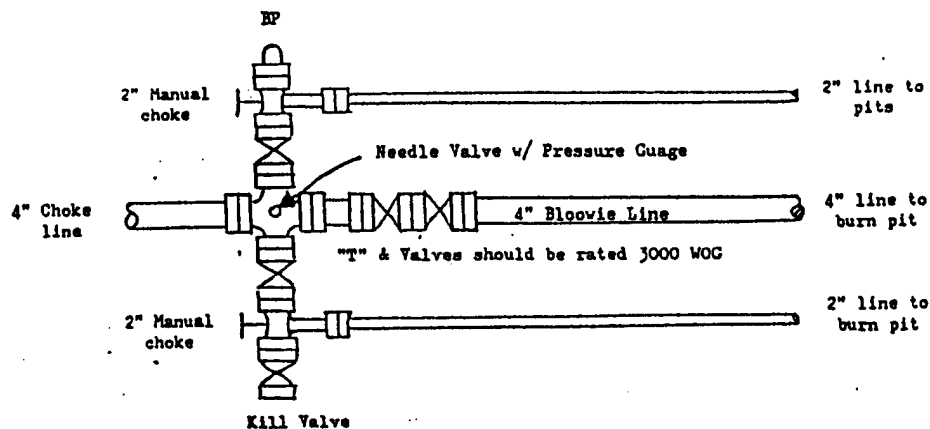
- COMPANY TO FURNISH**
1. WELLHEAD EQUIPMENT.
 2. WEAR BUSHING, IF REQUIRED.

- 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.