

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-041-20863

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

HANSON OPERATING COMPANY, INC.

3. ADDRESS AND TELEPHONE NO.

P.O. Box 1515

Ph. 505-622-7330

Roswell, New Mexico 88202-1515

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1650' FSL, 1650' FWL, Sec. 17-8S-37E

(UNIT K)

At proposed prod. zone

Same

(NESW)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

10 miles east of Milnesand, New Mexico

16. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to deepest drlg. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

12,000'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4042' GL

22. APPROX. DATE WORK WILL START*

Upon Approval

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------------------|-----------------|---------------|----------------------------|
| 17-1/2" | 13-3/8" H-40 | 48# | 500' | 300 sx Class C - Circulate |
| 12-1/4" | 8-5/8" K-55 | 32# & 24# | 4200' | 800 sx Class C - Circulate |
| 7-7/8" | 5-1/2" K-55 or 4-1/2" K-55 | 15.5# or 11.6# | 12,000'± | 400 sx Class H |

Propose to drill to 12,000'± to test Devonian and intermediate formations. Set surface and intermediate casing as above. Set production casing to deepest commercial zone. Cement with sufficient volume to adequately isolate all porosity zones. See attached Drilling Data.

Perforate favorable zones. Run 2-7/8" tubing and test.

The fee surface owner has been contacted regarding surface damages.

APPROVAL OF THIS APPLICATION DOES NOT WARRANT OR CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE TITLE TO THOSE RIGHTS IN THE SUBJECT LEASE WHICH WOULD ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREON.

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION OF FEDERALLY OWNED SURFACE MATERIAL FOR CONSTRUCTION OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT IN ADVANCE.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

24.

SIGNED

JERRY W. LONG

TITLE Permit Agent

DATE November 21, 1991

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

David Stout

TITLE

Asst. Area Mgr.

DATE

12/6/91

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED
Nov 22 3 54 PM '91
BUTLER
ROSEN
UNIT

RECEIVED
DEC 10 1991
OCD
HOBBS OFFICE

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| | | | | | |
|--|---------------------------------|---------------------|--------------------------------|----------------|---------------|
| Operator Hanson Operating Company, Inc. | | | Lease Junction Federal | | Well No. 1 |
| Unit Letter K | Section 17 | Township 8 South | Range 37 East | County NMPM | Roosevelt |
| Actual Footage Location of Well: 1650 feet from the South line and 1650 feet from the West line | | | | | |
| Ground level Elev. 4042 | Producing Formation Devonian | Pool Wildcat | 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).

SINGLE LEASE

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.?

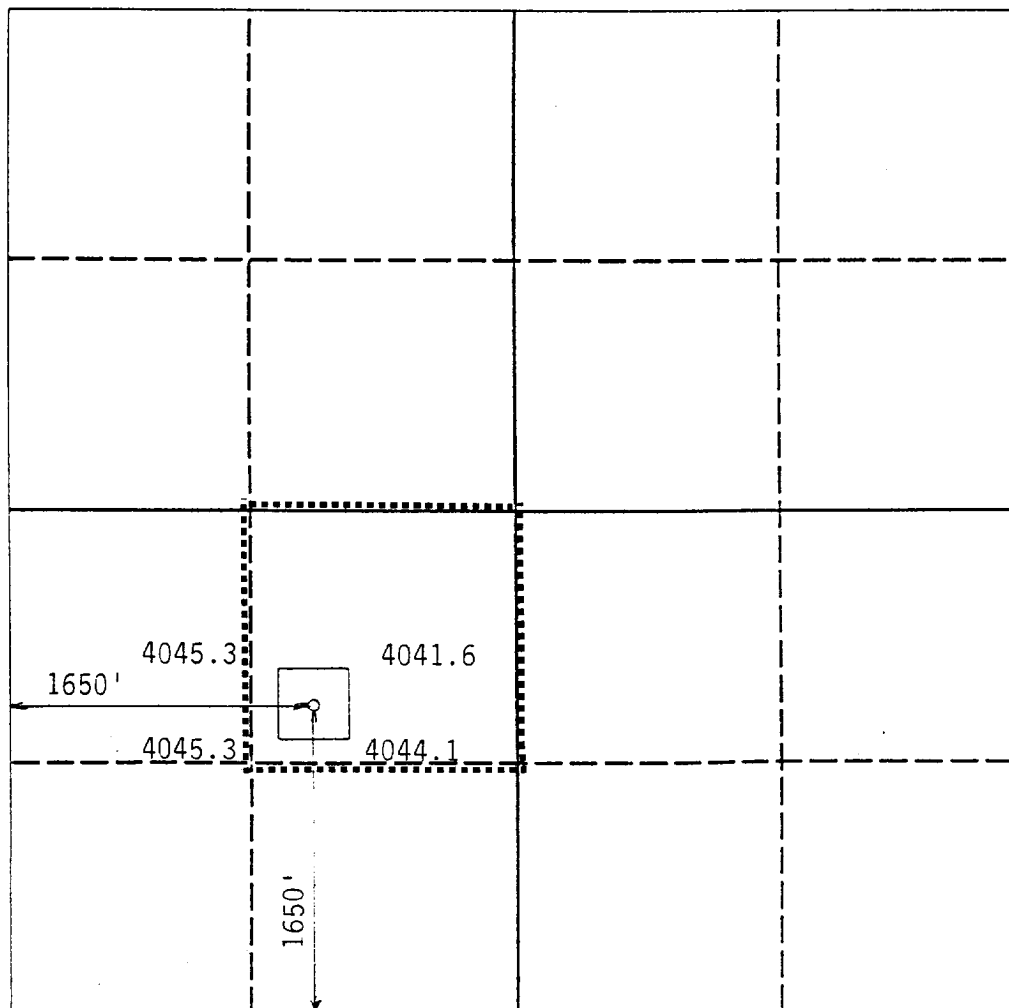
☐ Yes

☐ 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

Printed Name

JERRY W. LONG

Position

Permit Agent

Company

HANSON OPERATING COMPANY

Date

November 21, 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

November 13, 1991

Signature & Seal of
Professional Surveyor

P. R. Patton

Certificate No.

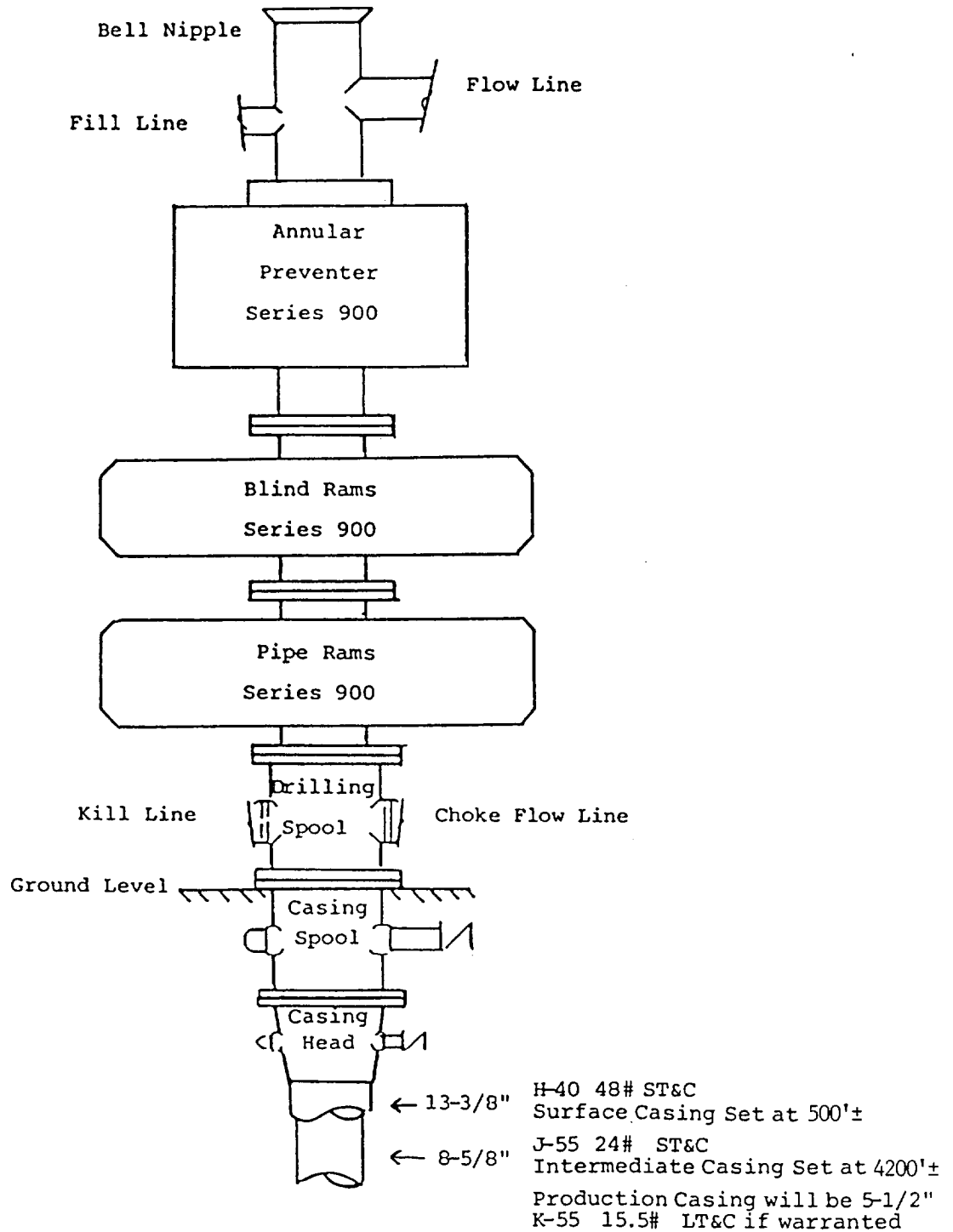
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16. JAN 06 8 22 AM
DEPT. OF JUSTICE

RECEIVED
DEC 10 1991
OCD
HOBBS OFFICE

HALLIBURTON OPERATING COMPANY, INC.
 No.1 Junction Federal
 NESW Sec.17-8S-37E
 Roosevelt, N.M.

NM-86945



BOP STACK

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