

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|  |  |  |   |  |  |
|--|--|--|---|--|--|
| 1a. TYPE OF WORK<br><b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/> <b>PLUG BACK</b> <input type="checkbox"/>  |  |  | 5. LEASE DESIGNATION AND SERIAL NO.<br>NM 0245247 |  |  |
| b. TYPE OF WELL<br>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"/> |  |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME              |  |  |
| 2. NAME OF OPERATOR<br>HILLIARD OIL & GAS, INC.  |  |  | 7. UNIT AGREEMENT NAME                            |  |  |
| 3. ADDRESS OF OPERATOR<br>906 Building of the Southwest, Midland, Texas 79701  |  |  | 8. FARM OR LEASE NAME<br>McElvain-Federal         |  |  |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*<br>At surface 660' FNL & 1980' FEL<br>At proposed prod. zone Same  |  |  | 9. WELL NO.<br>2                                  |  |  |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*<br>30 miles West of Hobbs, New Mexico  |  |  | 10. FIELD AND POOL OR WILDCAT<br>E K Bone Springs |  |  |
| 16. NO. OF ACRES IN LEASE<br>1600  |  |  | 17. NO. OF ACRES ASSIGNED TO THIS WELL<br>80      |  |  |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.<br>2640'   |  |  | 20. ROTARY OR CABLE TOOLS<br>Rotary               |  |  |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.)<br>GR 3877'   |  |  | 22. APPROX. DATE WORK WILL START*<br>Dec 10, 1975 |  |  |

| PROPOSED CASING AND CEMENTING PROGRAM |                |                 |               |  |
|---------------------------------------|----------------|-----------------|---------------|--|
| SIZE OF HOLE                          | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT   |
| 17 1/2"                               | 13 3/8         | 48#             | 350           | 450 sx "C"- Circulate  |
| 11"                                   | 8 5/8          | 24# & 32#       | 3,200         | 250 sx "C"- Fill to 2500'  |
| 7 7/8"                                | 4 1/2          | 11.60#          | 10,500        | 650 sx "H" 50-50 Poz around shoe<br>625 sc "C" 50-50 Poz through DV tool |

We propose to drill a 10,500' Bone Springs test at this location as follows:

1. Drill 17 1/2" hole to 350'+, set 13 3/8" casing & cement to surface.
2. Drill 11" hole to 3200'+. Set 8 5/8" casing & cement back to 2500' (base salt @ 2950').
3. Drill 7 7/8" hole to TD @ 10,500'+.
4. DST all significant shows & run open hole logs.
5. Set 4 1/2" csg through deepest productive zone & cement back over shallowest zone. Install DV tool @ 5200'. cement through DV tool to fill back into 8 5/8" csg.
6. BOP's will be installed on each string of casing and will be pressure tested. BOP's will be operated & checked daily.
7. In the event of a dry hole, well will be plugged as per USGS requirements.

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.

24. SIGNED Arthur R. Brown TITLE Manager of Operations DATE 11-12-75  
(This space for Federal or State office use)PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_APPROVED  
AS AMENDED  
DEC 5 1975  
ARTHUR R. BROWN  
DISTRICT ENGINEER

\*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

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

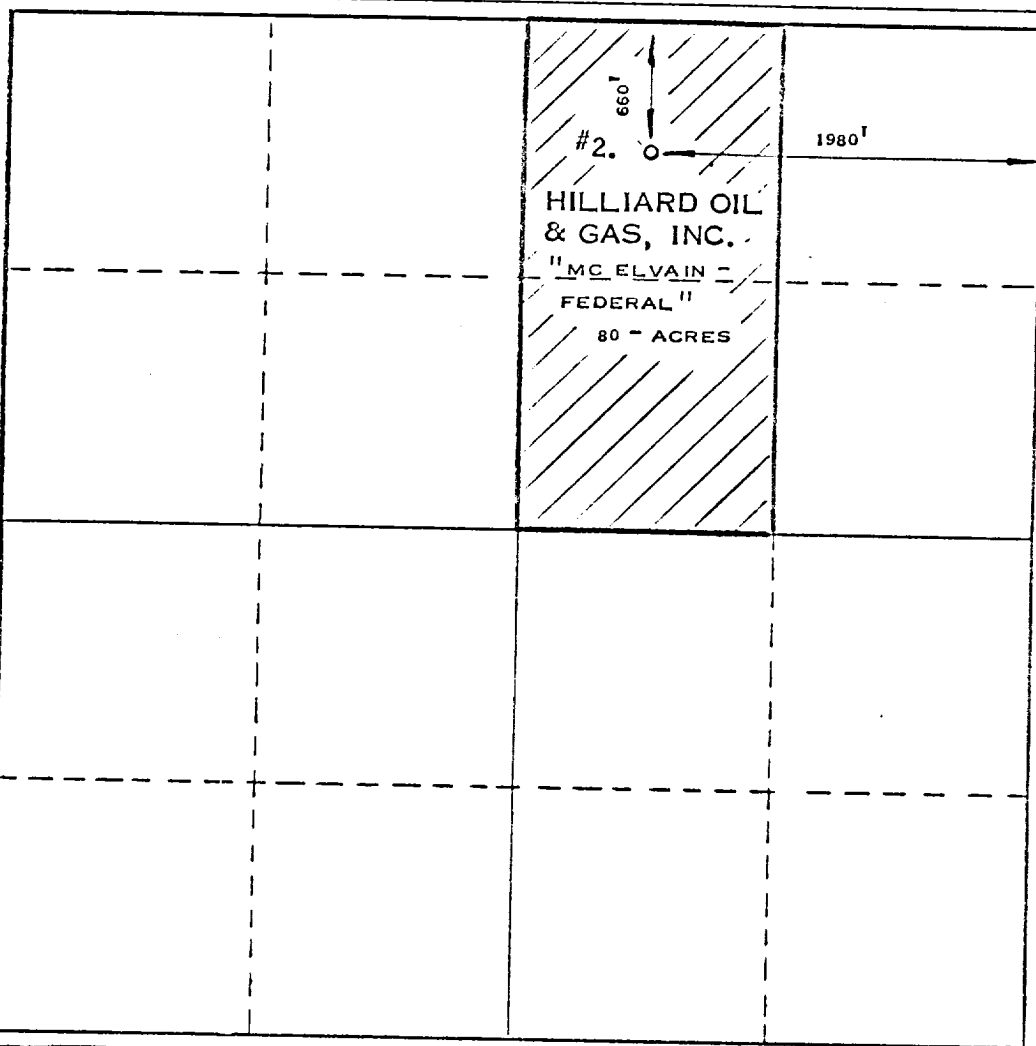
|   |   |                                |                                  |                                       |                      |
|---|---|--------------------------------|----------------------------------|---------------------------------------|----------------------|
| Operator<br><b>HILLIARD OIL &amp; GAS, INC.</b>   |   |                                | Lease<br><b>McELVAIN-FEDERAL</b> |                                       | Well No.<br><b>2</b> |
| Unit Letter<br><b>"B"</b>   | Section<br><b>31</b>                      | Township<br><b>18-S</b>        | Range<br><b>34-E</b>             | County<br><b>LEA</b>                  |                      |
| Actual Footage Location of Well:<br><b>660</b> feet from the <b>NORTH</b> line and <b>1980</b> feet from the <b>EAST</b> line |   |                                |                                  |                                       |                      |
| Ground Level Elev.<br><b>3877</b>   | Producing Formation<br><b>BONE SPRING</b> | Pool<br><b>E-K BONE SPRING</b> |                                  | Dedicated Acreage:<br><b>80</b> 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.

Name

**Darol K. Ramey**

Position

**Manager of Operations**

Company

**Hilliard Oil & Gas, Inc.**

Date

**November 12, 1975**

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

**AUGUST 22, 1975**

Registered Professional Engineer and/or Land Surveyor

**MAX A SCHUMANN JR**

Certificate No.

**1510**

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0