Submit to Appropriate
District Office
State Lease – 6 copies
Fee Lease – 5 copies

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

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-101
Revised 1-1-89

API NO. (assigned by OCD on New Wells) 30-025-31430

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
DRILL [X] RE-ENTER [ ] DEEPEN [ ] PLUG BACK [ ]

b. Type of Well:
OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [X] MULTIPLE ZONE [ ]

7. Lease Name or Unit Agreement Name: South Hobbs (GSA) Unit

2. Name of Operator: Amoco Production Company

8. Well No.: 237

3. Address of Operator: P. O. Box 3092, Houston, TX 77253

9. Pool name or Wildcat: Hobbs Grayburg S-Andres

4. Well Location
Unit Letter O : 1300 Feet From The South Line and 1910 Feet From The East Line

Section 4 Township 19-S Range 38-E NMPM Lea County

10. Proposed Depth	11. Formation	12. Rotary or C.T.
4350'	San Andres	Rotary

13. Elevations (Show whether DF, RT, GR, etc.)	14. Kind & Status Plug. Bond	15. Drilling Contractor	16. Approx. Date Work will start
3610.2' GR			11/6/91

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
14-3/4"	10-3/4"	40.5# K-55	1600'	1100 sx	Surface
9-7/8"	7"	23# K-55	4350'	1300 sx	Surface

Propose to drill and equip well in San Andres formation. After reaching TD, logs will be run and evaluated. Perforate and/or stimulate as necessary in attempting commercial production.

* Add mud materials as necessary in attempting commercial production.

Mud Program:
0 - 1600' Native/Spud
1600' - 3800' Saturated/Brine
3800' - TD* Salt Gel/Starch

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE Kim A. Colvin TITLE Asst. Admin. Analyst DATE 10/15/91

TYPE OR PRINT NAME Kim A. Colvin TELEPHONE NO. 713/ 596-7686

(This space for State Use)

Orig. Signed by
Paul Kautz
Geologist

NOV 0 5 1991

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval Date Unless Drilling Underway.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 8750[illegible]

Form C-102
Revised 10-1-78

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

Operator	Lease	Well No.
Amoco Production Company	South Hobbs Unit	237

Unit Letter	Section	Township	Range	County
O	4	19 South	38 East	Lea

Actual Footage Location of Well:
1300' feet from the South line and 1910' feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
3610.2'	San Andres	Hobbs (G/SA)	40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

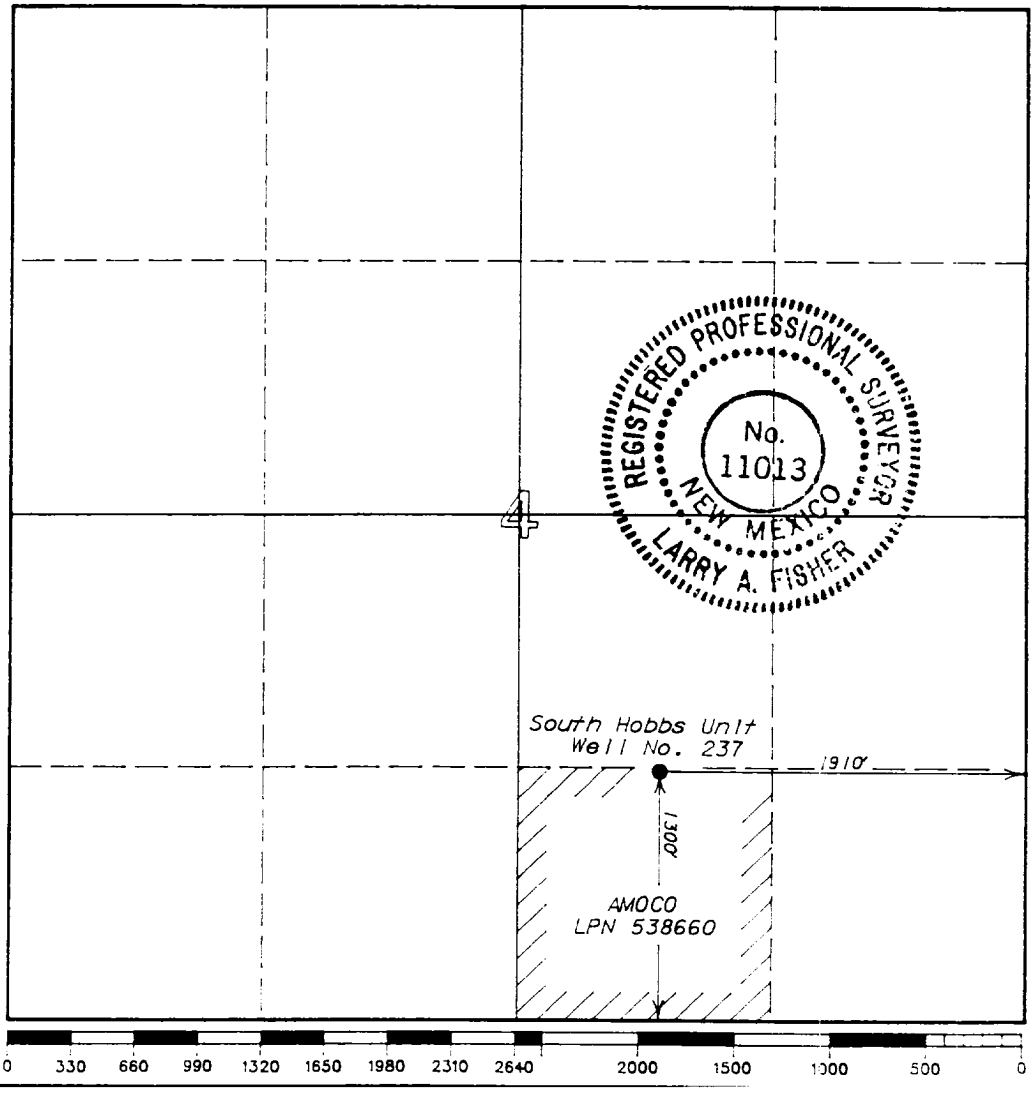
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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 Division.



CERTIFICATION

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

Name: Kim A. Colvin
Position: Asst. Admin. Analyst
Company: Amoco Production Company
Date: 10-14-91

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: October 2, 1991
Registered Land Surveyor: Larry A. Fisher
Larry A. Fisher
Certificate No. 11013

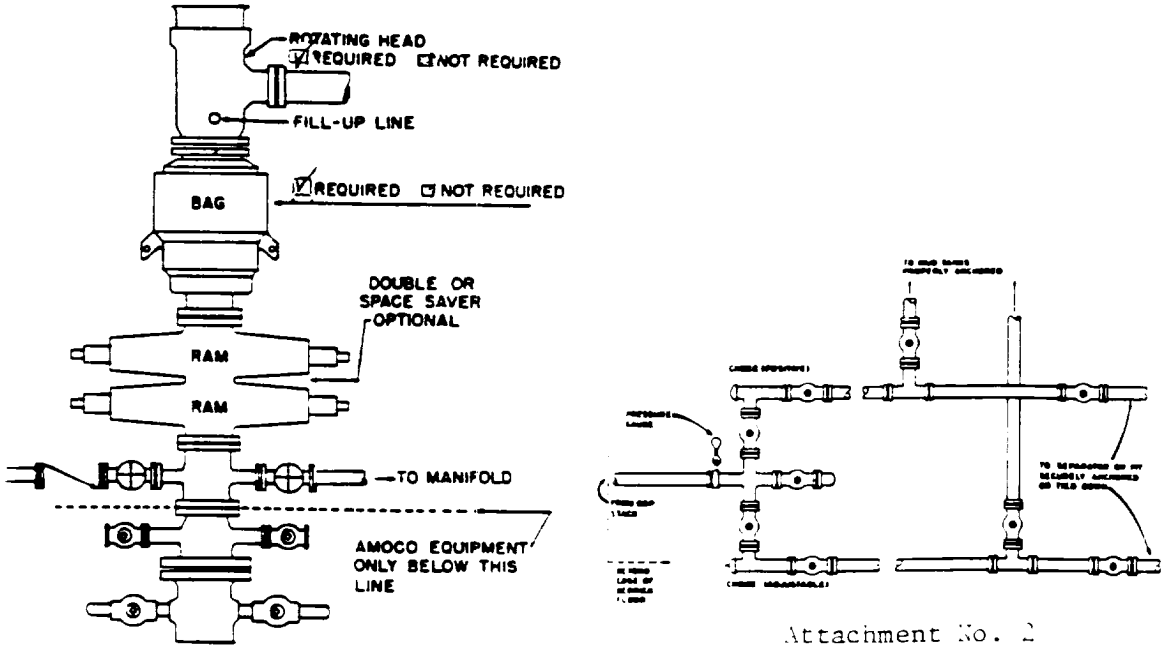
ATTACHMENT
3000# W.P. BOP STACK

1. BOP's to be fluid operated. BOP's and all fittings must be in good condition and rated at 3,000 psi w.p. minimum.
2. Equipment through which bit must pass shall be at least as large as casing size being drilled through.
3. Upper kelly cock is required and shall be 3,000 psi w.p. minimum. Lower kelly cock is (required)(not required).
4. Hydril or comparable safety valve shall be available on rig floor with connection or subs to fit any tool joint in the string. Valve to be full bore 3,000 psi w.p. minimum.
5. Hydril or equivalent drill pipe back pressure valve is (required)(not required).
6. All equipment upstream of chokes, including kill line equipment shall be flanged or clamped and of a test pressure no less than that of the blowout preventer. All valves upstream of choke shall be 3" or 4" gate valves Cameron Type "F" or equivalent. All equipment downstream of chokes may be flanged or screw end gate or plug. Pressure gauge will be Cameron or equivalent. Line from spool to manifold cross and chokes to be a minimum of 3", straight and short as possible with minimum bends. Choke manifold must be positioned outside of substructure. Manifold, header and all lines must be adequately supported and properly anchored. Two inch (2") lines and valves are permitted downstream of chokes and on the kill line. All valves designated for H_2S service are (required) (not required). Chokes will be one positive and one adjustable.
7. Blowout preventer closing unit equipment to include accumulator capable of closing, opening and closing the bag and pipe rams with a minimum remaining pressure of 1200 psi. After closure, the remaining fluid volume will be at least 50 percent of original volume. Two independent sources of pump power are required on each closing unit installation and shall meet all IADC specifications. Operating time for closing unit shall not be greater than one minute with charging pump shut down. Time test must be witnessed by Amoco representative while nippling up and test results reported on IADC report. Failure to meet these conditions will necessitate corrective action by contractor and retesting all at contractor's expense.
8. The accumulator must be located at least 50 feet from the well. Blowout preventer controls must be properly labeled. Floor control valves are (required)(not required).
9. Fluid lines from accumulator to BOP's and all remote control fluid lines (if applicable) shall be steel, and rated at or above maximum accumulator pressure. Lines shall be routed in bundles and adequately protected from damage.
10. Fill up line must be steel. Kill line cannot be used for fill up line.
11. Use rams in following positions: *

	Drilling	Running Casing
Upper Ram	Drill Pipe	Casing
Lower Ram	Blind	Blind

* Amoco District Manager may reverse location of rams.

12. Extentions and hand wheels to be installed and braced at all times.



Attachment No. 2

SUBSTRUCTURE HEIGHT OF RIG TO HAVE ADEQUATE CLEARANCE FOR