

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER

SINGLE ZONE ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Hondo Oil & Gas Company

3. ADDRESS OF OPERATOR

P. O. Box 2208, Roswell, NM 88202

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

2250' FSL & 2014' FWL

At proposed prod. zone

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

33 miles west of Hobbs, NM

15. DISTANCE FROM PROPOSED*

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

390'

16. NO. OF ACRES IN LEASE

280

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.

19. PROPOSED DEPTH

10,350

20. ROTARY OR CABLE TOOLS

Rotary

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

3582' GL

22. APPROX. DATE WORK WILL START*

7/1/92

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	20"	94#	500'	1100 sx., TOC @ surf.
17 1/2"	13 3/8"	61# & 68#	3600'	2500 sx., TOC @ surf.
12 1/4"	8 5/8"	32#	5100'	300 sx., TOC @ 14000'
7 7/8"	5 1/2"	17#	10350'	700 sx., TOC @ 17500'

*The well number for the proposed well at the above location has been changed from #3 to #2.

The surface and intermediate casing strings will be tested to 1000 psi prior to drilling out.

NOTE: Will possibly set 2 ECP's across 1st Bone Springs Sand.

MUD PROGRAM

0' - 500' Spud mud
500' - 3600' Brine, gel, paper
3600' - 5100' Fresh water, gel, LCM
5100' - TD Cut brine, gel, starch

BOP PROGRAM

See Item #5 of Application for Drilling and Exhibit "D".

This is a resubmittal of the drilling plan. The original plan was dated 4/14/92.

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

Ernie Buttriss

TITLE Petroleum Engineer

DATE 5/15/92

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

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

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

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

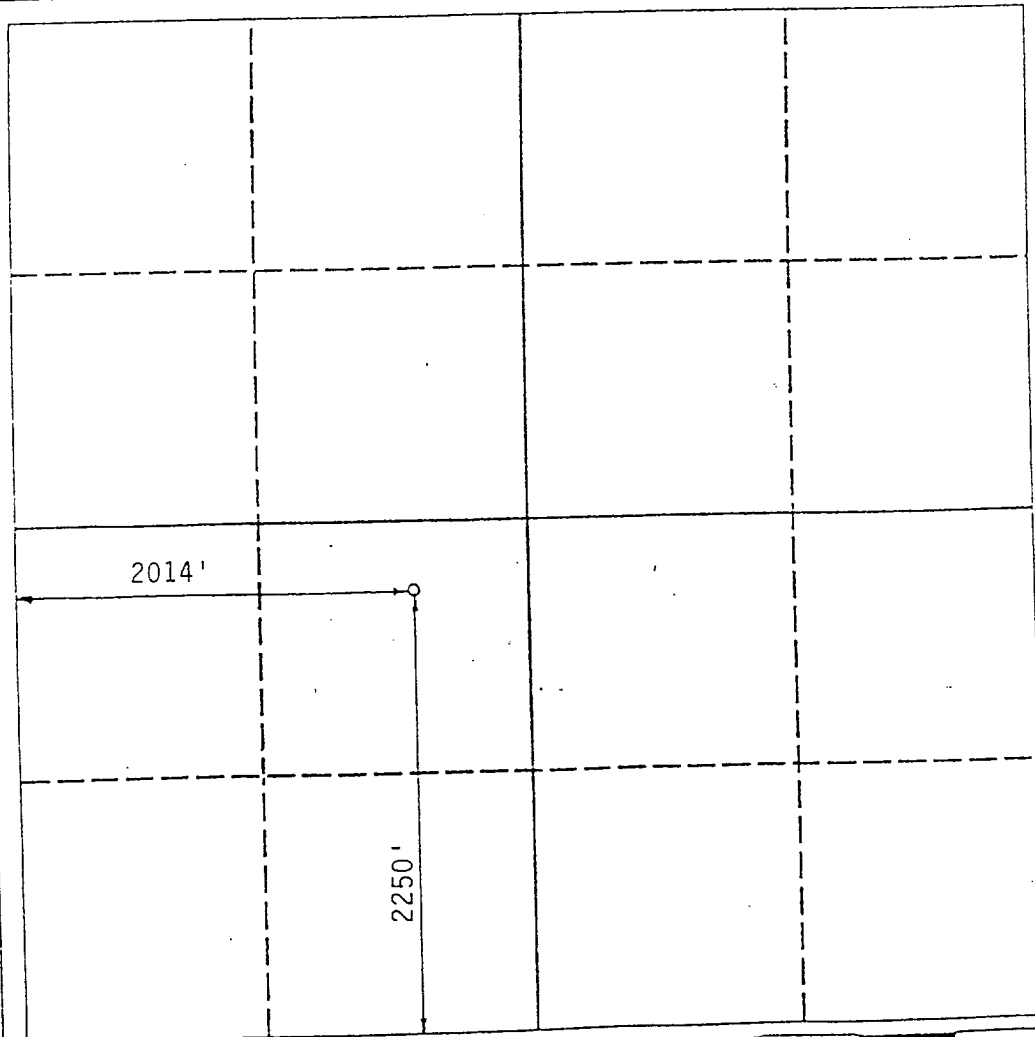
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

Operator Hondo Oil & Gas Company			Lease Smith Ranch "11" Federal		Well No. 2
Unit Letter K	Section 11	Township 20 South	Range 33 East	County NMPM	Lea
Actual Footage Location of Well: 2250 feet from the South line and 2014 feet from the West line					
Ground level Elev. 3582	Producing Formation Bone Springs		Pool Teas	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 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

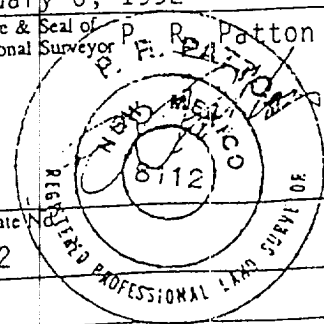
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
E. L. Buttross, Jr.
Printed Name
E. L. Buttross, Jr.
Position
Petroleum Engineer
Company
Hondo Oil & Gas Co.
Date
4/14/92

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
February 6, 1992
Signature & Seal of Professional Surveyor
P. F. Patton
Certificate
8112



APPLICATION FOR DRILLING

HONDO OIL & GAS COMPANY
Smith Ranch "11" Federal #2
2250' FSL & 2014' FWL, Sec. 11-T20S-R33E
Lea County, New Mexico
Lease No.: NM-13280
(Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Hondo Oil & Gas Company submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium with surficial deposits.
2. The estimated tops of geologic markers are as follows:

Rustler	1350'
Base of Salt (Tansill)	3200'
Yates	3450'
Seven Rivers	3750'
Delaware Sand	5100'
Bone Springs	8000'
Top of Bone Springs Sand	9300'
TD	10350'

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Random fresh water sands from surface to 300'

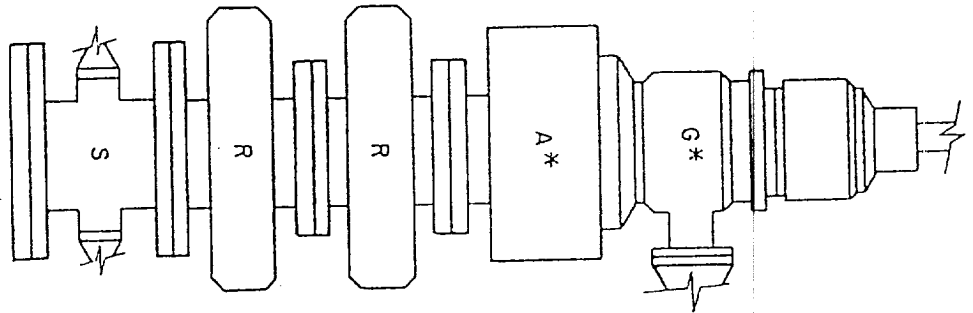
Oil: Bone Springs Sand at 9300'

Gas: None expected

4. Proposed Casing Program: See Form 3160-3.
5. Proposed Control Equipment: On the 20" surface casing a 20 3/4" 3000 psi Double Ram Hydraulic BOP and choke manifold will be installed. On the 13 3/8" casing a 13 5/8" 5000 psi working pressure Hydril Annular and a 13 5/8" 5000 psi Shaffer Double Ram Hydraulic BOP and choke manifold will be installed (see Exhibit "D"). The BOP and choke manifold will be tested to BLM specifications.
6. Mud Program: See Form 3160-3.
7. Auxiliary Equipment: Blowout preventer, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging and Coring Program:

Drill Stem Tests: Possibly one DST in the Bone Springs
@ ± 9300'

Exhibit "D"
Smith Ranch "11" Federal #2
Sec. 11-T20S-R33E
Lea Co., NM
BOP Diagram



A - Annular
G - Rotating Head
R - Blind and Pipe
Rams
S - Drilling Spool

