District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, Nim 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 of Programs 2003
Energy Minerals and Natural Resources 2003 Oil Conservation Division OCD - ARTES Aubmit to appropriate District Office

Form C-101 Revised March 17, 1999

State Lease - 6 Copies Fee Lease - 5 Copies

1220 South St. Francis Br. Santa Fe, NM 87505

| מ מ  | DT TCATTO                                       | A FOR NEWS   | em ma                     |   |                       |                                       | \$4018373  |                             |                                 | DED REPORT        |  |
|--|---|--|---------------------------|---|-----------------------|---------------------------------------|--|-----------------------------|---------------------------------|-------------------|--|
| Rubicon Oil  | & Gas, L  | . L C Perator Name a   | and Addre                 | DRILL, RE                               | -ENTER, D             | EEPEN, I                              | PLUGBACK, O  | <sup>2</sup> ogrid<br>19426 | Number<br>56                    |                   |  |
| 400 West Wal<br>Midland, Tex   | ı - Suit<br>as 79701                            | e 1130   |                           |   |                       |                                       | 20 015 2   | ³API N                      |                                 |                   |  |
| <sup>3</sup> Property Code<br>30567  |   | 1-l C  | <sup>5</sup> Property     | Name                                    |                       | 30 - 015 - 2                          | 1320   | 6 Well No.                  |                                 |                   |  |
|  |   |  |                           |   |                       | · · · · · · · · · · · · · · · · · · · |  |                             | 2                               | ·                 |  |
| UL or lot no. Section  | Township  |  |                           |   | Location              |                                       |  |                             |                                 | ····*             |  |
| C 36   | 24-S  | 26-E   | - 1                       |   | 1                     | orth/South line                       | Feet from the  |                             | East/West line Count            |                   |  |
|  |   |  |                           | 675                                     | otion If Di           | North                                 | 2202   | West                        | t Ed                            | <u>ay</u>         |  |
| UL or lot no. Section Township Range Lot Idn Feet  |   |  |                           |   |                       | rom the North/South line Feet         |  | East/Wes                    | t line                          | County            |  |
| Black River I  |   |  |                           | <sup>10</sup> Propo                     | osed Pool 2           |                                       |  |                             |                                 |                   |  |
| Didek Kivei i  | 10110W 3  | n  |                           |   |                       |                                       | ······································   |                             |                                 |                   |  |
| 11 Work Type Code  |   | 12 Well Type Code  | <del></del>               | 13 Cabl                                 | e/Rotary              | 1.                                    | Lease Type Code  |                             | 15 Ground Leve                  | el Elevation      |  |
| E<br>16 Multiple   |   | G  17 Proposed Depth   |                           | 18                                      | R                     | S                                     |  |                             |                                 | 33581             |  |
| No.  |   | 11,650'  |                           | Mori                                    | rmation               | 19 Contractor                         |  |                             | <sup>20</sup> Spud Date         |                   |  |
|  | · · · · · · · · · · · · · · · · · · ·           | 21 -   | Prono                     | sed Casing a                            | and Cemer             | t Program                             | N/A  |                             | 3-10-                           | -03               |  |
| Hole Size  | Casi  |  |                           | sed Casing a<br>weight/foot             |                       |                                       | Sacks of Cen   |                             | Paties                          | ated TOC          |  |
| Hole Size Casing Size 17-1/2" 13-3/8"  |   |  | Casul                     | 61#                                     | 1                     |                                       |  |                             |                                 |                   |  |
| 12-1/4"  | 9-5/  |  | 43.5#                     |   |                       | 95 <sup>1</sup>                       | 500 Lite.  | i                           |                                 | in                |  |
| 8-1/2"   | 1   | 8"Liner  |                           |   |                       |                                       | 1000 Lite,<br>  385 "H"  | <del>200"6  </del>          |                                 | place             |  |
|  |   |  |                           |   | 0023                  | ULU U-3                               | э эээ п  |                             | 80291                           | ····              |  |
| 6-1/2"   | 5-1/  | 2"   |                           | 17#                                     | 1169                  | 50'                                   | 750 Sx   |                             | 6000'                           |                   |  |
| Describe the proposed  | program. If th                                  | nis application is to  | DEEPE                     | N or PLUG BAC                           | K, give the data      | on the preser                         | it productive zone an  | d proposed                  | new productiv                   | ve zone.          |  |
| Describe the blowout pre-<br>Corp. in 1975.<br>and cemented a<br>wellhead equip  | vention progra<br>It was<br>S indica<br>Ment on | m,ifany. Use add.<br>S P&A on 1-<br>ated above<br>casing and | itional sh<br>-15-7<br>Re | eets if necessary.  6. Surfa  cords ind | This well<br>ce, inte | ll was dermediate casing              | originally of the control of the con | drille<br>ling l<br>d. We   | d by Coq<br>iner wer<br>plan to | uina Oil<br>e set |  |
| wellhead equipment on casing and cleanout cement and cast iron plugs to about 11,650'. We plan to set $5-1/2$ " casing from surface to $11,650'\pm$ and cement back to $6000'\pm$ . $5000\#$ BOP we be installed and tested to $5000\#$ by third party before drilling any plugs. BOP equipment we be no less than $5000\#$ and include a double ram BOP and annular. $5-1/2$ " casing will be set cemented as per Rule 107. BOP equipment will be installed and maintained as per Rule 109. |   |  |                           |   |                       |                                       |  | BOP will ment will          |                                 |                   |  |
| will attempt a   | complet   | ion in the   | =quip                     | ment Will<br>row Sands                  | DA INCT               | alled a                               | nd maintain  | ied as                      | per Rul                         | e 109. W          |  |
| "I hereby certify that the   | information g                                   | iven above is true a   | nd comp                   | lete to the best                        |                       | OIL C                                 | ONSERVATI  | ON DI                       | VISION                          |                   |  |
| of my knowledge and brief.  Signature:   |   |  |                           |   |                       |                                       | Mal Signed i<br>NCT II Superi  |                             | W. GUM                          |                   |  |
| Printed name: Da   | rol K. R  | amey   |                           |   | Title:                | ,                                     |  |                             |                                 |                   |  |
| Title: Ag  | ent   | <del>-</del>   |                           | Υ                                       | Approval Dat          | le:                                   | 3 1 2013 <sub>-xp</sub>  | iration Da                  | ic:                             | 31 2014           |  |
| Date: 2-21-0   | 1192  | Conditions of Allached                                       | Approval:                 |   | 185)                  | _                                     |  |                             |                                 |                   |  |

DISTRICT I P.O. Box 1980, Hobbs, NM 88241-1980

### State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Submit to Appropriate District Office

DISTRICT II P.O. Drawer DD, Artesia, NM 88211-0719

## OIL CONSERVATION DIVISION

to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 P.O. Box 2088 Santa Fe, New Mexico 87504-2088

| DISTRICT    | IV ·     |      |       |  |
|-------------|----------|------|-------|--|
| BO DOT TORR | CANTA DO | N N/ | ***** |  |

OX 2086, SANTA FE, N.M. 67504-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number Pool Code Pool Name

□ AMENDED REPORT

| API Number    | Pool Code  | Pool N                | Pool Name   |  |  |
|---------------|------------|-----------------------|-------------|--|--|
| 30-015-21520  |            | Black River Morrow SW |             |  |  |
| Property Code | Prop       | erty Name             | Well Number |  |  |
| 30567         | JAKE       | STATE                 | 2           |  |  |
| OGRID No.     | Oper       | ator Name             | Elevation   |  |  |
| 194266        | RUBICON OI | L & GAS LLC           | 3309'       |  |  |
|               | C          | T                     |             |  |  |

#### Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| С             | 36      | 24-S     | 26-E  |         | 678'          | NORTH            | 2202'         | WEST           | EDDY   |

### Bottom Hole Location If Different From Surface

|                 |           |          |     |             |          |     |               | rone rrom bu     | 1400          |                |        |
|-----------------|-----------|----------|-----|-------------|----------|-----|---------------|------------------|---------------|----------------|--------|
| UL or lot No.   | Section   | Townsl   | hip | Range       | Lot I    | dn  | Feet from the | North/South line | Feet from the | East/West line | County |
|                 | T         |          |     |             | <u> </u> | r   |               |                  |               |                |        |
| Dedicated Acres | l loipt o | r Infill | Co  | nsolidation | Code     | Or: | der No.       |                  |               |                |        |
| 320             |           |          |     |             |          |     |               |                  |               |                |        |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

|       | A NON CIANDARD CIVIL HAS BEEN ATTROVED BY IT |
|-------|--|
| 2202' | RUBICON OIL & GAS LLC                        |
|       |  |
|       |  |
|       | 25.20  |
|       | RECEIVED ARTESIN ARTESIN                     |
|       | 1000 000 NO                                  |
| J.A   | AKE STATE LEASE - 640 ac                     |

## OPERATOR CERTIFICATION

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

Darol K. Ramey

Agent

February 21, 2003

### 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 supervison, and that the same is true and correct to the best of my belief.

FEBRUARY 07, 2003

Date Survexed

A.W.B.

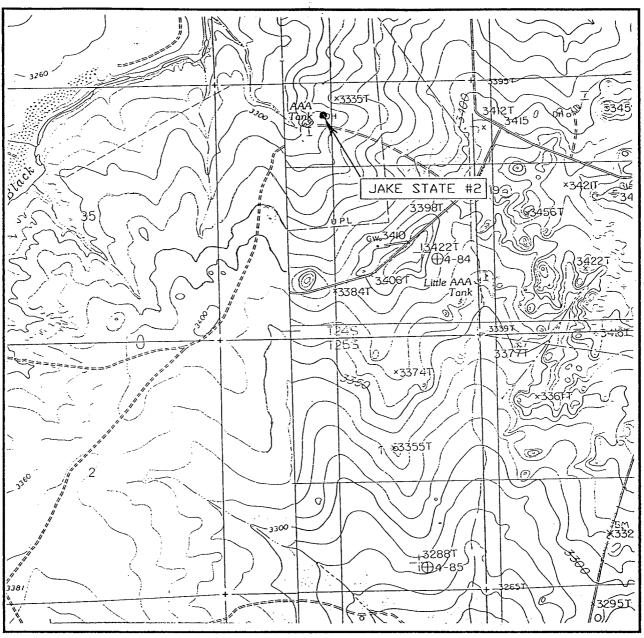
Signature & Seal of Professional Surveyor

Day

03.11.0159

Certificate No. RONALD I EIDSON 3239
GARY EIDSON 12641

## LOCATION VERIFICATION MAP



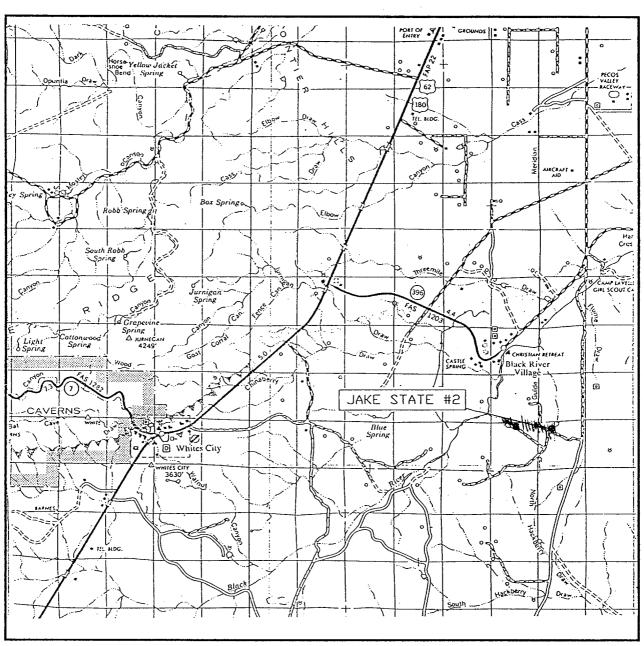
SCALE: 1" = 2000'

CONTOUR INTERVAL: 10' BOND DRAW, N.M.

| SEC. <u>36</u> TWP. <u>24-S</u> RGE. <u>26-E</u>   |
|--|
| SURVEYN.M.P.M.                                     |
| COUNTY EDDY  |
| DESCRIPTION 678' FNL & 2202' FWL                   |
| ELEVATION 3309'                                    |
| OPERATOR RUBICON OIL AND GAS, LLC LEASE JAKE STATE |
| U.S.G.S. TOPOGRAPHIC MAP                           |
| U.S.G.S. TOPOGRAPHIC MAP                           |

JOHN WEST SURVEYING HOBBS, NEW MEXICO (505) 393-3117

# VICINITY MAP



SCALE: 1" = 2 MILES

| SEC. 36 IWP. 24-S RGE. 26-E       |
|-----------------------------------|
| SURVEY N.M.P.M.                   |
| COUNTYEDDY                        |
| DESCRIPTION 678' FNL & 2202' FWL  |
| ELEVATION3309'                    |
| OPERATOR RUBICON OIL AND GAS, LLC |
| LEASEJAKE_STATE                   |
|                                   |

JOHN WEST SURVEYING HOBBS, NEW MEXICO (505) 393-3117

## March 11, 2003

Rubicon Oil & Gas, LLC c/o Ramey Petroleum Consultants, Inc. 303 West Wall – Suite 1005 Midland, Texas 79701-5112

Telefax No. (915) 685-4062

Attention:

Darol K. Ramey

Administrative Order NSL-4851

Dear Mr. Ramey:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on March 10, 2003 (*application reference No. pKRV0-307028689*); and (ii) the Division's records in Santa Fe and Artesia: all concerning Rubicon Oil & Gas, LLC's ("Rubicon") request for an unorthodox Morrow gas well location within a proposed 320-acre standard lay-down gas spacing unit comprising the N/2 of Section 36, Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico, for the Southwest Black River-Morrow Gas Pool (pool code here).

This unit is to be dedicated to the plugged and abandoned Jake State Well No. 2 (API No. 30-015-21520), located 678 feet from the North line and 2202 feet from the West line (Unit C) of Section 36.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

From the Division's records, Coquina Oil Corporation of Midland, Texas originally drilled this well in 1975 to a total depth of 11,955 feet to test the Pennsylvanian interval for gas production within the N/2 of Section 36. At that time the well's location within the subject 320-acre lay-down gas spacing unit was standard for deep gas production in southeast New Mexico. The Pennsylvanian zone tested dry and the well was plugged and abandoned.

It is our understanding that Rubicon now intends to reenter this well and attempt to obtain commercial production from the Morrow formation

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox gas well within the Southwest Black River-Morrow Gas Pool is hereby approved.

Sincerely,

Lori Wrotenbery Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia New Mexico State Land Office - Santa Fe