District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

1-18-2007

State of New Mexico

PECEIVED OF ARTESIA

Form C-101 May 27, 2004

Oil Conservation Division 1220 S. St. Francis Dr. Santa Fe, NM 87505

1220 S. St. Franc	is Dr., Santa F	e, NM 87505			Santa Fe, 1	NM	87505	\mathcal{G}_{λ}	AME	ENDED REPORT	
APPLIC	CATION				LL, RE-EN	NTE	R, DEEPEN,	PLUGBACI			
6		•	ntor Name an	d Address					² OGRID Numbe 019958		
Stephens & P.O. Box 22	•	_		7-2249				30- 015- 3	³ API Number		
⁴ Prope	rty Code	<u> </u>			⁵ Property			1 30- 012- 3			
009	799	9 Proposed Po	nol 1	East Mi	llman Pool	Unit	Tract 4	¹⁰ Proposed Po		21	
Mil1	lman Yates			t 46555				Proposed Po	001 2		
			•		⁷ Surface I	Locat	tion				
UL or lot no.	Section	Township	Range	Lot. Idn			North/South Line	Feet from the	East/West line	County	
P	12	19S	28E	<u> </u>	436		South	550	East	Eddy	
	I a .: I		1				Different Fro	· · · · · · · · · · · · · · · · · · ·	I		
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from t	he	North/South Line	Feet from the	East/West line	County	
Additional Well Location											
N 12 Well Type Code O 0					13 Cable/Rotary 14 Lea			ase Type Code	1	15 Ground Level Elevation 3366'	
			Proposed Dept 2700	h				Contractor ed Drilling	²⁰ Spud Date February 19, 2007		
Depth to ground		150'		Distance fro	om nearest fresh	water v	vell	Distance from neare		2)	
Pit: Liner: Syr		mils th	ick Clay	y 🔲	Pit Volume		bbls Drilling Met		(See Note No). 2)	
·	oop System X		•				_		il-based	Gas/Air 🔲	
			²¹ F	ropose	d Casing an	d Ce	ment Progran	n			
Hole S	ize	Casin	g Size	Casing weight/foot		Setting Depth		Sacks of Cemer	Estimated TOC		
12 1/	4"	8 5	/8"	24	lb/ft		300'	200		Surface	
7 7/8	3"	5 1	/2"	15.5	0 1b/ft		2700'	800		Surface	

	 ,							···			
Describe the p Describe the blow	proposed progrout prevention	ram. If this ap n program, if a	oplication is t iny. Use addi	to DEEPEN itional sheet	or PLUG BAC s if necessary.	K, giv	e the data on the pr	esent productive zon	ne and proposed	new productive zone.	
					See Attach	nmen	t				
²³ I hereby certify my knowledge an	d belief. I furt	her certify th	at <u>the</u> drillin	g pit will b	e		OIL C	ONSERVATI	ON DIVISI	ON	
constructed acco an (attached) alt Signature:				general peri	mit, or	Appr	oved by:	BRVAN G	ARRANT		
Printed name: William M. Kincaid							BRYAN G. ARRANT Title: DISTRICT II GEOLOGIST				
	etroleum E						oval Date: JAN	2 4 2007 Ex	piration Date	AN 2 4 2008	
E-mail Address:	mkincaid@	sjoc.net									
Date: Phone:						Conditions of Approval:					

Attached

(940) 723-2166

- 1. Drill 12 1/4" hole to 300'. Set 8 5/8" 24# csg w/approx. 200 sacks of cmt. WOC 18 hrs.
 2. Drill 7 7/8" hole to 2700'. Set 5 1/2", 15.50# csg w/approx. 800 sacks of cement.
 3. Complete well in Grayburg formation.
 BOP: An annular type BOP will be used with a 3,000 psig working pressure and a 6,000 psig test pressure.
 Notes: 1. This Application for Permit to Drill does not meet the requirement for an H2S Contingency Plan to be submitted.
 - 2. This location is in a dry Playa lake bed. Earthen pits not allowed. Steel pits to be utilized and cuttings will be hauled off.

District I PO Box 1988, Habbs, NM 88242-1988 District II PO Drawer DD. Artesia, NM \$8231-6719 1000 Rio Bramo Rd., Axtec. NM 27410 District IV

State of New Mexico Energy, Minerals & Natural Resources Department

Revised February 10, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

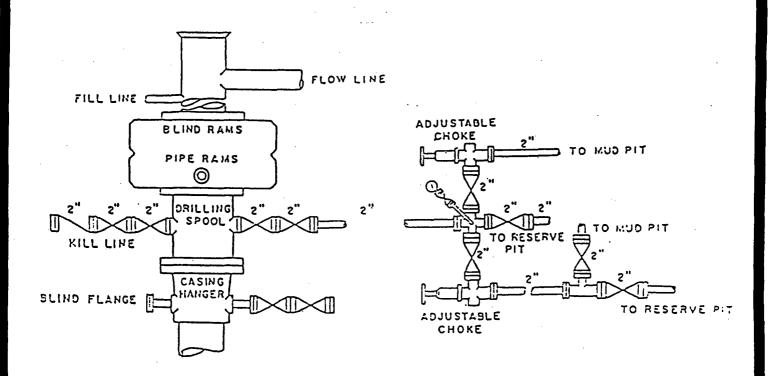
Form C-102

				² Pool Cod			CATION PI		
-	AFI Numbe	: F		6555		Willman V	ates-SR-QN-		ct
* Property	Codo I		4	0333	Property		aces-sa-va-	-GD DA, Ea	* Well Number
009799		East	Milln	nan Unit '		21			
OGRID					* Operator				' Elevation
019958		Steph	ens &	Johnson (Company	3366			
					io Surface	Location			
L or lot po.	Section	Township	Range	Let Ide	Feet from the	North/South Enc	Feet from the	East/West Sine	County
P	12	19S	28E		436	South	550	East	Eddy
	<u> </u>		11 Bot	tom Hol	e Location I	f Different Fro	om Surface		
L or lot po.	Section	Township	Range	Lot Ide	Feet from the	North/South line	Feet from the	East/West line	County
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	WARLE	WILL BE	ASSIGNE	D TO TH	IS COMPLETE	ON UNTIL ALL	INTERESTS H	AVE REEN	CONSOLIDATI
	WABLE					ON UNTIL ALL EEN APPROVED	BY THE DIV	ISION	
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	WABLE						It open the by t	M. Kinca M. Kin	Maic

6 January 200 Date of Survey SELECTION DE LESSION D

550'

Certificate 1



BOP DIAGRAM 3000# WORKING PRESSURE RAMS OPERATED DAILY

EAST MILLMAN POOL UNIT NO. 4-21 EDDY COUNTY, NEW MEXICO