<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210

1000 Rio Brazos Road, Aztec, NM 87410

Date: 11-13-2007

Phone: (432) 686-7136

State of New Mexico **Energy Minerals and Natural Resources**

Form C-101 May 27, 2004

Oil Conservation Division 1220 South St. Francis Dr.

Submit to appropriate District Office

District IV 1220 S. St. Fr	-	-		TO D	S	Santa Fe, N	M 875	50 5				ENDED R		
Tandem En	ergy Cor		OPERMIT Operator Name			••	1 5 20		236183	OGRID N	Number) A ZO	NE.	
P.O. Box 1559									30 – 015-2.	³ API Number				
³ Property Code ³ Property							OCD-ARTESIA 30 – 015-				Well No			
302004 Ballard Grayburg San Andres Unit							265							
			9 Proposed Pool 1	f 0 F		(20520)	¹⁰ Propos ed Pool 2							
Loco Hills	Queen-Gi	rayburg-	San Andres ("M	letex & P		(39520) face Locat	: a.m							
UL or lot no	Section	Townshir	Range	T Int		Feet from the				East/West line County			ntv	
M	1 . 1 . 1		.	Lot Idn		511		South	Feet from the 397	West		Edd	-	
	⁸ Proposed Bottom Hole Location If Different From Surface													
UL or lot no	Section	Township	p Range	Lot Idn		Feet from the	North/South line		Feet from the	East/West	line	County		
· Additional Well Information														
]	Type Code N		O	12 Well Type Code O		13 Cable/Rotary R			Lease Type Code P		15 Ground Level Elevation 3535'		ition	
N	lultiple No		¹⁷ Proposed Dep 3400'	vth		¹⁸ Formation San Andres			¹⁹ Contractor on Drilling, Inc.		²⁰ Spud Date ASAP			
Depth to Grou	indwater 100'	4	,	Distance	e from neare	est fresh water v	,							
Pit: Liner:	Synthetic	<u> </u>	2 mils thick Cla	300 bbls	bbls Drilling Method:									
Close	ed-Loop Sys	tem 🔲	21						☐ Brine 🄀 Die	sel/Oil-base	d 🗌 (Gas/Air 🔲		
			Z1	Propos	sed Casi	ing and Ce	ment]	Progran	n					
Hole S	ıze	C	Casing Size	sing Size Casing w		weight/foot		epth	Sacks of Cer	ment	t Estimated TOC		ЭС	
12 1/4		 	8 5/8"	24#			- 360'		165		Surface			
7 7/8)	 	5 1/2"	17#			3400'		700		Surface			
										-				
				,			***************************************	1						
Describe the	ne proposed blowout pre	l program. evention p	If this application program, if any. Use	is to DEEI e additiona	PEN or PLU al sheets if n	JG BACK, giv necessary.	e the data	a on the pre	esent productive zo	one and prop	posed no	ew productiv	ve zone.	
Drill 12 ¼" hole to 360' with fresh water. Set 8 5/8" 24# casing at 360' and cement to surface with 165 sacks class "C" + 2% CaCl ₂ Drill out with 9.4+ppg saltwater to total depth at 3400'. Log open hole. Run 5 ½" 17# casing to total depth and cement to surface with														
Approx. 42	5 sacks 3	5/65 cla	ass "C" + 5 % sa	alt and 50	0/50 class	s "C" + 5 %	salt.							
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines, a general permit, or							OIL CONSERVATION DIVISION							
an (attached) Signature:	alternativ	e OCD-a _l	pproved plan .	nok	' -/	Approv	ed by:	T	ATTA AT CLAT	THE A CT		3		
Printed name: Carol A. Cook							BRYAN G. ARRANT DISTRICT II GEOLOGIST							
Title: Administrative Assistant							Approval Date: NOV 2 6 2007 Expiration Date: NOV 2 6 2008							
			m-energy.com	71000	a Date.		C C C CALLEX	ipiration De	ac.	-				

Conditions of Approval Attached

District I 1625 N. French Dr., Hobbs, NM 88240 District 11

1301 W. Grand Avenue, Artesia, NM 88210 District III

1000 Rio Brazos Rd., Aztec, NM 87410 District N

1220 S. St. Francis Dr., Santa Fe, NM 87505

API Number

State of New Mexico Energy, Minerals & Natural Resources Department

Pool Code

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised October 12, 2005 Submit to Appropriate District Office State Lease- 4 Copies

Fee Lease-3 Copies

☐ AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT

Pool Name

Property Code			Property Name BALLARD GRAYBURG — SAN ANDRES UNIT									
OGR	ID No.		TANI		Elevation							
		3535'										
UL or lot no. S	ection	Township	Rar			Location Feet from the	North/South line	Feet from the	East/West line	e County		
M	4	18 SOUTH	29 EAST,	N. M. P. M.	1	511 SOUTH		397	WEST	EDDY		
· · · · · · · · · · · · · · · · · · ·			Bottom	Hole Loc			t From Su		ce			
UL or lot no. S	ection	Township	Rat	age	Lot Idn	feet from the	North/South line	Feet from the	East/West lin	e County		
0.5.1.4			CE1-2 O-1-	To-1 11-	<u> </u>			l	L			
Dedicated A 40.0	Acres	Joint or Infill	Consolidation Code	Order No.								
	ااند م	he assigned t	o this completion	until all inte	rocte t	wa been co	neolidated or	a non-stand	lard unit has	been approved by the		
division.	C WIII	be assigned t	o diis completion	undi da inte	16363 1	iuve been co	msolidated of	d non-stand	idia unii nas	been approved by the		
									·			
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		!				1		eithe	er owns a wor	rking interest or		
		, , , , , , , , , , , , , , , , , , ,		1]		1		inclu	iding the prop	interest in the land losed bottom hole		
L		. <u> </u>		<u> </u>		i		well	at this location	right to drill this on pursuant to a		
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	X	=644122.1 =575851.6 N 32.7705407 W 104.0865609		! !				Sign Prof	nature and Se ressional Surve	OMSSIONAL LAND		
397'	LONG.:	w 104.0865609		! !					Serry J. C	had 1/21/2006		
5				1		1 1			<i>,</i> ,	WO# 060106WL-g (cos)		

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 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised October 12, 2005 Submit to Appropriate District Office State Lease-4 Copies

Fee Lease-3 Copies

WO# 060106WL-g (cog)

☐ AMENDED REPORT

				WELL LOCA	TION AND	ACRE	AGE DEDIC	CATION PLAT	г	יים יים	-11000 11	LIONI		
	API	Numbe	¥		Code	7.07,12	JICE DEDIC		Pool Name					
Property Code OGRID No.				Property Name BALLARD GRAYBURG — SAN ANDRES UNIT Operator Name								Well Number		
				TAND	EM ENEI	RGY	CORPOR	ATION			3	3535'		
UL or lot no.	Cartinal	T.	ownship	Ran		face	Location	North/South line	Cost from the	Ford Mine	Eno I	County		
M.	4		SOUTH	29 EAST, 1	•	LUI KUSI	511	SOUTH	397	East/West line WEST		EDDY		
	11			Bottom	Hole Loca	L Ition	lf Differen	t From Sur	face					
UL or lot no. Section Town		ownship	Ran		Lot Idn	Feet from the	North/South line	Feet from the East/M		est line County				
Dedicated	Acres	Joint	or Infill	Consolidation Code	Order No.				<u>L</u>					
No allowa division.	ble will	be a	ssigned to	this completion	until all inte	ests h	nave been co	insolidated or	a non-stand	lard unit h	as been	approved by the		
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397'	LAT.: LONG.	V MEXIC NAD 18 Y=6471 X=5758 N 32.7 W 104	27	·					I he shot field me the best	notes of or under resame same same same same same same same	port was some first was a some first was	ATION The stell position of the protection of t		