District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 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 Energy Minerals and Natural Resources

JAN 3 1 2008 OCD-ARTESIA

Form C-101 May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

|--|

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

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE											
Operator Name and Address											
Ponderosa Petroleum Corporation Roswell, NM 88202 API Number 30- 0.05 6 400									٦		
³ Proper 3036		LE Ranc	⁵ Property 1	Vame	-			° We	11 No. 26		
			Proposed Pool 1		- 1	¹⁰ Proposed Pool 2					
12358	, Cni	sum	San Andre	es, E	ast Surface		N/A		·		
UL or lot no.	Section	Township 11S	Range	Lat		nythe North/S	outh line	Feet from the	East/We	st line	County
В	16	118	- 1	<u></u>					E		Chaves
UL or lot no.	Section	Township	Prop Range	osed Bott	om Hole Locat		t From S	urface Feet from the	East/We	et line	County
				<u> </u>					12.20 (1)		-
11 Work	l'ype Code		12 Well Type Co		dditional We			Lease Type Code		15 Gro	and Level Elevation
N	_		0		R	_		S		37	03
NO.	ultiple		¹⁷ Proposed Dep 250 [±]	th	San And	nation dres	T	¹⁹ Comtractor BD	²⁰ Spud Date 2/15/08		
Depth to Groun	dwater 1	30!		Distance	from nearest fresh	water well 1 m	ile	+ Distance from	nearest sur	face wat	ar N/A
	-		lsthick Clay	Pit Volum	e: <u>300</u> bbls	_		otary			
Closed	Loop System	<u>п Ц</u>	2	1 -	10.			Diesel/Oil-based	☐ Gas/	Air 🗌	
					sed Casing a	nd Cement I	rogran	1		т—	
Hole Si		c	asing Size		g weight/foot 23#	Setting Depth		Sacks of Cer	ment	Estimated TOC Surface	
6 1/4'			4 1/2"	9.5#		2150±				1200'	
								 	-	,	
Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. Drill & complete San Andres oil well in accordance with NMOCD rules & regs. The well will be drilled from surface to TD using rotary drilling methods. The blowout preventer/pressure control equipment will be installed and maintained in accordance with NMOCD rule109. The well may be completed as an open-hole completion of the oil producing zone by setting the production casing no more than 100 feet above the top of the producing zone. Rule 118 letter attached.											
of my knowie	ef. I furth to NMOCI	f / rol 2001, III	t will be	OIL CONSERVATION DIVISION Approved by: BRYAN G. ARRANT DISTRICT II GEOLOGIST Approval Date: FEB 0 1 2008 Expiration Date FEB 0 1					OGIST		
			ableone.	net		1 spinoral Date.			-pri acivil	- mo #*	50 V J
Date: 1/23	~		Phone:575			MENT TO		R ALL OIL, BEARING	,		\ <u>`</u>

ZONES

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

☐ AMENDED REPORT

			WELL LO	CATIO	N AND ACR	EAGE DEDIC	ATION PLA	ТТ		
¹A	•		² Pool Code			me				
			1	2358	Ch	isum San <i>P</i>	East	·		
'Property C	ode					'Well Number				
303696	5	$_{ m LE}$	Ranch	16		26				
OGRID N	io.				*Operator l	Name			' Elevation	
248481	1	Pond	lerosa	osa Petroleum Corporation					3703	
					¹⁰ Surface	Location				
UL or lot no.	Section					East/West				
В	16	11S	28E		990	N	1650	E	Chaves	
11 Bottom Hole Location If Different From Surface										
UL or lot no.	Township	Range	ange Lot Idn Feet		North/South line	Feet from the	East/West	line County		
		1								
²² Dedicated Acres	" Joint or	Infill '	⁴ Consolidation	Code L Or	rder No.					
40		l		1						

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.

16	SEE ATTACH	HED CERTIFICATION"	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore affected by the digition ()
			Fred F. Pool, III Printed Name President
			¹⁸ 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 belief.
			Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

District I PO Box 1986, Hobbs, NM 88241-1986 District II PO Drawer DD, Artesia, NM 88211-0719 District III 1000 Rio Brazzo Rd., Aztec, NM 87416

State of New Mexico Energy, Minerals & Natural Resources Department

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

Form C-102 Revised February 10, 1994 Instructions on back

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

District IV PO Box 2 088 , San	ita Fe, NM	8 7504-20 88		,	,					AME	ENDED REPOR		
		WE	LL LO	CATION	dan P	ACF	REAGE DEDI	CATION PI	_AT				
, A	API Numbe	r r	1	1 Pool Code	£			Pool N					
			1:	23580			Chisum San	Andres,	East				
* Property © 303696			4.5		' Pr	roperty	Name				Well Number		
		1	LER 16						·····	 	26		
OGRID!	No.		Fred P	ool Dri	ان. [_ling	perator Inc.	_ Pondei	_] 3	' Elevation 3703.42			
248481							Petroleum Location	Corporat	ion	<u> </u>			
UL or lot no.	Section	Township	Range	Let Ids	Sur Feet from		North/South Ene	Feet from the	East/Wes	- Hag	County		
UL, or lot so.	16	11S.	28E.	LAR IUM	990	1 146	N	1650	E	-	Chaves		
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UL or lot so.	Section	Township	Range	Lot Ida	Feet from		North/South line	Feet from the	East/Wes	at Hase	County		
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12 Dedica -d Aer	res 13 Joint	or lafill " (l Consolidatio	on Code 14 (Order No.		<u> </u>	<u> </u>	1				
40											:		
NO ALLOV	WABLE						ON UNTIL ALL			EN CO	NSOLIDATED		
	-	OR A	иои-ст	ANDARD	UNIT H	AS BI	EEN APPROVED						
16	}	ĺ						18	17 OPERATOR CERTIFICATION				
					/ ://	/		12	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief				
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				422		<u> </u>	1650 '	1	1 F	1/24	- Vig		
		İ					ı	Signature					
		l		1				Fred Printed Name	F Po	ol,	III		
		l						Printed Nam Presi	dent				
		l						Title 0.1 / 2	24/08				
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]	l				1		Date of Surv	7.72	SEN MI	The last		
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						ļ		Certificate N	lumber		***************************************		

Ponderosa Petroleum Corporation

P.O. Box 132 Roswell, NM 88202 (505) 623-4667

January 24, 2008

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division, District II 1301 W. Grand Artesia, NM 88210

RE: Application for Permit to Drill, LE Ranch 16, #26, 990' FNL & 1650' FEL, Section 16, T11S, R28E. Rule 118

Ladies and Gentlemen:

After careful review of Rule 118, I have determined that the referenced well location does not fall under the requirements of the Rule.

In the future, if conditions dictate, I will promptly submit the required documents as stipulated by Rule 118.

Sincerely,

Fred F. Pool, III

President

Ponderosa Petroleum Corporation