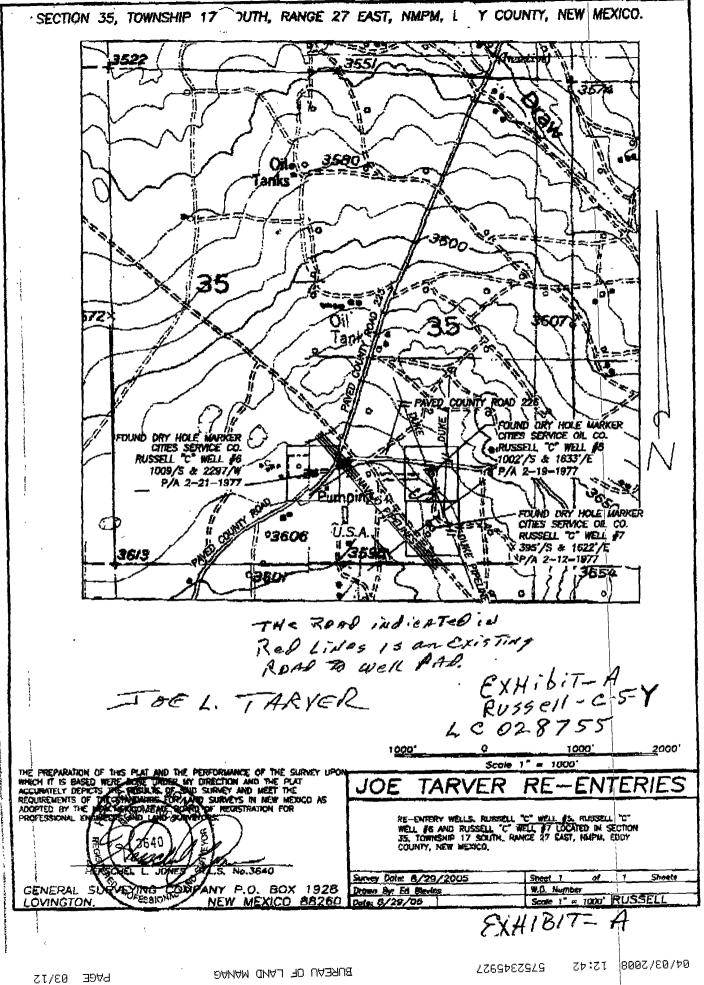
BLM-CAFLSBAD FIELD OFFICE

Form 3160-3 (August 1999) UNITED STATES DEPARTMENT OF THE IN BUREAU OF LAND MANAG	FORM AFFECVED OMB No. 1004-0136 Espires November 30, 2000 5. Lease Serial No. LC 028755(A) 6. If Indian, Allottee or Tobe Name					
APPLICATION FOR PERMIT TO DE	o. n union, Austra	II.				
1a Type of West:	7. If Unit or CA Agreement, Name and No.					
1b. Type of Welt Onl Well Ones Well Other	8. Lesse Name and V Russell "C"	Vell No.	35160			
2 Name of Operator JOE L. TARVER 3 7 5 9		9. API Well No. 30-015-36213				
3a. Address 2807 - 74th St., Ste. 1, Lubbock, TX 79423	10. Field and Pool, or Exploratory Empire Yates - 7 Rivers					
4. Location of Well (Report location clearly and in accordance with	my State requirements 4)		11. Sec., T., R., M., or Bilk and Survey or Area			
At surface Lot #O, Sec. 35, T-17-S, R-27-E, 1052' FSI At proposed prod. zone Same as Surface	· //_//_	A	Section 35, T	-17-S, R-27	7-E	
14. Distance in miles and direction from newest town or post office* 9 miles East of Artesia, NM	12. County or Parish 13. Eddy		. State NM			
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any)	16. No. of Acres in lesse 80	17. Specia 10 as	ng Unit dedicated to this well Cres			
 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 	19. Proposed Depth 550 '	BIA Bond No. op file B000328				
 Elevations (Show whether DF, KDB, RT, GL, etc.) 3623 GL 	22. Approximate date work will str December 2005	Approximate date work will start* December 2005				
	24. Attachments			,		
The following, completed in accordance with the requirements of Onsion 1. Well plat certified by a registered surveyor. 2. A Drilling Plan 3. A Sprace Use Plan (if the location is on National Forest System SOPO shall be filed with the appropriate Forest Service Office).	4. Bond to cover t Henn 20 above). 5. Operator cartific	the operationation	s form: no unless covered by an formation and/or plans 2			
5. Signature Da Varia	Name (Primed/Typed) Joe	L. Tarver	Date 09/01/2		/2005	
Title Dwner/Operator			•			
Apployed by (Signature) Allens C: Swoboda	Name (Primed/Typed) ALEXIS C	. SW	OBODA	nen ?	A 2005	
PETROLEUM ENGINEER	Office RFO					
Application approval does not warrant or certify the the applicant holds le operations thereon. Conditions of approval, if any, are attached.	gal or equitable title to those rights in	n the subject	lease which would entitl	le the applican	t to conduct	
Fifth 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it States any false, flexisious or freshiptem statements or representations as to	a crime for any person knowingly an any matter within its jurisdiction.	nd willfulfy 1	to make to any departme	ent or agency	of the Limited	

*(Lastructions on reverse)



Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION P.O. Box 2088

Santa Fe. New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API	Number			Pool Code 23	2	EN	PIRE)	Pool Name	7 R	ive	R3
Property (Code	Property Name RUSSELL "C"						Well Number			
375°	94	Operator Name JOE TARVER						Elevation 3623			
Surface Location											
UL or lot No.	Section	Township	Range	lot idn	Feet fre	m the	North/South lin	e Feet from the	East/West	line	County
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		,					rent From S				
UL or lot No.	Section	Township	Runge	Lot idn	Feet fro	un the	North/South lin	e Feet from the	East/West	iine	County
Dedicated Acre	Joint o	r Infili Co	ousolidation	Code Or	der No.						
10							···········	·			
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											
								OPERATO	R CERT	FICAT	ION
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0 330' 660'	, 880,	1630, 16	90, 5310,	2310	1980' 169	30'	990, 660, 33		JURYE SIMIL	COMPAN	

LC 028755 (A) Joe L. Tarver - Owner/Operator

Drilling Plan Russell C - 5 Y

Move in rig and set up for drilling.

Install diverter (air and gas drilling pressure diverter). (Note) The known history of pressure at this shallow depth (550' or less) is minimal. Even the virgin pressure of 220 lbs. has long since dissipated.

Drill through all parts of the Empire Yates - 7 Rivers formation (TD is expected at less than 550' below the surface).

Set 4 1/2" casing.

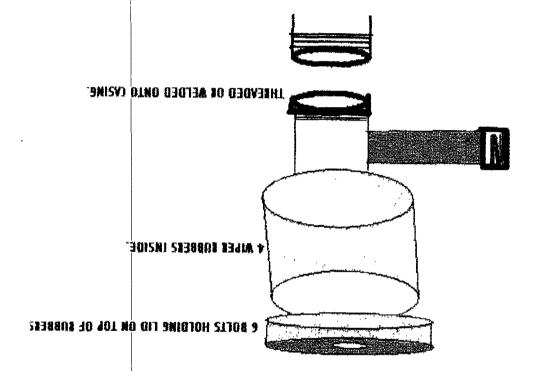
Circulate 14.5 lbs. Cement to surface.

Acidize with 1,500 gals. 15% Hydrochloric acid with appropriate additives, i.e., A-179 Iron Control Aid, A-264 Corrosion Inhibitor. F-103 Surfactant, L-63 Iron Control Agent, W-53 Non-Emulsifier.

Clean out residue to pits.

Install tubing, bottom hole pump, and rods.

Connect pump jack for production.



BEGOIE CIME TO PIT.

DIAFRIER FOR VIR OF EVE BRITTING

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Joe L. Tarver Russell C-5 Y 1052 FSL -1633 FEL T17S - R27E

LC 028755(A)

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a road map showing the location of the proposed well as staked. The well is approximately 8 miles east of Artesia, New Mexico.
- B. <u>Directions</u>: From Artesia go east on Highway 82, 9 miles turn right on County Road 204. Go ½ mile turn right to County Road 225. Go 1 mile to 1st black top road to left. Go 1200 ft. to Russell C-5 Y on right of road.

2. PLANNED ACCESS ROAD:

- A. There is an existing road from the west to the well site.
- B. No additional cutting or construction is necessary.
- C. Culverts: none necessary
- D. Cuts and Fills: none necessary
- E. Gates, Cattleguards: none
- F. Right-of-Way: Existing Right-of-Way. Federal Right of Way will be utilized.

3. LOCATION OF EXISTING WELLS:

A. Existing wells are indicated on EXHIBIT B.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A If the well is productive, production, storage and measurement facilities will be constructed on the well pad.

1

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5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water for drilling operations will be purchased from a commercial water hauler.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. None necessary

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits. To be dug.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during test will be disposed of in the drilling pits. Oil produced during test will be stored in test tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of soil. All waste material will be contained to prevent scattering by the wind. The trash pit will be located adjacent to the mud pit.
- F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion of operations.

8. ANCILLARY FACILITIES:

A. None necessary

9. WELL SITE LAYOUT:

- A. The wellsite and 400' x 400' area have been surveyed and flagged.
- B. Dimensions and relative location of the drill pad, pit and equipment are shown on EXHIBIT C.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in an aesthetically pleasing condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the well is non-productive, the disturbed area will be rehabilitated to Federal Agency Requirements and will be accomplished as expeditiously as possible.

11 OTHER INFORMATION:

A. <u>Topography:</u> The regional terrain is a rolling alluvial plain sloping to the south. The access road is essentially level. The drillsite is essentially level. Slopes 3 degress to the South.

2

- B. Soil: The soil at the wellsite is sandy gravel.
- C. Flora and Fauna: Flora consists of sparse range grasses. No wildlife was observed. Fauna probably includes reptiles, rodents and various birds.
- D. Ponds or Streams: There are no ponds near the wellsite. The Pecos river is 6 miles to the west.
- E. Residences and Other Structures: There are no occupied dwellings within 6 miles.
- F. Archaeological, Historical and Other Cultural Sites: Southern New Mexico Archaeological Services of Bent, New Mexico has made a survey of the proposed new wellsite. They have recommended that construction work be approved.
- G. Land Use: The vicinity surrounding the wellsite is semi-arid rangeland, used primarily for grazing.
- H. Surface Ownership: The access road and wellsite are on Public Surface (BLM) within the lease boundary.

12. OPERATOR'S REPRESENTATIVE:

Representative responsible for assuring compliance with the approved Surface Use Plan:

Joe L. Tarver 2807 74th Street, Ste. 1 Lubbock, TX 79423 Ph: 806-795-2042

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; that the work associated with the operations proposed herein will be performed by JOE L. TARVER and it's sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date 8/29/05

66 L. Tarver

Location Plat

Rig Layout

Operator:
Joe Tarver

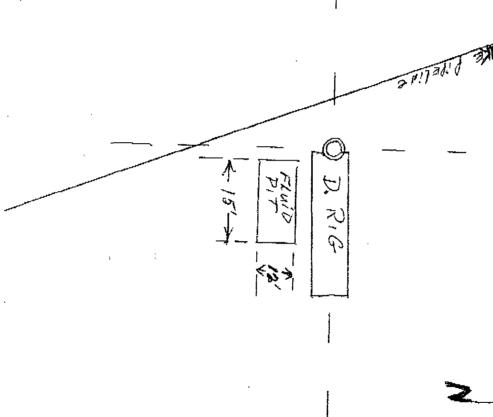


EXHIBIT -C

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

ROSWELL FIELD OFFICE 2909 West Second Street Roswell, New Mexico 88201

Statement Accepting Responsibility for Operations

Operator Name: ToE L, TARVENStreet or Box: 2807-74 B.T. $SUITE^{2}I$ 'City, State: $L_{I}Ubbock$, TXZip Code: 79423

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: L. C 028755 (A)

Legal Description of land: 5E/4 Sw/4, Sw/4 SE/4 Section 35 T175, R276-Eddy, Co. New Mexico

Formations(s) (if applicable): EMPIREYATES - TRIVERS

Bond Coverage: (State, Nationwide or Individual)

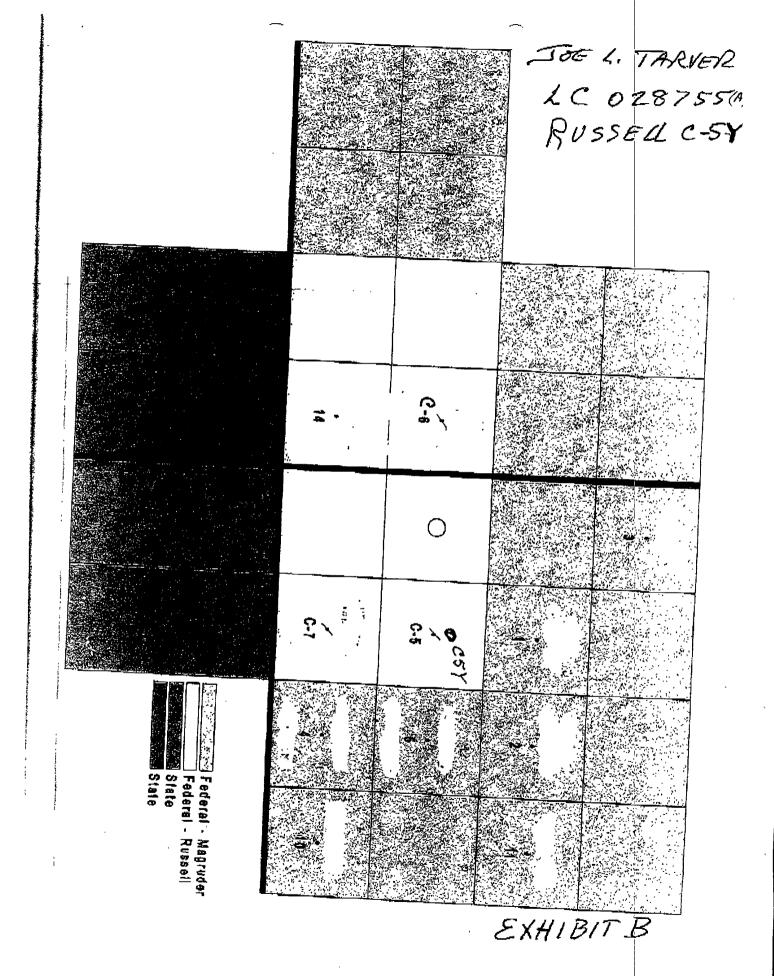
BLM Bond File No.: BOND AppROVED, CALL TENY FERRERD NMB000328 BLM - SANTAFE, NEW MEXICO Authorized Signature: TO TOWN

Date: 09-01-2005

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BUREAU OF LAND MANAG

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