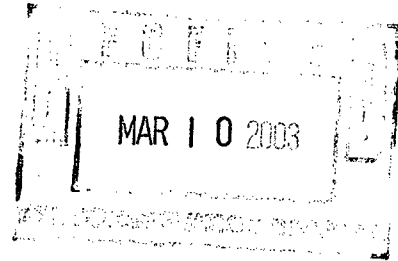


PKRV0307028689

NSL WVJ 3/30/03

RAMEY PETROLEUM CONSULTANTS, INC.

MEMORANDUM

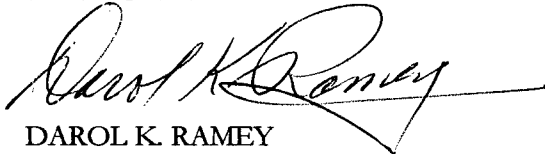


TO: MR. MIKE . STOGNER
FROM: DAROL K. RAMEY
SUBJECT: REQUEST FOR APPROVAL OF AN UNORTHODOX LOCATION
JAKE STATE #2 (API #30-015-21520)
DATE: MARCH 5, 2003

MR. STOGNER:

AS YOU CAN SEE WE SENT THE ENCLOSED LETTER AND REQUEST TO THE
WRONG ADDRESS.

YOUR HELP IN REVIEWING AND APPROVING OUR REQUEST WILL BE GREATLY
APPRECIATED.


DAROL K. RAMEY

RAMEY PETROLEUM CONSULTANTS, INC.

February 20, 2003

Re: Request for Approval of an Unorthodox Location
Rubicon Oil & Gas, LLC (194266)
Jake State #2 (API #30-015-21520)
Black River Morrow SW Pool
C, 36, 24S, 26E, Eddy County, New Mexico

K-04593

Mr. Mike E. Stogner
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

The subject well was originally drilled by Coquina Oil Corporation in 1975 and plugged and abandoned on January 15, 1976. Rubicon Oil & Gas, LLC is now the owner – operator of this 640 acre lease as regards to the rights below the Canyon zone. The subject well was drilled at a location 678' FNL & 2202' FWL of Section 36 (originally called 660' x 2180'). A creek bottom and water tank apparently forced movement from a standard location.

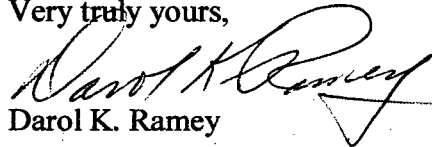
Rubicon Oil & Gas, LLC is proposing to re-enter this well-bore to attempt a completion in the Morrow Sands at 11,500'±. They plan to dedicate the N-1/2 of Section 36 as the drilling unit for this project. This well-bore is only 438' from the quarter (1/4) section line, and therefore unorthodox.

Rubicon Oil & Gas, LLC requests that this unorthodox location be approved so that this existing well-bore can be utilized for this project. We are attaching a copy of our Form C-101 and C-102 for this project.

Your consideration and approval will be greatly appreciated.

Thank you for your help. We have down loaded the current rules and have disposed of the "yellow book". Everything makes better sense now.

Very truly yours,



Darol K. Ramey

DKR/ncy
Attachments: a/s

DRILLING COMPLETION PRODUCTION

303 West Wall, Suite 1005 • Midland, Texas 79701-5112 • 915-687-1192 • FAX 915-685-4062

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

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-21520	Pool Code	Pool Name Black River Morrow SW
Property Code 30567	Property Name JAKE STATE	Well Number 2
OGRID No. 194266	Operator Name RUBICON OIL & GAS LLC	Elevation 3309'

Surface Location

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

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
------------------------	-----------------	--------------------	-----------

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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>[Signature]</i> Signature Darol K. Ramey Printed Name Agent Title February 21, 2003 Date</p>
<p><i>Note: The White City Perm. Prod. was never extended to include Sec. 36</i></p> <p><i>Unit Petr. Co. Jake State #1 1980'FS + 1980'FS + 1980'FS</i></p> <p><i>White City Perm. since 1975 last reported prod. was Jan. 2001</i></p> <p>JAKE STATE LEASE - 640 ac</p>	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>FEBRUARY 07, 2003</p> <p>Date Surveyed Signature & Seal of Professional Surveyor <i>[Signature]</i> 2/10/03 03.11.0159</p> <p>Certificate No. RONALD J. EIDSON 3239 GARY EIDSON 12641</p>

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

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

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Rubicon Oil & Gas, LLC 400 West Wall - Suite 1130 Midland, Texas 79701		² OGRID Number 194266
		³ API Number 30-015-21520
³ Property Code 30567	⁵ Property Name Jake State	⁶ Well No. 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	36	24-S	26-E		678	North	2202	West	Eddy

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

⁹ Proposed Pool 1

Black River Morrow SW

¹⁰ Proposed Pool 2

¹¹ Work Type Code E	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3358'
¹⁶ Multiple No	¹⁷ Proposed Depth 11,650'	¹⁸ Formation Morrow	¹⁹ Contractor N/A	²⁰ Spud Date 3-10-03

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	61#	605'	500 Lite, 200"C	Circulated)
12-1/4"	9-5/8"	43.5#	8295'	1000 Lite, 200"C	5000') in
8-1/2"	7-5/8" Liner	29.05#	8029' to 10,633'	385 "H"	8029') place
6-1/2"	5-1/2"	17#	11650'	750 Sx	6000'

²² 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. This well was originally drilled by Coquina Oil Corp. in 1975. It was P&A on 1-15-76. Surface, intermediate and drilling liner were set and cemented as indicated above. Records indicate no casing was pulled. We plan to install 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'± and cement back to 6000'±. 5000# BOP will be installed and tested to 5000# by third party before drilling any plugs. BOP equipment will be no less than 5000# and include a double ram BOP and annular. 5-1/2" casing will be set and cemented as per Rule 107. BOP equipment will be installed and maintained as per Rule 109. We will attempt a completion in the Morrow Sands.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: Darol K. Ramey

Title: Agent

Date: 2-21-03

Phone: 915/687-1192

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

RAMEY PETROLEUM CONSULTANTS, INC.

February 20, 2003

Re: Request to Change Proration Unit
Rubicon Oil & Gas, LLC (194266)
Jake State #3 (API #30-015-32340)
Black River Morrow SW Pool
K, 36, 24S, 26E, Eddy County, New Mexico

Mr. Bryan Arrant
Oil Conservation Division
1301 West Grand Avenue
Artesia, New Mexico 88210

Dear Mr. Arrant:

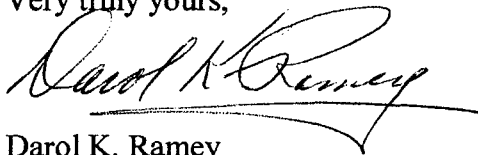
Thank you for putting me in touch with Mr. Stogner. I found I was looking at an old rule book. Also, I did not have a copy of what Unit Petroleum had filed on this well before Rubicon Oil & Gas, LLC took the well over and deepened it from the White City Penn Pool to the Black River Morrow SW Pool.

Apparently Unit Petroleum had designated the W-1/2 of Section 36 as the drilling unit for the subject well. We failed to file a Form C-102 to designate our preference for a proration unit when we filed the C-105 and C-104.

Rubicon Oil & Gas, LLC requests that the proration unit for the subject well be changed to be the S-1/2 of Section 36, as shown on the attached Amended Form C-102. This will permit them to designate the N-1/2 as the Drilling Unit for the Jake State No. 2 which is an existing well-bore that they will propose to re-enter.

Thank you. If you need more information please call me, 915/687-1192.

Very truly yours,



Darol K. Ramey

DKR/ncy
Attachment: a/s

bcc - Mike Stogner - OED Santa Fe

DRILLING COMPLETION PRODUCTION

303 West Wall, Suite 1005 • Midland, Texas 79701-5112 • 915-687-1192 • FAX 915-685-4062

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 August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-32340	² Pool Code 72170	³ Pool Name Black River Morrow SW
⁴ Property Code 30567	⁵ Property Name Jake State	⁶ Well Number 3
⁷ OGRID No. 194266	⁸ Operator Name Rubicon Oil & Gas, LLC	⁹ Elevation GR - 3358'

¹⁰ Surface Location

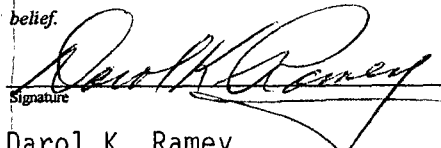
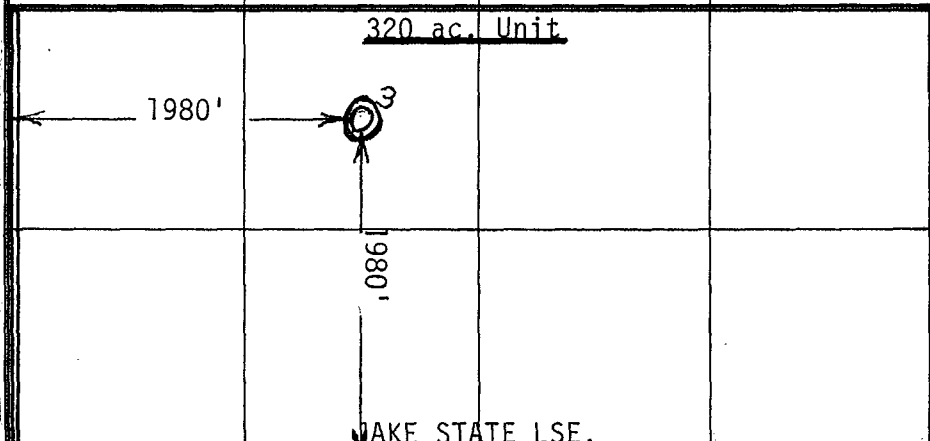
UL or lot no. K	Section 36	Township 24S	Range 26E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1980	East/West line West	County Eddy
--------------------	---------------	-----------------	--------------	---------	-----------------------	---------------------------	-----------------------	------------------------	----------------

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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 RUBICON OIL & GAS, LLC 640 acs.	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Darol K. Ramey Printed Name Agent Title 2-20-03 Date
	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