

OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

APPLICATION OF CORKRAN ENERGY,
LP TO AMEND DIVISION ORDER NO.
R-12,702 FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

Case No. 13,574

AFFIDAVIT OF VAN RODGERS

Van Rodgers, being duly sworn upon his oath, deposes and states:

1. I am a landman for Corkran Energy, LP, and have personal knowledge of the matters stated herein.
2. The Renata 16 State Well No. 1 was originally to be located at 660 feet from the north and east lines of Section 16, Township 23 South, Range 24 East, N.M.P.M. A copy of the Application for Permit to Drill is attached as Exhibit A.
3. The well's location was changed by Sundry Notice, attached hereto as Exhibit B. The location was moved in compliance of a request from the Bureau of Land Management due to topography at the well site. The location remains orthodox.


Van Rodgers

ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

SUBSCRIBED AND SWORN TO before me this 22 day of August, 2007 by Van Rodgers.

My Commission Expires: March 21, 2011


Notary Public



Oil Conservation Division
Case No. 1
Exhibit No. 1

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

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

1. Operator Name and Address PRESTON EXPLORATION, LLC P.O. BOX 7520 THE WOODLANDS, TX 77387		2. OGRID Number 212226
		3. API Number 30-015-35029
4. Property Code 35873	5. Property Name RENATA 16 STATE	6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	16	23S	24E	A	660	N	660	E	EDDY

8. Pool Information

WC: MISSISSIPPIAN GAS	97338
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Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4065
14. Multiple N	15. Proposed Depth 10800	16. Formation Chester	17. Contractor	18. Spud Date 8/15/2006
Depth to Ground water 175		Distance from nearest fresh water well 300		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 miles thick Clay <input type="checkbox"/> Pit Volume: 2000 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	43	700	450	0
Int1	12.25	8.625	24	2600	900	0
Prod	7.875	5.5	17	10800	850	6500

Casing/Cement Program: Additional Comments

Mud Program: 0'-400' Mud Wt. 8.4-8.6, Viscosity 34-36, FL N/C, PH N/C; 400'-2600' Mud Wt. 8.4-8.5, Vis. 29, FL N/C, PH 9-10; 2600'-8200' Mud Wt. 9.0-9.5, Vis. 28-29, FL N/C, PH 9-10; 8200'-10800' Mud Wt. 9.0-9.5, Vis. 34-36, FL 6-10, PH 9-10.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	3000	3000	

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 an (attached) alternative OCD-approved plan ☐.

Printed Name: Electronically filed by Ronald Gentzler

Title: General Manager

Email Address: rgentzler@prestonexpl.com

Date: 7/25/2006

Phone: 281-367-8697

OIL CONSERVATION DIVISION

Approved By: Bryan Arrant

Title: Geologist

Approved Date: 7/26/2006

Expiration Date: 7/26/2007

Conditions of Approval Attached

EXHIBIT

A

District I

1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico**Energy, Minerals and Natural Resources****Oil Conservation Division****1220 S. St Francis Dr.****Santa Fe, NM 87505**

Form C-103
 Permit 32776

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-35029	2. Pool Code 97338	3. Pool Name WC: MISSISSIPPIAN GAS
4. Property Code 35873	5. Property Name RENATA 16 STATE	6. Well No. 001
7. GRID No. 212226	8. Operator Name PRESTON EXPLORATION, LLC	9. Elevation 4065

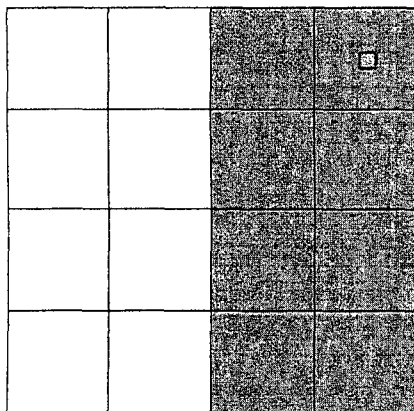
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	16	23S	24E		660	N	660	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00	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

**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(s) 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 entered by the division.

E-Signed By: Ronald Gentzler

Title: General Manager

Date: 7/25/2006

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.

Surveyed By: Gary Eidson

Date of Survey: 6/23/2006

Certificate Number: 12641

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO.	30-015-35029
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Renata State Com 16 1	
8. Well Number #1	
9. OGRID Number	243452
10. Pool name or Wildcat	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐ JUN 28 2007

2. Name of Operator
Corkran Energy, LLP

3. Address of Operator
2219 Westlake Drive Ste 120 Austin, TX 78746

4. Well Location
Unit Letter A: 660 feet from the North line and 910 feet from the East line
Section A Township 23S Range 24E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4084'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Change the well footages from 660' FNL & 860' FEL to 660' FNL & 910' FEL

EXHIBIT **B**

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Angela Lightner TITLE _____ Consultant _____ DATE 6-27-2007

Type or print name **BRYAN G. ARRANT** E-mail address: angela@rkford.com Telephone No. 432-682-0440
For State Use Only DISTRICT II GEOLOGIST

APPROVED BY: _____ TITLE _____ DATE **JUL 06 2007**

Conditions of Approval (if any):

1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-35029	Pool Code	Pool Name
Property Code	Property Name RENATA STATE "16"	Well Number 1
OGRID No. 243452	Operator Name CORKRAN ENERGY, LP	Elevation 4084'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	16	23-S	24-E		660	NORTH	910	EAST	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
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Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

<div style="text-align: center;"> </div> <div style="text-align: center; margin-top: 20px;"> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=476288.5 N X=449355.1 E</p> <p>LAT.=32.509327° N LONG.=104.497259° W</p> </div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><u>Angela Lightner 1-27-07</u> Signature Date</p> <p><u>Angela Lightner</u> Printed Name</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p align="center">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p align="right">JANUARY 2, 2007</p> <p>Date Surveyed JR</p> <p>Signature & Seal of Professional Surveyor</p> <div style="text-align: center;"> </div> <p>Certificate No. GARY-EDSON 12641 CHAD HARCROW 17777</p> </div>
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