

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 TORCH ENERGY SERVICES, INC. 1221 LAMAR SUITE 1175 HOUSTON, TX 77010		2. OGRID Number 241401
		3. API Number 30-025-38270
4. Property Code 302966	5. Property Name COOPER JAL UNIT	6. Well No. 508

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	18	24S	37E	H	2546	N	1238	E	LEA

8. Pool Information

JALMAT;TAN-YATES-7 RVRS (OIL)	33820
LANGLIE MATTIX;7 RVRS-Q-GRAYBURG	37240

Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3297
14. Multiple Y	15. Proposed Depth 3730	16. Formation Queen	17. Contractor	18. Spud Date 1/12/2007
Depth to Ground water 120		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 20 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 10730 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" 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	12.25	8.625	24	400	250	0
Prod	7.875	5.5	15.5	3730	1000	0

Casing/Cement Program: Additional Comments

Cementing Program: Surface Casing- 250 sacks Class "C" with 2% CaCl₂ (14.8 ppg, 1.32 cf/sk, 6.31 gw/sk) Production Casing- 650 sacks 35/65 Poz "H" w/ 6% gel, 5% salt, 1/4 lb/sk floccle (12.8 ppg, 1.94 cf/sk, 10.4 gw/sk) + 350 sacks Class "H" (15.6 ppg, 1.18 cf/sk, 5.2 gw/sk)

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
DoubleRam	3000	3000	Cameron

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 ☐.

Print Name: Electronically filed by Randy Ziebarth

Title: VP

Email Address: ziebarthr@teai.com

Date: 1/4/2007

Phone: 713-756-1620

OIL CONSERVATION DIVISION

Approved By: Chris Williams

Title: District Supervisor

Approved Date: 2/1/2007

Expiration Date: 2/1/2008

Conditions of Approval Attached

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

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Form C-102
 Permit 44237

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-38270	2. Pool Code 33820	3. Pool Name JALMAT,TAN-YATES-7 RVRS (OIL)
4. Property Code 302966	5. Property Name COOPER JAL UNIT	6. Well No. 508
7. OGRID No. 241401	8. Operator Name TORCH ENERGY SERVICES, INC.	9. Elevation 3297

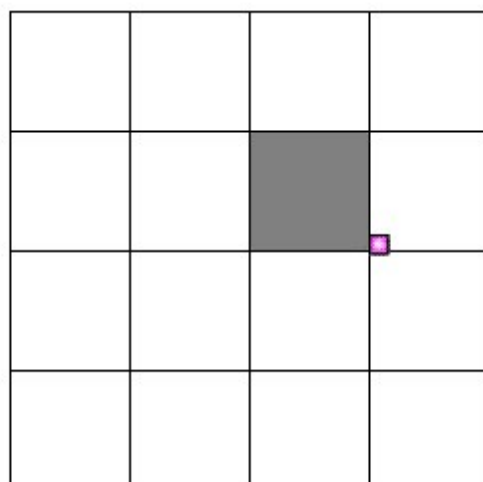
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.23	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: Randy Ziebarth
 Title: VP
 Date: 1/4/2007

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: John Piper
 Date of Survey: 9/21/2006
 Certificate Number: 7254

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Form C-102
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-38270	2. Pool Code 37240	3. Pool Name LANGLIE MATTIX,7 RVRS-Q-GRAYBURG
4. Property Code 302966	5. Property Name COOPER JAL UNIT	6. Well No. 508
7. OGRID No. 241401	8. Operator Name TORCH ENERGY SERVICES, INC.	9. Elevation 3297

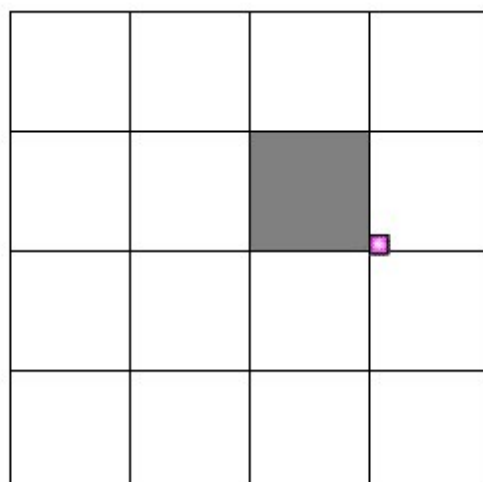
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Permit Comments

Operator: TORCH ENERGY SERVICES, INC. , 241401

Well: COOPER JAL UNIT #508

API: 30-025-38270

Created By	Comment	Comment Date
MREYES	A request to downhole commingle the Jalmat & Langlie Mattix Pools will be filed later.	1/4/2007
MREYES	A copy of C-102 plat was sent to Donna Mull via e-mail attachment due to a problem on the website.	1/4/2007
CWILLIAMS	See conditions of approval.	2/1/2007

Permit Conditions of Approval

Operator: TORCH ENERGY SERVICES, INC. , 241401

Well: COOPER JAL UNIT #508

API: 30-025-38270

OCD Reviewer	Condition
CWILLIAMS	Will require administrative order for non-standard location
CWILLIAMS	Must have NSL and DHC approval before the well can be produced.