

**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 READ & STEVENS INC P. O. Box 1518 Roswell, NM 88202		2. OGRID Number 18917
4. Property Code 9547		3. API Number 30-015-38456
5. Property Name MARBOB STATE		6. Well No. 006H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	19	19S	29E	H	1700	N	475	E	EDDY

**8. Pool Information**

SCANLON DRAW;BONE SPRING	55510
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**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3354
14. Multiple N	15. Proposed Depth 12250	16. Formation Bone Spring	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls thick    Clay <input type="checkbox"/> Pit Volume:      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	17.5	13.375	48	350	395	0
Int1	12.25	9.625	40	2500	1000	0
Prod	8.75	5.5	17	12250	2100	1000

**Casing/Cement Program: Additional Comments**

Drill 8 3/4" pilot hole to 9000' and log. Set Class H cmt plug from 8200' to 7200. Kick off with 8 3/4" lateral at 7500'. Run 5 1/2" production casing and cement to 1000'.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	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 <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Electronically filed by David Luna	Approved By: Randy Dade	
Title: Operations Mgr.	Title: District Supervisor	
Email Address: dluna@read-stevens.com	Approved Date: 2/10/2011	Expiration Date: 2/10/2013
Date: 2/9/2011	Phone: 575-622-3770	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

**State of New Mexico**  
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**1220 S. St Francis Dr.**  
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Form C-102  
Permit 126579

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-38456	2. Pool Code 55510	3. Pool Name SCANLON DRAW;BONE SPRING
4. Property Code 9547	5. Property Name MARBOB STATE	6. Well No. 006H
7. OGRID No. 18917	8. Operator Name READ & STEVENS INC	9. Elevation 3354

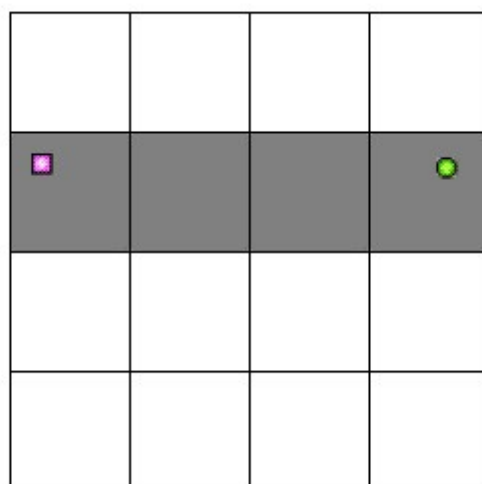
**10. Surface Location**

UL - Lot H	Section 19	Township 19S	Range 29E	Lot Idn	Feet From 1700	N/S Line N	Feet From 475	E/W Line E	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot E	Section 19	Township 19S	Range 29E	Lot Idn 2	Feet From 1650	N/S Line N	Feet From 330	E/W Line W	County EDDY
12. Dedicated Acres 152.61		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: David Luna  
Title: Operations Mgr.  
Date: 2/9/2011

**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: Ronald Eidson  
Date of Survey: 2/4/2011  
Certificate Number: 3239

## Permit Comments

**Operator:** READ & STEVENS INC , 18917

**Well:** MARBOB STATE #006H

**API:** 30-015-38456

Created By	Comment	Comment Date
dluna	H2S Contingency Plan and C144-CLEZ will be sent to local OCD office.	1/31/2011
Artesia	Land S/S	2/9/2011

# Permit Conditions of Approval

**Operator:** READ & STEVENS INC , 18917

**Well:** MARBOB STATE #006H

**API:** 30-015-38456

OCD Reviewer	Condition
Artesia	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string