District I
1625 N French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

### State of New Mexico

Form C-101 Revised July 18, 2013

## **Energy Minerals and Natural Resources**

Oil Conservation Division

☐AMENDED REPORT

1220 South St. Francis Dr. Santa Fe, NM 87505

Phone: (505) 476-346	60 Fax: (505)	476-3462					Santa	110,1	4141	07505						
APPLIC	ATIO	N FO	R PE	RMIT Toerator Name	O DI	RILL	RE-EN	TER	k, D	EEPEN	, PL	UGBAC		OR A		A ZONE
			o j	orator I tarre	una / tac	2000					2	56073		COLINID I	, unito	
J R Oil, Ltd		РО Во	ox 29	75, Hobl	os, Ni	M 882	41				3	0-025-10	002	3 API Nu 5	mber	
330381	Code		EA	Sticher			Property N	ame					$\overline{}$	3	° We	ell No.
				0		7. Si	urface Lo	cation	ı.							
UL - Lot	Section	Townshi	37	Range E	Lo	ot ldn	Feet fro	om	S	N/S Line	2,08	eet From	V	E/W Lin	ne	County
					8. ]	Propos	ed Botton	n Hole	Loc	ation	_					
UL - Lot	Section	Townshi	Р	Range	La	ot Idn	Feet fro	om	ì	N/S Line	F	eet From		E/W Lin	ie	County
						9. <b>P</b>	ool Inform	nation			-					
SW Eunice,	San An	dres				Poo	l Name									Pool Code 24180
					A	dditior	nal Well I	nform	atio	1						
A Work		0		Well Type			13 Cable/Re			Р	14 Leas	е Туре		3,436	3'	and Level Elevation
No 16 Multi		3,8		roposed Depth 3,888'		San	Andres	tion			19 Contractor			<sup>20</sup> Spud Date		
Depth to Ground	water			Dista	ance fron	n nearest	fresh water	well				Distanc	e to r	nearest su	rface	water
₩e will be ι	ising a cl	osed-lo	p syst			_		C	-4 D							
Type	Hole	Siza	Coo				asing and					Sacks of	Com.	t		Estimated TOC
Surface	17-1/		13-3	sing Size	48	asing W	eignvit	301	Settii	ng Depth	3	Sacks of	Cen	nent	cir	Estimated TOC
Intermediat	e 12-	-1/4	9-5/8	3	36						1,300		1,4	130		
Production	8-3/4		7		23			6,47	'0'		7	00			2,5	560'
				Casin	ng/Cen	nent Pr	rogram: A	Additio	nal	Comme	its					
				22.	Propo	sed Blo	owout Pro	eventi	on P	rogram						
	Type				Working	g Pressure	е			Test Pr	essure				Ma	nufacturer
<sup>23.</sup> I hereby certi best of my know	ledge and	belief.				_				OII	. CON	ISERVA	TIO	ON DI	VISI	ON
I further certify 19.15.14.9 (B) N Signature:					9 (A) N	MAC _	and/or	Appro		autz						
Printed name:	an Pete	ersen	7					Title		0						
Title: Engine								Appro	ved I	Date: 06	5/28/	2023	Expi	ration Da	ate:	06/28/2025
E-mail Address:	ian@d	dpetr	o.con	n												
Date: June 2				hone: (432	) 634	-4922		Condi	tions	of Approva	l Attach	ed				
													_		_	

I. Operator: J R Oil Ltd, Co.

### State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Date: 05 / 19 / 2023

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

### NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

### Section 1 – Plan Description Effective May 25, 2021

OGRID: 256073

II. Type: ☑ Original □	☐ Amendment	due to □ 19.15.27.9	.D(6)(a) NMA	C □ 19.15.27.9.D(	(6)(b) NMAC	☐ Other.	
If Other, please describe	»:						
III. Well(s): Provide the be recompleted from a s					wells propose	d to be dr	illed or proposed to
Well Name	API	API ULSTR		Anticipated Oil BBL/D	Anticipate Gas MCF/		Anticipated Produced Water BBL/D
E A Sticher #3	30-025-10025	N-4-22S-37E 554'	FSL, 2,086' FW	/L 8	200	200	
V. Anticipated Schedu proposed to be recomple Well Name					. Init	rells proposate fall Flow ck Date	First Production Date
E A Sticher #3	30-025-10025		Bute	6-1-2023	6-3-20		6-5-2023
VI. Separation Equipm VII. Operational Prac Subsection A through F VIII. Best Management during active and planner	tices: ☑ Attac of 19.15.27.8 I	h a complete descrip NMAC.	otion of the ac	tions Operator wil	l take to com	ply with 1	the requirements of

## Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

🗓 Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

### IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

### X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. $\square$ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the
production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of
the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural	gas gathering system $\square$	] will □ will not h	nave capacity to gathe	er 100% of the anticipated	l natural gas
production volume from the well	prior to the date of first p	production.			

XIII. Line Pressure. Operator $\square$ does $\square$ does not anticipate that its existing well(s) connected to the same segment, or portion, of	f the
natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well	(s).

$\neg$	A 441- (	O + ,	1	4	14:	:	4-41:	sed line pressi	
- 1	Attach (	Unerator'	s man	to manage	production	in response	to the increa	sea iine pressi	ıre

XIV. Confidentiality:   Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided	in
Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific informati	on
for which confidentiality is asserted and the basis for such assertion.	

(h)

(i)

# Section 3 - Certifications <u>Effective May 25, 2021</u>

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: Departor will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system: or ☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following: Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or Venting and Flaring Plan. 

Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including: power generation on lease; (a) **(b)** power generation for grid; compression on lease; (c) (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage; **(g)** reinjection for enhanced oil recovery;

## **Section 4 - Notices**

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

other alternative beneficial uses approved by the division.

fuel cell production; and

- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:
Printed Name: Ian Petersen
Title: Engineer
E-mail Address: ian@ddpetro.com
Date: May 19, 2023
Phone: (432) 634-4922
OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

### Natural Gas Management Plan – Attachment

- VI. Separation equipment will be sized by engineering staff based on stated manufacturer daily throughput capacities and anticipated daily production rates to ensure adequate capacity.
- VII. J R Oil will take the following actions to comply with regulations listed in 19.15.27.8:
  - A. J R Oil will maximize the recovery of natural gas by minimizing waste, as defined by 19.15.2 NMAC, of natural gas through venting and flaring. J R Oil will ensure that well(s) will be connected to a natural gas gathering system with sufficient capacity to transport natural gas. If there is no adequate takeaway the gas well(s) will be shut in until the natural gas gathering system is available.
  - B. There will be no drilling operations.
  - C. During completion operations any natural gas brought to surface will be vented. Immediately following the finish of completion operations all well flow will be directed to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. It is not anticipated that gas will not meet pipeline standards. However if natural gas does not meet gathering pipelines quality specifications the gas well(s) will be shut in until pipeline specifications are met.
  - D. During production operations J R Oil will not vent or flare natural gas. If there is no adequate takeaway for the separator gas well(s) will be shut in until the natural gas gathering system is available with the exception of emergency of malfunction situations.
  - E. J R Oil will comply with the performance standards requirements and provisions listed in 19.15.27.8 E (1) through (8). All equipment will be designed to handle maximum anticipated pressures and throughputs in order to minimize waste. Production storage tanks were constructed before May 25, 2021. Flares have not been constructed on this location. All emergencies will be resolved as quickly and safely as feasible to minimize waste.
  - F. The volume of natural gas that is vented as the result of malfunction or emergency will be estimated.
- VIII. For maintenance activities involving production equipment, venting will be limited to the depressurization of the subject equipment to ensure safe working conditions. For maintenance of production equipment the associated producing wells will be shut in to eliminate venting.

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Phone: (505) 476-3460 Fax: (505) 476-3462

# 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 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PL	WELL	LOCATION	AND ACREA	GE DEDICA	TION PLAT
---	------	----------	-----------	-----------	-----------

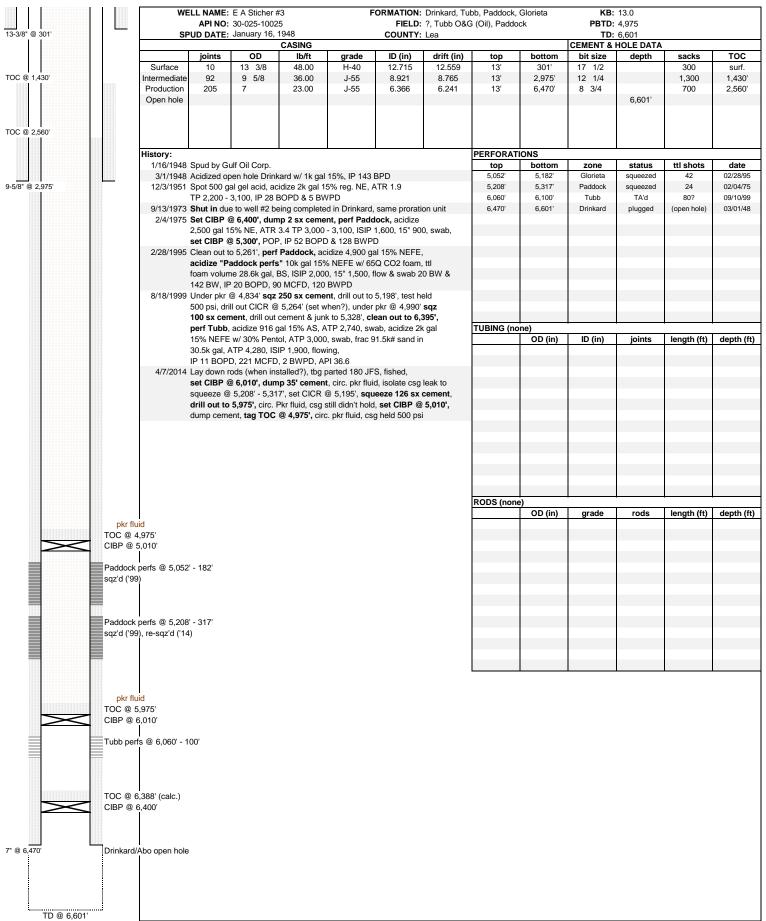
	API Number	r		<sup>2</sup> Pool Code				<sup>3</sup> Pool Na	me			
30-025-10	025		24180		SW	Eunice, S	san A	Andres				
330381		E A Stiche	er		<sup>5</sup> Property	roperty Name 6 Well Nu						
<sup>7</sup> OGRID No. 256073 J R Oil Ltd, Co.							3,436'	<sup>9</sup> Elevation				
					<sup>10</sup> Surface	Location						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/S	uth line	Feet from the		East/West line		County
N	4	228	37E		554	S		2,086	W		Lea	
			11 Bott	tom Ho	le Location It	Differen	t Fro	m Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/S	outh line	Feet from the		East/West line		County
12 Dedicated Acre	s Joint o	r Infill 14 Cor	solidation C	ode 15 Or	der 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.

tii	- N			"OPERATOR CERTIFICATION
				f 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 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
				May 19, 2023
				Signature Date
				lan Petersen
				Printed Name
				ian@ddpetro.com
				E-mail Address
			i i	
				*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.
				June 15 to the carrier control and control of the
			5,	Date of Survey
				Signature and Seal of Professional Surveyor:
	2,086'			
		554'		
				Certificate Number
		V		

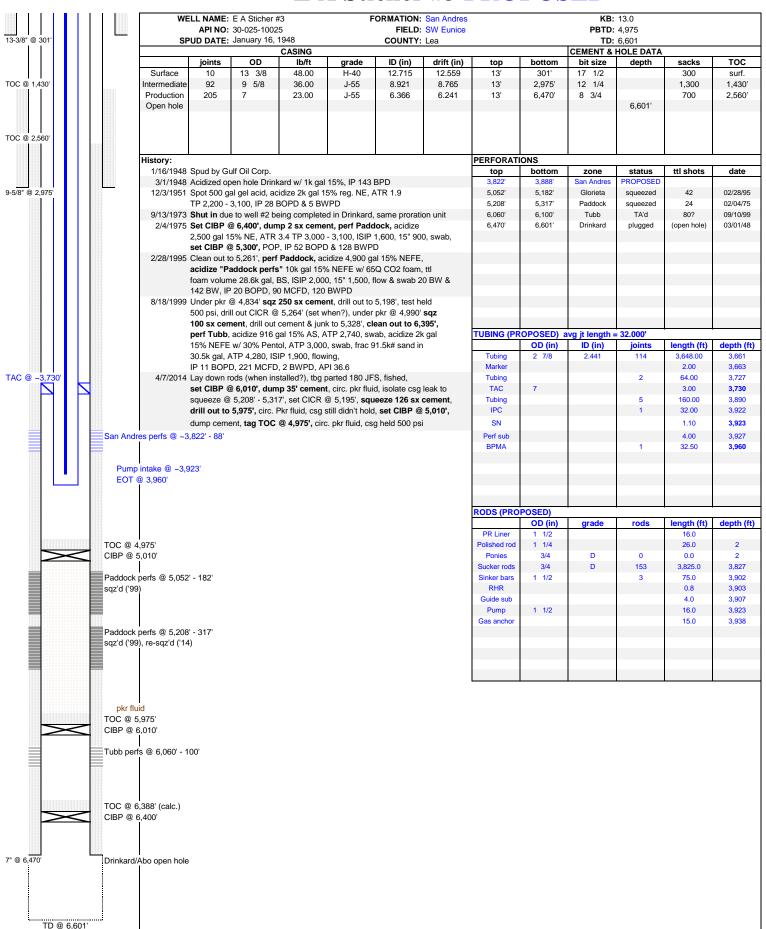
## JR Oil Ltd.

# E A Sticher #3



## JR Oil Ltd.

# E A Sticher #3 PROPOSED



TO: NMOCD, Hobbs District

FROM: Ian Petersen

(432) 634-4922

SUBJECT: E A Sticher #3 (30-025-10025)

DATE: May 19, 2023

No drilling will occur with this recompletion. The new pool will be completed by perforating & acidizing existing casing.

TO: NMOCD, Hobbs District

FROM: Ian Petersen

(432) 634-4922

SUBJECT: E A Sticher #3 (30-025-10025)

DATE: May 19, 2023

The formation tops correlated by J R Oil in the subject well are as follows:

 Queen
 3,336'

 Grayburg
 3,603'

 San Andres
 3,825'

 Glorieta
 5,053'

 Blinebry
 5,514'

TO: NMOCD, Hobbs District

FROM: Ian Petersen

(432) 634-4922

SUBJECT: E A Sticher #3 (30-025-10025)

DATE: May 19, 2023

The BOP will consist of a double-ram, manual 3k type.

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

CONDITIONS

Action 233818

### **CONDITIONS**

Operator:	OGRID:
J R OIL, LTD. CO.	256073
P.O. Box 52647	Action Number:
Tulsa, OK 74152	233818
	Action Type:
	[C-101] Drilling Non-Federal/Indian (APD)

#### CONDITIONS

Created By		Condition Date
pkautz	None	6/28/2023