

Sec : 02 Twp : 18S Rng : 28E Section Type : NORMAL

<p>4 40.17 CS E01285 0011 HANSON-MCBRIDE PE C U 04/10/57 A</p>	<p>3 40.13 CS E06946 0003 JERRY CURTIS & RA C U 02/10/63 A</p>	<p>2 40.08 CS B08814 0025 MARATHON OIL COMP C U 12/12/99 A A</p>	<p>1 40.02 CS E01285 0011 HANSON-MCBRIDE PE C 04/10/57</p>
<p>E 40.00 CS E01285 0008 DEKALB ENERGY C U 04/10/57 A A A</p>	<p>F 40.00 CS E01285 0001 E JEFFERS C 04/10/57 A</p>	<p>G 40.00 CS E01285 0001 E JEFFERS C 04/10/57 A</p>	<p>H 40.00 CS E01285 0012 OLEN F FEATHERSTO C 04/10/57</p>
<p>L 40.00 CS E01285 0008 DEKALB ENERGY U 04/10/57 A</p>	<p>K 40.00 CS B07071 0004 E JEFFERS 06/10/47 A A</p>	<p>J 40.00 CS B07071 0004 E JEFFERS 06/10/47 A</p>	<p>I 40.00 CS E01285 0012 OLEN F FEATHERSTO 04/10/57 A A</p>
<p>M 40.00 CS B07071 0015 FEATHERSTONE DEVE U 06/10/47 A</p>	<p>N 40.00 CS E06946 0003 JERRY CURTIS & RA U 02/10/63 A</p>	<p>O 40.00 CS E01285 0012 OLEN F FEATHERSTO 04/10/57 A</p>	<p>P 40.00 CS B08814 0021 MARK D WILSON 09/10/50 P</p>

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103

March 4, 2004

WELL API NO.

30-15-24655

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

B-8814-19

7. Lease Name or Unit Agreement Name

Two Forks State

8. Well Number

1

9. OGRID Number

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

RECEIVED

2. Name of Operator

Brothers Production Company Inc.

MAY 28 2004

3. Address of Operator

P.O. Box 7515, Midland, TX 79708

OCD-ARTESIA

4. Well Location

Unit Letter _____: 660 feet from the North line and 2090 feet from the East line

Section 2

Township 18S Range 28E

NMPM

County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
GR 3646

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL _____ Sect _____ Twp _____ Rng _____ Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____

Distance from nearest surface water _____ Below-grade Tank Location UL _____ Sect _____ Twp _____ Rng _____;

_____ feet from the _____ line and _____ feet from the _____ line

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 COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND 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.

5/3/04 Perforate 10680-84', 4 JSPF 0° phase w/ 1 11/16" predictor strip gun.
No change in rate or pressure.

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 NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Scott McGraw TITLE Operations Manager DATE 5/24/04

Type or print name Scott McGraw

E-mail address:

Telephone No. (432) 682-2516

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 87210
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
Revised March 25, 1999

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

WELL API NO. 30-15-24655
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-8814-19
7. Lease Name or Unit Agreement Name: Two Forks State
8. Well No. 1
9. Pool name or Wildcat Empire South Morrow

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	RECEIVED
2. Name of Operator Brothers Production Company Inc.	APR 26 2004
3. Address of Operator P.O. Box 7515, Midland, TX 79708	OEB-ARTESIA
4. Well Location Unit Letter _____ : 660 feet from the North line and 2090 feet from the East line Section 2 Township 18S Range 28E NMPM County Eddy	
10. Elevation (Show whether DR, RKB, RT, GR, etc.) GR 3646	

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

12. 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 recompilation.

Add Morrow perms 10680'-84' to existing perms 10704'-10'.

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

SIGNATURE Scott McGraw TITLE Operations Manager DATE 4-23-04

Type or print name Scott McGraw

Telephone No. 432-682-2516

(This space for State use)

APPROVED BY [Signature] TITLE District Supervisor

DATE APR 29 2004

Conditions of approval, if any:

INCLINATION REPORT COSTA RESOURCES TWO FORKS STATE NO.1

DEPTH FEET	FEET BETWEEN SURVEY	INCLINATION DEGREES	HORIZONTAL DRIFT PER 100 FEET	TOTAL DRIFT IN FEET
340	340	3/4	1.31	4.45
520	180	1/2	1.75	3.15
933	413	3/4	3.49	14.41
1050	117	3/4	3.05	3.57
1216	166	3/4	3.05	5.06
1340	124	1/2	2.62	3.25
1558	218	1/4	2.18	4.75
1932	374	1/4	2.18	8.15
2341	409	2	3.49	14.27
2515	174	1/2	2.62	4.56
2652	137	1/4	3.05	4.18
2808	156	1/2	2.62	4.09
2900	92	1	1.75	1.61
3375	475	1	1.75	8.31
3960	585	1	1.75	10.24
4435	475	1	1.75	8.31
4885	450	1	1.31	5.90
5241	356	1/4	2.18	7.76
5350	108	1/4	3.05	2.38
5490	140	1/4	3.05	4.27
5709	219	2 1/4	3.93	8.47
5908	199	2 1/4	3.93	7.82
6053	145	2 1/2	4.36	6.32
6300	247	3 1/2	5.23	12.92
6428	128	3 1/2	6.10	7.81
6522	94	3 1/2	6.10	5.73
6640	118	4	6.98	8.24
6745	105	3 3/4	6.54	6.87
6890	145	3 1/2	6.10	8.85
7050	160	4	6.98	11.17
7238	188	4 1/4	7.41	13.93
7428	190	4 1/4	7.41	14.08
7540	112	4	6.98	7.82
7736	196	2 1/2	4.36	8.35
7863	127	2 3/4	4.80	6.10
7945	82	4	6.98	5.72
8104	159	3 3/4	6.54	10.40
8270	166	3	5.23	8.68
8410	140	3	5.23	7.32
8633	223	3	5.23	11.66
8910	277	3	5.23	14.49
9401	481	2 1/2	4.36	22.58
9697	296	1	1.75	5.18
9770	73	3/4	1.31	.96
10,233	463	1/2	.87	4.03
10,760	527	1/4	.44	2.32
10,935	175	1	1.75	3.06

353.95

RECEIVED BY
FEB 29 1984
O. C. D.
ARMSA OFFICE

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

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JAN - 11 1992

O. C. D.
ARTESIA OFFICE

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

I.

Operator <u>Brothers Production Company, Inc. ✓</u>		
Address <u>P.O. Box 7515, Midland, TX 79708</u>		
Reason(s) for filing (Check proper box)		Other (Please explain)
<input type="checkbox"/> New Well	Change in Transporter of:	<u>Change of Operator</u> <u>Effective 1/1/92</u>
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Oil <input type="checkbox"/> Dry Gas	
<input checked="" type="checkbox"/> Change in Ownership	<input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate	

If change of ownership give name and address of previous owner Brothers Production Company, P.O. Box 7515, Midland, TX 79708

II. DESCRIPTION OF WELL AND LEASE

Lease Name <u>Two Forks State</u>	Well No. <u>1</u>	Pool Name, including Formation <u>Empire (South Morrow)</u>	Kind of Lease <u>State</u> Federal or Fee	Lease No. <u>B-8814-19</u>
Location				
Unit Letter <u>B</u> : <u>660</u> Feet From The <u>North</u> Line and <u>2090</u> Feet From The <u>East</u>				
Line of Section <u>2</u> Township <u>18 S</u> Range <u>38 E</u> . NMPM, <u>Eddy</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
<u>Navajo Refining Co</u>	<u>P.O. Box 159, Artesia, NM 88210</u>
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
<u>Maple Gas Corp</u>	<u>3801 East Florida Ave, Ste. 900, Denver, CO 80210</u>
If well produces oil or liquids, give location of tanks.	is gas actually connected? When
Unit <u>B</u> Sec. <u>2</u> Twp. <u>18 S</u> Rgs. <u>38 E</u>	<u>Yes</u> <u>4/25/84</u>

If this production is commingled with that from any other lease or pool, give commingling order number: _____

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

Janis McQuinn
(Signature)

Geologist
(Title)

1/10/92
(Date)

OIL CONSERVATION DIVISION

APPROVED _____, 19____
BY _____
TITLE _____

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

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ENERGY AND MINERALS DEPARTMENT

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PRODUCTION OFFICE	<input type="checkbox"/>

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

O.
ARTESIA, OFFICEForm C-104
Revised 10-01-78
Format 05-01-83
Page 1REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I.

Operator Brothers Production Company ✓	
Address P.O. Box 7515 Midland, Texas 79708	
Reason(s) for filing (Check proper box)	Other (Please explain)
<input type="checkbox"/> New Well <input type="checkbox"/> Recompletion <input type="checkbox"/> Change in Ownership	Change of Operator Effective 9/1/89
Change in Transporter of: <input type="checkbox"/> Oil <input type="checkbox"/> Casinghead Gas	<input type="checkbox"/> Dry Gas <input type="checkbox"/> Condensate

If change of ownership give name and address of previous owner: Costa Resources, Inc. 3303 Lee Parkway, Dallas, TX 75219

II. DESCRIPTION OF WELL AND LEASE Empire Morrow, South

Lease Name Two Forks State	Well No. 1	Pool Name, including Formation	Kind of Lease State, Federal or For	Lease No. B-8814-
Location				
Unit Letter B	660	Feet From The North	Line and 2070 1980	Feet From The East
Line of Section 2	Township 18 South	Range 28 East	NMPM, Eddy	County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Navajo Refining Company	P.O. Drawer 159, Artesia, NM 88210
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
The Maple Gas Corporation	3801 E. Florida Ave. #200 Denver, CO
If well produces oil or liquids, give location of tanks.	Is gas actually connected? When
Unit: B, Sec: 2, Twp: 18S, Rge: 28E	YES 4-25-84

If this production is commingled with that from any other lease or pool, give commingling order number:

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

Petroleum Engineer

9/6/89

(Date)

OIL CONSERVATION DIVISION

APPROVED SEP 12 1989

BY ORIGINAL SIGNED BY

TITLE SUPERVISOR DISTRICT IV

This form is to be filed in compliance with NMS 1980.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Form C-104 must be filed for each pool in partially completed wells.

Post ID-3
9-15-89
chg op
chg GT: CAB

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ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

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JAN 03 '89

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS ARTESIA, OFFICE

I. Operator
Costa Resources, Inc. ✓

Address
3303 Lee Parkway, Suite 111, Dallas, TX 75219

Reasons for filing (Check proper box):
☐ New Well
☐ Recompletion
☐ Change in Ownership

Change in Transporter of:
☐ Oil
☐ Casinghead Gas

Other (Please explain):
Change to be effective 1-1-89

☐ Dry Gas
☒ Condensate

If change of ownership give name
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Two Forks State	Well No. 1	Pool Name, including Formation J. Empire South Morrow	Kind of Lease State, Federal or Fee State	Lease No. B-8814-1
Location Unit Letter <u>B</u> : <u>660</u> Feet From The <u>North</u> Line and <u>2090</u> Feet From The <u>East</u> Line or Section <u>2</u> Township <u>18S</u> Range <u>28E</u> NMPM, <u>Eddy</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/> Navaho Refining Company	Address (Give address to which approved copy of this form is to be sent) P. O. Drawer 159, Artesia, New Mexico 88210
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> Cabot Corporation	Address (Give address to which approved copy of this form is to be sent) 7120 I-40 West, Amarillo, TX 79106
If well produces oil or liquids, give location of tanks.	Unit <u>B</u> Sec. <u>2</u> Twp. <u>18S</u> Rge. <u>28E</u> Is gas actually connected? <u>yes</u> When <u>4-25-84</u>

If this production is commingled with that from any other lease or pool, give commingling order number:

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

Robert J. Franklin
(Signature)
President
12/21/88
(Date)

OIL CONSERVATION DIVISION

APPROVED JAN 5 1989, 19
BY Original Signed By
Mike Williams
TITLE

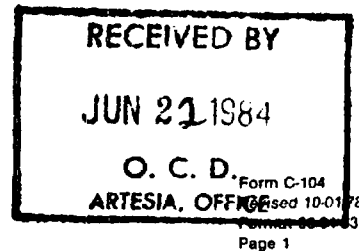
This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviated tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.
Separate Forms C-104 must be filed for each pool in multiphase completed wells.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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TRANSPORTER	OIL
	GAS
OPERATOR	✓
PRODUCTION OFFICE	

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS



I. Operator Costa Resources ✓

Address 3303 Lee Parkway, Dallas, Texas 75219

Reason(s) for filing (Check proper box)

<input type="checkbox"/> New Well	Change in Transporter of:	<input type="checkbox"/> Dry Gas	Other (Please explain) <u>New Test Repotential</u>
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Oil	<input type="checkbox"/> Condensate	
<input type="checkbox"/> Change in Ownership	<input type="checkbox"/> Casinghead Gas		

If change of ownership give name
and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name <u>Two Forks State</u>	Well No. <u>1</u>	Pool Name, Including Formation <u>Empire South Morrow</u>	Kind of Lease State, Federal or Fee <u>State</u>	Lease No. <u>B-8814-19</u>
Location Unit Letter <u>B</u> ; <u>660</u> Feet From The <u>NORTH</u> Line and <u>2090</u> Feet From The <u>EAST</u> Line of Section <u>2</u> Township <u>18s</u> Range <u>28e</u> , NMPM, <u>Eddy</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/> <u>Permian Corporation</u>	Address (Give address to which approved copy of this form is to be sent) <u>P.O. Box 1183 Houston, Texas 77001</u>
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> <u>Cabot Corporation</u>	Address (Give address to which approved copy of this form is to be sent) <u>7120 I-40 West, Amarillo, Tx. 79106</u>
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When
	<u>B</u> <u>2</u> <u>18s</u> <u>28e</u> <u>Yes</u> <u>4-25-84</u>

If this production is commingled with that from any other lease or pool, give commingling order number: _____

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

James Rodgers
(Signature)
Geologist
(Title)
6-19-84
(Date)

OIL CONSERVATION DIVISION

APPROVED _____, 19____
BY For Record only
TITLE _____

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.
Separate Forms C-104 must be filed for each pool in multiply completed wells.

IV. COMPLETION DATA

W. COMPLETION DATA									
Designate Type of Completion - (X)		Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
			X						
Date Spudded	Date Compl. Ready to Prod.			Total Depth			P.B.T.D.		
10/29/83	02/10/83			10,985			10,920		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation			Top Oil/Gas Pay			Tubing Depth		
Gr 3646	Morrow			10,707			10,624		
Perforations							Depth Casing Shoe		
10,707-10711							10,985		

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
17½	13 3/8 54.5#	519	575sx class "C"
12½	8 5/8 32#	2899	700sx lite&200sx "C"
7 7/8	5½ 17&20#	10,985	225sx lite 250sx "H"
5½	2 7/8 N-80 6.5#	10,624	500sx lite 100sx "H"

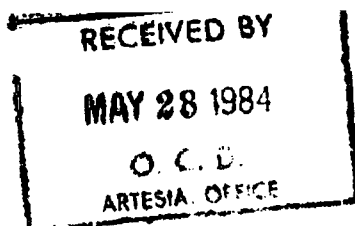
V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D 397.66	Length of Test 4 hours	Bbls. Condensate/MMCF 14	Gravity of Condensate 57
Testing Method (pitot, back pr.) Back Pressure	Tubing Pressure (Shut-in) 2725	Casing Pressure (Shut-in) 0	Choke Size 14, 16, 18, 22/64

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT



OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

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OIL	<input checked="" type="checkbox"/>
GAS	<input checked="" type="checkbox"/>
OPERATOR	<input checked="" type="checkbox"/>
PROMOTION OFFICE	

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator
Costa Resources, Inc.

Address
3303 Lee Parkway, Suite 111, Dallas, TX 75219

Reason(s) for filing (Check proper box)

☒ New Well ☒ Recompletion ☐ Change in Ownership

Transporter of:
☒ Oil ☐ Dry Gas ☒ Condensate ☐ Casinghead Gas

Other (Please explain)

If change of ownership give name
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Two Forks State	Well No. 1	Pool Name, including Formation Empire South Morrow	Kind of Lease State, Federal or Fee	Lease No. B-8814-1
Location				
Unit Letter B	660	Feet From The North	Line and 2090	Feet From The East
Line & Section 2	Township 18S	Range 28E	NMPM.	Eddy County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

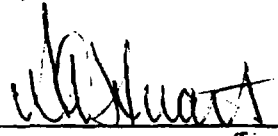
Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> The Permian Corporation	Address (Give address to which approved copy of this form is to be sent) Box 3119, Midland, TX 79701
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) P.O. Box 1000, Midland, TX 79701
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. B 2 18S 28E
Is gas actually connected?	When yes 4-25-84

If this production is commingled with that from any other lease or pool, give commingling order number:

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.


(Signature)
Vice President
(Title)
5/21/84
(Date)

OIL CONSERVATION DIVISION

MAY 29 1984

APPROVED _____, 19

Original Signed By
BY Leslie A. Clements

Supervisor District II
TITLE _____

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, CR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

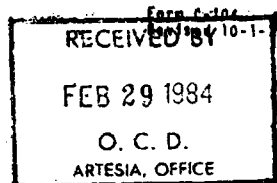
7. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

AS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501



REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. OPERATOR

Costa Resources Inc.

Address
3303 Lee Parkway, Dallas, Texas 75219

Reason(s) for filing (Check proper box)
New Well ☒ Change in Transporter of:
Recompletion ☐ Oil ☐ Dry Gas ☐
Change in Ownership ☐ Casinghead Gas ☐ Condensate ☐

Other (Please explain)

If change of ownership give name and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Two Forks State Well No. 1 Pool Name, including Formation Empire South Morrow Kind of Lease State, Federal or Fee State Lease No. B-8814-19

Location
Unit Letter 2 : 660 Feet From The NORTH Line and 2090 Feet From The EAST

Line of Section 2 Township 18s Range 28e NMPM EDDY County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☐ or Condensate ☐ Address (Give address to which approved copy of this form is to be sent)
Not dedicated

Name of Authorized Transporter of Casinghead Gas ☐ or Dry Gas ☒ Address (Give address to which approved copy of this form is to be sent)
Not dedicated *Calco Corp.*

If well produces oil or liquids, give location of tanks. Unit Sec. Twp. Rge. Is gas actually connected? When
2 2 18s 28e No 7-2-84

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)
Oil Well ☐ Gas Well ☒ New Well ☒ Workover ☐ Deepen ☐ Plug Back ☐ Same Hole ☐ Drill Hole ☐

Date Spudded 10/29/83 Date Compl. Ready to Prod. 02/10/84 Total Depth 10,985 P.B.T.D. 10,920

Elevations (DF, RKB, RT, GR, etc.) GR 3646, RKB 3663.6 Name of Producing Formation Morrow Top Oil/Gas Pay 10,707 Tubing Depth 10,624

Perforations 10,707-10,711 Depth Casing Shoe 10,985

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
17 1/2	13 3/8 54.5#	519	575sx class C
12 1/4	8 5/8 32#	2899	700sx lite 200sx C
7 7/8	5 1/2 17&20#	10,985	225sx lite 250sx H
	2 1/2	10,624	500sx lite 100sx H

V. TEST DATA AND REQUEST FOR ALLOWABLE

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

OIL WELL

Date First New Oil Run To Tanks Date of Test Producing Method (Flow, pump, gas lift, etc.)

Length of Test Tubing Pressure Casing Pressure Choke Size

Actual Prod. During Test Oil-Bbls. Water-Bbls. Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D 74.33 Length of Test 4 hours Bbls. Condensate/MMCF 0 Gravity of Condensate 0

Testing Method (prior, back pr.) Back Pressure Tubing Pressure (Shut-In) 3183 Casing Pressure (Shut-In) 0 Choke Size 4.5, 6, 9/64

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

[Signature]
(Signature)
GEOLOGIST
(Title)
2/20/84
(Date)

OIL CONSERVATION DIVISION
APPROVED APR 27 1984
Original Signed By
BY Leslie A. Clements
Supervisor District II
TITLE

This form is to be filed in compliance with RULE 1102.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter or other such change of condition.
Separate Forms C-104 must be filed for each pool in multiply completed wells.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501 D.

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Form C-105
Revised 10-1-78

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WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease
State ☒ Fee ☐
5. State Oil & Gas Lease No.
B-8814-19

1a. TYPE OF WELL *Oil*
OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐
b. TYPE OF COMPLETION
NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER ☐

7. Unit Agreement Name
8. Farm or Lease Name
Two Forks State

2. Name of Operator
Costa Resources Inc.

9. Well No.
1

3. Address of Operator
3303 Lee Parkway Dallas, Texas 75219

10. Field and Pool, or Wildcat
Empire South Morrow

4. Location of Well
UNIT LETTER *B* LOCATED *660* FEET FROM THE *NORTH* LINE AND *2090* FEET FROM

THE *EAST* LINE OF SEC. *2* TWP. *18s* RGE. *28e* NMPM

12. County
Eddy

15. Date Spudded *10/29/83* 16. Date T.D. Reached *12/16/83* 17. Date Compl. (Ready to Prod.) *02/10/84* 18. Elevations (DF, RKB, RT, GR, etc.) *GR 3646 RKB 3663.6* 19. Elev. Casinghead *3646*

20. Total Depth *10.985* 21. Plug Back F.D. *10.920* 22. If Multiple Compl., How Many *Many* 23. Intervals Drilled By *Rotary Tools* Cable Tools *X*

24. Producing Interval(s), of this completion - Top, Bottom, Name
10,707-10,711 Morrow

25. Was Directional Survey Made
No

26. Type Electric and Other Logs Run
CNL-LDT, DLL-MSFL

27. Was Well Cored
No

CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
<i>13 3/8</i>	<i>54.5#</i>	<i>519</i>	<i>17 1/2</i>	<i>575sx class C 2%CaCl</i>	
<i>8 5/8</i>	<i>32#</i>	<i>2899</i>	<i>12 1/4</i>	<i>700sx lite, 200sx class C</i>	
<i>5 1/2</i>	<i>17&20#</i>	<i>10,985</i>	<i>7 7/8</i>	<i>225sx lite, 250sx class H</i>	
				<i>500sx lite, 100sx class H</i>	

LINER RECORD				TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					<i>2 7/8</i>	<i>10.625</i>	

31. Perforation Record (Interval, size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
<i>10,707-10,711, 9 shots</i>		DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED

33. PRODUCTION							
Date First Production <i>02/10/84</i>	Production Method (Flowing, gas lift, pumping - Size and type pump) <i>Flowing</i>					Well Status (Prod. or Shut-in) <i>Shut in WOPLC</i>	
Date of Test <i>1/25/84</i>	Hours Tested <i>4</i>	Choke Size <i>4, 5, 6, 9/64</i>	Prod'n. For Test Period <i>4</i>	Oil - Bbl. <i>1685</i>	Gas - MCF <i>74.33</i>	Water - Bbl. <i>2</i>	Gas - Oil Ratio <i>0</i>
Flow Tubing Press. <i>400</i>	Casing Pressure <i>0</i>	Calculated 24-Hour Rate <i>1685</i>	Oil - Bbl. <i>1685</i>	Gas - MCF <i>1685</i>	Water - Bbl. <i>1685</i>	Oil Gravity - API (Corr.) <i>0</i>	

34. Disposition of Gas (Sold, used for fuel, vented, etc.)
Vented

Test Witnessed By

35. List of Attachments

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED *[Signature]* TITLE *GEOLOGIST* DATE *2/20/84*

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 26 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths, in the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1103.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy	T. Canyon	8753	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	9493	T. Kirtland-Fruitland	T. Penn. "C"
D. Salt	T. Atoka	10,090	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	10,798	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian		T. Menefee	T. Madison
T. Queen	T. Silurian		T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya		T. Mancos	T. McCracken
T. San Andres	T. Simpson		T. Gallup	T. Ignacio Qtzite
T. Glorieta	T. McKee		Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger		T. Dakota	T.
T. Blinberry	T. Gr. Wash		T. Morrison	T.
T. Tubb	T. Granite		T. Todilto	T.
T. Drinkard	T. Delaware Sand		T. Entrada	T.
T. Abo	T. Bone Springs		T. Wingate	T.
T. Wolfcamp	T. Morrow	10,526	T. Chinle	T.
T. Penn.	T.		T. Permian	T.
T. Cisco (Bough C)	T.		T. Penn. "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from	10,698	to	10,713	No. 4, from		to	
No. 2, from		to		No. 5, from		to	
No. 3, from		to		No. 6, from		to	

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from		to		feet	
No. 2, from		to		feet	
No. 3, from		to		feet	
No. 4, from		to		feet	

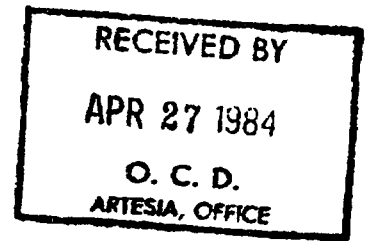
FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
583	760	177	TANSILL	10,090	10,526	436'	ATOKA
760	1050	290	YATES				
1050	1703	653	SEVEN RIVERS	10,526	10,798	272'	MORROW
1703	2600	897	QUEEN				
2600	4292	1692	SAN ANDRES				
4292	4507	215	GLORIETA				
4507	7120	2613	BONE SPRINGS				
7120	8573	1453	WOLFCAMP				
8573	8753	180	CISCO				
8753	9493	740	CANYON				
9493	10,090	597	STRAWN				

OIL CONSERVATION COMMISSION

BOX 1980

HOBBS, NEW MEXICO



NOTICE OF GAS CONNECTION

DATE 4-25-84

This is to notify the Oil Conservation Commission that connection for the purchase of gas from the Coasta Resources Inc.

Operator

Two Forks State # 1 - B, Eddy 2-18S-28E
Lease, Well No. and Unit County S-T-R

Morrow - Empire, Cabot Corporation
Pool Name of Purchaser

was made on 4-25-84.
Date

Cabot Corporation
Purchaser

Jerry Clark
Representative

Superintendent of Operations
Title

cc: To Operator
Oil Conservation Commission - Santa Fe

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OPERATOR	<input checked="" type="checkbox"/>

OIL CONSERVATION REVISION BY
P. O. BOX 2888
SANTA FE, NEW MEXICO 87503
JAN 03 1984
C. C. D.
LAND OFFICE

Form C-103
Revised 10-1-78

5a. Indicate Type of Lease
State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No.
B-8814-19

SUNDARY 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. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator Costa Resources ✓	8. Farm or Lease Name Two Forks State
3. Address of Operator 3303 Lee Parkway, Dallas, Texas 75219	9. Well No. 1
4. Location of Well UNIT LETTER <u>B</u> <u>660</u> FEET FROM THE <u>North</u> LINE AND <u>2090</u> FEET FROM THE <u>East</u> LINE, SECTION <u>2</u> TOWNSHIP <u>18S</u> RANGE <u>28E</u> N.M.P.M.	10. Field and Pool, or Wildcat Und.S. Empire Morrow
15. Elevation (Show whether DF, RT, GR, etc.) GI-3646	12. County Eddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>

17. 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.

12/16/83- TD at 10,985, Ran Logs. TIH, circulate and prepare to run 5¹/₂" N-80.
12/17/83-Ran 15jts 20# LT&C, 212jts. 17#LT&C, and 41jts. 20#LT&C. Total-268jts. DV tool at 8507'.
12/18/83- Cementing, first stage. 500 gallons mud flush, followed by 225 sacks Halliburton lite with .3%CFR2 and 6# salt per sack. That followed by 250sacks class "H" .5%CFR2 and .5% Halite per sack. Second stage-500sacks Halliburton lite .3%CFR2 and 6# salt and .25# floseal per sack, followed by 100 sacks class "H". Plug down 9AM Sunday 12/18/83. Ran temperature survey and found top of cement at 4380 KB.

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

SIGNED Leslie A. Clements TITLE Geologist DATE 12/20/83
Original Signed By
Leslie A. Clements
APPROVED BY _____ TITLE Supervisor District II DATE JAN 04 1984
CONDITIONS OF APPROVAL, IF ANY:

1. FIELD OFFICE	
2. DISTRICT OFFICE	
3. AREA OFFICE	<input checked="" type="checkbox"/>
4. FIELD	<input checked="" type="checkbox"/>
5. U.S. GEOLOGICAL SURVEY	
6. LAND BUREAU	
7. OPERATIONS	<input checked="" type="checkbox"/>

OIL CONSERVATION DISTRICT
 B.O.F. NO. 20
 SANTA FE, N.M. / MEXICO 87501
RECEIVED
NOV 17 1983
 DISTRICT OFFICE

Form C-103
Revised 10-1-

1a. Indicate Type of Lease
 Lease ☒ Fee ☐
 5. Lease Oil & Gas Lease No.
B-8814-19

SUPPLY NOTICE AND REPORT ON OIL WELLS
 DO NOT USE THIS FORM FOR A NON-PRODUCING WELL OR FOR A WELL THAT IS BEING PRODUCED BY A DIFFERENT RESERVING UNIT. (SEE INSTRUCTIONS FOR PRODUCTION REPORTS.)

1. ☐ OIL WELL ☒ GAS WELL ☐ OTHER _____

2. Name of Lessee
Costa Resources Inc.

3. Address of Lessee
3303 Lee Parkway, Dallas, Texas 75219

4. Location of Well
 UNIT SE 660 FEET FROM THE North LINE AND 2090 FEET FROM THE East LINE, SECTION 2 TOWNSHIP 18s RANGE 28e N.M.P.M.

7. Unit Assignment Name
Und. S. Empire Morrow

8. Name of Lease
Two Forks State

9. Well No.
1

10. Field and Pool, or Wildcat
Und. S. Empire Morrow

11. Elevation (Show whether DF, RT, GR, etc.)
GL-3646'

12. County
Eddy

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
-------------------------	-----------------------

PERFORM REMEDIAL WORK ☐
 TEMPORARILY ABANDON ☐
 PULL OR ALTER CASING ☐
 OTHER ☐

PLUG AND ABANDON ☐
 CHANGE PLANS ☐
 OTHER ☐

REMEDIAL WORK ☐
 COMMENCE DRILLING OPS. ☐
 CASING TEST AND CEMENT JOB ☒
 OTHER ☐

ALTERING CASING ☐
 PLUG AND ABANDONMENT ☐

17. 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.

11/8/83-Ran 72jts, 8 5/8csg 32# K-55 ST&C to a depth of 2899'.
 Cemented with 700sx halliburton lite w/ 1/4#per sxfloral,
 and 8# per sx salt w/2%CaCl. Tail w/200sx class C 2%CaCl.
 Displaced w/175bbbls fresh water plug down 6:30AM. Did not
 circulate cement. Well began to flow small amount. Ran temperature
 survey and found water flow between 560' and 650'. Top of cement
 500'. NMOCD requested wellhead squeeze.

11/9/83-Set slips and cutoff 8 5/8csg. Nipple up BOP close blinds
 pressure up to 800psi. Squeeze down backside as follows;
 Pumped 250sx class C 2%CaCL at 3bbbls/min. at 400psi., followed
 by 2bbbls fresh water. Shutin backside. WOC 24hrs.

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

SIGNED Leslie A. Clements TITLE GEOLOGIST DATE 11/9/83
 Original Signed by
 Leslie A. Clements
 Supervisor District II

APPROVED BY _____ TITLE _____ DATE NOV 18 1983
 CONDITIONS OF APPROVAL, IF ANY:

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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LAND OFFICE	
OPERATOR	<input checked="" type="checkbox"/>

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RECEIVED BY

NOV 09 1983

O. C. D.

Form C-103
Revised 10-1-78

ARTESIAN OFFICE

Lease

State ☒ Fee ☐

5. State Oil & Gas Lease No.
B-8814-19

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 - 1" (FORM C-101) FOR SUCH PROPOSALS.

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator Costa Resources, Inc. ✓	8. Farm or Lease Name Two Forks State
3. Address of Operator 3303 Lee Parkway, Dallas, Texas 75219	9. Well No. 1
4. Location of Well UNIT LETTER <u>B</u> . <u>660</u> FEET FROM THE <u>North</u> LINE AND <u>2090</u> FEET FROM THE <u>East</u> LINE, SECTION <u>2</u> TOWNSHIP <u>18s</u> RANGE <u>28e</u> NMPM.	10. Field and Pool, or Wildcat Und.S. Empire Morrow
15. Elevation (Show whether DF, RT, GR, etc.) GL-3646'	12. County Eddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>

17. 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.

10/28/83-Move in and rig up.

10/29/83-Commence drilling, drill to 340' in red bed. 17½" hole.

10/30/83-Shutdown for repairs.

10/31/83-Drill to 536'. Run 14jts., 13 3/8" 54.5# ST&C K-55 to 519'.

Cemented with 575sx class C w/2% calcium chloride. Circulated 55sx to pits. Plug down 6:45PM. WOC 12hrs.

11/1/83-Nipple up and test bop and surface pipe to 1000psi. for 30 min
Scheduled to resume drilling 11AM.

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

SIGNED <u>Francis Rodriguez</u>	TITLE <u>Ceologist</u>	DATE <u>11/1/83</u>
APPROVED BY <u>Mark Wilkins</u>	TITLE <u>OIL AND GAS INSPECTOR</u>	DATE <u>NOV 10 1983</u>
CONDITIONS OF APPROVAL, IF ANY:		

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

L CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501
OCT 17 1983
O. C. D.
ARTESIAN OFFICE

Form C-101
Revised 10-1-78

NO. OF COPIES RECEIVED	
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SANTA FE	<input checked="" type="checkbox"/>
FILE	<input checked="" type="checkbox"/>
U.S.G.S.	<input checked="" type="checkbox"/>
LAND OFFICE	<input checked="" type="checkbox"/>
OPERATOR	<input checked="" type="checkbox"/>

5A. Indicate Type of Lease
STATE ☒ FEE ☐
5. State Oil & Gas Lease No.
B-8814-19

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name Two Forks State
2. Name of Operator Costa Resources Inc. ✓		9. Well No. 1
3. Address of Operator 3303 Lee Parkway, Suite III, Dallas, Texas 75219		10. Field and Pool, or Wildcat Und. S. Empire Morrow
4. Location of Well UNIT LETTER B LOCATED 660 FEET FROM THE North LINE 2090 FEET FROM THE East LINE OF SEC. 2 TWP. 18S RCE. 28E NMDM		11. County Eddy
15. Proposed Depth 11,000		16. Formation Morrow
17. Elevation (show whether DF, h1, etc.) 3646 GL		18. History or C.T. Rotary
21A. Estimated Cost of Plug. bond \$10,000 one well		22. Approx. Date Work will start Oct. 28, 1983
21B. Drilling Contractor Willbros Drlg. Inc.		

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2 "	13 3/8"	54#	400	400	Circulate
11"	8 5/8"	32#	2900	950	Circulate
7 7/8"	5 1/2"	17#	11,000	900	6700

Propose to drill a 11,000' Morrow test with the above described casing program.

Blowout preventer diagram attached.

NMOCD will be notified in the event a water flow is encountered.

*Posted & P.S.
\$10,000 plug bond
11-4-83*

APPROVAL VALID FOR 120 DAYS
PERMIT EXPIRES 4-28-84
UNLESS DRILLING UNDERWAY

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed L. J. G. Gressett Title Consultant Date 10-26-83

(This space for State Use)

APPROVED BY Michael Walker TITLE OIL AND GAS INSPECTOR DATE OCT 28 1983
CONDITIONS OF APPROVAL, IF ANY:

NM MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-122
Supersedes C-128
Effective 1-1-81

All distances must be from the outer boundaries of the Section.

Operator COSTA RESOURCES Inc.			Lease Two Forks State			Well No. 1		
Tract Letter B	Section 2	Township 18 South	Range 28 East	County Eddy				
Actual Footage Location of Well:								
660 feet from the North line and		2090 feet from the East line						
Ground Level Elev. 3646.	Producing Formation Morrow		Pool Und. S. Empire Morrow			Dedicated Acreage: 320.40 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? **To be communitized.**

☐ Yes ☐ No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

Hanson-McBride Pet. (WI) (RI) State E 1285 40.17 ac.	Ralph Nix (WI) (RI) Loneta Curtis (WI) (RI) State E 6946-3 40.13 ac.	State B-8814-1 Rio Pecos Corp. (WI) Mark D. Wilson (WI) 40.08 ac.	Hanson-McBride Pet. (WI) (RI) 2090' State E 1285 40.02 ac.
Featherstone Development (WI) (RI) State E-1285-8 40.00 ac.	Hanson-McBride Pet. (WI) (RI) State E 1285-1 40.00 ac.	Hanson-McBride Pet. (WI) (RI) State E 1285-1 40.00 ac.	Featherstone Farms, Ltd (WI) Olen F. Featherstone, II. (WI) (RI) State E 1285-9 40.00 ac.

CERTIFICATION

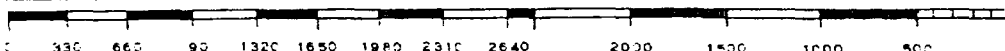
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: **James Rodgers**
 Profession: **Geologist**
 Company: **Costa Resources Inc.**
 Date: **10/25/83**

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 knowledge and belief.

Date Surveyed:
October 8, 1983
 Registered Professional Engineer
 and/or Land Surveyor

Dan R. Reddy
 Certificate No.
NM PE&LS #5412



County Eddy Pool West Bear Grass Draw - Atoka Gas

TOWNSHIP 18 South Range 28 East NMPM

6	5	4	3	2	1	
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

Description: 5/2 Sec. 1 (A-9938, 8-17-93)

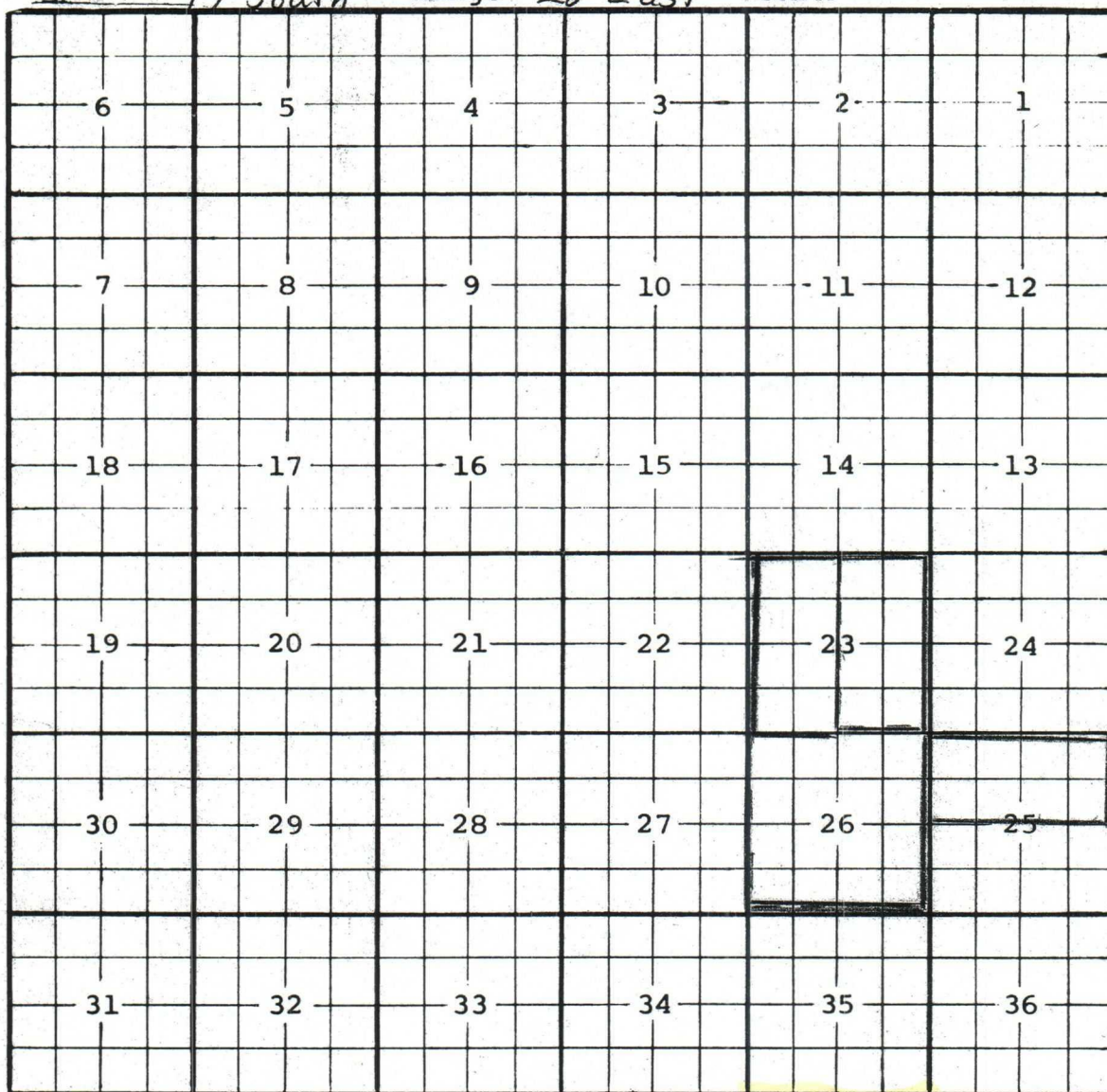
County Eddy

Pool Empire-Atoka Gas

TOWNSHIP 17 South

Range 28 East

NMPM



Description: $\frac{5}{8}$ Sec. 23 (R-7372, 10-20-93) Ext: All Sec. 26 (R-8391, 1-22-97)
Ext: $\frac{1}{2}$ Sec. 23 (R-10713, 11-26-96) Ext: $\frac{1}{2}$ Sec. 25 (R-11583, 5-7-01)

COUNTY Eddy

POOL

Empire-Pennsylvanian Gas

320

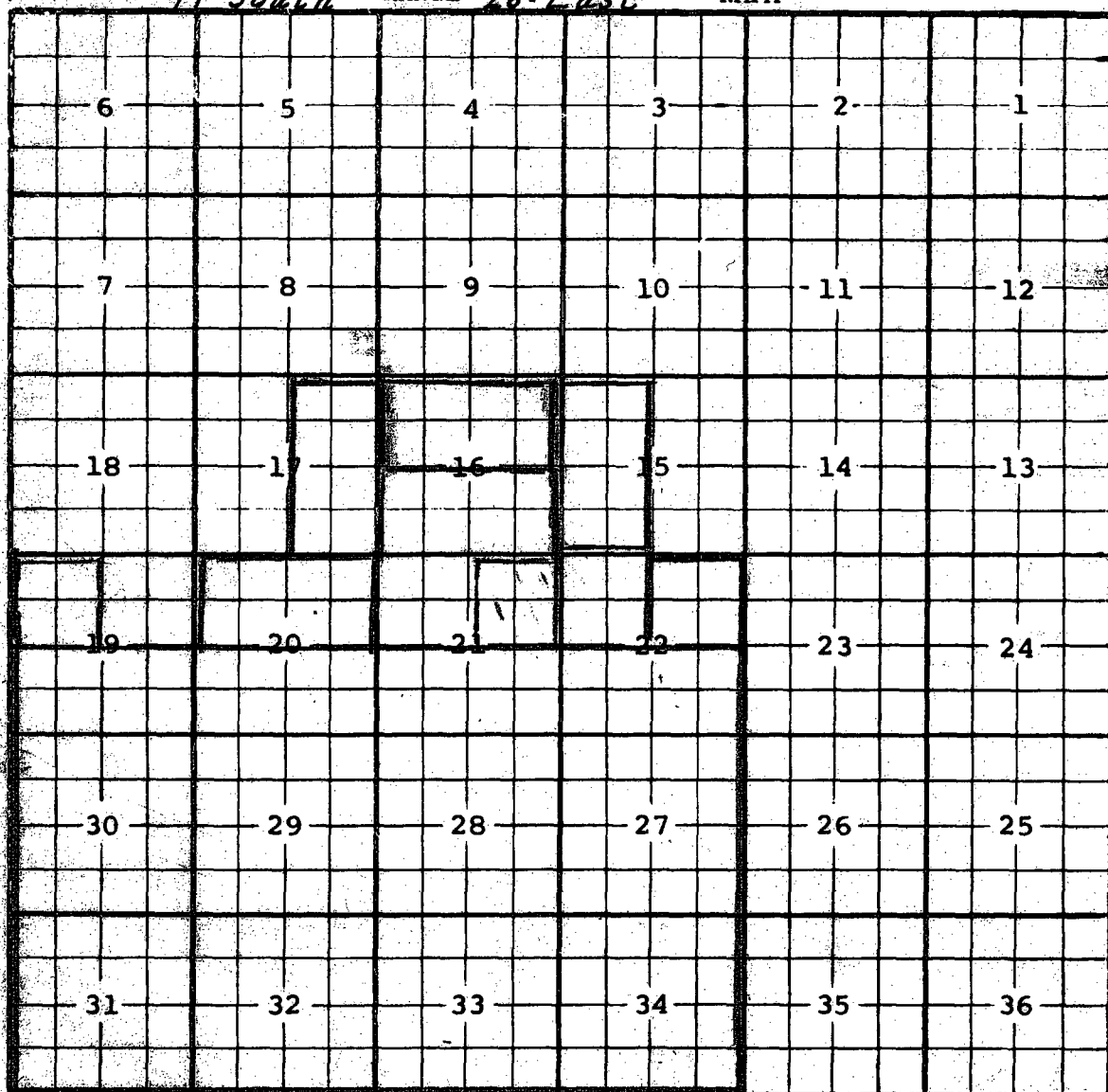
TOWNSHIP

17-South

RANGE

28-East

NMPM



Description: $\frac{3}{4}$ Sec. 19; $\frac{5}{8}$ Sec. 20; $\frac{5}{8}$ Sec. 21; $\frac{5}{8}$ Sec. 22, $\frac{11}{16}$ Secs. 27
LRW 34 (R-391, 11-25-53). Special rules rescinded, pool now on
statewide spacing (R-5809, 9-20-78) EXT: $\frac{1}{2}$ sec 20 (R-7009, 6-7-82)
EXT: $\frac{NE}{4}$ Sec. 21 (R-11203, 6-14-89) EXT: $\frac{S}{2}$ Sec. 16, $\frac{NW}{4}$ Sec. 21 (R-11256, 10-10-89)
EXT: $\frac{1}{2}$ Sec. 16 (R-11323, 2-10-00) EXT: $\frac{W}{2}$ Sec. 15 (R-11444, 8-31-00)
EXT: $\frac{NW}{4}$ Sec. 19, $\frac{NW}{4}$ Sec. 22 (R-11544, 3-13-01) EXT: $\frac{E}{2}$ Sec. 17 (R-11706, 1-9-02)
EXT: $\frac{NE}{4}$ Sec. 22 (R-11815, 8-13-02)

COUNTY EddyPOOL Empire - Pennsylvanian Gas

320

TOWNSHIP 18-SouthRANGE 28-East

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: $\frac{1}{2}$ Sec. 3; $\frac{1}{2}$ Sec. 4; $\frac{1}{2}$ Sec. 5; $\frac{1}{2}$ Sec. 6, (R-391, 11-25-53).
Est: Sec. 3 $\frac{3}{4}$ (R-4048, 8-9-82)