

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First Avenue, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division

2040 South Pacheco

Santa Fe, NM 87505

Form C-101

Revised March 17, 1999

Submit to appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address David H. Arrington Oil & Gas, Inc P.O. Box 2071 Midland, Texas 79702		OGRIID Number 005898
Property Name Blue Drake "23"		API Number 30-025- 35644
Property Cycle 28536	Well No.	

Surface Location

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
1	23	16S	35E		1980'	South	660'	West	Lea

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County

Proposed Pool 1

Townsend Mississippian, NORTH

Proposed Pool 2

Work Type Code N	Well Type Code Gas	Cable/Rotary Rotary	Lease Type Code FEE	Ground Level Elevation 3959'
Multiple NO	Proposed Depth 13,400'	Permeability Mississippian	Conservator Patterson	Spud Date ASAP

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	54 1/2#	450'	500 sxs	Circulate
11"	8 5/8"	32#	4900'	1300 sxs	Circulate
7 7/8"	5 1/2"	17#	13,400'	1200 sxs	500' above upper most pay

" Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary.

Set surface casing at 450'. Circulate cement to surface. Drill 11" hole to 4900'. Set 8 5/8" intermediate casing at 4900'. Circulate cement to surface. Install and test BOP's to 5000 psi. Drill 7 7/8" hole to 13,400'. DST any prospective pays. Run 5 1/2" production casing through Mississippian if justified.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

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

Signature:

Printed name: Danny Ledford

Title: Geologist

Date: 07/25/2001

Phone: (915) 682-6685

OIL CONSERVATION DIVISION

Approved by:

Orig. Signed by

Title:

Paul Kraus
Geologist

Approval Date: JUL 30 2001

Expiration Date:

Conditions of Approval:

Attached ☐

EXHIBIT

3

DISTRICT I

P. O. Box 1980

Hobbs, NM 88241-1980

DISTRICT II

P. O. Drawer 00

Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd.

Aztec, NM 87410

DISTRICT IV

P. O. Box 2088

Santa Fe, NM 87507-2088

State of New Mexico
Bureau of Minerals, and Natural Resources Department

Form E-102

Revised 02-10-94

Instructions on back

Submit to the Appropriate

District Office

State Lease - 4 copies

Fee Lease - 3 copies

OIL CONSERVATION DIVISION

P. O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-35644	Pool Code 86390	Pool Name Townsend Mississippian, North
Property Code 28536	Property Name BLUE DRAKE 23	Well Number 1
OCRD No. 005898	Operator Name DAVID H. ARRINGTON OIL & GAS COMPANY	Elevation 3959'

*** SURFACE LOCATION**

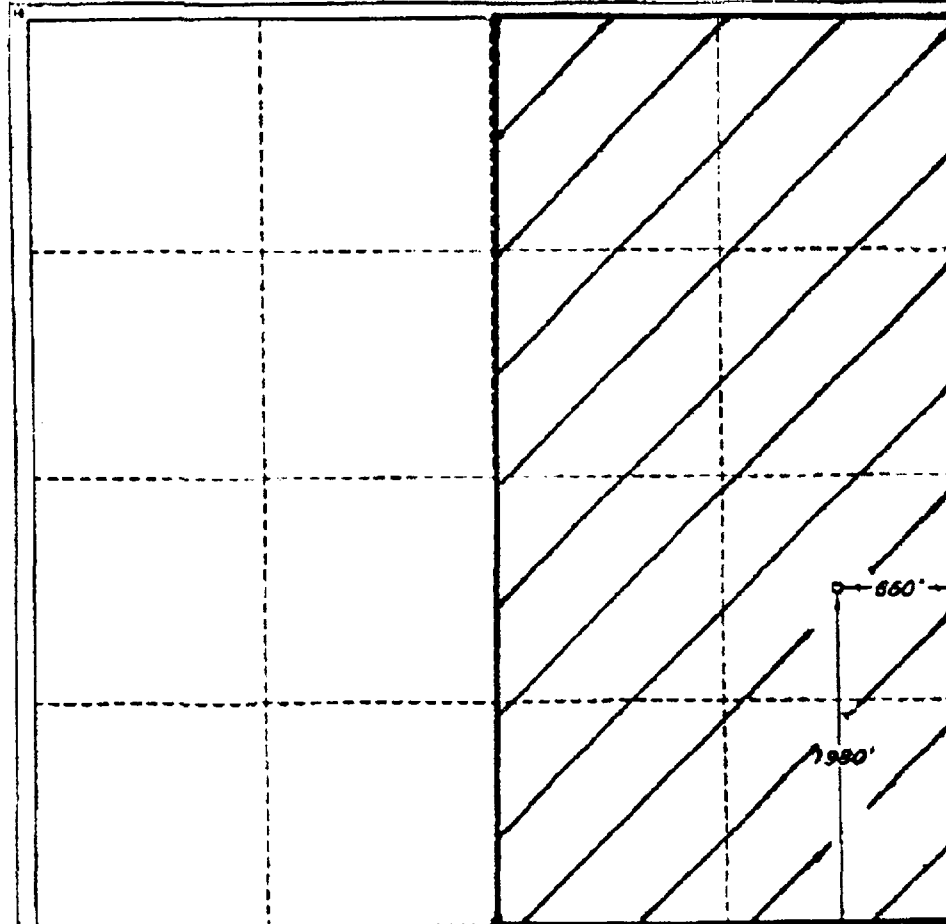
UL or lot no. I	Section 23	Township 16 SOUTH	Range 35 EAST, N.M.P.M.	Lot 160	Feet from the 1980'	North/South line SOUTH	Feet from the 860'	East/West line EAST	County LEA
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" BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot 160	Feet from the	North/South line	Feet from the	East/West line	County
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" Dedicated Acres 320	" Joint or Infill	" Consolidation Code	" Order No.
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NO ALLOWABLE WELL 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.

Signature

Printed Name

Danny Ledford

Title

Geologist

Date

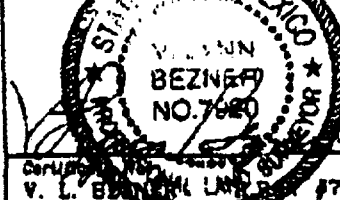
7/25/01

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.

Date of Survey

JULY 19, 2001

Signature and Seal of
Professional SurveyorCertification No. 7920
V. L. BEZNER, LMS, No. 7920

JULY 27, 2001, SANTA FE, NM / J.C.P.