

State of New Mexico
Energy, Minerals & Natural Resources

Form C-101
May 27, 2004

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division AUG 02 2004
1220 S. St. Francis Dr. ~~OOD-ARTERIA~~
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address Stephens & Johnson Operating Co. P.O. Box 2249, Wichita Falls, TX 76307-2249		² OGRID Number 019958
⁴ Property Code 009799	⁵ Property Name East Millman Pool Unit Tract 4	³ API Number 30- 015- 33543
⁹ Proposed Pool 1 Millman Yates-SR-QN-GB-SA, East 46555		⁶ Well No. 14
¹⁰ Proposed Pool 2		

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
N	13	19S	28E		847	South	1973	West	Eddy

⁸ Proposed Bottom Hole Location If Different From Surface

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

Additional Well Location

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3365'
¹⁶ Multiple No	¹⁷ Proposed Depth 2700	¹⁸ Formation San Andres	¹⁹ Contractor United Drilling	²⁰ Spud Date September 1, 2004
Depth to ground water 150'		Distance from nearest fresh water well 3800'		Distance from nearest surface water 7 miles
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 20 mils thick Clay <input type="checkbox"/> Pit Volume 7000 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24 lb/ft	300'	200	Surface
7 7/8"	5 1/2"	15.50 lb/ft	2700'	800	Surface

²² 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.

1. Drill 12 1/4" hole to 300'. Set 8 5/8" 24# csg w/approx. 200 sacks of cmt. WOC 18 hrs.
 2. Drill 7 7/8" hole to 2700'. Set 5 1/2", 15.50# csg w/approx. 800 sacks of cement.
 3. Complete well in Grayburg formation.
- BOP: An annular type BOP will be used with a 3,000 psig working pressure and a 6,000 psig test pressure.
Note: This Application for Permit to Drill does not meet the requirement for an H2S Contingency Plan to be submitted.

²³ 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 ☐.
Signature: *William M. Kincaid*

Printed name: **William M. Kincaid**

Title: **Petroleum Engineer**

E-mail Address: **mkincaid@sjoc.net**

Date: **7-28-04**

Phone: **(940) 723-2166**

OIL CONSERVATION DIVISION
Approved by: *TIM W. GUM*
DISTRICT II SUPERVISOR

Title:

Approval Date: **AUG 06 2004** Expiration Date: **AUG 06 2005**

Conditions of Approval:
Attached ☐

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
		46555		Millman Yates-SR-QN-GB-SA, East	
4 Property Code		5 Property Name			6 Well Number
009799		East Millman Unit Tract 4			14
7 OGRID No.		8 Operator Name			9 Elevation
019958		Stephens & Johnson Operating Company			3365

10 Surface Location

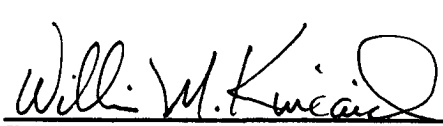
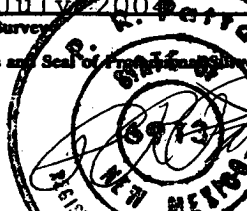
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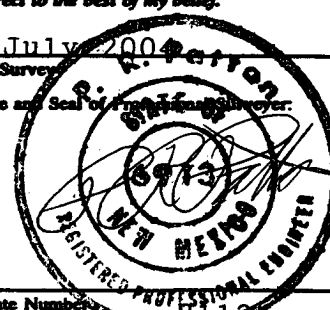
11 Bottom Hole Location If Different From Surface

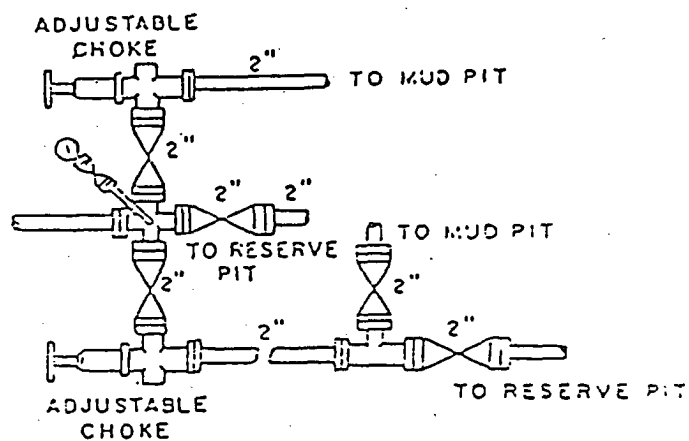
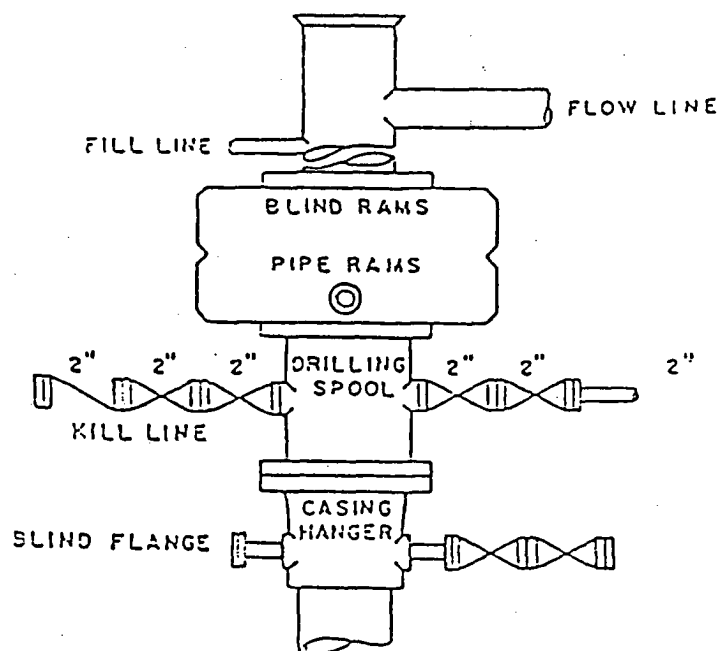
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	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

16				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature William M. Kincaid Printed Name Petroleum Engineer Title 7-28-04 Date
				18 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. 6 July 2004 Date of Survey  Signature and Seal of Registered Professional Surveyor Certificate Number 8112





BOP DIAGRAM
3000# WORKING PRESSURE
RAMS OPERATED DAILY

EAST MILLMAN POOL UNIT NO. 4-14
EDDY COUNTY, NEW MEXICO

EXHIBIT NO. 1