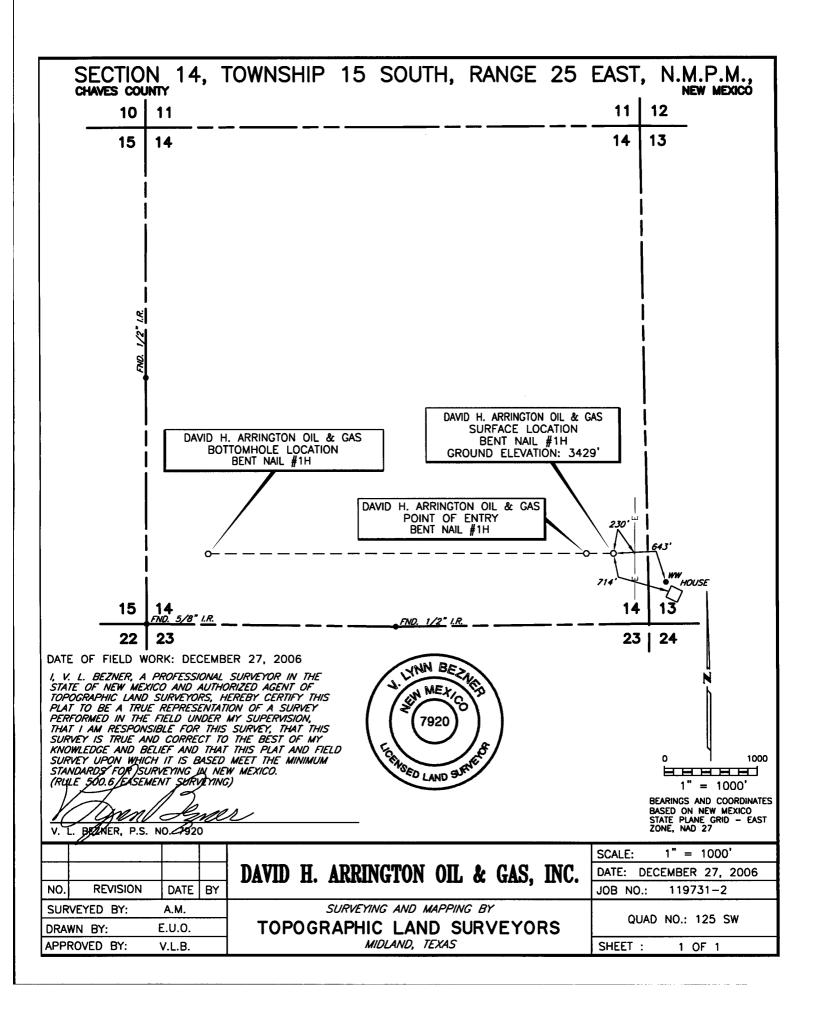
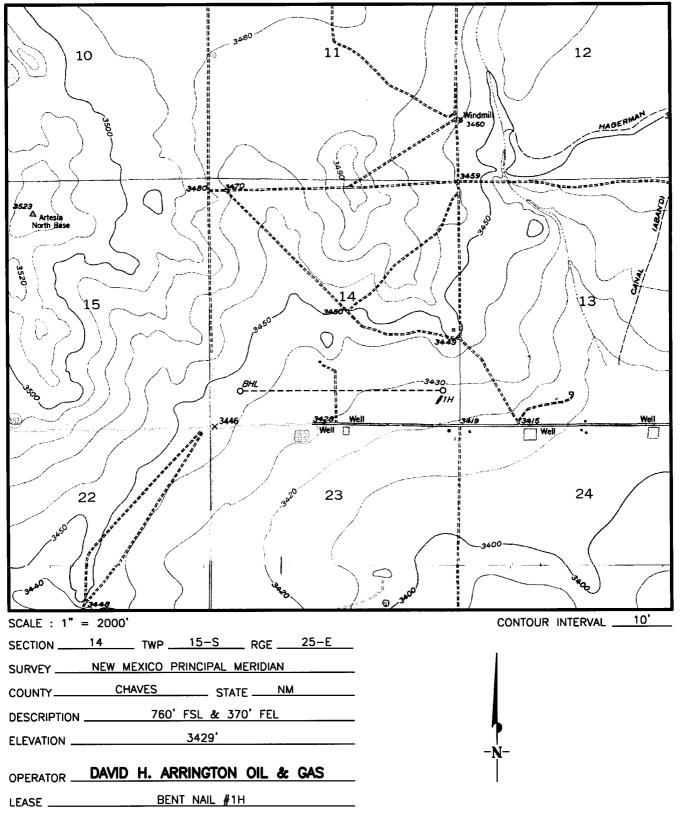
Submit 3 Copies To Appropriate District Office	State of	New Mexico	Form C-103
District I 1625 N. French Dr., Hobbs, NM 88240	Energy, Minerals	and Natura ces	WELL API NO. 20 005 (2824
<u>District II</u> 1301 W. Grand Ave., Artesia, NM 8821	0 OIL CONSERV	VATION D.	30-005-63824  5. Indicate Type of Lease
District III 1000 Rio Brazos Rd., Aztec, NM 87410	1	n St. France Or	STATE FEE X
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM	Santa F	e, NM 87505	6. State Oil & Gas Lease No.
87505	THOUS AND DEPONES OF	NAME I O	
(DO NOT USE THIS FORM FOR PRODIFFERENT RESERVOIR. USE "API PROPOSALS.)		PEN OR PLUG BACK TO A	7. Lease Name or Unit Agreement Name Bent Nail
1. Type of Well: Oil Well	Gas Well X Other	Month - Year	8. Well Number 1H
	I. ARRINGTON OIL & GA	S INC MAR - 7 2007	9. OGRID Number 5898
3. Address of Operator PO BO MIDL.	OX 2071 AND, TX 79702		10. Pool name or Wildcat Wildcat; Wolfcamp Gas
4. Well Location			Whatay Western Con-
Unit Letter P	<del> </del>	South line and 3	
Section 14	Township 15	S Range 25E hether DR, RKB, RT, GR, etc	NMPM CountyChaves
Pit or Below-grade Tank Application	3429' GR	meiner DN, KKB, KI, OK, eic	
		arest fresh water well Di	stance from nearest surface water
Pit Liner Thickness:	mil Below-Grade Tank: Vo	olume bbls; (	Construction Material
12. Checl	k Appropriate Box to In	dicate Nature of Notice	, Report or Other Data
NOTICE OF	INTENTION TO:	SUI	BSEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON	I ☐ REMEDIAL WO	RK ALTERING CASING
	☐ CHANGE PLANS ☐ MULTIPLE COMPL	<ul><li>☐ COMMENCE DF</li><li>☐ CASING/CEMENT</li></ul>	RILLING OPNS. P AND A
	WIOLTIPLE COMPL		NI JOB
OTHER:Change Location	mnleted operations (Clearly	OTHER:	nd give pertinent dates, including estimated date
			attach wellbore diagram of proposed completion
Due to Geological reasons, plan New surface location will be 760	to change from S/N lateral t	o E/W lateral.	SOUEWII of rea 14
			g plan and proposed directional plan.
H2S Contingency plan will be in Exsisting permit will expire 5/08		and automaian until 5/09/09	
Exsisting permit will expire 5/06	707, we respectfully request	and extension until 5/06/06.	
I hereby certify that the information grade tank has been/will be constructed	on above is true and comple	te to the best of my knowled guidelines □, a general permit □	ge and belief. I further certify that any pit or below- ] or an (attached) alternative OCD-approved plan □.
I hereby certify that the information grade tank has been will be constructed SIGNATURE	or closed according to NMOCD	te to the best of my knowled guidelines □, a general permit □ TITLE ENGINEER TECH	ge and belief. I further certify that any pit or below- ] or an (attached) alternative OCD-approved plan []. DATE 03/05/2007
SIGNATURE  Type or print name DEBBIE FRI	eEEMAN	guidelines [], a general permit [ TITLE ENGINEER TECH	or an (attached) alternative OCD-approved plan .
SIGNATURE  Type or print name DEBBIE FRIFOR State Use Only  BRY	EEMAN AN G. ARRANT TRICT II GEOLOGIST	guidelines [], a general permit [ TITLE ENGINEER TECH	or an (attached) alternative OCD-approved plan DATE 03/05/2007

Submit 3 Copies To Appropriate District Office	State of New	Mexico	Form C-103
District I	Energy, Minerals and N	Natural Resources	WELL API NO.
1625 N. French Dr., Hobbs, NM 88240 District II			30-005-63824
1301 W. Grand Ave., Artesia, NM 88210 District III	OIL CONSERVATI 1220 South St. I		5. Indicate Type of Lease
1000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM		STATE FEE X
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM	Santa Pe, Niv	1 67303	6. State Oil & Gas Lease No.
87505			
SUNDRY NOTI (DO NOT USE THIS FORM FOR PROPO DIFFERENT RESERVOIR. USE "APPLIC PROPOSALS.)	CES AND REPORTS ON WE SALS TO DRILL OR TO DEEPEN OF CATION FOR PERMIT" (FORM C-10	R PLUG <u>BACK</u> TO A	7. Lease Name or Unit Agreement Name Bent Nail
1. Type of Well: Oil Well	Gas Well X Other	Month - Year	8. Well Number 1H
2. Name of Operator	RRINGTON OIL & GAS INC	MAR - 7 2007	9. OGRID Number 5898
3. Address of Operator PO BOX		OCD - ARTESIA, NIM	10. Pool name or Wildcat
MIDLAN	D, TX 79702		Wildcat; Wolfcamp Gas
4. Well Location			
Unit Letter P :	760' feet from the Sout	h line and 3	70' feet from the East line
Section 14	Township 15S	Range 25E	NMPM CountyChaves
Pit or Below-grade Tank Application □ o	11. Elevation (Show whether 3429' GR	DR, RKB, RT, GR, etc	
Pit type Depth to Groundwa		esh water well Di	stance from nearest surface water
Pit Liner Thickness: mil			Construction Material
			· · · · · · · · · · · · · · · · · · ·
12. Check A	Appropriate Box to Indicate	e Nature of Notice	, Report or Other Data
NOTICE OF IN	·		BSEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WO	
TEMPORARILY ABANDON	CHANGE PLANS	1	RILLING OPNS. P AND A
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMEI	NT JOB $\square$
OTHER:Change Location	X	OTHER:	
			nd give pertinent dates, including estimated date attach wellbore diagram of proposed completion
Due to Geological reasons, plan to on New surface location will be 760' F Enclosed are an amended C102 and H2S Contingency plan will be imple Exsisting permit will expire 5/08/07	SL & 370' FEL - new lateral to associated maps, proposed well emented.	erminus 760' FSL & 60 Ilbore diagram, drilling	g plan and proposed directional plan.
	•		
I hereby certify that the information grade tank has been/will be constructed or	above is true and complete to the	ne best of my knowled nes □, a general permit [	ge and belief. I further certify that any pit or below- or an (attached) alternative OCD-approved plan .
I hereby certify that the information grade tank has been will be constructed or SIGNATURE	closed according to NMOCD guideling	ne best of my knowled nes □, a general permit [ EENGINEER TECH	ge and belief. I further certify that any pit or below- or an (attached) alternative OCD-approved plan
SIGNATURE	closed according to NMOCD guidelin	ENGINEER TECH	or an (attached) alternative OCD-approved plan DATE 03/05/2007
grade tank has been/will be constructed or	closed according to NMOCD guidelin	ENGINEER TECH	or an (attached) alternative OCD-approved plan .
SIGNATURE  Type or print name DEBBIE FREE	closed according to NMOCD guidelin	EENGINEER TECH	or an (attached) alternative OCD-approved plan DATE 03/05/2007

DISTRICT I State of New Mexico Form C-102 1625 N. French Dr., Hobbs, NM 88240 Revised October 12, 2005 Energy, Minerals, and Natural Resources Department Submit to Appropriate District Office IL CONSERVATION DIVISION 1301 W. Grand Avenue, Artesia, NM 88210 State Lease - 4 copies Month - Year Fee Lease - 3 copies DISTRICT III 1220 South St. Francis Dr. MAR - 7 2007 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, New Mexico 87505 OCD - ARTESIA, NA DISTRICT IV AMENDED REPORT 1220 S. St. Francis Dr., Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT <sup>1</sup> API Number Pool Code 97480 30-005-038a 101+camp <sup>4</sup>Property Code Property Name Well Number BENT NAIL 1 H OGRID No. Operator Name Elevation DAVID H. ARRINGTON OIL & GAS 3429' 589 X **Surface Location** UL or lot no. Township Lot Idn Feet from the East/West line County Section Range North/South line Feet from the 760' 15 SOUTH 370' **CHAVES** 25 EAST, N.M.P.M SOUTH **EAST** P 14 **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 M 14 15 SOUTH 25 EAST, N.M.P.M. 760' SOUTH 660' WEST CHAVES 12 Dedicated Acres <sup>13</sup> Joint or Infill 14 Consolidation Code <sup>15</sup> Order No. <u>320</u> 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 BOTTOMHOLE INFORMATION PROVIDED BY DAVID H. ARRINGTON OIL & GAS <sup>17</sup>OPERATOR CERTIFICATION I hereby certify that the information cents wledge and belief, and that this or ation or has a right to drill this well at this lo tract with an owner of such a mineral or working in or to a voluntary pooling agre retofore entered by the division NAD 27 NME ZONE X = 477940 Y = 731269= 473603 Y = 731265LAT.: N 33.0102851 LAT.: N 33.0103045 LONG.: W 104.4194450 LONG.: W 104.4052952 POINT OF ENTRY X = 477650 = 731269 LAND LAT.: N 33.0103033 LONG.: W 104.4062412 660' 269.95 4337.6' IN ALL PRODUCING AREA *370* 760 760 R.P.S. #7920 V. Æ. BEZNER JOB #119731 125 SW / E.U.O



# LOCATION & ELEVATION VERIFICATION MAP



U.S.G.S. TOPOGRAPHIC MAP

HAGERMAN SW, NEW MEXICO

LONG. \_\_\_\_\_ LONG.: W 104.4052952

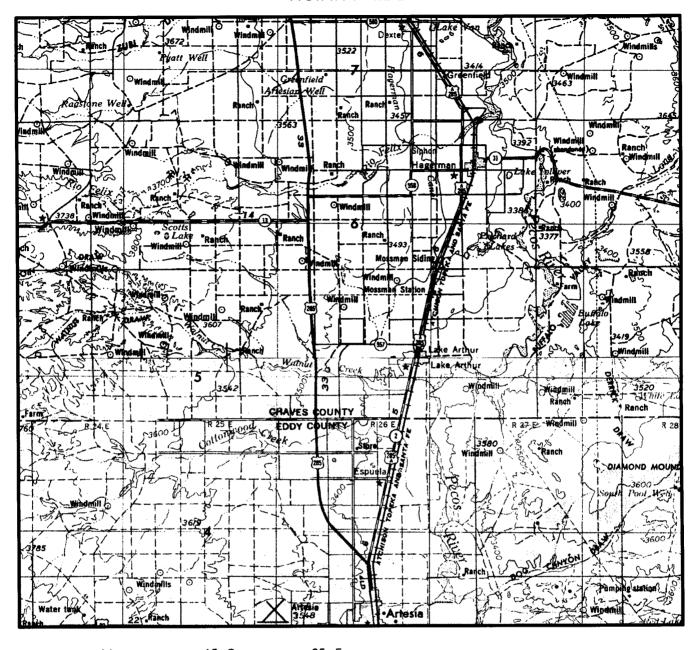
SCALED LAT. LAT.: N 33.0103045

## **TOPOGRAPHIC LAND SURVEYORS**

Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING MIDLAND, TX. 79705 (800) 767-1653

# VICINITY MAP



SECTION	14	TWP	15-5	RGE	25-E
SURVEY	NEW ME	XICO P	RINCIPAL M	ERIDIAN	
COUNTY	CHA	AVES	STAT	ENM	<u> </u>
DESCRIPTION .		760	' FSL & 3	70' FEL	

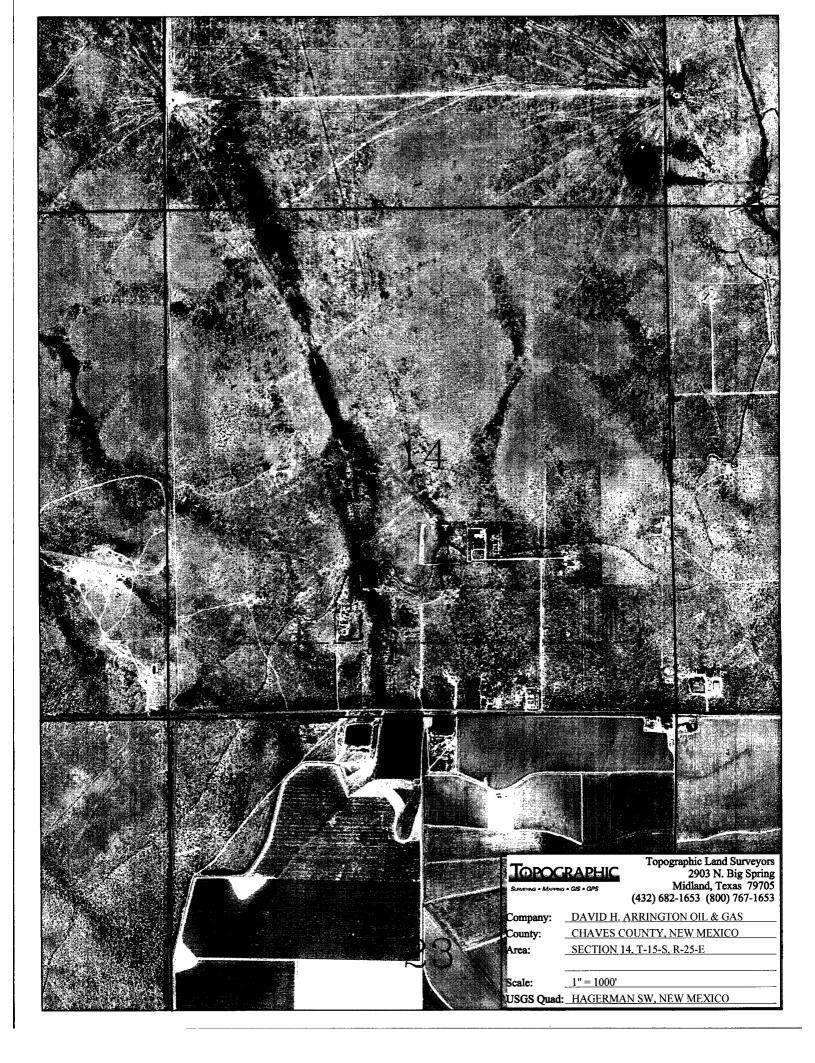
OPERATOR	DAVID	Н. 4	ARR	NGT	ON OI	L &	GAS
LEASE		BE	NT N	IAIL#	1H		
DISTANCE &	DIRECTION	ON	FROI	A INT	ERSECT	ION OF	HWY.
285 & HWY.	82, GC	NOR	TH ±	12.0	MILES	ON HW	/Y. 285,
THENCE EAS	T ±2.9	MILES	ON	PAVEC	ROAL	), TO A	POINT
±750' SOUT	H OF LO	CATIO	N.				



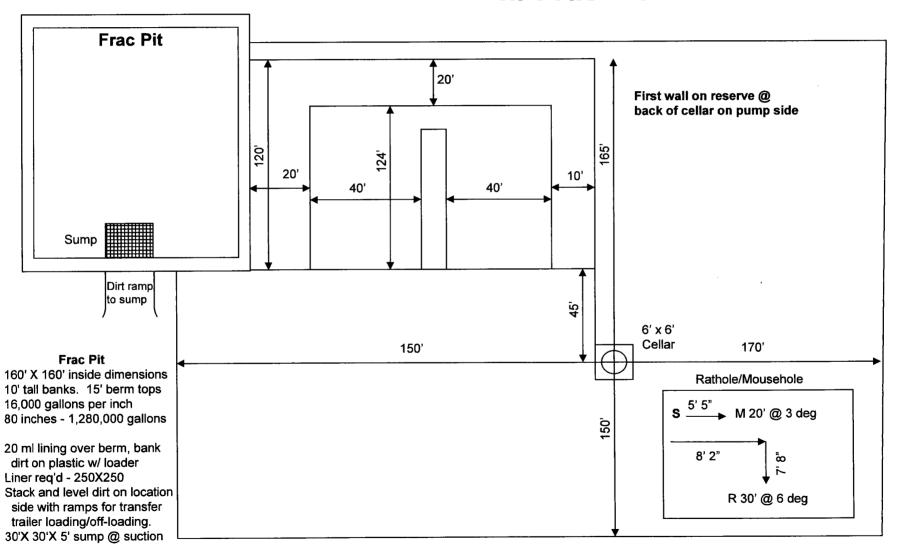
## **TOPOGRAPHIC LAND SURVEYORS**

Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING MIDLAND, TX. 79705 (800) 767-1653



# Patterson Rig 624 Location Layout w/ Frac Pit



David H. Arrington Oil & Gas Inc. Bent Nail 1H SHL - 760' FSL & 370' FEL Penetration Point - 760' FSL & 660' FEL BHL - 760' FSL & 660' FWL S14, T15S, R25E Chaves County, NM

1. Ground elevation above sea level: 3429'

2. Proposed drilling depth: 9038' TMD

3. Estimated tops of geological markers:

Tubb	3250'
Abo Shale	3950'
Abo Reef	4250'
Wolfcamp	4865'

4. Possible mineral bearing formations:

Abo/Wolfcamp

Gas/Oil

5. Casing Program

Hole size	Interval	OD of Casing	<u>Weight</u>	<u>Thread</u>	Grade	TOC
12-1/4"	40' - 1300'	8-5/8"	32#	LTC	J55	Surf
7-7/8"	1300' - 9038'	5-1/2"	17#	LTC	180	Surf

Drill 7-7/8" vertical hole to ~4443' and drill 12.68 BUR curve to 5153'. (Land curve @ 4895' TVD). Drill ahead to a total measured depth of ~ 9038'. Run 5-1/2" production string to TD and cement to surface.

6. Cementing and Setting Depth

String	<u>Depth</u>	<u>Sks</u>		Slurry
8-5/8" Surface	1300'	490	Lead:	Light C (65:35:6) w/ 5 pps gilsonite, 3% salt & 2% CaCl <sub>2</sub> (12.4 / 2.06)
		200	Tail:	Č w/ 2% CaCl₂ (14.8 / 1.34)

If necessary, will run a temperature survey and 1" to surface with C w/ 2% CaCl<sub>2</sub>.

5-1/2" Production 9038' 580 Lead: Interfill C w/ 1/8# pps Poly-E-Flake (11.9 / 2.45)
380 Tail: Howco Acid Soluble Cement w/ 10# silicalite 50/50 blend,
0.5% Halad 344, 0.2% HR-601 & 0.25 pps D-Air 3000
(14.8 / 2.68)

Both casing strings will be cemented to surface.

7. Pressure Control Equipment:

After setting 8-5/8" casing and installing 3000 psi casing head, NU 11" 5000 psi double ram BOP and 3000 psi annular BOP, and test with clear fluid to 3000 psi using 3<sup>rd</sup> party testers.

### 8. Proposed Mud Circulating System

Interval	Mud Wt.	Visc.	FL	Type Mud System
40' - 1300'	8.5 - 8.6	32 – 38	NC	Fresh water gel/lime slurry. Add paper for seepage. If losses occur, utilize 15-25 lb/bbl LCM. If necessary, spot LCM pill for losses. If not regained, dry drill to depth.
1300' - 9038'	8.4 - 9.3	28 -38	NC-12	Fresh water-cut brine. Drill out w/ fresh water using paper and high viscosity sweeps for seepage and hole cleaning. At ~ 3,800' add brine and mud up utilizing starch/PAC system. Add XCD polymer for viscosity and white starch for fluid loss control. Sweep as necessary for hole cleaning.

### Proposed Drilling Plan:

Drill 12-1/4" surface hole to 1300'. Run 8-5/8" and cement to surface.

Drill 7-7/8" vertical hole to  $\sim$ 4443' and drill 12.68 BUR curve to 5153'. (Land curve @ 4895' TVD). Drill ahead to a total measured depth of  $\sim$  9038'. Run 5-1/2" production string to TD and cement to surface.

## Bent Nail 1H Cottonwood Creek Field Chaves County, New Mexico

<u>Surface</u> 760' FSL 370' FEL <u>Lateral Terminus</u>

760' FSL 660' FWL

**Proposed Wellbore** 

KB: 3448' GL: 3429'

S-14 T15S, R25E

Bit Size: 12-1/4" 8-5/8" 32# J55 LTC @ 1300' w/ 490 sx Light C (65:35:6) w/ 5 pps gilsonite, 3% salt & 2% CaCl2 (12.4 / 2.06) and 200 sx C w/ 2% CaCl2 (14.8 / 1.34) Assumed 100% WO gauge hole + 100 sx Lead Tubb @ 3250' Bit Size: 7-7/8" Abo Shale @ 3950' Abo Carb @ 4250' KOP @ 4443' w/ 12.68° BUR 269.95° Az 4337.6' VS EOL @ 9038' EOC @ 5153' Wolfcamp @ 4865' Land @ 4895' TVD

Bit Size: 7-7/8"

5-1/2" 17# 180 LTC @ 9038'

w/ 580 sx Interfill C w/ 1/8# pps Poly-E-Flake (11.9 / 2.45) and 380 sx Howco Acid Soluble Cement w/ 10# silicalite 50/50 blend, 0.5% Halad 344, 0.2% HR-601 & 0.25 pps D-Air 3000 (14.8 / 2.68) Cement Circulated (Assumed 8.75" AHS + 100 sx lead)



Job Number: [

Company: David H. Arrington Oil & Gas

Lease/Well: Bent Nail #1H

**Location: Chaves County** 

Rig Name: B RKB: [

G.L. or M.S.L.: []

State/Country: New Mexico

Declination: [

Grid: [

File name: C:\DOCUME~1\RICKMA~1\MYDOCU~1\PROPOS~1\ARF

Date/Time: 02-Mar-07 / 09:40 **Curve Name: Preliminary Plan** 

#### The Directional Drilling Company

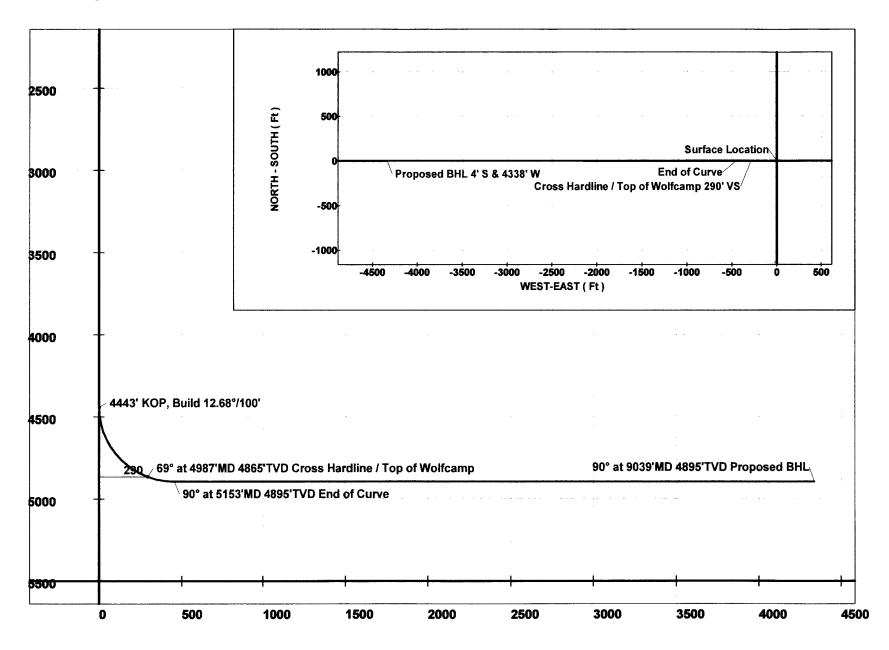
#### WINSERVE PROPOSAL REPORT Minimum Curvature Method Vertical Section Plane 269.95 Vertical Section Referenced to Wellhead Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	inci Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	C L O Distance FT	S U R E Direction Deg	Dogleg Severity Deg/100
KOP, Build	d 12.68°/10	00'							
4443.00	.00	269.95	4443.00	.00	.00	.00	.00	.00	.00
4493.00	6.34	269.95	4492.90	2.76	.00	-2.76	2.76	269.95	12.68
4543.00	12.68	269.95	4542.19	11.02	01	-11.02	11.02	269.95	12.68
4593.00	19.01	269.95	4590.26	24.66	02	-24.66	24.66	269.95	12.68
4643.00	25.35	269.95	4636.54	43.53	04	-43.53	43.53	269.95	12.68
4693.00	31.69	269.95	4680.45	67.39	06	-67.39	67.39	269.95	12.68
4743.00	38.03	269.95	4721.45	95.96	08	-95.96	95.96	269.95	12.68
4793.00	44.37	269.95	4759.06	128.87	11	-128.87	128.87	269.95	12.68
4843.00	50.70	269.95	4792.80	165.74	14	-165.74	165.74	269.95	12.68
4893.00	57.04	269.95	4822.26	206.10	18	-206.10	206.10	269.95	12.68
4943.00	63.38	269.95	4847.09	249.47	22	-249.47	249.47	269.95	12.68
Cross Har	dline / Top	of Wolfcam	р						
4987.39	69.01	269.95	4865.00	290.07	25	-290.07	290.07	269.95	12.68
4993.00	69.72	269.95	4866.98	295.32	26	-295.32	295.32	269.95	12.68
5043.00	76.06	269.95	4881.68	343.08	30	-343.08	343.08	269.95	12.68
5093.00	82.39	269.95	4891.02	392.18	34	-392.18	392.18	269.95	12.68
5143.00	88.73	269.95	4894.89	442.00	39	-442.00	442.00	269.95	12.68
End of Cu	rve								
5153.00	90.00	269.95	4895.00	452.00	39	-452.00	452.00	269.95	12.68
5353.00	90.00	269.95	4895.00	652.00	57	-652.00	652.00	269.95	.00
5553.00	90.00	269.95	4895.00	852.00	74	-852.00	852.00	269.95	.00
5753.00	90.00	269.95	4895.00	1052.00	92	-1052.00	1052.00	269.95	.00

Measured	inci	Drift	True	Vertical			CLO	SURE	Dogleg
Depth	Angle	Direction	Vertical	Section	N-S	E-W	Distance	Direction	Severity
FT	Deg	Deg	Depth	FT	FT	FT	FT	Deg	Deg/100
5953.00	90.00	269.95	4895.00	1252.00	-1.09	-1252.00	1252.00	269.95	.00
6153.00	90.00	269.95	4895.00	1452.00	-1.27	-1452.00	1452.00	269.95	.00
6353.00	90.00	269.95	4895.00	1652.00	-1.44	-1652.00	1652.00	269.95	.00
6553.00	90.00	269.95	4895.00	1852.00	-1.62	-1852.00	1852.00	269.95	.00
6753.00	90.00	269.95	4895.00	2052.00	-1.79	-2052.00	2052.00	269.95	.00
6953.00	90.00	269.95	4895.00	2252.00	-1.97	-2252.00	2252.00	269.95	.00
7153.00	90.00	269.95	4895.00	2452.00	-2.14	-2452.00	2452.00	269.95	.00
7353.00	90.00	269.95	4895.00	2652.00	-2.31	-2652.00	2652.00	269.95	.00
7553.00	90.00	269.95	4895.00	2852.00	-2.49	-2852.00	2852.00	269.95	.00
7753.00	90.00	269.95	4895.00	3052.00	-2.66	-3052.00	3052.00	269.95	.00
7953.00	90.00	269.95	4895.00	3252.00	-2.84	-3252.00	3252.00	269.95	.00
8153.00	90.00	269.95	4895.00	3452.00	-3.01	-3452.00	3452.00	269.95	.00
8353.00	90.00	269.95	4895.00	3652.00	-3.19	-3652.00	3652.00	269.95	.00
8553.00	90.00	269.95	4895.00	3852.00	-3.36	-3852.00	3852.00	269.95	.00
8753.00	90.00	269.95	4895.00	4052.00	-3.54	-4052.00	4052.00	269.95	.00
8953.00	90.00	269.95	4895.00	4252.00	-3.71	-4252.00	4252.00	269.95	.00
Proposed	BHL			JAW . L		· · · · · · · · · · · · · · · · · · ·			
9038.60	90.00	269.95	4895.00	4337.60	-3.79	-4337.60	4337.60	269.95	.00

Company: David H. Arrington Oil & Gas Lease/Well: Bent Nail #1H Location: Chaves County State/Country: New Mexico





VERTICAL SECTION (Ft) @ 269.95°