District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210 District III

Date: 11-14-07

Phone: 432 684-6381/683-6565

State of New Mexico **Energy Minerals and Natural Resources**

Submit to appropriate District Office

Form C-101

May 27, 2004

Oil Conservation Division 1220 South St. Francis Dr.

1000 Rio Brazos Road, Aztec, NM 87410 NOV 19 2007 ☐ AMENDED REPORT District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Permit renewal request OCD-ARTESIA APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE Operator Name and Address: ²OGRID Number: 194266 API Number Rubicon Oil & Gas, LLC, P.O. Box 2064, Midland, TX 79702 30 - 015-Property Code Property Name Well No. Lakewood 33 9 Proposed Pool 1: ¹⁰ Proposed Pool 2 Morrow (Gas) ⁷ Surface Location Township] UL or lot no Section Range Lot Idn Feet from the North/South line Feet from the Fast/West line County 198 26E D 33 660 North West Eddy 660 ⁸ Proposed Bottom Hole Location If Different From Surface UL or lot no Lot Idn Feet from the North/South line Feet from the East/West line Range County Additional Well Information Work Type Code Well Type Code 13 Cable/Rotary ⁴ Lease Type Code 15 Ground Level Elevation **New Well** 3291' R Private Proposed Depth 16 Multiple 20 Spud Date Formation Contractor 9950" Morrow **TBD** 12-10-07 No Depth to Groundwater: 90' Distance from nearest fresh water well: Distance from nearest surface water: none anonrox 900° Liner: Synthetic: X 12 mils thick Clay Pit Volume: 5000 bbls Drilling Method: Closed-Loop System Fresh Water X Brine Diesel Oil-based Gas Air ²¹ Proposed Casing and Cement Program Hole Size Casing Size Casing weight/foot Setting Depth Sacks of Cement Estimated TOC 171/2" 13 3/8" 48# 350° $390 \, sx$ Surface 121/4" 9.5/8" 36# 1600' 700 sx Surface 4 1/2" 8 3/4" 116# 9950° $1850 \, sx$ 1400' 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. Mud Program: 0-350', MW 8.4-9 PPG FW native spud mud. 350-7500', MW 8.4-8.6 PPG FW, 7500-9800' MW 8.8-9.4 Cut Brine, KCD Polymer. BOPE: Diagram attached for 3000 psi hydraulic BOP. H2S: no H2S seen in immediate area. Will have minimum compliance package set up prior to drilling out of 5/8" casing. NOTIFY OCD OF SPUD & TIME TO WITNESS **CEMENTING OF SURFACE &** INTERMEDIATE CASING ²³ I hereby certify that the information given above is true and complete to the best OIL (of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines X, a general permit , or an Approved by: (attached) alternative OCD-approved plan . RRYAN G. ARRANT DISTRICT II GEOLOGIST Printed name: Ann E. Ritchie Expiration Date: BFC 0 4 2008 Title: Regulatory Agent Approval Date: E-mail Address: ann.ritchie@wtor.net

Conditions of Approval Attached

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR.

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

1301 W. GRAND AVENUE, ARTESIA, NM 88210 Santa Fe, New Mexico 87505

☐ AMENDED REPORT

DISTRICT IV 1220 S. St. Francis dr., Santa fe, nm 87505	WELL LOCATION AND	ACREAGE DEDICATION PLAT	□ AMENDED REPORT	
API Number	Pool Code	Pool Name		
30-015-35944	96070	Wild Cat ; Morrow ((Gas)	
Property Code	Prop	erty Name	Well Number	
36863	LAK	EWOOD <i>33</i>	28 -1	
OGRID No.	Oper	ator Name	Elevation	
194266	RUBICON OII	L AND GAS, LLC	3291'	

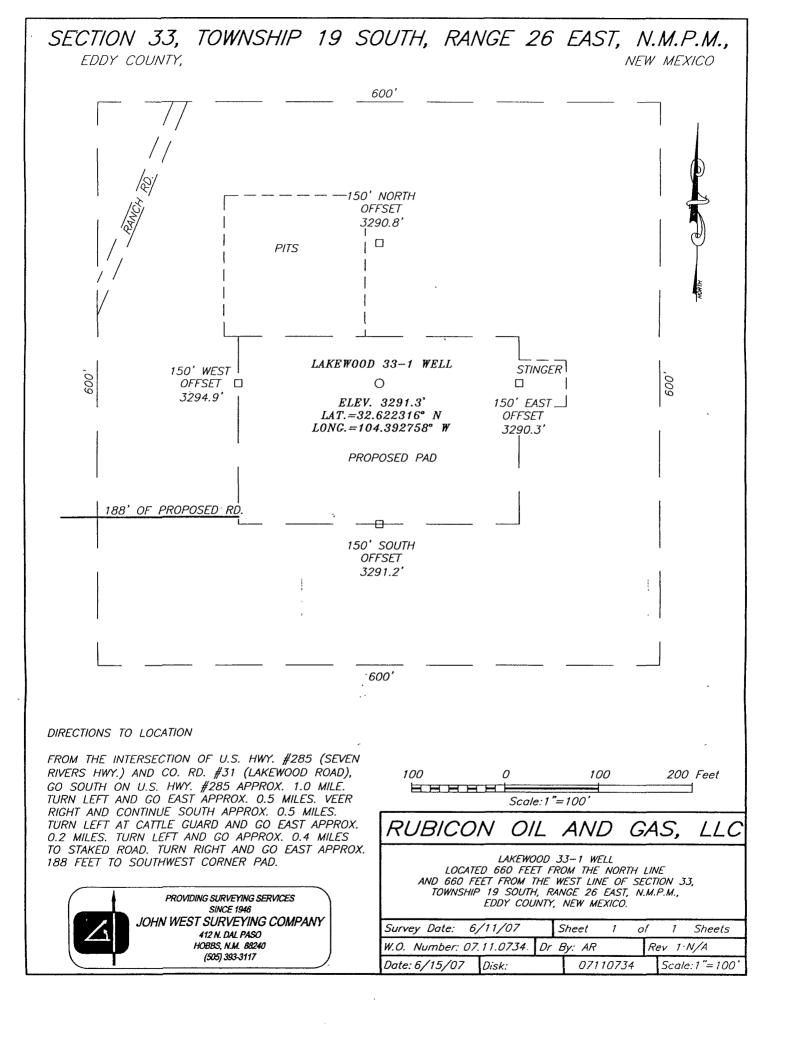
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	33	19-S	26-E		660	NORTH	660	WEST	EDDY

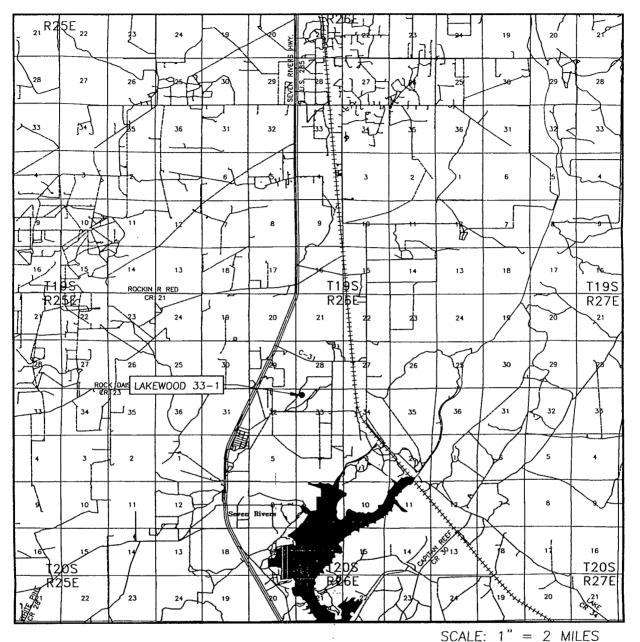
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint o	r Infill Co	onsolidation (Code Or	der No.				

NO ALLOWAE	BLE WILL BE ASSIGNED TO THIS COMPL OR A NON-STANDARD UNIT HAS		
			OPERATOR CERTIFICATION
) 			I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest
660'0		1	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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
+			Sax 10x 11/8/2007
			Signature Dale HAL LEE AGENT Printed Name
			SURVEYOR CERTIFICATION
- <i></i>			I hereby certify that the well location
	GEODETIC COORDINATES NAD 27 NME		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.
44 p	Y=590115 2 N X=481704.2 E		and and correct to the best of my benef.
	LAT.=32.622316° N LONG.=104.392758° W		Date Surveyed AR
		_	Signature & Seal of Professional Surveyor
			h mold o war 36 26/07
			Certificate No. 12641 RONALD J. EIDSON 3239



VICINITY MAP



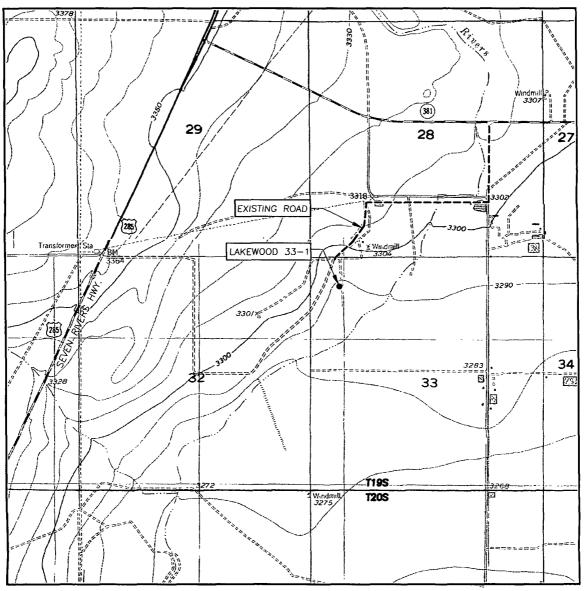
SEC. 33 TWP. 19-S RGE. 26-E SURVEY N.M.P.M. COUNTY EDDY STATE NEW MEXICO DESCRIPTION 660' FNL & 660' FWL ELEVATION 3291' OPERATOR RUBICON OIL AND GAS, LLC LEASE LAKEWOOD



PROVIDING SURVEYING SERVICES SINCE 1946 JOHN WEST SURVEYING COMPANY 412 N. DAL PASO HOBBS, N.M. 88240 (505) 393-3117



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: SEVEN RIVERS, N.M. - 10'

SEC. 33 TWP. 19-S RGE. 26-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 660' FNL & 660' FWL

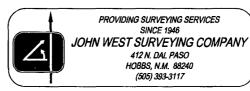
ELEVATION 3291'

OPERATOR RUBICON OIL AND GAS, LLC

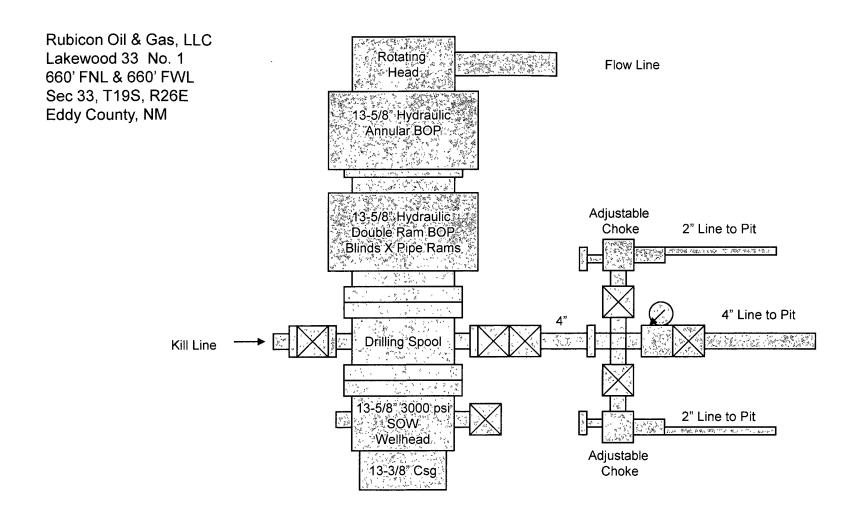
LEASE LAKEWOOD

U.S.G.S. TOPOGRAPHIC MAP

SEVEN RIVERS, N.M.







3000 psi Working Pressure BOPE Configuration And Choke Manifold

Exhibit "___"

Rubicon Oil & Gas, LLC Lakewood Prospect

KB: XXXX' GL: 3291'

TD'd: NA

Spud: 12/10/2007

Lakewood 33-1
Eddy County, New Mexico
Proposed Wellbore
30-015-XXXX

660' FNL & 660' FWL Sec. 33, T19S, R26E, UL D Eddy County, NM

Bit Size: 17-1/2" 8.4 MW, 32+ Vis, Spud Mud 13-3/8" 48.0# H-40@ 350' w/~390sx. C 2% CC Cmt circ to surface San Andres ~1100' Bit Size: 12-1/4" 8.4 MW, Sweeps as needed - TOC ~1,400' 9-5/8" 36# J55 @ 1600' CMT w/~500 sks. C Lite, 200 sks C Neat. Cmt circ to surface Yeso ~2900' Wolfcamp ~6900' Bit Size: 8-3/4" If 8-3/4" have contingent 7" casing. 1400'-7,500 8.4-8.6 MW FW & sweeps DV @ ~6000' 7,500'-9,800 8.8-9.2 MW cutbrine XCD & Starch Strawn ~ 8,400' Atoka ~ 9,100' Morrwo ~9,250' 4-1/2" 11.60# HCP-110 LTC 9,950' w/ Davis Lynch 778 MC Morrow Clastics ~9550' stage tool @ 6000'. TD Miss ~ 9800' 1) Cement 9950' to 6000' 300 sks Lite premium w/ .6% Halad R9 5# salt, 1/8# polyflake + 488 sks Super H w/ 5% Halad R344, .4\% CFR-3, 5# gilsonite, 3# salt, .2% HR 5. 2) Cement 6,000' to 1,200' 928 sks Premium plus lite w/ 5# salt, 6% Halad 9, 1/8# polyflake + 100 sks Premium plus neat. PBTD (FC): ~9,910' TD: ~9,950'